

2021/22 DRAFT ANNUAL REPORT



PRINCE ALBERT MUNICIPALITY

DECEMBER 2022

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CHAPTER 1:

Mayor's Foreword and Executive Summary

COMPONENT A: MAYOR'S FOREWORD

As Executive Mayor of the Jewel of the Karoo, it is my pleasure and privilege to present our Annual Report for the 2021/22 financial year.

The Annual Report gives the opportunity to reflect on what have been achieved in terms of the Municipality's Integrated Development Plan objectives and what contributions have been made in achieving the strategic priorities of the Western Cape Provincial Strategic Plan (VIP): 2019 – 2024 as well as the National Development Plan 2030. Each of our goals, objectives and key performance indicators are aligned to these plans to ensure that the Municipality contributes to the achievement of Provincial and National goals. The Municipality did well in the achievement of its objectives for the reporting year and although we were not able to fully achieve all our objectives, we continuously monitor our performance and where necessary, implement corrective measures.

The reporting year, however will be remembered for the Covid-19 pandemic. As with the all-other sectors, Covid-19 had a debilitating impact on our municipality. Even during these difficult times, we managed to implement almost all 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.

The year brought about significant change and challenges associated with change which had to be dealt with. Municipal elections took place on 1 November 2021, and the Council was tasked with implementing the final review of the Integrated Development Plan and Budget that was approved by the outgoing Municipal Council, whilst simultaneously drafting a new five-year Integrated Development Plan and review the Spatial Development Framework for the new Councils term of office, which was approved on 20 May 2022.

Our community played a key role in the above process by participating in the public participation structures and platforms that we have such as ward committees, IDP meetings quarterly feedback meetings and budget imbizo's. Your contributions enabled us to confirm where our key challenges lie and craft a plan to address these challenges. Our key challenge is the prevailing socio-economic climate, and we encourage you to continue to participate and help us work towards solutions.

Despite a small proportionate budget for a Municipality of our size, we are leaders in terms of service delivery. We have done extremely well in providing basic services and all households in the Municipality's area of jurisdiction have access to basic services despite very limited funding. We have also focussed on improving our infrastructure to ensure sustainable service delivery.

Notwithstanding the challenges presented by the prevalence of the COVID-19 pandemic and the subsequent national lockdown, the following projects could inter alia be implemented (it must be noted that some are completed while others are multi-year projects); namely:

- Klaartsroom sidewalks
- Prince Albert side walks
- Upgrading of Roads in Leeu-Gamka
- Upgrading of roads in Klaarstroom

In respect of job creation, 179 job opportunities were created through the Municipality's registered Expanded Public Works Programme (EPWP). Council has also contributed R800 000.00 from its own funding towards EPWP and job creation, as well as own capital projects, which also created additional working opportunities.

I would like to thank the Acting Municipal Manager, Aldrick Hendricks and his Management team who have embraced the notion of service excellence. I would also like to express my appreciation to the Chairpersons of the Portfolio Committees for working tirelessly to deliver on our mandate in the respective Municipal departments. Accordingly, I would like to thank the DA caucus as well as the entire Council for their continued support in delivering quality basic services to our residents. Finally, I must thank the Council for their ongoing support and the leading role they play in ensuring that Council fulfils its important oversight function.

EXECUTIVE MAYOR

LINDA JAQUET

Component B: Executive Summary

1.1 Municipal Manager's Overview

Prince Albert Municipality, the jewel of the Karoo is a Grade 1 municipality, committed to fulfilling its constitutionally mandated functions and powers. This is all done with limited financial and human resources amongst an ever-growing community need and within a severely constricted macro-economic environment. Be that as it may, the view is held that the Municipality is faring well regarding the delivery of quality and affordable services in a caring manner and by observing the principles of good governance. It should also be acknowledged that even with the local government elections that were held within the year under review, and a complete change in political power within council, service delivery was not negatively affected and the transition was smooth, though challenging. In recognition of the fact that we are the sphere of government at the coal face of service delivery, but only responsible for the provision of certain services, the Municipality has embarked on a journey of vigorous engagement with sector departments in a bid to enhance and support other sectors to deliver on their mandate to the beneficiation of our community. The Department of Local Government and Provincial Treasury need to be commended for their continued support and cooperation in giving effect to their Constitutional mandate to supporting this Municipality.

The Municipality received an unqualified, with no matters, audit opinion for the 2021/22 financial year, our third in the last five years. Following the 2020/21 audit, an audit action plan was developed to implement recommendations on the audit by the Auditor General. These findings and recommendations assisted the Municipality to strengthen controls and enhance future audit processes. It should however be noted that even if the audit scope remains the same, the specific focus thereof changes year on year so it becomes challenging to maintain the clean audit status.

In terms of Senior Management changes, I started as acting Municipal Manager on 2 November 2021 and is still acting. We managed to appoint a Chief Financial Officer as from 3 May 2022, the Directors: Technical Services and Corporate & Community Services are still vacant. This in itself is challenging, especially in a small municipality like Prince Albert.

Several policies have been developed and approved by Council with an intention of improving access to services and to grow the economy. While these policies are in place, the ravaging economic challenges impacted negatively on many of the Municipality's priorities. Some of the challenges experienced included the negative impact that the trends on job losses and shrinking economy had on the payment of services by the residents and thus impacting on revenue collection. This further emphasises the fact that growing the economy should be a key focus for all of

government and its stakeholders to ensure self-sustenance of our residence. The Municipality's administration remains committed to playing its part in growing the economy.

In conclusion, I would like to extend our warmest appreciation to our Community, our Councillors, Ward Committees, as well as my management colleagues and their respective staff for their support during this reporting year. The future of this Municipality requires the collective effort of all its stakeholders and my wish is that we all strive towards achieving this collectivism; council, administration and community.

Please take time to browse through this report and your comment thereon is appreciated.

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 2021/22 Annual Report reflects on the performance of the Prince Albert Municipality for the period 1 July 2021 to 30 June 2022.

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 2021 Socio-Economic Profile, Prince Albert Local Municipality has a total population of 14 671 people, of which 84,5% are coloured, 11,8% are white, with the other population groups making up the remaining 3,7%. A growth rate of 2.23% is estimated with a population density of 2 person per 2km².

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

a) Total Population

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

2017*	2018*	2019*	2020*	2021*	% growth
13 394	13 700	14 013	14 333	14 671	2.23%

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

**These figures are estimates based on the 2011 census and 2.23% annual growth rate*

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	3 683	8 410	839	56.2
2018	3 792	9 323	1 076	51.1
2023	3 832	1 0240	1 281	48.4

Table 2: Population profile (SEP report: 2021)

1.3.2 Households

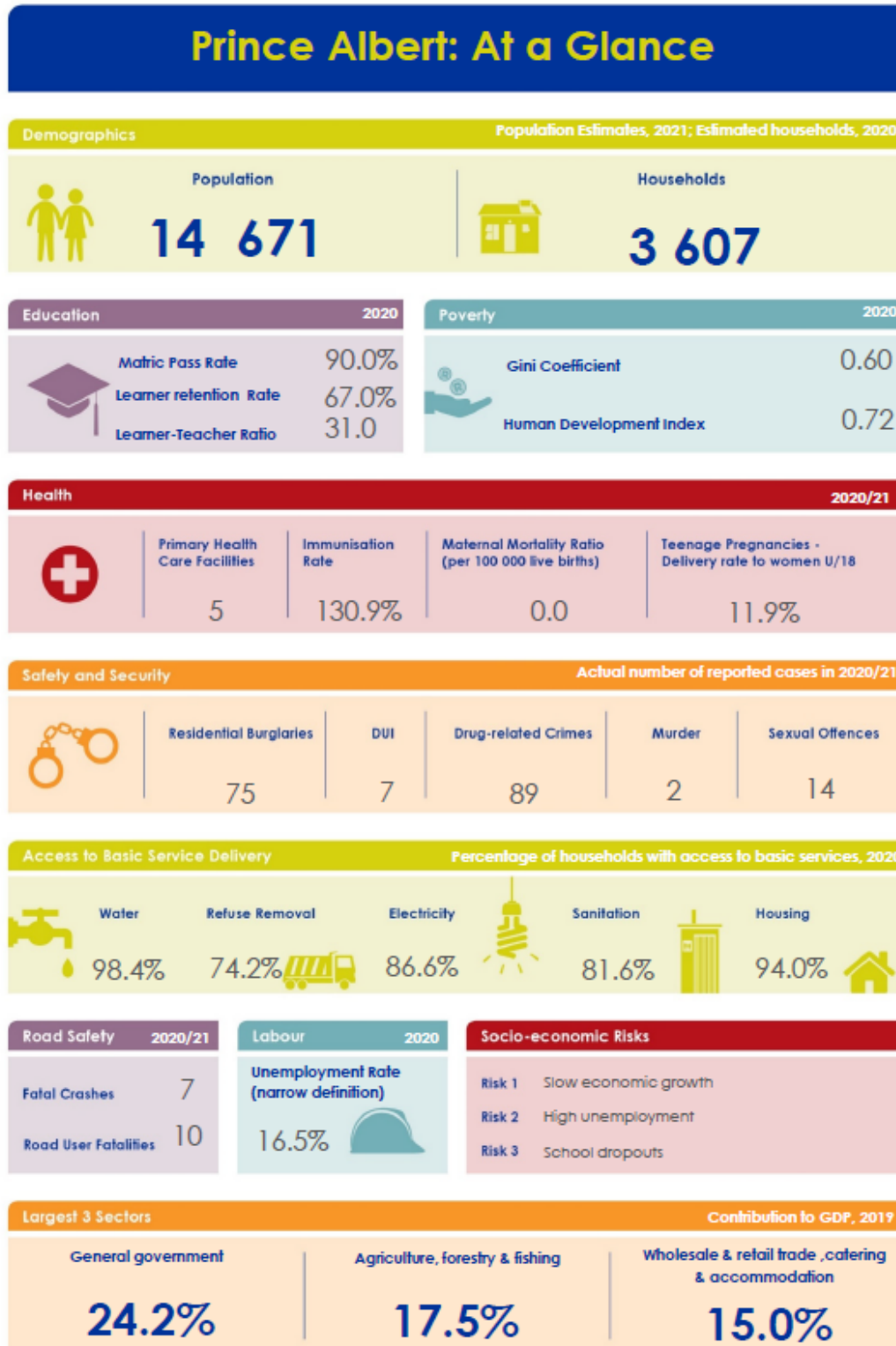
The following table reflects the number of households in the municipal area as well as the indigent households per financial year.

Households	2018/19	2019/2020	2020/21	2021/22
Number of households in municipal area	2 554	2 809	2 810	2 813
Number of indigent households in municipal area	1 060	1 210	1 166	1 208

Table 2: Population profile (SEP report: 2021)

1.3.3 Socio Economic Status

The following table reflects key socio-economic statistics of the area as per 2021 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
Drought relief measures implemented	New boreholes drilled, new borehole equipped installed
Installation of speed calming devices	Erecting additional speed calming devices in wards
Improved efficiency on refuse removal	New truck for cleaning of transfer stations, refuse collection done twice a week
New sewer suction truck	13 000 Liter sewer truck has been procured to curb maintenance on old trucks and improve service delivery in the section
New traffic vehicle	To improve traffic visibility and ensure road safety
Hand-held device and speed traffic camera	This is to ensure minimum errors are written on section 56 & 341 notices and that road users adhere to speed limits
Increased water capacity of Klaarstroom reservoirs and sanitation facilities in the informal settlements	200KL reservoir was built and the informal settlements toilets were upgraded

Table 3: Basic Services Delivery Highlights

1.4.2 Basic services delivery challenges

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

Ward	Challenge	Actions to address
	Ageing municipal Fleet: Continuous breakdowns of operational vehicles needed for day-to-day basic service delivery	A fleet management replacement model was adopted by Council as a guideline to plan for the systematic replacement of ageing fleet. Provision has been made in the 2021/2022 financial year to procure three operational vehicles.

Ward	Challenge	Actions to address
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 operational 2021/2022 Budget to commence with the rehabilitation of the Landfill Site. Rehabilitation work will focus to create air space for a further five years.

Ward	Challenge	Actions to address
All	Lack of cash backed provision for rehabilitation of landfill site	Make cash backed budgetary provision for rehabilitation of all landfill sites
All	Waste Management: Management and Maintenance and Waste Transfer Stations in Prince Albert and Leeu Gamka.	The possibility was explored to appoint local upcoming entrepreneurs to assist the municipality with the continuous maintenance of Waste Transfer Stations. The concept yielded no success due to the affordability. The focus of the municipality and community should shift towards recycling. An action plan to institutionalise recycling will be developed and promoted. Community and private sector buy in is crucial for any recycling initiative to succeed. Law enforcement actions on littering and related by-laws will be intensified.
All	Sewerage Network Reticulation / Frequent Sewage Blockages as a result of network capacity and vandalism. Discharge of foreign objects in sewerage system	Education of Community to limit acts of vandalism. Improve sewerage operational equipment.
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 4: 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	2017/18 (%)	2018/19 (%)	2019/20 (%)	2020/21 (%)	2021/22 (%)
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 5: 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 capital projects and co-funding of MIG 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
Five permanent positions have been filled in the Financial Department	The positions are as follows: Manager Expenditure and Budget; Manager Income; 2x SCM clerks & 1x Income clerk.
Position of CFO was filled as of 2 May 2022	Mr PW Erasmus has been appointed as CFO effective 2 May 2022, providing the much needed senior management role in the Finance department which was lacking for the past two financial years.

Table 6: 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
Debt collection – especially in Eskom areas;	This remains a challenge, as no measures have been implemented to improve debt collection in the ESKOM areas
Increase in bad debt provision due to increase in outstanding water debtors	Stringent compliance of debt collection policy and measures
Tariffs not sustainable and not covering cost	Review of tariff structure was done internally. Cost of supply study will be done in future to

Challenge	Action to address
	determine the real cost of each service and determine the tariffs accordingly.
Failure to generate projected Revenue Budget on Traffic Fines	The position of Senior Traffic officer was vacant since April 2022 and will be filled in the new financial year.
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 7: Financial Viability Challenges

1.5.4 Financial Overview

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

Details	Original budget	Adjustment Budget	Actual
	R'000		
Income			
Grants	33 002	31 124	30 741
Taxes, Levies and tariffs	36 927	33 333	34 933
Other	7 921	6 021	16 759
Sub Total	77 849	70 478	82 432
Less Expenditure	79 366	80 537	81 608
Net surplus/(deficit)	(1 517)	(10 059)	824

Table 8: 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 MIG spending was in line with the projected expenditure, which is a first for Prince Albert Municipality. 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 2020/21 financial year and could not be implemented as a result the municipality applied for the roll-over of these funds/projects to the 2021/2022 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	2017/18	2018/19	2019/20	2020/21	2021/22
	R'000				
Original Budget	8 528	15 700	22 131	12 778	10 292
Adjustment Budget	17 383	19 543	33 034	28 221	19 836
Actual	10 841	12 192	13 063	21 851	13 155
% Spent	62%	62%	40%	77%	66%

Table 9: 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	Chief Financial Officer, Manager Income & Manager Expenditure was appointed to strengthen the capacity
Workplace Skills Plan submitted	Submitted within timeframe
HR policies reviewed	Several HR policies reviewed
Organisational review	Organisational review undertaken
Vacancy rate	Vacancy rate at 24.76 % hampering service delivery.

Highlights	Description
Setting of service level standards	Establishing a culture of meeting service level standards according to Charter

Table 10: 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	24.76% vacancy rate in organisation – no funding to fill vacancies
Limited skills base	Skills funding limited
Challenges attracting and retaining staff	Remuneration packages to low and geographical location hampering attraction and retention of staff
Performance management	Capacity constraints hampering implementing performance management to lowest level

Table 11: 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	2018/19	2019/20	2020/21	2021/22
Opinion received	Unqualified without matters - clean audit	Unqualified without matters - clean audit	Unqualified with matters	Unqualified without matters - clean audit

Table 12: 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 2021/22 financial year. The capital expenditure target of 90% could not be reached due to supply chain processes as well as internal capacity challenges. 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
	2017/18	2018/19	2019/20	2020/21	2021/22
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	74.7%	62.3%	40.2%	77.2%	68.3%

Table 13: 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 2021/22 financial year:

Highlight	Description
Ward committees was established for new term of office	Ward committees is functional
Ward committee training	Ward committees training was rolled out
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 & Prince Albert Tourism Association
Community Safety Forum	The municipality through a comprehensive, transparent, participatory and inclusive process managed to successfully established a Community Safety Forum for Prince Albert. A series of workshops were held to do a Policing Priority Needs Analysis which formed the basis for the drafting of a Community Safety Plan. The Central Karoo District Municipality also participated in the process and assisted the municipality with funding towards the implementation of its Community Safety Plan. Community Safety Ward Forums were also established in Leeu Gamka and in Klaarstroom.

Table 14: 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 2021/22 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 15: Good Governance and Public Participation Performance Challenges

Council

The local Government elections took place on 1 November 2021 and the composition of Council on 30 June 2022 was as follows:

Name of councillor	Capacity	Political Party	Ward representing or proportional (PR)
Cllr M Jaftha	Mayor	KGP	Ward Councillor: ward 4
Cllr S Botes	Speaker	DA	PR Councillor
Cllr L Jaquet	Deputy Mayor	DA	Ward Councillor: Ward 2
Cllr S Koonthea	Councillor	DA	Ward Councillor: Ward 3
Cllr KH Baadjies	Councillor	KGP	Ward Councillor: Ward 1
Cllr E Maans	Councillor	ANC	PR Councillor
Cllr S Koonthea	Councillor	PA	PR Councillor

Table 16: Council per political affiliation

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

Meeting dates	Type of Council meeting	Council Meetings Attendance	Apologies for non-attendance
13 July 2021	Special	100%	0%
19 August 2021	Special	100%	0%
25 August 2021	Special	100%	0%
8 September 2021	Special	100%	0%
29 September 2021	General	100%	0%
18 October 2021	Special	100%	0%
25 October 2021	Special	100%	0%
27 October 2021	Special	100%	0%
27 November 2021	Special	100%	0%
13 December 2021	Special	100%	0%
25 January 2022	General	100%	0%
28 February 2022	Special	100%	0%
10 March 2022	General	100%	0%
12 April 2022	Special	100%	0%
22 April 2022	Special	100%	0%
03 May 2022	Special	57%	43%
20 May 2022	Special	57%	43%
7 June 2022	Special	100%	0%
21 June 2022	Special	100%	0%

Table 16 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: 1 July – 31 October 2021	
Cllr M Jaftha	Chairperson 27 November 2021 – 30 June 2022	
Cllr S Botes	Member	12/08/2021
S Konthea	Member	09/02/2022
Cllr L K Jaquet	Member	23/05/2022
Cllr E Maans	Member	
Cllr S Piedt	Member 1 July – 31 October 2021	
Cllr A Mackay	Member	

Table 17: 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 Jaftha and deals with Human Resources and institutional development.

Name of member	Capacity	Meeting dates
Cllr M D Jafftha	Chairperson 1 July – 31 October 2021	12/08/2021 08/02/2022 23/05/2022
Cllr G Lottering	Member 1 July – 31 October 2021	
Cllr S Botes	Member	
Cllr S Koonthea	Member	
Cllr L K Jaquet	Chairperson – 30 June 2022	
Cllr E Maans	Member	
Cllr S Piedt	Member 1 July – 31 October 2021	
Cllr K Baadjies	Member	
Cllr A Mackay	Member	

Table 18: Personnel and Transformation Committee

iii) Technical Services Committee

All councillors in Prince Albert Council form part of the respective Portfolio Committees. The Technical Service Committee is under the chairmanship of Cllr S Koonthea 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 Technical services committee meetings.

Name of member	Capacity	Meeting dates
Cllr G Lottering	Chairperson 1 July 2022 – 31 October 2022	13/08/2022 09/02/2022 23/05/2022
Cllr S Koonthea	Chairperson - 30 June 2022	
Cllr M D Jaffha	Member	
Cllr S Botes	Member	
Cllr E Maans	Member	
Cllr S Piedt	Member 1 July – 31 October 2021	
Cllr L Jaquet	Member	
Cllr K Baadjies	Member	
Cllr A Mackay	Member	

Table 19: Technical 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: 1 July – 31 October 2022	12/08/2020 09/10/2020 02/02/2021 10/03/2021
Cllr L Jaquet	Chairperson – 30 June 2022	
S Konthea	Member	
Cllr M Jafftha	Member	
Cllr G Lottering	Member 1 July – 31 October 2021	
Cllr E Maans	Member	
Cllr S Piedt	Member 1 July – 31 October 2021	
Cllr S Botes	Member	
Cllr K Baadjies	Member	
Cllr A Mackay	Member	

Table 20: 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/ He is assisted by her/his 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 (resigned 31 October 2022)	Municipal Manager	Yes
Aldrick Hendricks (acting capacity since 2 November 2021 – 30 June 2022)	Municipal Manager	Yes
PW Erasmus (appointed 3 May 2022)	Chief Financial Officer	Yes

Table 21: 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:

Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators
SMS messaging	Continuous	Not applicable	One
Bulk e-mail distribution	Continuous	Not applicable	Two
CWP Referencing Committee	Once every two months	All	Two
Stakeholder Engagement	Twice a year	Four	One
Ward committee summit	Once a year	Four	Two
IDP meetings	Twice a year	All	Four
Indigent registration	May/June 2021/22	All	Two
Water restrictions	Continuous	All	Three
Thusong Outreach	Once 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	one	One
Kweekvallei Water Association meetings	Once a month	One	One
Small Farmer engagements	Twice a year	One	Two

Table 22: Public communication platforms

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 / Cllr K Baadjies	Ward councillor	16 August 2021 ward committee meetings Door to Door in September 2021 11 October 2021 ward feedback meeting December Door to Door meetings 15 March 2022 ward committee meeting Door to door meetings in April 2022 Block meetings in May 2022
R Klink	Block representative	
J Jansen	Block representative	
H Darries	Block representative	
D Steenkamp	Block representative	
M Luttig	Block representative	
B Simpson	Block representative	
A America	Block representative	
C Windvogel	Block representative	
B Lendoor	Block representative	
B Rossouw	Block representative	

Table 23: 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 2021 door to door outreach 20 September 2021 block meetings 11 October 2021 ward committee meetings February 2022 door to door outreaches March January 2022 ward committee meetings April door to door outreaches May block meetings
Z Koorts	Block representative	
J Olivier	Farm representative	
J du Toit	Block representative	
A Bryce	Business representative	
G van Hasselt	CPF	
C Botes	Block representative	
R Fister	Block representative	
Di Steyn	Water	
Two vacancies		

Table 24: Ward 2 Committee Meetings

c) **Ward 3: Prince Albert**

Name of representative	Capacity representing	Dates of meetings
Cllr G Lottering/ Cllr S Koonthea	Ward Councillor	Ward committee August 2021 Block meetings 20 September 2021 Ward Committee 1 October 2021 Report Back meeting 11 October 2021 February to March Door to door visits Block meetings 13 May 2022
M van der Host	Block representative	
C Jacobs	Block representative	
P Uys	Block representative	
J Kirchner	Block representative	
P Boksman	Block representative	
M van der Ross	Block representative	
D Delpport	Block representative	
L Botha	Block representative	
Vacancy	Block representative	

Table 25: Ward 3 Committee Meetings

d) **Ward 4: Prince Albert, Rondonkrik and West End**

Name of Representative	Capacity Representing	Dates of meetings
Cllr M D Jaftha	Ward Councillor	15 July 2021 Door to Door 15 August 2021 Door to Door Block meetings 17 September 2021 Ward committee meeting 16 October 2021 February to March Door to door meetings Block meeting in April 2022 Door to Door in June 2022
H Pieterse	Block representative	
K Koonthea	Block representative	
G Abrahams	Block representative	
J Pietersen	Block representative	
Y van Wyk	Block representative	
J du Toit	Block representative	
J Pieterse	Block representative	
3 vacancies	Block representative	

Table 26: 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.

Prince Albert Municipality is one of the few municipalities which elected its ward committee members after the Local Government Elections in November 2021. All four ward committees are functional. The first inductions session with the ward committees was held in February 2022.

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.

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 27: Functioning of Ward Committees

2.6.4 Representative Forums

a) Labour Forum

The table below specifies the members of the Labour Forum for the 2021/22 financial year:

Name of representative	Capacity	Meeting dates
Cllr S Botes	Chairperson	29/08/2021 5/11/2021 16/03/2022 23/06/2022
J Windvogel	IMATU	
M D Jafftha	Councillor	
Al Hendricks	Employer	
G van der Westhuizen	Employer	

Table 28: 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/ A Hendricks	Chairperson	Municipal Manager
2. A Badenhorst	Member	Internal Audit
3. A Dippenaar	Member	Audit Committee member
4. G van der Westhuizen	Member	Corporate and Community Services

Table 29: 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. The AO 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 2021/22 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.
- Prince Albert Landfill site air space
- 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
- 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 30: Strategies

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

Name of representative	Capacity	Meeting dates
A Dippenaar	Chairperson	30 August 2021 26 October 2021 29 October 2021 10 March 2022 23 June 2022
S Ngwevu	Member	
N van Wyk	Member	
A Badenhorst	Internal Auditor	

Table 31: 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 2021/22 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 32: 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 33: Internal Audits

2.10 By-Laws and Policies

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

Policies developed/ revised	Date adopted	Public Participation Conducted Prior to adoption of policy Yes/No
Order rules for Council	21 May 2021	No – internally via LLF
EPWP policy	21 May 2021	No – internally via LLF
Credit control policy	May 202	No – internally via LLF
Budget Policy	May 2022	Yes
Credit Control policy	May 2022	Yes
Asset Management policy	May 2022	Yes
Tariff Policy	May 2022	Yes
Rates Policy	May 2022	Yes
Indigent Policy	May 2022	Yes
Capital Contribution Policy	May 2022	Yes
Borrowings Policy	May 2022	Yes
B and I Policy	May 2022	Yes
Consultants Policy	May 2022	Yes
Relief and charity fund policy	May 2022	Yes

Table 34: 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. Bulk sms, email and social media allows the municipality to inform the community on service delivery issues but also reminds them to participate in planning and public meetings.

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

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

Communication activities	Yes/No
Communication unit	No
Communication strategy	Yes
Communication Policy	Yes
Customer satisfaction surveys	No

Communication activities	Yes/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	No
Pamphlets	Yes
Thusong Outreaches	Yes
Facebook	Yes

Table 35: Communication platforms

2.13 Website

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

Documents published on the Municipal website	Published (Yes/No)
Current annual and adjustments budgets and all budget-related documents, including SDBIP	Yes
Tariff policy	Yes
Credit control policy	Yes
Valuation policy	Yes
Rates policy	Yes
SCM policy	Yes
Annual report for 2020/21	Yes
All service delivery agreements for 2021/22	No
All supply chain management contracts above the prescribed value for 2021/22	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 2021/22	Yes

Table 36: 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
Donovan Plaatjies	100%
A America	100%
D Sarelse	100%
M April (alternative member)	

Table 37: Attendance of members of bid specification committee

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

Member	Percentage attendance
Donovan Plaatjies	100%
Christa Baadjies	100%

Table 38: Attendance of members of bid evaluation committee

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

Member	Percentage attendance
Mr PW Erasmus	100%
Mr G van der Westhuizen	100%
Mr C Jaffa	100%
Mr D Willemse	100%

Table 39: 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
146/2020	Appointing of Consulting Engineers for various municipal infrastructure and building projects	SMEC : Transport	R4 445 095.00
		SMEC: Water	R 4 45 095.00
		Urban Engineering Pty Ltd: Structural	R 4 045 930.00
		Niel Lynders and Associates: Electrical	R4 310 246.00

Bid number	Title of bid	Successful Bidder	Value of bid awarded
		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
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
142/2022	Supply and delivery of server equipment biometric security system, software and licences	Uber Technologies	R1 159 666.90
143/2022	Provision of ICT Maintenance Support Services for the Contract of Three (3) Years	Uber Technologies	R 1 876 022.43

Table 40: 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 were received by the appealing authority for the reporting period

c) Unsolicited bids

No unsolicited bids were received or advertised by the municipality for the reporting year

2.14.2 Deviation from Normal Procurement Processes

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

Type of deviation	Number of deviations	Value of deviations	Percentage of total deviations value
Sole suppliers	0	-	0%
Emergency	1	R 39 560.00	14.5%
Impractical	7	R 233 175.79	85.5%
Total	8	R 272 735.79	100%

Table 41: Summary of deviations

2.14.3 Logistics Management

As at 30 June 2022, the value of stock at the municipal stores amounted to R546 554.

The system of disposal management must ensure the following:

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

- Where assets are traded in for other assets, the highest possible trade-in price is negotiated; and
- In the case of the free disposal of computer equipment, the provincial department of education is first approached to indicate within 30 days whether any of the local schools are interested in the equipment.

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

CHAPTER 3

Service Delivery Performance

Introduction

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

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

Component A: Basic Services

Introduction to Basic Services

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

3.1 Water Provision

Introduction to Water Provision

Prince Albert Municipality is the water service provider for the towns of Klaarstroom, Prince Albert, Prince Albert Road and Leeu Gamka. Prince Albert's bulk water supply is provided from nine boreholes with varying supply levels. These boreholes draw water from the Table Mountain, Bokkeveld and Witteberg Group aquifers. The boreholes are in a good condition and frequent maintenance is carried out. The total licensed abstraction for these boreholes is 0.229 million m³/a.

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 Eccca 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 m³/annum and supplies water irrigation through a furrow network to South End in Prince Albert. The

Municipal water allocation is 17 hours of scheduled irrigation water per week, in Prince Albert town. The water is purified at the Prince Albert Water Treatment Works. The water supply system had insufficient capacity to supply the future water requirements for future developments. Water constraints within Prince Albert are a significant and pressing issue, particularly during the drier months of the year where water flow from the Dorps River is very low and therefore the Municipality embarked on a focused demand management initiative from November 2017 and reduced water use per consumer to 90 liters per person per day which are still applicable. 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 300m³ per day, thus augmenting the other two boreholes in Leeu Gamka. Three additional boreholes were sunk, two was equipped and connected to the main water network. A reverse osmosis plant to purify the water in Leeu Gamka to ensure that it is potable was established and resulted in significant improvement in the water quality of Leeu Gamka. In Klaarstroom three additional boreholes were constructed and completed to augment the two current boreholes in. One of the boreholes is being utilised for sport field irrigation.

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

During 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.

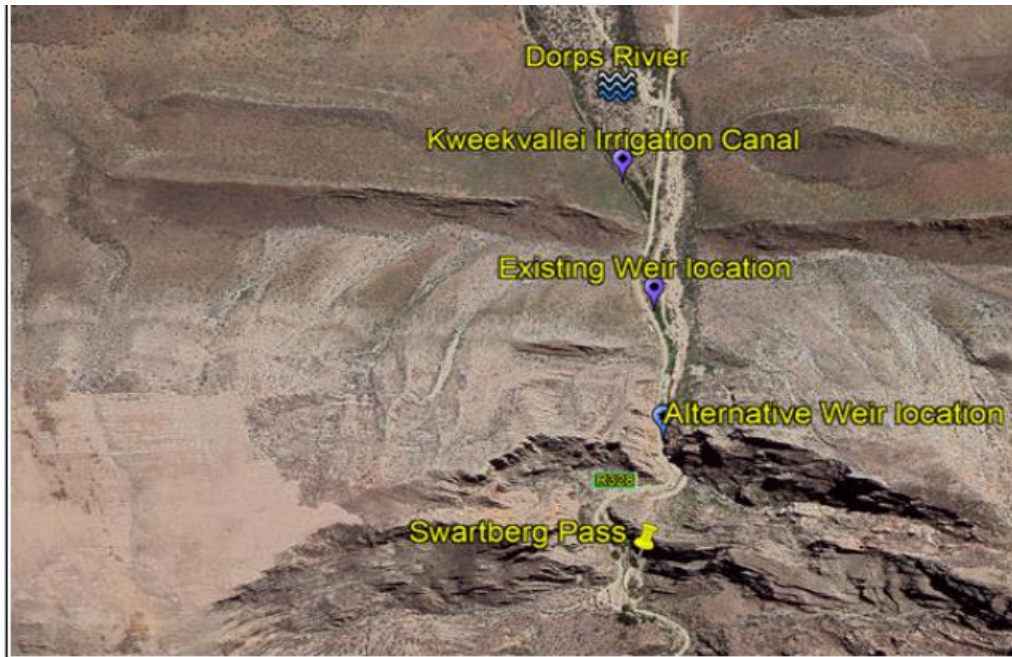
With the ongoing drought in the Western Cape and with the emergency declaration of previous years, it became imperative that the water from the irrigation furrow from the Dorpsriver had to be protected.

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, however all material has been procured and the project has commenced in June 2022. 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 has not improved since.

Water losses are restricted to the minimum. Water losses for 2020/21's losses at 32.6%, with losses for the 2021/22 year at 28.5%. 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.

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	2018/19	2019/20	2020/21	2021/22	
	Actual	Actual	Actual	Actual as per census – including farms	Actual as serviced by Municipality
	No.	No.		No	No
Water: (above min level)					
Piped (tap) water inside dwelling/institution	2536	2554	2820	2809	2819
Piped (tap) water inside yard	0	0	93	28	20
Piped (tap) water on community stand: distance less than 200m from	28	28	93	34	26
Minimum Service Level and Above sub-total	2564	2582	3 518	2871	2866
Minimum Service Level and Above Percentage	100%	100%	98.3%	100%	100%
Water: (below min level)					

Description	2018/19	2019/20	2020/21	2021/22	
	Actual	Actual	Actual	Actual as per census – including farms	Actual as serviced by Municipality
	No.	No.		No	No
Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	0	0	0	0	0
Using public tap (more than 200m from dwelling), distance between 500m and 1000m (1km) from dwelling /institution	0	0	0	0	0
Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	0	0	0	0	0
No access to piped (tap) water	0	0	0	0	0
Below Minimum Service Level sub-total	0	0	60	0	0
Below Minimum Service Level Percentage	0	0	0	0	0
Total number of households	2564	2582	2866	2871	2828
<p>Included in the above table: Formal residential, Informal residential, Traditional residential Farms, Parks and recreation Collective living quarters, Industrial Small holdings, Commercial <i>The above table are populated as per the Census 2011 data for Source of Water, Type of dwelling and includes all dwellings</i></p>					

Table 42: Water Service delivery levels: Households based on 2011 Census data

Access to free basic water:

Number /Proportion of households receiving 6 kl free	
2020/21	2021/22
1 166	1 206

Table 43: Source: PAMUN SDBIP – 2021/22

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 2021/22 financial year.

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2021/22			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	2 454	2 400	2 812		
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	1 166	1 200	1 208		
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	88.4%	80%	84.4%		
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	32.6%	15%	28.5%		Management will implement water credit meter in the new financial year as a means to curb water losses.

Table 44: 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 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	2019/20	2020/2021	2021/2022	Vacancies (as a % of total posts)
	Employees	Employees	Employees	
	No	No		
0 – 3	0	0	0	
4 – 6	1	2	3	
7 – 9	1	0	1	
10 – 12	0	1	1	
13 – 15	0	0	0	
16 – 18	0	0	0	
19 – 20	0	0	0	
Total	2	3	5	

Table 44: Employees: Water Services

b) Capital: Water Services

The following table reflects the municipality's capital expenditure for the 2021/22 financial year in respect of water services.

Capital Expenditure 2021/2022: Water Services				
R'000				
Capital Projects	2021/2022			
	Budget	Adjustment	Actual	Variance
		Budget	Expenditure	from original budget %
Water management	1 272 803	1 272 803	1 133 120	11.2%
Waste water management	485 000	485 000	389 459	19.7%
Total	1 757	1 757	1 522	13.38%

Table 45: Capital expenditure on water services

3.2 Waste water (sanitation) provision

Introduction to Sanitation Provision

The four towns in the PAM area each have their own wastewater collection and treatment facility. Prince Albert, 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 WWTW in Prince Albert was upgraded to handle current and future flows for the 20-year design horizon and to efficiently remove screenings, grit, rags, stones and other foreign objects and prevent them from entering the maturation pond system.

The sanitation system consists of a waterborne system as well as septic tanks. These septic tanks are serviced by means of a sanitation team with appropriate equipment and vehicles who collect sewerage and deposit it into a pump network that is connected to the waterborne network. This division came under immense pressure during the reporting year due to the natural wear and tear on the vehicle fleet that runs 7 days a week for about 14 hours per day. The

Municipality also drafted a business plan to change the conservancy tank system into a sanitation reticulation network. Due to the high cost of this proposed project, it will have to be phased in depending on available funding.

The sewerage tariff for the septic and conservancy tank removal was well below actual cost and therefore the tariff was increased with 15% for the 2021/22 financial year. Extensive public participation took place in preparation of the increase for the 2022/23 financial. This service is still subsidised by the Municipality and further increases is forthcoming. A new 13 000 liter sewerage truck has been procured and will be delivered in July 2022.

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

Table 46: 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 reporting 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
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Table 47: Waste Water (Sanitation) Provision Challenges

c) Sanitation Service Delivery Levels

The table below depicts the sanitation service levels for the 2021/22 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	2018/19	2019/20	2020/21	2021/22	
	Outcome	Outcome	Outcome	Actual as per Census 2011	Actual as Serviced by municipality
	No.	No.	No	No	No.
Sanitation/sewerage: (above minimum level)					
Flush toilet (connected to sewerage)	2085	2081	2211	2228	2340
Flush toilet (with septic tank)	315	330	330	332	375
Chemical toilet	0	0	0	0	0
Pit toilet with ventilated (VIP)	0	0	0	175	35
Pit toilet without ventilated	0	0	0	62	0
Other toilet provisions (above min.service level)	0	0	0	0	0
Minimum Service Level and Above sub-total	2400	2411	2 741	3159	2715
Minimum Service Level and Above Percentage	98.9%	98.9%	98.7%	88%	98.0%
Sanitation/sewerage: (below minimum level)					
Bucket toilet	36	36	36	148	36
Other	0	0	0	125	0
No toilet provisions	0	0	0	148	0
Below Minimum Service Level sub-total	36	36	36	421	36
Below Minimum Service Level Percentage	1.2%	12%	1.3%	1.5%	1.3%
Total households	2436	3 580	98.70	2447	98.0%
The above table 2021/22 are populated as per the Census 2011 data for Toilet Facilities by Type of dwelling and include all dwellings					

Table 48: 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 2021/22			Comments
					Target	Actual	R	
TL18	Provision of sanitation services to residential account holders 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 account holders which are billed for sewerage in accordance to the financial system.	All	2 663	2701	2 703		
TL19	Provision of free basic sanitation services to registered residential 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 residential account holders receiving free basic sanitation in accordance with the financial system.	All	1 165	1 200	1 205		
TL27	Excellent waste water quality measured by the compliance of waste water Lab results with SANS irrigation standard (for Prins-Albert, Leeu-Gamka and Klaarstroom)	% of Lab Results complying with SANS Irrigation standards.	All	79.9%	80%	72.9%		Management will ensure that cleaning schedule of oxidation dams are adhered to as well is the right amount of chemicals are added to bring the effluent to acceptable levels.

Table 49: 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	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No	%
0 – 3	3	6	3	3	
4 – 6	0	4	0	2	
7 – 9	1	1	1	0	
10 – 12	0	0	0	0	
13 – 15	0	0	0	0	
16 – 18	0	0	0	0	
19 – 20	0	0	0	0	
Total	4	11	4	5	

Table 50: Employees Waste Water (Sanitation) Provision

d) Capital: Sanitation Services

Capital Expenditure 2021/22: Sanitation Services					
R' 000					
Capital Projects	Budget	2021/22			
		Adjustment	Actual	Variance	Total
		Budget	Expenditure	from	Project
				original	Value
Sanitation	0	1 630 000	1 650 000	-1.23%	1 650 000
Total	0	1 630 000	1 650 000	-1.23%	1 650 000

Table 51: Capital expenditure Sanitation Services

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. The project was completed in November 2021 with 70 informal structures provided with prepaid electricity.

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 53: 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 54: 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	2020/21	2021/22
	Actual as Serviced by municipality	Actual as Serviced by municipality
Electricity (at least min.service level)	246	267
Electricity - prepaid (min.service level)	2 208	2 423
Minimum Service Level and Above sub-total	2125	2 637
Minimum Service Level and Above Percentage	100	100
Electricity (< min.service level)	0	0
Electricity - prepaid (< min. service level)	0	0
Other energy sources	0	0
Below Minimum Service Level sub-total	0	0
Below Minimum Service Level Percentage	0	0
Total number of households	2 454	2 637

Table 55: 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 2021/22			Comments
					Target	Actual	R	
TL12	Number of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	Number of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	All	2 599	2 578	2 637		
TL13	Provide 50kwh free basic electricity to registered residential indigent account holders connected to the municipal and Eskom electrical infrastructure network	No of residential indigent account holders receiving free basic electricity which are connected to the municipal and Eskom electrical infrastructure network	All	1 094	1 200	1 054		Target was not met. Target is application driven, households will only qualify if they meet the minimum criteria.
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	10.9%	15%	11.5%		

Table 56: Electricity KPI's

d) Employees: Electricity

Job Level	2018/19	2019/20	2020/21	2021/22			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0	0	
4 – 6	2	2	0	0	0	0	
7 – 9	1	1	1	1	1	1	
10 – 12	1	1	0	0	0	0	
13 – 15	0	0	0	0	0	0	
16 – 18	0	0	0	0	0	0	
19 – 20	0	0	0	0	0	0	

Job Level	2018/19	2019/20	2020/21	2021/22			
	Employees	Employees	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No	No.	No.	No.	No.	%
Total	4	4	1	1	1	1	

Table 57: Employees: Electricity services

Capital Expenditure 2021/22: Electricity Services					
R' 000					
Capital Projects	Budget	2021/22			
		Adjustment	Actual	Variance	Total
		Budget	Expenditure	from	Project
				original	Value
		budget			
Increase in Capacity demand & other	-	-	-	-	-
Total	-	-	-	-	-

Table 58: Capital Expenditure 2021/22: 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 59: Waste Management Highlights

Challenges: Waste Management

The challenges pertaining waste management for the 2021/22 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 60: 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	2020/21	Census 2011	2021/22
	Actual	Actual	Actual as serviced by
	No	No.	No.
Removed at least once a week	2726	1 989	2704
Minimum Service Level and Above sub-total	2726	1 989	2704
Minimum Service Level and Above percentage	100%	100%	100%
Removed less frequently than once a week	0	0	0
Using communal refuse dump	0	0	0
Using own refuse dump	0	0	0

Description	2020/21	Census 2011	2021/22
	Actual	Actual	Actual as serviced by
	No	No.	No.
Other rubbish disposal	0	0	0
No rubbish disposal	0	0	0
Below Minimum Service Level sub-total	0	0	0
Below Minimum Service Level percentage	0	0	0
Total number of households	2726	1989	2704

Table 61: Waste Management Service Delivery Levels

Service Delivery Indicators

The service delivery indicators below reflect the performance of the solid waste management for the 2021/22 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 2021/22			Comments
					Target	Actual	R	
TL14	Provide refuse removal, refuse dumps and solid waste disposal to residential account holders within the municipal area	Number of residential account holders for which refuse is removed at least once a week	All	2 729	2 720	2 727		Target achieved
TL15	Provision of free basic refuse removal, refuse dumps and solid waste disposal to registered residential indigent account holders	No of residential indigent account holders receiving free basic refuse removal monthly	All	1 166	1 200	1 206		

Table 62: Solid waste KPI's

Employees: Waste Management

The table below reflects the staff component for solid waste management in the reporting year, compared to 2021/22. It must be noted that staff perform dual functions and thus the staffing table below cannot be read in isolation.

Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (fulltime equivalent)	Vacancies (as a % of total posts)
		No.	No.	No.	%
0 – 3	3	7	3	4	
4 – 6	2	2	2	0	
7 – 9	0	0	0	0	
10 – 12	0	0	0	0	
13 – 15	0	0	0	0	
16 – 18	0	0	0	0	
19 – 20	0	0	0	0	
Total	5	9	5	4	

Table 63: Employees: Waste Management Services

Capital: Solid Waste Management

The table below indicates the capital expenditure on roads.

Capital Expenditure 2021/22: Waste Management					
R'000					
Capital Projects	2021/22				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Rehabilitation of Landfill Site	–	631	41	6%	631
Total	–	631	41	6%	631

Table 64: Capital expenditure on solid waste

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 1 132 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 70 structures as on 30 June 2022 with an average 3-4 residents per structure. Residents have access to direct access to water taps in their erfs and 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 and the project was completed in November 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.

5 YEAR DELIVERY PLAN		2020/2021			2021/2022			2022/2023			2023/2024		
Post-GAAC 10 July 2020	PROGRAMME	SITES SERVICED	HOUSES BUILT	FUNDING R '000	SITES SERVICED	HOUSES BUILT	FUNDING R '000	SITES SERVICED	HOUSES BUILT	FUNDING R '000	SITES SERVICED	HOUSES BUILT	FUNDING R '000
2019/20 - 2023/24 HSDG													
Average Site Cost (R'000)	60												
Average Unit cost (R'000)	130												
CENTRAL KAROO DISTRICT													
Beaufort West		0	0	300	0	0	0	0	0	1,000	0	0	2,811
Beaufort West S1 (814) (798)	IRDP												
Beaufort West G2 GAP (67)	IRDP												67
Beaufort West S7 (624) IRDP	IRDP												624
Beaufort West G1 GAP (120)	IRDP												120
Beaufort West Kwamandlenkosi Mud Houses (18)	IRDP		0	0									
Murraysburg Toilets	IRDP			0									
Murraysburg Housing Upgrades	IRDP			0									
Murraysburg (300)	IRDP			300						1,000			2,000
Laingsburg		0	0	0	0	0	0	0	0	0	0	0	0
Laingsburg Site G (1000) IRDP	IRDP												
Prince Albert		0	0	0	0	0	0	0	0	0	0	0	0
Prince Albert (451) (ph1 243)	IRDP												
Prince Albert (451) (ph2 208)	IRDP												

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 Klarstroom Informal Settlements	Additional ablutions established in Klarstroom
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
2018/19	2 554	2456	98
2019/20	2878	2809	98
2020/21	2884	2820	98
2021/22	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)
2018/19	1367	0%
2019/20	1102	(19.39%)
2020/21	1132	2.65%
2021/22	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			
2018/19	12 646	12 346	100%	243	243
2019/20	12 090	5 405	44.71%	0	100
2020/21	-	-	-	-	-
2021/22	-	-	-	-	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 3 800 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 800 per month will receive the free basic services as prescribed by national policy.

The table below indicates that 38.29 % of the total number of households received free basic services in 2018/19 financial year whilst it increased to 29.63 % in the 2019/20 financial year; 37.50% in the 2020/21 financial year. 31.79% of households received indigent support during the 2021/22 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	%
2018/19	2 554	872	34.14%	2554	100%	872	34.14	872	34.14%
2019/20	2750	893	31.79	2487	100%	893	31.79	893	31.79
2020/21	2759	1092	100%	1092	100%	1092	100%	1092	100%
2021/22	2812	1054	100%	1208	100%	1205	100%	1206	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
2018/19	607	50	322	1 478	0	0	265	50	140
2019/20	629	50	374	1488	0	0	264	50	157
2020/21	629	50	374	1 495	0	0	264	50	157
2021/22	1054	50	381	1 573	0	0	192	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
2018/19	872	6 kl	383	1 492	6 kl	656
2019/20	893	6kl	391	1594	6kl	698
2020/21	1092	6kl	478	1792	6kl	856
2021/22	1208	6kl	485	1 604	-	-

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
2018/19	872	110.93	993	1139	0	0
2019/20	893	119.74	1048	1458	0	0
2020/21	1092	192.24	1205	1478	0	0
2021/22	1205	211.33	1335	1 499	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
2018/19	872	67.83	570	1 608	0	0
2019/20	893	73.22	645	1833	0	0
2020/21	1092	84.33	824	1989	0	0
2021/22	1 206	92.2	946	1 521	0	0

Table 75: Free basic refuse removal services to indigent households

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.

Financial Performance 2021/22: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	2020/21	2021/22			
	Actual	Budget	Adjustment	Actual	Variance to
			Budget		Budget
	R'000				
Water	1 088	1 465	1 465	1 297	11%
Waste Water (Sanitation)	1 048	1 377	1 377	1 398	-2%
Electricity	531	600	600	656	-9%
Waste Management (Solid Waste)	645	903	903	855	5%
Total	3 313	4 345	4 345	4 206	1%
Table 76: Financial Performance 2021/22: Cost to Municipality of Free Basic Services Delivered					

Service delivery indicators

The following table shows the municipality's performance against the set targets in respect of indigent support for the 2021/22 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 2021/22		
					Target	Actual	R
TL13	Provide 50kwh free basic electricity to registered residential indigent account holders connected to the municipal and Eskom electrical infrastructure network	No of residential indigent account holders receiving free basic electricity which are connected to the municipal and Eskom electrical infrastructure network	All	1 194	1 200	1 054	
TL15	Provision of free basic refuse removal, refuse dumps and solid waste disposal to registered residential indigent account holders	No of residential indigent account holders receiving free basic refuse removal monthly	All	1 166	1 200	1 206	
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	1 166	1 200	1 208	
TL19	Provision of free basic sanitation services to registered residential 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 residential account holders receiving free basic sanitation in accordance with the financial system.	All	1 165	1 200	1 205	

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

Other provincial roads in our area include the:

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

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

The 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 2021/22 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

New paved roads for Leeu-Gamka	Botterblom & Pepperboom Streets
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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 44.7 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
2018/19	20.7	0	0	0	20.7
2019/20	20.7	3	0	0	23.7
2020/21	23.7	0	0	0	23.7
2021/22	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 2021/22: Roads					
R'000					
Capital Projects	2021/22				
	Budget	Adjustment	Actual	Variance	Total
		Budget	Expenditure	from	Project
				original	Value
			budget		
Upgrading of roads & stormwater in Bitterwater, Leeu-Gamka	-	3 692	3 692	0%	3 692
Upgrading of roads & stormwater in Klaarstroom and Prince Albert	-	-	7 289	0%	7 289
Total	-	4 207	10 981	38.31%	10 981

Table 81: Capital expenditure on roads

c) Employees: Roads

The table below reflects the staffing component of the Roads department of the 2021/22 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	2020/21		2021/22		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No	No.	No.	No.	%
0 – 3	4	4	4	4	
4 – 6	2	3	2	2	
7 – 9	0	0	0	0	
10 – 12	0	0	0	0	
13 – 15	0	0	0	0	
16 – 18	0	0	0	0	
19 – 20	0	0	0	0	
Total	7	7	7	7	

Table 82: Employees: Roads

Component C: Planning and Local Economic Development

3.8 Planning

Introduction to Planning

Prince Albert municipality has appointed a permanent town planner in June 2022. This will ensure that the much needed capacity is addressed in the division.

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.

The Western Cape Department of Environmental Affairs: Planning has assisted the Municipality with drafting the reviewed 2021 Spatial Development Plan. The SDF includes a capital expenditure framework. The SDF was approved with the new 5 year 2022 – 2027 IDP.

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 Westhuizeb, 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. The draft zoning map went out on public participation and we anticipate that this process will be concluded by September 2022. 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 2021/22 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

Town planners appointed	New Town Planner appointed as of 1 July 2022.
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Table 85: Planning Highlights

a) Challenges: Planning

The table beneath reflect the challenges in respect of Planning for the 2021/22 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
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 2021/22 financial year. The challenges in approving planning applications within the 120-timeframe has been previously explained elsewhere in the report.

Ref	KPI	Unit Measurement	of Wards	Previous Year Performance	Overall Performance for 2021/22		
					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 2022	All	1	1	1	

Table 87: Planning indicators

b) Service Statistics: Land Use Development

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

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 draft review of the SDF was adopted in June 2022. The final SDF was tabled to Council with the new 2022 – 2027 IDP in May 2022.

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.

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

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

With regard to local economic development, the Department of Economic Affairs and Tourism assisted the Municipality in developing a PACA LED strategy which was included in the IDP as possible areas for development. This strategy was enhanced by the Municipality's participation in the Small-Town Regeneration Programme. SALGA's Small Towns Regeneration (STR) Programme was launched in 2013. Through road shows and workshops in each province the conceptual approach of the programme highlighting the importance and role of small towns in SA's space economy was facilitated. As a result, various municipalities opted to participate in the programme particularly in the North West, Mpumalanga, KZN, Eastern Cape, Western Cape and the Northern Cape. SALGA subsequently hosted its inaugural national Small Towns Regeneration Conference in October 2015 (Mangaung, Free State) which focused on the

challenges and opportunities agriculture, tourism, transport and logistics and mining towns. Subsequent to the conference, the Central Karoo District Municipality requested SALGA to host an exploratory dialogue on issues common to the Karoo towns and municipalities within the District. It was soon realised that many of the neighbouring municipalities and towns in the Karoo are faced with common threats and opportunities and would therefore benefit from exploring these issues collectively. For this reason, the invitation to dialogue was extended to all municipalities neighbouring Central Karoo, spanning four provinces.

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

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

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

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

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

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

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

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

Broadband

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

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

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

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

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

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

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

a) Highlights: LED

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

Highlights	Description
Community gardens and subsistence farming on Treintjiesrivier and commonage	Small subsistence farming by several emerging businesses on commonage and Treintjiesrivier
Access Centre	Operation of 5 Access Centres in Prince Albert.
EPWP workers employed	178 employment opportunities were established via the EPWP program, while Council facilitated additional labour job opportunities during the establishment of the parks project mentioned above
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
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

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 energy bid in Leeu Gamka. This process was concluded in November 2021 and the bid was not awarded due to inherent risk identified with the project.

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 2021/22			Comments
					Target	Actual	R	
TL31	Implementation of the Local Economic Development Strategy	Number of LED interventions/ activities / programmes implemented	All	3	4	2		Not all LED initiatives could be rolled out due to capacity and budgetary constraints
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	Number of people temporary appointed to be in the EPWP programs	All	234	150	178		The Municipality over performed. The Municipality availed additional funding in the adjustment budget to support this KPI.

	programmes for the period.							
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Table 93: LED performance

In the table below the Expanded Public Works participants are reflected in respect of the 2020/21 financial year, compared to the 2021/22 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
2020/21	Infrastructure repair & Maintenance (Prince Albert, Klarstroom & Leeu Gamka) Roads & Stormwater Manitenance (Prince Albert, Klarstroom & Leeu Gamka) Parks & Town Beautification (Prince Albert, Klarstroom & Leeu Gamka) Waste Collection – Prince Albert Facility Maintenance – Prince Albert	234
2021/22	Infrastructure repair & Maintenance (Prince Albert, Klarstroom & Leeu Gamka) Roads & Stormwater Manitenance (Prince Albert, Klarstroom & Leeu Gamka) Parks & Town Beautification (Prince Albert, Klarstroom & Leeu Gamka) Waste Collection – Prince Albert Facility Maintenance – Prince Albert	178

Table 94: Job creation through EPWP* projects

Component D: Community and Social Services

3.11 Libraries

Introduction

Libraries are a provincial function and the municipality is performing the function on an agency basis. The function is fully funded by province. The libraries are functioning very well and enjoyed an annual circulation 57 768 which is lower than last year's 75 386. The internet access within libraries provides valuable support to persons without these facilities and it is the learners of our local school that are the primary users of these facilities. Internet users averaged 11 per day. Approximately 18 school outreaches were averaged per month. Outreaches were undertaken to the disabled, the aged, schools, etc. National library week 2022 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.

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
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

Table 96: Library challenges

c) Service statistics for Libraries

The following statistics in respect of the libraries are reflected below

Type of service	2019/20	2020/21	2021/22
Library members	4 050	3 000	3 454
Books circulated	84 508	57 768	57 768
Exhibitions held	24 per year	24	24
Internet users	Average of 20 per day	Average of 11 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 18 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	2020/21	2021/22		
	Employees	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
0 – 3	3	3	0	-
4 – 6	4	4	0	-
7 – 9	0	0	0	-
10 – 12	1	1	0	-
13 – 15	0	0	0	-
16 – 18	0	0	0	-
19 – 20	0	0	0	-
Total	8	8	0	-

Table 98: Employees: Libraries

3.12 Cemeteries

Introduction

We have five cemeteries in the municipal area Prince Albert two (2), Leeu-Gamka two (2) and one (1) at Klarstroom. The Prince Albert and Klarstroom cemeteries are almost running out of space, with only space left for approximately 4 – 5 years at the current burial rates.

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 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	Cemetery in South End are also being utilised

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	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No	No.	%
0 – 3	1	3	1	2	66%
4 – 6	0	1	1	0	
7 – 9	0	0	0	0	
10 – 12	0	0	0	0	
13 – 15	0	0	0	0	
16 – 18	0	0	0	0	
19 – 20	0	0	0	0	
Total	1	3	1	2	66%

Table 101: Employees: Cemeteries

Component E: Environmental Protection

3.14 Air Quality Control

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

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

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

At Prince Albert Municipality the Senior 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 2021. 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 2021
Noise control	Noise control is undertaken on an ad hoc basis
Air Quality Control Officer	Manager: Corporate and Community Services appointed

Table 102: Cemeteries Highlights

Challenges: Air Quality Control

The following challenges in respect of cemeteries were identified.

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

Table 103: Air Quality Control Challenges

Component F: Health

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

Component G: Security and Safety

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

3.15 Law Enforcement

Law enforcement is currently performed by one permanent traffic officers who also operate the DTLC and are supported by one Clerk of the Court. The traffic officer is currently acting as the Management Representative. The other traffic officer position was left vacant in March 2022 and no candidate appointed with the first round of recruitment process. The post will be advertised in the new financial year.

There are two law enforcement officers appointed in a temporary basis. Thirteen (13) 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	2020/21	2021/22
Animals impounded	0	0
Number of by-law infringements attended	29	69
Number of officers in the field on an average day	2	2
Number of officers on duty on an average day	4	3

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 officer 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 R 335 500.00

a) Highlights: Traffic Services

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

Highlights	Description
Co-operation with provincial traffic	The co-operation between the Municipality's traffic and provincial officers improved

Regular scheduled meetings between role players	Regular scheduled meetings between SAPS, Provincial and municipal traffic as well as prosecutor to address challenges
Road Incident Management Steering Committee	Prince Albert forms part of the Road Incident Management Steering Committee
New Traffic Contravention Management System were procured	This will ensure that all traffic fines and related information can be captured electronically and court processes can be concluded
New mobile camera and hand-held device were procured	To ensure that traffic and speed enforcement can be done on a daily basis
New Traffic vehicle was procured	A dedicated vehicle for traffic services, a first for PAMUN.
A permanent cashier has been appointed at the DLTC	Improved and continuous service can be expected at the DLTC

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
Poor relationship with courts	The relationship with the judicial sector remains a challenge
Only one traffic officer in service of the municipality	The position will be filled in the new financial year

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	2018/19	2019/20	2020/21	2021/22
Motor vehicle licenses processed	R1 3749 36.75	R1 584 505	R1 663 729.90	R1 723 850.30
Learner driver licenses processed	257	248	192	412
Driver licenses processed	260	267	223	348

Driver licenses issued	204	231	522	591
Fines issued for traffic offenses	12 192 100	R7 236 350	R4 145 900	R5 985 900
R-value of fines collected	1 620 310	R751 030	R312 860	R355 500.00
Roadblocks held	18	14	4	11
Complaints attended to by Traffic Officers	6	4	24	35
Awareness initiatives on public safety	2	2	0	2
Number of road traffic accidents during the year	27	24	2	12
Number of officers in the field on an average day	1	1	3	2
Number of officers on duty on an average day	1	2	4	2

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 2021/22

Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No	No.	No.	No.	%
0 – 3	0	0	0	0	
4 – 6	0	0	0	0	
7 – 9	1	1	1	0	
10 – 12	2	2	2	1	
13 – 15	0	0	0	0	
16 – 18	0	0	0	0	
19 – 20	0	0	0	0	
Total	3	3	3	1	

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 position was vacant for the for 10 months and was filled in May 2022. Three temporary learner fire fighters

were appointed and has strengthened 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 600 liters. Several training exercises in collaboration with Central District 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 firefighting capabilities must be created in Leeu Gamka and Klarstroom and that people adhere to building regulations and fire safety measures. Fire alarms were installed in the additional structures in the Klarstroom informal site as a precaution. A Fire safety awareness programme was held at the local schools.

The Municipality extinguished 72 fires in the municipal area during the year.

The Municipality reviewed their Disaster Management Plan in May 2022.

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
Permanent fire fighter appointed	To strengthen the capacity as well as to create stability within the service

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 Klarstroom
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 Klarstroom 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
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Table 110: Fire Services and Disaster Management Challenges

b) Service statistics for Fire Services

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

Details	2019/20	2020/21	2021/22
Operational call-outs	48	45	85
Reservists and volunteers trained	0	0	0
Awareness initiatives on fire safety	1	3	5
Total fires attended in the year	48	45	72
Total of other incidents attended in the year	0	0	0
Average turnout time - urban areas	Not measured	10 minutes	8 minutes
Average turnout time - rural areas	Not measured	Not measured	Not measured
Fire fighters in post at year end	1 full time	1 Full time	1 Full time
Total fire appliances at year end	2	2	3
Average number of appliances off the road during the year	0	0	1

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	2020/21	2021/22			
	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	1	
7 – 9	1	1	1	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	

Job Level	2020/21	2021/22			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total)
	No	No.	No.	No.	%
Total	2	2	2	1	

Table 112: Employees: Fire services and 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 secured water to the Klaarstroom sport fields. Lighting on the. Covered 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. 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. Due to Covid-19 the funds were re-prioritised for water and sanitation projects.

a) Highlights: Sport and Recreation

Highlights	Descriptions
Secure sustainable water source for Klaarstroom sportsfield	Effluent water is being used twice a week for irrigation purposes
Covered pavilions were erected at Odendal Sportsfield	Providing much needed shade during those warm days and shelter during rainy days
Leeu-Gamka Netball field were upgraded	Resurfacing of Leeu-Gamka netball field
New Health Park in West-End, Prince Albert	The health park was erected to promote a healthy and active lifestyle amongst the community

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 – community asked to report vandalism
Overuse of facilities	Due to a lack of suitable facilities, some of the fields are overused – lighting needed

Table 114: Sport and Recreation Challenges

c) Service statistics for Sport and Recreation

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

Type of Service	2020/21	2021/22
Community Parks		
Number of parks with play park equipment	7	7
Number of wards with community parks	4	4
Sport fields		
Number of wards with sport fields	4	4
Number of sport associations utilizing sport fields	3	3

Table 115: Additional performance information for Sport and Recreation

Component I: Corporate Policy Offices and Other Services

Introduction

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

3.18 Executive and Council

Executive and Council

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

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

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

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

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

a) Highlights: Executive and Council

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

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

Table 117: Executive and Council Highlights

b) **Challenges: Executive and Council**

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

Table 118: Executive and Council challenges

3.19 Financial Services

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

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 for the reporting year

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
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 2020/21 and 2021/22 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 position was only filled in May 2022. A Manager Income and Manager Expenditure and Supply Chain Management have also been appointed, to create the much-needed capacity that was lacking in the past.

Job Level	2020/21	2021/22			
	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	2	5	3	2	40%
10 – 12	4	4	3	1	25%
13 – 15	0	2	2	0	
16 – 18	0	0	0	0	
19 – 20	1	1	1	1	
Total	7	10	9	3	

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 2021/22			Comments
					Target	Actual	R	
TL12	Number of Residential account holders connected to the municipal electrical	Number of Residential account holders	All	2 599	2 578	2 637		

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2021/22			Comments
					Target	Actual	R	
	infrastructure network (credit and prepaid electrical metering)	connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)						
TL13	Provide 50kwh free basic electricity to registered residential indigent account holders connected to the municipal and Eskom electrical infrastructure network	No of residential indigent account holders receiving free basic electricity which are connected to the municipal and Eskom electrical infrastructure network	All	1 094	1 200	1 054		Target was not met. Target is application driven, households will only qualify if they meet the minimum criteria.
TL14	Provide refuse removal, refuse dumps and solid waste disposal to residential account holders within the municipal area	Number of residential account holders for which refuse is removed at least once a week	All	2 729	2 720	2 727		
TL15	Provision of free basic refuse removal, refuse dumps and solid waste disposal to registered residential indigent account holders	No of residential indigent account holders receiving free basic refuse removal monthly	All	1 166	1 200	1 206		
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	2 454	2 400	2 812		
TL17	Provide 6kl free basic water per household per month to registered indigent account holders	No of registered indigent account holders	All	1 166	1 200	1 208		

Ref	KPI	Unit of Measurement	Wards	Previous Year Performance	Overall Performance for 2021/22			Comments
					Target	Actual	R	
		receiving 6kl of free water						
TL18	Provision of sanitation services to residential account holders 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 account holders which are billed for sewerage in accordance to the financial system.	All	2 663	2 701	2 703		
TL19	Provision of free basic sanitation services to registered residential 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 residential account holders receiving free basic sanitation in accordance with the financial system.	All	1 165	1 200	1 205		

Table 123: Financial performance

3.20 Human Resource Services

The Human Resource Department have three dedicated staff members. The Skills Development Facilitator performs dual functions within the corporate service division. The Municipality undertook a HR profiling audit to determine the challenges within the HR division.

Highlights: Human Resources

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

Highlights	Description
Review of organogram	Organogram reviewed in January 2022
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

Dispute resolution	All disputes resolved
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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
Covid-19 impact	Covid-19 have a negative impact on morale and production
Implementation of new staffing regulations	Capacity remains a challenge within the organisation to adhere to all legislative requirements

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 2021/22			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 2022	All	28.5%	100%	88%		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	Number of people employed (appointed)	All	2	3	1		This target is dependent on vacancies.

Prince Albert Census Demographic statistical data								
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Table 126: Service delivery indicators: Human Resources

Component J: Miscellaneous Municipal Farm

The farm Treintjiesrivier (portion 1 of the farm Damascus no.153 in the Prince Albert area) was transferred to the Prince Albert Municipality 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 5 580 hectares and includes the following resources, according to the valuation report at the time of purchase:

Summary of Agricultural Assets

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

Table 128: Treintjiesrivier use

New lease agreements were concluded with the emerging farmers on Treintjiesrivier and the commonage. Workshops were held with the emerging farmers of Prince Albert, Klarstroom 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 2021/22

The performance management system that was implemented and followed for the 2021/22 financial year is described below:

a) Approval of the Top Level SDBIP 2021/22

The SDBIP for 2021/22 were prepared as described in the paragraphs below and the Top Layer SDBIP approved by the Executive Mayor on 26 June 2021.

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 2022 - 2027 IDP was approved together with the 2021/22 budget by Council on 30 May 2021. 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 Sydney Koonthea was appointed as Chairperson of the MPA

e) Quarterly Performance Reporting to Council

Reporting on the Top-Level SDBIP for 2021/22 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 on 30 March 2022, missing the legislative deadline due to the late submission of the 2020/21 AFS and Annual Report.

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 2020/21	Municipal Achievement 2021/22	Comments
TL10	The % of the Municipality's training budget spent, measured as (Total Actual Training Expenditure/Approved Training Budget x 100)	73.2%	88%	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 2020/21	Municipal Achievement 2021/22
TL12	Number of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	2 599	2 637
TL13	Provide 50kwh free basic electricity to registered residential indigent account holders connected to	1094	1 054

	the municipal and Eskom electrical infrastructure network		
TL14	Provide refuse removal, refuse dumps and solid waste disposal to residential account holders within the municipal area	2 729	2 727
TL15	Provision of free basic refuse removal, refuse dumps and solid waste disposal to registered residential indigent account holders	1 166	1 206
TL16	Provision of clean piped water to formal residential properties which are connected to the municipal water infrastructure network.	2 454	2 812
TL17	Provide 6kl free basic water to registered residential indigent account holders per month	1 166	1 208
TL18	Provision of sanitation services to residential account holders are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets)	2 663	2 703
TL19	Provision of free basic sanitation services to registered residential 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)	1 165	1 205

TL26	Excellent water quality measured by the compliance of water Lab results with SANS 241 criteria for Prins-Albert, Leeu-Gamka and Klaarstroom.	88.4%	84.4%
TL27	Excellent waste water quality measured by the compliance of waste water Lab results with SANS irrigation standard (for Prins-Albert, Leeu-Gamka and Klaarstroom)	79.6%	72.9
TL28	Limit water losses to not more than 15% $\{(Number\ of\ Kiloliters\ Water\ Purchased\ or\ Purified - Number\ of\ Kiloliters\ Water\ Sold) / Number\ of\ Kiloliters\ Water\ Purchased\ or\ Purified \times 100\}$	32.6%	28.5%
TL29	Limit electricity losses to not more than 15% $\{(Number\ of\ Electricity\ Units\ Purchased\ and/or\ Generated - Number\ of\ Electricity\ Units\ Sold) / Number\ of\ Electricity\ Units\ Purchased\ and/or\ Generated\} \times 100\}$	10.9%	11.5
TL32	Implementation of programs and initiatives held in terms of social welfare as per project plan signed off by MM	4	2
TL33	Review the spatial development framework and submit to council by end June 2022	0	1

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 2020/21	Municipal Achievement 2021/22
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.	234	178
TL31	Implementation of the Local Economic Development Strategy	3	2

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 2020/21	Municipal Achievement 2021/22
TL1	Draft annual performance report available for submission to Auditor-General together with Annual Financial Statements by not later than 31 August	0	0
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	77.2%	66.3%
TL5	The main budget is approved by Council by end of May 2022	1	1

Ref no.	Key Performance Indicator (KPI)	Municipal Achievement 2020/21	Municipal Achievement 2021/22
TL8	The adjustment budget is approved by Council by end of February 2022	1	1
TL20	Maintain a Year to Date (YTD) debtor's payment percentage of 70%, excluding traffic services	81.7%	87%
TL21	Maintain an financially unqualified audit opinion for the 2020/21 financial year	1	1
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)	446	747.8
TL23	Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services)	9%	10.5%
TL24	Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure)	7.2	5.96

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 2020/21	Municipal Achievement 2021/22
TL2	Submit the Mid- Year Performance Report in terms of sec72 of the MFMA to council to monitor the overall municipal performance and decide on corrective measures if necessary	1	1

TL4	Risk based audit plan approved by Audit Committee for 2021/22	0	0
TL6	Effective functioning of Council meetings	4	4
TL7	Effective functioning of Councils committee system	4	4
TL9	The Top Layer SDBIP is approved by the Mayor within 28 days after the Main Budget has been approved	1	1
TL30	Preparation of the final IDP review for submission to council to ensure compliance with legislation by 31 May annually	1	1

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	Period-To-Date as at June 2022		
					Target	Actual	R
TL12		Number of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	Number of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	2 599	2 578	2 637	
TL13		Provide 50kwh free basic electricity to registered residential indigent account holders connected to the municipal and Eskom electrical infrastructure network	No of residential indigent account holders receiving free basic electricity which are connected to the municipal and Eskom electrical infrastructure network	1 094	1 200	1 054	

TL14		Provide refuse removal, refuse dumps and solid waste disposal to residential account holders within the municipal area	Number of residential account holders for which refuse is removed at least once a week	2 729	2 720	2 727	
TL15		Provision of free basic refuse removal, refuse dumps and solid waste disposal to registered residential indigent account holders	No of residential indigent account holders receiving free basic refuse removal monthly	1 166	1 200	1 206	
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	2 454	2 400	2 812	
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	1 166	1 200	1 208	
TL18		Provision of sanitation services to residential account holders 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 account holders which are billed for sewerage in accordance to the financial system.	2 663	2 701	2 703	
TL19		Provision of free basic sanitation services to registered residential 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 residential account holders receiving free basic sanitation in accordance with the financial system.	1 165	1 200	1 205	
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	88.4%	80%	84.4%	
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%	72.9%	
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)	32.6%	15%	28.5%	

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%	11.5%	
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	2	
TL33		Review the spatial development framework and submit to council by end June 2022	Reviewed SDF submitted to Council by end June	NEW KPI	1	1	

3.22.2 Economic Development

Ref	Pre-determined Objectives	KPI	Unit of Measurement	Previous Year Performance	Annual Target	Period-to-Date as at June 2022		
						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	234	150	150	178	
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	2	

Table 135: 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 2022		
						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 2021/22 financial year	77.2%	90%	90%	66.3%	
TL5	To promote a culture of good governance	The main budget is approved by Council by end of May 2022	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 2022	Approval of Adjustments Budget before the end of February 2022	1	1	1	1	
TL20	To implement mechanisms to improve debt collection	Maintain a Year to Date (YTD) debtors payment percentage of 85% excluding traffic services	Payment percentage (%) of debtors over 12 months rolling period	81.7%	85%	85%	87%	
TL21	To promote a culture of good governance	Maintain a financially unqualified audit opinion for the 2020/21 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)	446	370	370	747.8	
TL23	To improve financial reporting	Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services)	(Total outstanding service debtors/ revenue received for services)X100	9%	11%	11%	10.5%	
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)	7.2	5.0	5.0	5.96	

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 2022		
							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 25 annually	1	1	1	1	
TL4		To promote a culture of good governance	Risk based audit plan approved by Audit Committee for 2021/22 by June	Risk based audit plan approved by June 2022	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 2022	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 2022		
					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 2022	73.2%	100%	100%	88%	

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

3.23 Top-Layer Service Delivery and Budget Implementation (SDBIP) Scorecard: 2021/22 per Strategic Objectives

The following tables reflect the Municipality's performance for 2021/22 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 2022				
				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 2022	73.2%	100%	88%		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 2022				
				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 25 th January annually	1	1	1		Mid-Year report was submitted by legislative timeframe	
TL4	Risk based audit plan approved by Audit Committee for 2021/22 by June	Risk based audit plan approved by June 2022	All	1	0		Target was not reached.	Due to capacity constraints, risk based audit plan could not be submitted on time. Management will ensure that a dedicated official is responsible for this function.
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 2022	1	1	1		Approved in May 2022	None needed

To promote the general standards of living

Ref	IDP Ref	KPI	Unit of Measurement	Previous year	Year-to-Date as at June 2022				
					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	2		Not all social initiatives could be rolled out due to capacity constraints as the previous MM resigned in October 2021 and no permanent MM was appointed since.	Management will ensure that better planning is done and that all initiatives are implemented to ensure continuity of the TL KPI's even if employees resign.

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

Ref	KPI	Unit of Measurement	Previous year	Year-to-Date as at June 2022				
				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	1	1	0		Target could not be reached due to capacity constraints	Management is in the process to appoint a PMS coordinator, this will ensure that the much-needed capacity that is lacking, is addressed.
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	The percentage (%) of a municipality's Annual or Adjusted capital budget spent on capital projects identified in the IDP for the 2021/22 financial year	77.2%	90%	66.3%		Target not reached due to own funding capital projects (CRR) only included in the adjustment budget in February, leaving insufficient time to	Management will ensure that all CRR capital projects are included in the original budget (May), leaving enough time to plan and execute the projects within a 12-month period as

	Annual or Adjusted Capital Budget x 100						complete all CRR projects.	opposed to 5 months period. This is already implemented in the 2022/23 financial year.
TL5	The main budget is approved by Council by end of May 2022	Approval of Main Budget before the end of May annually	1	1	1			None needed
TL8	The adjustment budget is approved by Council by end of February 2022	Approval of Adjustments Budget before the end of February 2022	1	1	1		Adjustment budget approved by Council by February 2022	None needed
TL20	Maintain a Year to Date (YTD) debtors payment percentage of 85% excluding traffic services	Payment percentage (%) of debtors over 12 months rolling period	81.7%	85%	87%		Debt collection needs to be improved in outer towns	
TL21	Maintain a financially unqualified audit opinion for the 2020/21 financial year	Financial statements considered free from material misstatements as per Auditor General report	1	1	1		Unqualified obtained, with 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)	((Total operating revenue-operating grants received)/debt service payments due within the year)	446	370	747.8		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	(Total outstanding service debtors/ revenue received for services) X100	9%	11%	10.5%			

	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)	((Available cash+ investments)/ Monthly fixed operating expenditure)	7.2	5.0	5.96		Municipality has sufficient cash to cover expenditure	

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

Ref	KPI	Unit of Measurement †	Previous Year	Year-to-Date as at June 2022				
				Target	Actual	R	Performance Comment	Corrective Measures
TL33	Review the spatial development framework and submit to council by end June 2022	Reviewed SDF submitted to Council by end June	New KPI	1	1			

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

Ref	KPI	Unit of Measurement	Previous performance	Year-to-Date as at June 2022				
				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)	Number of Residential account holders connected to the municipal electrical infrastructure network (credit and prepaid electrical metering)	2 599	2 578	2 637		Target met adequately.	
TL13	Provide 50kwh free basic electricity to registered residential indigent account holders connected to the municipal and Eskom electrical infrastructure network	No of residential indigent account holders receiving free basic electricity which are connected to the municipal and Eskom electrical infrastructure network	1 194	1 200	1 054		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. In future management will do a mid-year assessment and if targets are not met, amend to realistic and achievable targets.
TL14	Provide refuse removal, refuse dumps and solid waste disposal to residential account holders within the municipal area	Number of residential account holders for which refuse is removed at least once a week	2 729	2 720	2 727			
TL15	Provision of free basic refuse removal, refuse dumps and solid waste disposal to registered residential indigent account holders	No of residential indigent account holders receiving free basic refuse removal monthly	1 166	1 200	1 206		Target was met.	
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	2 454	2 400	2812			

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	1 166	1 200	1 208		Target was met.	
TL18	Provision of sanitation services to residential account holders 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 account holders which are billed for sewerage in accordance to the financial system.	2 663	2 701	2 703			
TL19	Provision of free basic sanitation services to registered residential 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 residential account holders receiving free basic sanitation in accordance with the financial system.	1 165	1 200	1 205		Target was met.	
TL26	Excellent water quality measured by the compliance of water Lab results with SANS 241 criteria for Prins-Albert, Leeu-Gamka and Klaarstroom	% of Lab Results complying with SANS 241.	88.4%	80%	84.4%		Target reached.	
TL27	Excellent waste water quality measured by the compliance of waste water Lab results with SANS irrigation standard (for Prins-Albert, Leeu-Gamka and Klaarstroom	% of Lab Results complying with SANS Irrigation standards.	79.9%	80%	72.9%		Klaarstroom oxidation dams was upgraded and only came into operation in November/ December 2021, it must be noted that the unit is not operating at full capacity	Saldahna Bay Municipality assisted the municipality with best practice to improve WWTW quality measures. Some of these measures are already

							as it can take up to 12 months to be fully functional. Once fully operational the waste water quality will improve.	implemented , such as the products to use for the WWTW and results have improved since.
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}	32.6%	15%	28.5%		Target not reached due to drought conditions with limited use during drought and more burst pipes due to pressure control.	Management will implement water credit meter in the new financial year as a means to curb water losses. Service provider have already been appointed and sufficient budget has been allocated over the next three years.
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	10.9%	15%	11.5%		Target reached.	

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

Ref	KPI	Unit of Measurement	Wards	Previous performance	Year-to-Date as at June 2022				
					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	Number of people temporary appointed to be in the EPWP programs	All	234	150	178		Target exceeded due to additional funding made available during the adjustment budget.	None needed

	the number of people temporary appointed to be in the EPWP programmes for the period.								
TL31	Implementation of the Local Economic Development Strategy	Number of LED interventions/ activities / programmes implemented		4	4	2		Due to Covid-19 pandemic not all LED initiatives could be completed and budgets being re-prioritised by sector departments.	Management will ensure that better planning is done and that all LED initiatives are implemented to ensure continuity of the TL KPI's even if employees resign.

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
					n/a
Kingpin suppliers	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
Tyre & Treads	One year	Supply and fitment of tyres	Excellent	n/a	n/a
Caprichem	One year	Supply and delivery of cleaning materials	Excellent	n/a	n/a

Table 146: Service Provider Performance – Strategic & Community Services

Chapter 4

Organisational Development Performance

Component A: Introduction to the Municipal Personnel

Introduction

The Prince Albert Municipality currently employs 56 (excluding non-permanent positions) officials, who individually and collectively contribute to the achievement of the Municipality's objectives. Tables below includes 56 permanent employees, 16 contract workers, 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	2	0	1	0	0	0	0	3
Senior management	0	3	0	0	0	1	0	0	4
Professionally qualified and experienced specialists and mid- management	0	2	0	0	1	0	0	1	4
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	0	25	0	0	0	22	0	1	48
Semi-skilled and discretionary decision making	0	9	0	1	0	0	0	0	10
Unskilled and defined decision making	0	12	0	1	0	4	0	0	17
Total permanent	0	39	0	2	1	20	0	1	62
Non- permanent employees	0	14	0	1	0	7	0	1	24
Grand total	0	53	0	3	1	27	0	2	86

Table: Occupational levels:

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

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

Department	Male				Female				Total
	A	C	I	W	A	C	I	W	
Office of the Municipal Manager	0	2	0	0	0	0	0	0	2
Strategic Services	0	19	0	0	1	12	0	2	34
Technical and Electrical Services	0	25	0	2	0	3	0	0	30
Financial Services	0	7	0	1	0	12	0	0	20
Total permanent	0	39	0	2	1	20	0	1	62
Non- permanent	0	14	0	1	0	7	0	1	24
Grand total	0	53	0	3	1	27	0	2	86

Table: Department - Race

KPA & Indicators	Municipal Achievement	Municipal achievement
	2020/21	2021/22
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	1	2
The percentage of a municipality's budget actually spent on implementing its workplace skills plan	28.8%	15%

Table: 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	5	0	1	0	0	0	0	6
Professionals	0	0	0	0	0	0	0	0	0
Technicians and associate professionals	0	2	0	0	1	0	0	0	3

Clerks	0	26	0	0	0	22	0	2	50
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	6	0	1	0	0	0	0	7
Elementary occupations	0	14	0	1	0	5	0	0	20
Total permanent	0	39	0	2	1	20	0	1	62
Non-permanent	0	14	0	1	0	7	0	1	24
Grand total	0	53	0	3	1	27	0	2	86

Table: Occupational Categories

4.2.2 Vacancy Rate

The approved organogram for the municipality reflected 144 posts for the 2021/22 financial year. The actual positions filled are indicated in the tables below by post level and by functional level. 58 Posts were vacant at the end 2021/22 resulting in a vacancy rate of 40,27%.

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

Per Task Level		
Task level	Filled	Vacant
MM & MSA section 57 & 56	1	3
Middle management (T14-T19)	6	0
Admin Officers (T4-T13)	43	28
General Workers (T3)	26	27
Grant remuneration outside TASK level	10	0
Total	86	58
Per Functional Level		
Functional area	Filled	Vacant
Office of the Municipal Manager	2	3
Corporate & Community Services	30	16
Technical and Electrical Services	29	25
Financial Services	15	8
Appointments from Grants	10	6
Total	86	58

Table: 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 30.23% and is mainly due to contracts that have expired, 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
2020/21	79	2	0	13.3
2021/2022	86	33	26	30,23

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 reviewed annually.

Approved policies	
Name of policy	Date approved/ revised
Acting Allowance and Additional Responsibilities Policy	28 February 2022
Bursary Policy External Students	28 February 2022

Employee Study Aid Policy	
Overtime Policy	28 February 2022
Private Work Policy	28 February 2022
Prince Albert Municipality Induction Training and Staff Orientation Policy	7 June 2022
Records Management Policy	07 June 2022
Cell Phone policy	2018
External and internal Bursary policy	2021
Employment Equity	2018
Substance Abuse	2018
Smoking Policy	2018
Overtime	June 2021

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:

- Leeu Gamka: Safety Rep: Adrian Booysen
First Aider: Pieter Prins
- Klarstroom: Safety Rep: Sam Fister
First Aider: Erica Pienaar
- Prince Albert:
- Technica Department: Safety Rep: Abraham Kammies
First Aider: Nicole Jantjies
- Finance Department: Safety Rep: Donovan Plaatjies
First Aider: Christa Baadjies
- Administration: Safety Rep: Marshall April
First Aider: Bernadette Wildschut
- Traffic & Law Enforcement: Safety Rep: Denwill Prins
First Aider: Alex Arendse

- Fire & Rescue Services: Brandweer: Safety Rep: Gawynne Richards
First Aider: Jaco Norman
- Public Works: Safety Rep: Jephtha de Wee
First Aider: Jephtha de Wee
- Sewerage section: Safety Rep: Merwyn Maans
First Aider: Merwyn Maans
- Refuse romval section: Safety Rep: Josef van Rooi
First Aider: Bradley Meintjies
- Electricity section: Safety Rep: Reduwaan Galant
First Aider: Reduwaan Galant

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	2020/21	2021/22
Office of the Municipal Manager	52	21
Strategic Services and Corporate	179	142
Technical and Electrical Services	202	187
Financial Services	118	95
Total	551	445

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 2022.

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

Any other financial officials	5	0	0	5
Supply Chain Management Officials				
Heads of supply chain management units	0	0	0	1
Supply chain management senior managers	0	0	0	0
TOTAL	7	2	0	11

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	
2019/20	23 312	73 288	33.2%
2020/21	24 347	72 203	34.3%
2021/22	24 389	79 850	31%

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

Financial year	2020/21	2021/22		
Description	Actual	Original	Adjusted	Actual
		Budget	Budget	
	R,000	R,000	R,000	
Councillors (Political Office Bearers plus Other)				
Basic Salary & Wages	2 981	3 141	3 141	3 141
Pension & Medical Aid Contributions		–	–	
Motor vehicle allowance	533	511	511	511
Cell phone allowances	311	310	310	310
Housing allowances		–	–	–
Other benefits or allowances		–	–	–

In-kind benefits		-	-	-
Sub Total	2 928	3 086	3 086	3 033
% increase/ (decrease)	0,14%	5,11%	0,00%	-1,74%
Senior Managers of the Municipality				
Basic Salary & Wages	2 166	2 477	2 269	1 759
Pension and Medical Aid Contributions	293	133	133	296
Motor vehicle allowance	270	301	301	222
Cell phone allowance	42	60	60	76
Housing allowance	18	18	18	8
Performance Bonus	-	-	8	-
Other benefits or allowances	-	36	226	-
Sub Total	2 790	3 026	3 016	2 361
% increase/ (decrease)	-2,32%	8%	0%	-28%
Other Municipal Staff				
Basic Salary & Wages	11 879	13 609	13 817	13 612
Pension and Medical Aid Contributions	1 837	2 538	2 538	1 946
Motor vehicle allowance	872	1 057	1 057	893
Cell phone allowance	(42)	(60)	(60)	(76)
Housing allowance	97	100	100	101
Overtime	634	843	843	817
Performance Bonus	-	-	(8)	-
Other benefits or allowances	1 363	824	634	384
Sub Total	16 640	18 909	18 919	17 677
% increase	-6,31%	12%	0%	-7%
Total Municipality	24 540	27 741	25 941	25 266
% increase/ (decrease)	-4,54%	11%	0%	-8%
Table 160: Personnel Expenditure				

CHAPTER 5: FINANCIAL PERFORMANCE

This chapter provides details regarding the financial performance of the municipality for the 2021/22 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 2021/22 financial year:

Financial Summary						
Description	2020/21	2021/22			2021/22 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Financial Performance						
Property rates	4 919	5 613	5 433	5 428	-3,3%	-0,1%
Revenue cost of free services provided: Property rates	(915)	(264)	(1 046)	(1 048)	296,6%	0,2%
Services charges	29 017	36 675	34 458	36 484	-0,5%	5,9%
Revenue cost of free services provided: Service charges	(4 712)	(5 097)	(5 512)	(5 931)	16,4%	7,6%
Investment revenue	2 321	2 900	2 300	2 347	-19,1%	2,0%
Transfers recognised - operational	34 294	33 002	31 124	32 080	-2,8%	3,1%
Other own revenue	7 040	5 676	5 259	12 032	112,0%	128,8%
Total Revenue (excluding capital transfers and contributions)	71 965	78 504	72 015	81 392	4%	13%
Employee costs	24 347	22 709	26 107	24 389	7,4%	-6,6%
Remuneration of councillors	3 155	3 370	3 370	3 142	-6,8%	-6,8%
Debt impairment	9 542	6 534	6 534	12 062	84,6%	84,6%
Depreciation & asset impairment	5 365	3 984	3 984	4 995	25,4%	25,4%
Actuarial losses	-	-	-	171	#DIV/0!	#DIV/0!
Finance charges	724	1 344	1 344	1 940	44,4%	44,4%
Bulk purchases	12 098	12 000	13 282	15 796	31,6%	18,9%
Inventory consumed	608	977	865	503	-48,5%	-41,9%
Contracted services	5 336	6 552	6 915	6 822	4,1%	-1,3%
Transfers and grants	320	340	340	390	14,7%	14,7%
Other expenditure	7 658	11 534	11 111	10 225	-11,3%	-8,0%
Total Expenditure	69 154	69 345	73 854	80 434	16%	9%

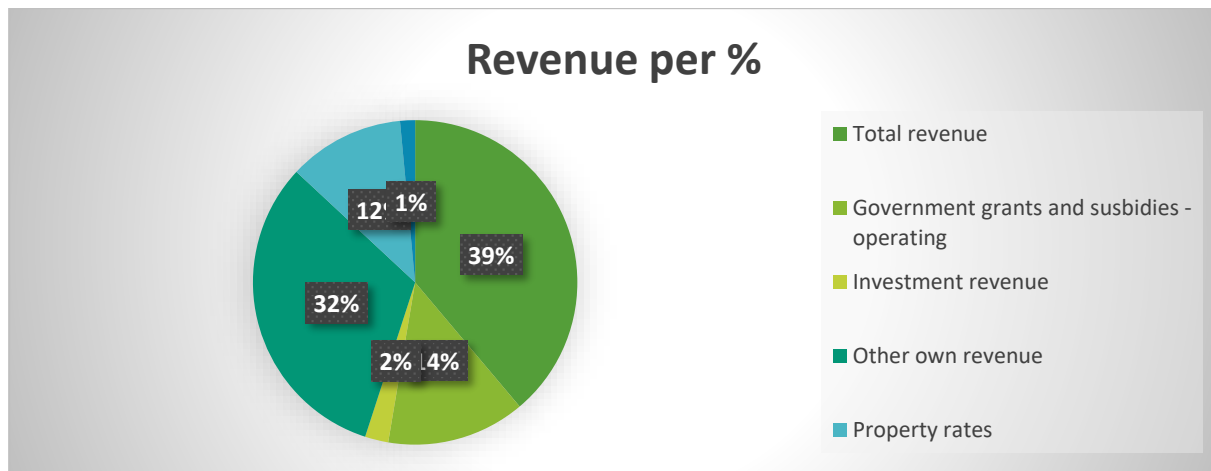
Surplus/(Deficit)	2 811	9 159	(1 838)	958	-90%	-152%
Transfers recognised - capital	17 972	9 882	15 613	12 746	29,0%	-18,4%
Contributions recognised - capital & contributed assets	-	(410)	(5 147)	-	-100,0%	-100,0%
Surplus/(Deficit) after capital transfers & contributions	20 783	18 632	8 627	13 704	-26%	59%
Capital expenditure & funds sources						
Transfers recognised - capital	17 972	12 264	21 352	12 746	3,9%	-40,3%
Public contributions & donations	-	-	-	-	#DIV/0!	#DIV/0!
Borrowing	-	-	-	-	#DIV/0!	#DIV/0!
Internally generated funds	-	514	6 958	-	-100,0%	-100,0%
Total sources of capital funds	17 972	12 778	28 310	12 746	-0,3%	-55,0%
Financial Position						
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	194 808	192 264	192 158	-1,4%	-0,1%
Cash Flows						
Net cash from (used) operating	21 618	14 597	13 685	7 171	-50,9%	-47,6%
Net cash from (used) investing	(21 597)	(12 745)	(28 221)	-	-100,0%	-100,0%
Net cash from (used) financing	(51)	10	10	(92)	-1052,7%	-1052,7%
Cash/cash equivalents at the year end	51 937	28 233	37 456	59 016	109,0%	57,6%
Cash backing/surplus reconciliation						
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%
Balance - surplus (shortfall)	24 078	25 449	25 395	35 859	41%	41%
Asset management						
Asset register summary (WDV)	152 237	186 615	182 972	170 403	-8,7%	-6,9%
Depreciation & asset impairment	5 365	3 984	3 984	4 995	25,4%	25,4%
Renewal of Existing Assets	-	-	-	-	#DIV/0!	#DIV/0!
Repairs and Maintenance	13 306	11 715	12 444	14 796	26,3%	18,9%
Free services						
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%
Households below minimum service level						
Water:	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-
Energy:	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-

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			
2017/18	82 191	76 471	(5 720)	-7%	71 161	67 478	(3 683)	-5%
2018/19	94 454	74 847	(19 607)	-26%	79 919	65 911	(14 008)	-21%
2019/20	72 370	89 937	17 567	20%	73 288	69 154	(4 134)	-6%
2020/21	95 912	94 138	(1 774)	-2%	73 854	80 434	6 580	8%
2021/22	86 090 404	94 710 132	8 619 728	9%	80 536 779	82 229 568	1 692 789	2%

Performance against budgets

The following graph indicates the various types of revenue items in the municipal budget for 2021/22



The table below indicates the revenue collection performance by VOTE for the 2021/22 financial year:

Vote Description	2020/21	2021/22			2021/22 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
1.1 - MUNICIPAL MANAGER	26 582	24 690	24 790	24 540	-1%	-1%
1.2 - COUNCIL GENERAL EXPENSES	2 330	1 023	4 717	2 455	140%	-48%
2.1 - FINANCIAL SERVICES	6 665	7 447	4 647	5 757	-23%	24%
2.2 - PROPERTY RATES	4 004	5 348	4 387	4 380	-18%	0%
3.1 - IDP	-	-	-	-	#DIV/0!	#DIV/0!
3.2 - STRATEGIC SERVICES	34	57	79	50	-13%	-37%
3.3 - CORPORATE SERVICES	1 474	417	417	2 590	521%	521%
4.1 - CEMETRIES	45	20	20	21	4%	4%

4.2 - LIBRARY	1 892	2 094	2 094	2 164	3%	3%
4.3 - DISASTER MANAGEMENT	617	643	643	354	-45%	-45%
4.4 - COMMUNITY HALLS	50	148	148	148	0%	0%
4.5 - TRAFFIC CONTROL	3 910	2 422	422	7 328	203%	1638%
4.6 - HOUSING	-	-	-	-	#DIV/0!	#DIV/0!
4.7 - SPORT AND RECREATION	3	4	4	12	234%	234%
4.8 - TOURISM	-	-	-	-	#DIV/0!	#DIV/0!
5.1 - ELECTRICITY SERVICES	16 516	19 094	19 069	19 123	0%	0%
5.2 - WATER SERVICES	21 847	15 489	15 509	16 898	9%	9%
5.3 - SEWERAGE	4 236	4 637	4 450	4 349	-6%	-2%
5.4 - REFUSE	2 260	2 607	2 202	2 725	5%	24%
5.5 - PUBLIC WORKS	1 032	1 293	1 293	1 243	-4%	-4%
Total Revenue by Vote	93 498	87 432	84 890	94 138	8%	11%

The table below indicates the revenue collection performance by source for the 2021/22 financial year:

Description	2020/21	2021/22			2020/21 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Property rates	4 919	5 613	5 433	5 428	-3,3%	-0,1%
Property rates - penalties & collection charges	(915)	(264)	(1 046)	(1 048)	296,6%	0,2%
Service charges - electricity revenue	17 352	19 863	19 848	19 837	-0,1%	-0,1%
Service charges - water revenue	6 797	7 324	5 647	7 691	5,0%	36,2%
Service charges - sanitation revenue	5 552	6 076	5 905	5 871	-3,4%	-0,6%
Service charges - refuse revenue	3 031	3 412	3 058	3 084	-9,6%	0,8%
Less: Subsidy to Indigent Households	(5 042)	(5 097)	(5 512)	(5 931)	16,4%	7,6%
Rental of facilities and equipment	416	397	397	470	18,3%	18,3%
Interest earned - external investments	2 321	2 900	2 300	2 347	-19,1%	2,0%
Interest earned - outstanding debtors	1 680	1 280	1 580	1 933	51,0%	22,3%
Dividends received	-	-	-	-	0,0%	0,0%
Fines, penalties and forfeits	3 509	3 332	2 775	6 910	107,4%	149,0%
Licences and permits	124	-	-	137	#DIV/0!	#DIV/0!
Agency services	281	200	110	286	42,9%	159,8%
Transfers and subsidies	34 294	31 104	34 542	32 080	3,1%	-7,1%
Other revenue	674	467	397	1 028	120,1%	158,9%
Gains	532	-	-	1 269	0,0%	0,0%
Total Revenue (excluding capital transfers and contributions)	75 526	76 607	75 434	81 392	6,2%	7,9%

5.1.3 Operational Services Performance

The table below indicates the Operational services performance for the 2021/22 financial year:

Financial Performance of Operational Services						
Description	2020/21	2021/22			2021/22 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Operating Cost						
Water Management	6 481	5 502	5 728	6 344	15,3%	10,8%
Waste Water Management	3 832	4 163	4 163	3 954	-5,0%	-5,0%
Energy Souces	14 248	17 901	18 881	17 413	-2,7%	-7,8%
Waste Management	4 369	3 951	4 067	4 778	20,9%	17,5%
Component A: sub-total	28 929	31 517	32 839	32 489	3,1%	-1,1%
Road Transport	9 207	8 313	8 565	10 215	22,9%	19,3%
Component B: sub-total	9 207	8 313	8 565	10 215	22,9%	19,3%
Planning and Development	630	748	675	763	2,0%	13,0%
Housing	–	–	–	–	#DIV/0!	#DIV/0!
Component C: sub-total	630	748	675	763	2,0%	13,0%
Community and Social Services	2 718	2 966	3 044	2 453	-17,3%	-19,4%
Executive and Council	3 788	7 567	7 256	6 577	-13,1%	-9,4%
Finance and Administration	17 982	22 338	19 556	18 775	-16,0%	-4,0%
Public Safety	4 634	2 183	2 174	7 585	247,4%	248,9%
Sport and Recreation	1 066	1 460	1 632	1 308	-10,4%	-19,9%
Corporate Policy Offices and Other	–	–	–	–	0,0%	0,0%
Tourism	200	281	281	270	-4,0%	-4,0%
Component D: sub-total	30 387	36 795	33 943	36 968	0,5%	8,9%
Total Expenditure	69 154	77 374	76 022	80 434	4,0%	5,8%

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	2020/21	2021/22			
	Actual	Original Budget	Adjustments Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	21 847	15 489	15 509	16 898	8,96%
Expenditure:					
Employees	1 269	1 456	1 627	1 580	-2,86%
Materials and bulk purchases	268	232	232	168	-27,56%
Depreciation	1 145	1 080	1 080	1 264	17,04%
Other	2 434	2 317	2 361	3 799	60,91%
Total Operational Expenditure	5 115	5 085	5 299	6 811	28,53%
Net Operational (Service)	16 732	10 404	10 210	10 087	-1,20%
Variances are calculated by dividing the difference between the actual and original budget by the actual.					
Total expenditure	6 481	5 502	5 728	6 344	10,75%
	1 365	417	428	(467)	

5.2.2 Waste Water (Sanitation)

Description	2020/21	2021/22			
	Actual	Original Budget	Adjustments Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	4 236	4 637	4 450	4 349	-2,28%
Expenditure:					
Employees	827	1 136	1 071	936	-12,62%
Materials	18	21	21	8	-61,28%
Depreciation	1 214	1 026	1 026	1 301	26,73%
Other	2 097	1 936	2 003	1 772	-11,54%
Total Operational Expenditure	4 157	4 119	4 122	4 017	-2,54%
Net Operational (Service)	79	518	329	332	1,04%
Variances are calculated by dividing the difference between the actual and original budget by the actual.					
Total expenditure	3 832	4 163	4 163	3 954	-5,02%
	(325)	44	42	(62)	

5.2.3 Electricity

Description	2020/21	2021/22			
	Actual	Original Budget	Adjustments Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	16 516	19 094	19 069	19 123	0,28%
Expenditure:					
Employees	334	426	405	379	-6,34%
Materials	39	60	60	44	-26,46%
Bulk purchases	12 098	15 277	16 277	15 796	
Depreciation	243	354	354	337	-4,84%
Other	1 508	1 668	1 743	1 535	-11,95%
Total Operational Expenditure	14 222	17 785	18 839	18 092	-3,97%
Net Operational (Service)	2 295	1 309	230	1 032	348,21%
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Total expenditure	14 248	17 901	18 881	17 413	-7,78%
	26	116	42	(679)	

Financial Performance: Electricity

5.2.4 Waste Management

Description	2020/21	2021/22			
	Actual	Original Budget	Adjustments Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	2 260	2 607	2 202	2 239	1,67%
Expenditure:					
Employees	978	1 260	1 264	1 152	-8,86%
Materials	220	227	227	198	-12,87%
Depreciation	1 111	608	608	350	-42,49%
Other	1 826	2 648	2 650	2 061	-22,22%
Total Operational Expenditure	4 134	4 743	4 749	3 761	-20,81%
Net Operational (Service)	(1 874)	(2 136)	(2 547)	(1 522)	-40,25%
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Total expenditure	4 369	3 951	4 067	4 778	17,48%
	235	(792)	(682)	1 018	

5.2.5 Roads and storm water

Description	2020/21	2021/22			Variance to Budget
	Actual	Original Budget	Adjustments Budget	Actual	
	R'000				
Total Operational Revenue	1 032	1 293	1 293	1 243	-3,88%
Expenditure:					
Employees	5 549	5 944	6 052	5 514	-8,90%
Materials	–	–	–	–	#DIV/0!
Depreciation	1 132	821	821	1 085	32,17%
Other	2 467	1 805	1 846	2 526	36,87%
Total Operational Expenditure	9 148	8 570	8 719	9 125	4,66%
Net Operational (Service)	(8 116)	(7 276)	(7 426)	(7 882)	6,14%
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Total expenditure	207	313	565	215	19,26%
	9	8	8	10	
	59	(257)	(153)	090	1

Financial Performance: Roads and storm water

5.2.6 Security and Safety

Description	2020/21	2021/22			Variance to Budget
	Actual	Original Budget	Adjustments Budget	Actual	
	R'000				
Total Operational Revenue	3 910	2 422	422	7 328	1637,66%
Expenditure:					
Employees	1 097	1 358	1 361	917	-32,59%
Materials	–	–	–	–	#DIV/0!
Depreciation	–	0	0	0	-9,04%
Other	3 948	2 763	2 684	3 537	31,79%
Total Operational Expenditure	5 045	4 121	4 045	4 455	10,12%
Net Operational (Service)	(1 135)	(1 699)	(3 623)	2 873	-179,29%
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Total expenditure	4 634	2 183	2 174	7 585	248,94%
	(411)	(1 938)	(1 871)	3 130	

Financial Performance: Security and Safety

5.2.7 Sport and Recreation

Description	2020/21	2021/22			
	Actual	Original Budget	Adjustments Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	3	4	4	12	233,60%
Expenditure:					
Employees	809	1 047	1 047	1 047	0,00%
Materials	4	57	57	57	0,00%
Depreciation	136	230	230	230	0,00%
Other	157	176	176	24	-86,17%
Total Operational Expenditure	1 106	1 509	1 510	1 358	-10,05%
Net Operational (Service)	(1 104)	(1 506)	(1 506)	(1 346)	-10,61%
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Total expenditure	1 118	1 513	1 685	1 389	-17,57%
	12	3	175	31	

Financial Performance: Sport and Recreation

5.2.8 Executive and council

Description	2020/21	2021/22			
	Actual	Original Budget	Adjustments Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	28 612	25 463	29 157	26 895	-7,76%
Expenditure:					
Employees	5 073	2 308	2 266	2 308	1,85%
Materials	-	-	-	-	#DIV/0!
Depreciation	(2 898)	39	39	39	0,00%
Other	2 497	5 831	5 537	1 745	-68,48%
Total Operational Expenditure	4 672	8 177	7 842	4 092	-47,82%
Net Operational (Service)	23 940	17 285	21 315	22 803	6,98%
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Total expenditure	3 788	7 567	7 256	6 090	-16,07%
	(884)	(610)	(586)	1 998	

Financial Performance: Executive and council

5.2.9 Financial and Administration

Description	2020/21	2021/22			Variance to Budget
	Actual	Original Budget	Adjustments Budget	Actual	
	R'000				
Total Operational Revenue	8 753	12 675	12 145	11 911	-1,92%
Expenditure:					
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%
Total Operational Expenditure	18 248	19 007	19 556	17 450	-10,77%
Net Operational (Service)	(9 495)	(6 331)	(7 411)	(5 538)	-25,27%
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	2020/21	2021/22			Variance to Budget
	Actual	Original Budget	Adjustments Budget	Actual	
	R'000				
Total Operational Revenue	34	57	79	50	-37,03%
Expenditure:					
Employees	540	590	589	590	0,25%
Materials	–	–	–	–	#DIV/0!
Depreciation	–	–	–	–	#DIV/0!
Other	180	145	142	116	-18,12%
Total Operational Expenditure	721	735	730	706	-3,31%
Net Operational (Service)	(687)	(678)	(651)	(656)	0,79%
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

Total expenditure	630	748	675	763	13,03%
	(91)	14	(55)	57	

5.2.11 Community Services

Description	2020/21	2021/22			
	Actual	Original Budget	Adjustments Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	2 604	2 904	2 904	2 687	-7,47%
Expenditure:					
Employees	2 186	2 458	2 377	2 458	3,43%
Materials	30	39	39	39	0,00%
Depreciation	106	92	202	92	-54,64%
Other	356	283	328	412	25,48%
Total Operational Expenditure	2 679	2 872	2 946	3 001	1,85%
Net Operational (Service)	(74)	32	(42)	(314)	643,99%

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

Total expenditure	2 666	2 537	3 056	2 372	-22,37%
	(13)	(335)	110	(629)	

Financial Performance: Community Services

Other

Description	2022/21	2021/22			
	Actual	Original Budget	Adjustments Budget	Actual	Variance to Budget
	R'000				%
Total Operational Revenue	-	-	-	-	#DIV/0!
Expenditure:					
Employees	-	-	-	-	#DIV/0!
Materials	-	-	-	-	#DIV/0!
Depreciation	-	-	-	-	#DIV/0!
Other	200	200	200	200	0,00%
Total Operational Expenditure	200	200	200	200	0,00%
Net Operational (Service)	(200)	(200)	(200)	(200)	0,00%

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

Total expenditure	200	200	200	270	35,00%
	-	-	-	70	

5.2.13 Operating Transfers and Grants

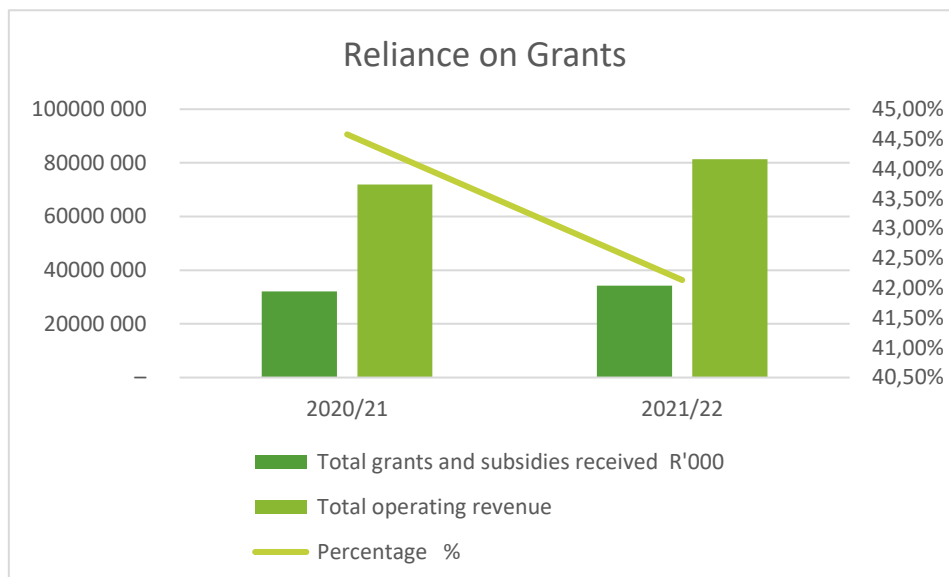
Description	2020/21	2021/22			2021/22 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
	R'000				%	
Operating Transfers and Grants						
National Government:	25 013	26 283	29 223	29 014		
Local Government Equitable Share	21 355	22 985	25 925	25 925	12,8%	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%
Provincial Government:	2 530	1 896	2 395	2 144	13,1%	-10,5%
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!
District Municipality:	–	401	400	400	-0,2%	0,0%
SKDM Disaster Relief Grant	–	401	400	400	-0,2%	0,0%
Other grant providers:	2 743	2 524	2 524	1 937	-23,3%	-23,3%
Skills Development Fund Levy	32	24	24	25	4,9%	4,9%
Service in kind (Audit Fees)	2 711	2 500	2 500	1 911	-23,5%	-23,5%
Total Operating Transfers and Grants	30 287	31 104	34 542	33 495	7,7%	-3,0%
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		%
2019/20	30 980	67 962	45,58%
2020/21	30 947	78 575	39.39%
2021/22	34 294	81 392	42.13%

Reliance on grants

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



5.4 Asset Management

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

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

The key elements of the Asset Management Policy represent:

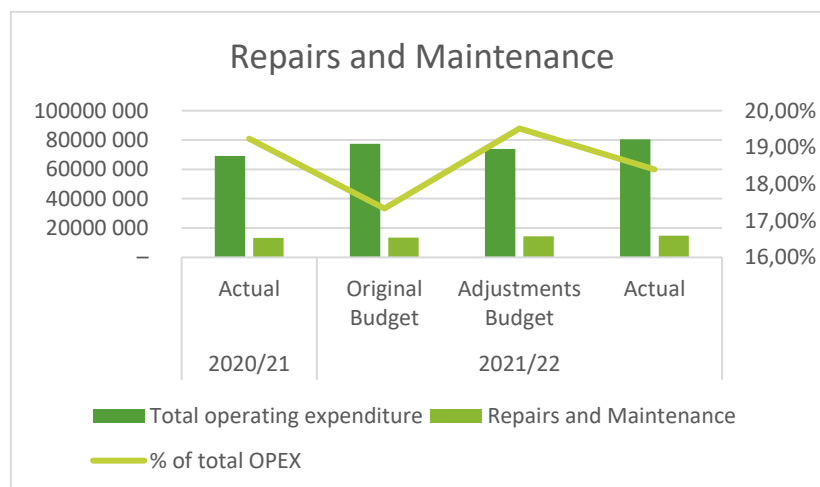
- Statutory and Regulatory Framework / Responsibilities and Accountabilities
- Financial Management / Internal Controls / Management of Control Items
- Management and Operation of Assets / Classification & Components
- Accounting for Assets / Financial Disclosure
- Regular Asset counts are conducted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

5.4.1 Repairs and Maintenance

Description	2020/21	2021/22			
	Actual	Original Budget	Adjustments Budget	Actual	Variance to Budget
Total operating expenditure	69 154	69 345	73 854	80 434	6,5%
Repairs and Maintenance	13 306	13 411	14 412	14 796	7,5%
% of total OPEX	19,24%	19,34%	19,51%	18,40%	

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

Repairs & maintenance 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

Financial Viability Indicators

5.5.1 Liquidity Ratio

Description	Basis of calculation	2019/20	2020/21	2021/22
		Audited outcome	Audited outcome	Audited outcome
Current Ratio	Current Assets / Current Liabilities	1,16	1,25	2,74
Current Ratio adjusted for aged debtors	Current Assets less debtors > 90 days / Current Liabilities	0,94	0,89	2,17
Liquidity Ratio	Monetary Assets / Current Liabilities	1,15	1,24	2,72

Table: Liquidity

Description	Basis of calculation	2019/20	2020/21	2021/22
		Audited outcome	Audited outcome	Audited outcome
Cost Coverage	(Available cash + Investments – Unspent Grants)/monthly fixed operational expenditure	6,09	8,13	13,64
Total Outstanding Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0,52	0,62	0,74
Debt Coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year) X 365	8340,98	7718,59	6047,31

Table: cost coverage

5.5.3 Employee costs

Description	Basis of calculation	2019/20	2020/21	2021/22
		Audited outcome	Audited outcome	Audited outcome
Employee costs	Employee costs / (Total Expenditure)	33%	34%	31%

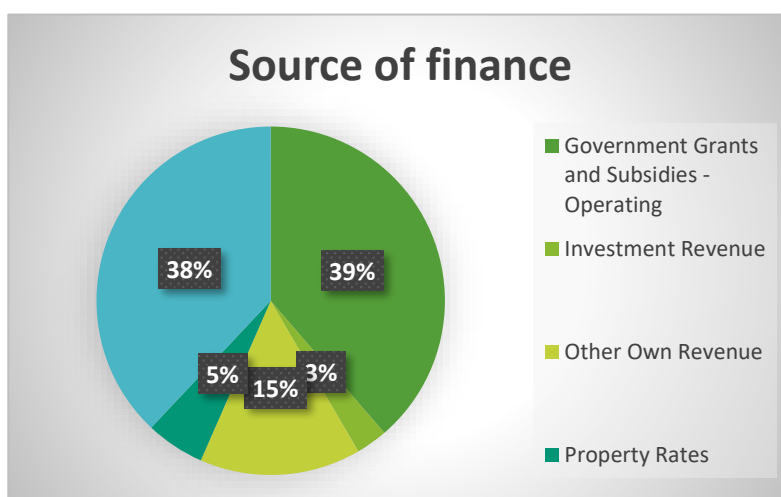
Table: Employee Costs

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.6 Sources of Finance

Source of Finance	2021/22
Total Revenue	94 644 704
Government Grants and Subsidies - Operating	31 123 584
Investment Revenue	2 346 796
Other Own Revenue	12 032 148
Property Rates	4 380 380
Services Charges	30 552 368
	80 435 276

Table: Source of finance



5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Projects with the highest capital expenditure in 2021/22

Name of Project	2021/22				
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Road Transport	7 332	8 115	8 115	-11%	-11%
Finance and Administration (RSEP)	1 000	4 082	-	100%	-308%
Finance and Administration (ICT)	-	1 935	-	#DIV/0!	#DIV/0!

* Projects with the highest capital expenditure in Year 1

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 2021/22 on Service backlogs					
Details	Budget	Adjustment Budget	Actual	Variance	
				Budget	Adjustment Budget
	R'000			%	
Infrastructure - Road transport	7 332	8 115	8 115	11%	0%
<i>Roads, Pavements & Bridges</i>	7 332	8 115	8 115	11%	0%
<i>Storm water</i>	–	–		%	%
<i>Drainage Collection</i>	–	–		#DIV/0!	#DIV/0!
Infrastructure - Electricity	–	–	–	%	%
<i>Generation</i>				%	%
<i>Transmission & Reticulation</i>				%	%
<i>Street Lighting</i>				%	%
Infrastructure - Water	–	–	–	100%	100%
<i>Dams & Reservoirs</i>				100%	100%
<i>Water purification</i>				100%	100%
<i>Reticulation</i>				100%	100%
Infrastructure - Sanitation	–	–	–	100%	#DIV/0!
<i>Reticulation</i>				%	%
<i>Sewerage purification</i>				%	%
<i>Waste Water Treatment Works</i>	–	–		#DIV/0!	#DIV/0!
Infrastructure - Other				%	%
<i>Waste Management</i>				%	%
<i>Transportation</i>				%	%
<i>Gas</i>				%	%
Other Specify:				%	%
				%	%
				%	%
				%	%
Total	7 332	8 115	8 115	%	%

* 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	2020/21	2021/22		
	Audited Outcome	Original Budget	Adjustment Budget	Actual
R'000				
Cash flow from operating activities				
Receipts				
Property rates	3 910	5 251	4 336	4 185
Service charges	23 848	28 908	26 963	28 106
Other revenue	1 401	1 700	1 500	(197)
Government - operating	33 403	30 202	31 102	30 931
Government - capital	11 593	9 882	9 882	10 361
Interest	2 321	2 340	2 340	2 347
Dividends		-	-	
Payments				
Suppliers and employees	(54 530)	(63 660)	(68 732)	(67 927)
Finance charges	(9)	(59)	(93)	(13)
Transfers and Grants	(320)	(386)	(421)	(621)
Net cash from/(used) operating activities	21 618	14 177	6 876	7 171
Cash flow from investing activities				
Receipts				
Purchase of Property, Plant and Equipment	(21 811)	(10 292)	(14 655)	
Purchase of Intangible Assets	(40)			
Disposal of Fixed Assets	254			
Payments				
Capital assets				
Net cash from/(used) investing activities	(21 597)	(10 292)	(14 655)	-
Cash flow from financing activities				
Receipts				
Short term loans				
Borrowing long term/refinancing				
Increase (decrease) in consumer deposits				
Payments				
Repayment of borrowing	(51)	-	-	(92)

Net cash from/(used) financing activities	(51)	-	-	(92)
Net increase/(decrease) in cash held	(30)	3 885	(7 779)	7 079
Cash/cash equivalents at the year begin:	51 967	37 456	51 937	51 937
Cash/cash equivalents at the year-end:	51 937	41 341	44 158	59 016

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					
2020/21	2 011	10 551	8 626	3 343	24 531
2021/22	2 169	10 779	10 456	4 809	28 213
Difference	158	227	1 831	1 466	3 682
% movement year on year	7,30%	2,11%	17,51%	30,48%	

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				
2019/20	1 024	1 100	947	15 941	19 012
2020/21	1 631	1 233	1 134	20 533	24 531
2021/22	731	1 441	1 040	25 001	28 213
Difference	(900)	208	(94)	4 469	3 682
% growth year on year	-123,07%	14,44%	-9,07%	17,87%	13,05%
Note: Figures exclude provision for bad debt					

Table: 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	2019/20	2020/21	2021/22
	R'000		
Finance Leases	-	192	141

5.12.2 Municipal Investments

Instrument	2019/20	2020/21	2021/22
	R'000		
Deposits - Bank	51 967	51 937	93 861

Municipal Investments

Other financial matters

a. GRAP Compliance

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

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

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

Chapter 6

6.1 Auditor General Report

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

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

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

The audit report will be added to this chapter with the final 2021/22 Annual Report in January 2023.

Chapter 7

Report of the Audit Committee for the year ended 30 June 2022

The Chapter will be completed when the final 2021/22 Annual report is tabled to Council in January 2023.