

**Disaster Management Plan:** The plan was updated and approved by council in 2016. The next update is due in 2018/19. The West Coast District Municipality is currently engaging the Provincial Disaster Management regarding revising the Risk Assessment after which the plan can be revised and updated.

**Projects:** As result of the drought funding was allocated for the drilling of boreholes. Many boreholes were made over the Matzikama area.

#### **KPA 2: Risk assessment**

Disaster Risk Register: A risk assessment was conducted during 2016 with the assistance of the Western Cape Disaster Management Centre.

#### **KPA 3: Risk Reductions (aligning frameworks and planning)**

There is currently no municipal advisory forum. As result of the deficiency the municipality is using the existing platforms.

The following risk reduction efforts are exercised:

- Water restrictions;
- Departmental contingency plans.

#### **KPA 4: Response & recovery**

The critical water shortage in area to communities and farmers is being mitigated with support from provincial departments and support from NGO's through Western Cape Disaster Management Centre.

Drought: Day Zero Contingency Plan is in draft form and will be used to identify measures to address shortcoming with respect to water.

#### **Enabler 1: Integrated and comprehensive information management & Communication**

There is currently no integrated and comprehensive information system and the disaster management component totally depends on assistance from the West Coast Disaster Management Centre.

#### **Enabler 2: Education, Training, Public awareness and Research**

There are currently no activities as the challenge is capacity in terms of human resources and budget.

#### **Enabler 3: Funding**

No budget has been allocated for Disaster Management and in order to address Disaster Risk Management in area, alternatives needs to be developed to obtain funding for this funding.

**3.12.7 B. Bergrivier Local Municipality** is a local municipality in the Western Cape province of South Africa. It governs the towns of Piketberg (the seat of the municipal council), Velddrif and Porterville, as well as the surrounding villages and rural areas.



### **KPA 1: Integrated Institutional Capacity**

**Staff:** 1x Head: Fire Chief/ Disaster Management,

- 7 contract firefighters whom assist with disasters
- Organigram has been approved by Council, however positions unfunded except for Head: Disaster Management.

**Framework:** Existing platforms are used to engage communities, organisations – namely

- Community Policing Forum;
- Ward Meetings;
- Protection Services Meetings (Fire & Disaster; SAPS; Law Enforcement; Traffic);
- Director's Meetings;
- Departmental Meetings;
- Council Meetings.

**Disaster Management Plan:** The plan was updated and approved by council in 2016. The next update is due in 2018/19. The West Coast District Municipality is currently engaging the Provincial Disaster Management regarding revising the Risk Assessment after which the plan can be revised and updated. In interim incident specific contingency plans are drafted.

**Projects:** The following projects are currently administered –

- Community awareness (Fire and Disasters);
- Storm water upgrading and cleaning;
- Upgrading of water reservoirs;
- Sinking of additional boreholes in Piketberg.

### **KPA 2: Risk assessment**

**Disaster Risk Register:** A risk assessment was conducted during 2016 with the assistance of the Western Cape Disaster Management Centre.

### **KPA 3: Risk Reductions (aligning frameworks and planning)**

There is currently no municipal advisory forum. As result of the deficiency the municipality is using the existing platforms.

The following risk reduction efforts are exercised:

- Water restrictions;
- Departmental contingency plans;
- Storm water upgrade and cleaning (January to April);
- Sinking of additional boreholes for Piketberg;
- Awareness programs for Fire & Disaster Management;
- Awareness programs for Traffic & Law Enforcement;
- Drought Awareness program;



#### **KPA 4: Response & recovery**

Drought: Day Zero Contingency Plan is in draft form and will be used to identify measures to address shortcoming with respect to water.

#### **Enabler 1: Integrated and comprehensive Information management & Communication**

There is currently none and using a cell phone initiative which is manned by Fire Chief and firefighters.

#### **Enabler 2: Education, Training, Public awareness and Research**

There are currently no activities as the challenge is capacity in terms of human resources and budget, but did some awareness with Poster drive that spoke to Fire Awareness.

#### **Enabler 3: Funding**

No separate budget for Disaster Management. Combined budget (Operational & Capital) for Fire & Disaster Management. The need is that alternatives on funding needs to be identified if a pro-active approach is taken in mitigating disasters in the area.

**3.12.8 C. Cederberg Local Municipality** is a local municipality which governs an area of the Western Cape province of South Africa stretching from the Cederberg mountains through the middle valley of the Olifants River to the Atlantic coast. It includes the towns of Clanwilliam, Citrusdal and Lamberts Bay, and the surrounding villages and farms.

#### **KPA 1: Integrated Institutional Capacity**

**Staff:** 1x Head: Protection Services;

1x Disaster Management Officer.

**Framework:** Existing platforms are used to engage communities. Engaging the West Coast Disaster Management Centre for guidance.

**Disaster Management Plan:** Engaging the West Coast Disaster Management Centre for guidance on the Disaster Management Plan of Cederberg Municipality.

**Projects:** The projects which are currently being administered are incident specific and as capacity allow:

- Community awareness (Fire and Disasters);

#### **KPA 2: Risk assessment**

**Disaster Risk Register:** Engaging the West Coast Disaster Management Centre on guidance.

#### **KPA 3: Risk Reductions (aligning frameworks and planning)**

There is currently no municipal advisory forum. As result of the deficiency the municipality is using the existing platforms.

The following risk reduction efforts are being exercised:

- Water restrictions;
- Departmental contingency plans;
- Sinking of additional boreholes



#### **KPA 4: Response & recovery**

Drought: Day Zero Contingency Plan is in draft form and will be used to identify measures to address shortcoming with respect to water. Capacity challenges prohibit completion but engaging West Coast Disaster Management Centre.

#### **Enabler 1: Integrated and comprehensive Information management & Communication**

There is currently no system and using West Coast Disaster Management Centre to communicate and engage on emergencies and disasters.

#### **Enabler 2: Education, Training, Public awareness and Research**

The activities are done in partnership of Western Cape Disaster Management Centre.

#### **Enabler 3: Funding**

No separate budget for Disaster Management. The need is that alternatives on funding needs to be identified if a pro-active approach is to be taken in mitigating disasters in the area.

**3.12.9 D. The Swartland Municipality** is a region of Western Cape Province that begins some 50 kilometres (31 mi) north of Cape Town and consists of the area between the towns of Malmesbury in the south, Darling in the west, Piketberg in the north, and the Riebeek West and Riebeek Kasteel in the east.

#### **KPA 1: Integrated Institutional Capacity**

**Staff:** The Chief Fire Officer is also appointed as Head of Disaster Management and is the only person doing the work.

**Framework:** Existing platforms are used e.g.: Community Policing Forum; Ward Meetings; Protection Services Meetings SAPS; Law Enforcement; Traffic; Director's Meetings; Departmental Meetings; Council Meetings.

**Disaster Management Plan:** Updated and approved by council in 2018, submitted to the West Coast Disaster Management Centre which in turn submitted it to the Provincial and National Disaster Management Centre's

**Projects:** Monthly community awareness programs e.g. educational occupancy visits, Storm water upgrading and cleaning;

#### **KPA 2: Risk assessment:**

**Disaster Risk Register:** A risk assessment was completed in 2018 with the assistance of the Provincial Disaster Management Centre. The risk register is being updated by the internal auditor of the municipality.

#### **KPA 3: Risk Reductions (aligning frameworks and planning)**

- There is no municipal advisory forum. Existing platforms are used;
- Storm water upgrade and cleaning;
- Awareness programs for Fire & Disaster Management;
- Awareness programs for Traffic & Law Enforcement;
- Drought Awareness programs;
- Water Restrictions and implementation of fines for high usage uses.;
- Contingency plans;
- Identifying of fire dangers, control burning in winter months to reduce fire loads;
- Enforcement of fire protective equipment through the approval of building plans.





#### **KPA 4: Response & recovery**

**Drought:** Day Zero Contingency Plan,

**Flooding:** Ensuring drains are kept clean and avoiding building of houses in low lying areas

#### **Enabler 1: Integrated and comprehensive Information management & Communication**

The municipality uses internal radios, but communication with other role players can only be achieved by telephone or emails and emergencies are relayed through West Coast Disaster Management Centre.

#### **Enabler 2: Education, training, public awareness and Research**

Monthly public awareness programmes are being done and monitored by a performance system.

#### **Enabler 3: Funding**

Disaster Management has its own budget to assist with small incidents.

**3.12.10 Saldanha Bay Municipality (SBM)** is a [local municipality](#) located within the [West Coast District Municipality](#). The municipality includes the West Coast Peninsula (also known as the Vredenburg Peninsula) and stretches southeast to include the West Coast National Park and the area around Hopefield. It abuts on the Bergrivier Municipality to the north and the Swartland Municipality to the east and south.

#### **KPA 1: Integrated Institutional Capacity**

**Staff:** The Chief Fire Officer **is** doing function of Fire Chief and Disaster Management Moreover the Present staff compliment consist of 15 permanent fire fighters and 10 Reservists fire fighters

**Framework:** SBM has not established a framework for disaster management yet but take their lead from the District Disaster Management Framework which is established in accordance with section 42 of the Disaster Management Act, Act 57 of 2002.

**Disaster Management Plan:** The Municipality has reviewed its disaster Management plan in 2018 after an in depth Disaster Risk assessment was conducted by the Provincial Disaster Management Centre and is in process to draft the contingency plans. This includes a ward based and scientific risk assessments.

**Projects:** All projects relating to Disaster Management are handled within each Department in the SBM.

#### **KPA 2: Risk assessment:**

The Disaster Risk Assessment for SBM was undertaken with the aim of providing relevant disaster risk management and municipal role-players with a current and user-friendly document which will assist in implementing disaster risk reduction by focusing on pertinent risks in the SBM. SBM Disaster Risk assessment was done by Aurecon in 2016. Contingency plans had been drawn up for the risks identified in our area. This process is on-going. The Safety, Health and Environmental protection section and Risk committee are in process of reviewing and updating the risk registers of SBM.

#### **KPA 3: Risk Reductions (aligning frameworks and planning)**

Advisory forum had been established in December 2017. All relevant role players that were invited attended the launch of the Advisory forum. Role and responsibilities had been discussed and assigned. The Forum will meet quarterly unless a Disaster occurs in our area. Various risk reduction activities had been prioritized and had been taken up in the IDP of the Municipality.

These risk reduction activities will be implemented in the current financial year.



#### **KPA 4: Response & recovery**

**Drought:** During the severe drought in our area the Municipality institutes water restrictions. The Municipality also declared its area as a Local Disaster Area due to the severity of the drought. Council at a Special Council meeting held on the 15 June 2017 resolved as follows: R5/6-17 DECLARATION OF THE SALDANHA BAY AS A LOCAL DISASTER AREA"

Various extensions of the declaration were done until the drought was declared a National disaster. The National Disaster Management Centre on 08 February 2018 in terms of section 23(3) of the Disaster Management Act, 2002 (Act No. 57 of 2002) had reclassified the drought as a National Disaster in Government Gazette no 41439 on 13 February 2018.

A Water Emergency Disaster Management Plan has been drafted by a multi-disciplinary team representing all the role-players dealing with this hazard. The Integrated Water Emergency Disaster Management Plan confirms the coordinated organizational and institutional arrangements, both from within the SBM and external Entities / Organizations, to effectively prevent or reduce / mitigate the hazard from occurring and to adequately prepare for, respond to and render relief and rehabilitation, if the hazard cannot be avoided.

The Water Emergency Disaster Management Plan, which is linked to the Municipal Disaster Risk Management Plan, should: -

- anticipate the likely types of disaster that might occur in the SBM area and their possible effects,
- identify the communities at risk,
- provide for appropriate prevention, risk reduction and mitigation strategies,
- identify and address weaknesses in capacity to deal with possible disasters,
- facilitate maximum emergency preparedness,
- form an integral part of the SBM's IDP so that disaster risk reduction activities can be incorporated into its developmental initiatives,
- Establish the disaster risk management policy framework and organisation that will be utilized to mitigate any significant emergency or disaster affecting the municipality of Saldanha Bay, establish the operational concepts and procedures associated with day-to-day operational response to emergencies by SBM Departments and other entities. These SOPs will also form the basis for a more comprehensive disaster response, as referred to in the document.

**Flooding** The weather warning below was given through by the SA Weather Services on 28 June 2018. "An intense cold front is expected over the Western Cape on Sunday into Monday. The public and small stock farmers are advised that strong winds over the interior, localised flooding over the south-western Cape, heavy rain in mountainous regions, as well as very cold conditions and possible snowfalls over high-lying areas can be expected."

This warning was disseminated throughout the Saldanha Bay Municipal area and to all the Municipal Internal departments. Several risks reduction activities were rolled out to mitigate the storm envisaged. The SBM JOC was activated and all activities were coordinated through this platform. The West Coast Disaster Management Centre was on standby and fed situation reports to the Western Cape Disaster Management Centre as well as provincial departments for support and assistance.

Many streets and houses in the Saldanha Bay Municipal area were flooded and dealt with effectively by municipal employees and organizations in the private sector.



### **Enabler 1: Integrated and comprehensive Information management & Communication**

Presently communications are coordinated through the SBM Call centre. When a Disaster threatens to occur, the SBM JOC is activated to coordinate the disaster. Information to the community is disseminated via Radio West Coast, sms / whats-app groups, local newspaper, teams Identified in the different Wards and via handheld radio and loud halers. Other than the above mentioned, emails and simple telephone calls will be used to spread information. The West Coast Disaster Management Centre is also advised and relevant services through the West Coast Call centre.

### **Enabler 2: Education, training, public awareness and Research**

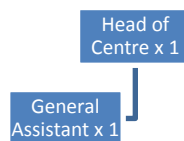
Awareness campaigns in informal areas did reduce the number of fires in those areas as well as the restructuring of shacks to ensure that fire fighting vehicles and fire fighters can reach those in need. The local newspaper is used from time to time to give tips on emergencies and other relevant topics. SBM monitor the awareness programs by monthly feedback to their Portfolio meetings as well as SDBIP.

### **Enabler 3: Funding**

Disaster Management in recent years has been neglected where budgetary provisions are concerned. Although not sufficient SBM had made provision for Disaster Management activities in the current financial year. Disaster Management activities identified in the Wards and by the Departments had been taken up into the SBM IDP.

#### **3.12.11 Organisational structure (West Coast Disaster Management)**

The Disaster Management department is in the Administration and Community Services Directorate.



#### **3.12.12 Challenges**

- The local/district municipalities do have challenges with respect to human resources and as such the Western Cape Disaster Management Centre as well as the resident municipality should investigate opportunities to deploy interns to the West Coast District who can be deployed to Local Municipalities;
- Due to large area of the West Coast District, exercises between Local Municipalities are not prevalent and it should be planned to be done at least twice a year to expose officials to environment;
- Due to budgetary constraints The Local Municipalities do not have the necessary budgets to do consistent public education and awareness as such the Western Cape Disaster Management Centre should consider increasing their programs and partner with West Coast District to make it more prevalent.
- No integrated communication system exists within West Coast between The Disaster management Centre and Municipal Disaster and Fire.
- Language of Awareness material is predominantly in English-however the dominant language spoken in West Coast is Afrikaans.
- The challenge of not having one emergency number for the West Coast district is also placing stress on a services to respond timeously to incidents and also activate necessary relief.

### **3.12.13 Performance Highlights**

#### **3.12.13.1 Public Education / Awareness**

Objective 1: To continuously execute public awareness campaigns to promote a culture of risk avoidance amongst stakeholders.

The National's Disaster Management Framework states that – All disaster risk reduction planning, developmental projects and programmes and the allocation of responsibilities must be founded on the needs and priorities of communities. Disaster risk reduction is a community – driven process.

Municipalities must involve local communities in the development of a risk profile, facilitate understanding of the concepts and value added through disaster risk reduction in communities, prioritise projects aimed at risk reduction indicated in the West Coast District IDP and facilitate participation in training, preparedness planning and awareness programmes. (NDMF, KPA 1, section 1.3.2.2).



Rosenhof Public Education / Awareness

#### **3.12.13.2 Severe Weather Storm: Saldanha Bay Municipality**

Objective 1: Ensure effective and appropriate disaster response and recovery by implementing a uniform approach to the dissemination of early warnings.

The National Disaster Management Framework states that in the event of a disaster occurring or threatening to occur, The Municipal Disaster Centre must provide support and guidance to the relevant sub-administrative units in the case of metropolitan municipalities and to local municipalities in the case of district municipalities (NDMF, KPA 1, section 1.2.5)



A Severe weather storm which affected an informal settlement named Middelspos in Saldanha Bay Municipality. The West Coast Disaster Management provided early warning notification and also put the West Coast Disaster Management Centre on standby. Information was relayed to the Western Cape Disaster Management Centre as well as provincial agencies to supply relief to affected parties.

### **3.12.13.3 Koeberg exercise**

The Koeberg exercise is done annually and the nuclear event is rated 15<sup>th</sup> in the West Coast District Municipality risk register. As such, the Disaster Management Plan is tested to test the Local Municipalities actions if such an event would occur. It must be noted that the municipalities (Swartland, Bergrivier and Saldanha) within the district have signed an agreement with the City of Cape Town regarding the Mass Care Centre's and have to comply with respect to preparedness. The exercise was done on the 20 June 2018.

### **3.12.13.4 Early warnings**

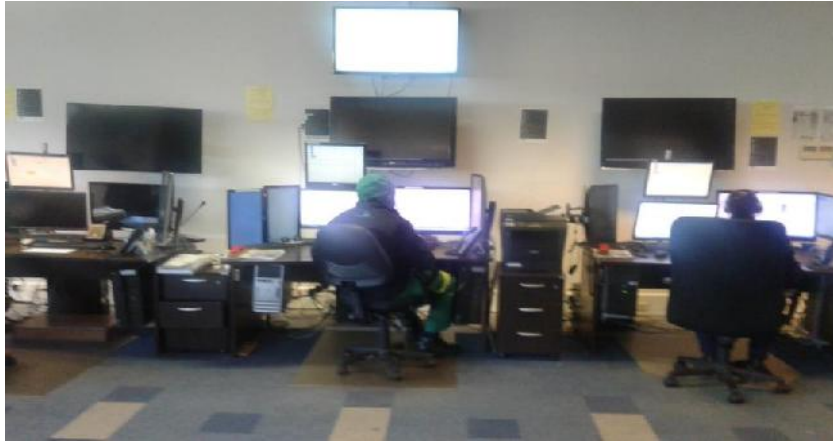
All the local municipalities are now provided early weather warnings. This is also relayed by West Coast Disaster Management Centre. The impact Based Severe Weather Warning System for South African is also now in a pilot phase and the West Coast is part of that (of which is only distributed internally and not for Media).

In light of the above the main focus of the West Coast Disaster Management Centre should be to have integrated institutional capacity whereby disaster risk management can be implemented in Local Municipalities. The challenge is lack of support for Disaster Management at top tiers of government. In order to reduce the likelihood and severity of disasters there should be contributions to institutional capacity.

Our capacity is highlighted with the following Disaster Centre capabilities-

- Call centre which is administered by 4 Call takers and call despatchers as well as health-net. This service is done with according to a Memorandum of Understanding which the West Coast district have with the Department of Health.





- The Organisation management area is used for a Joint Operation Centre during major or large incidents. When it is not used for incidents, then it substitutes for training or large municipal meetings.



The West Coast Disaster Management Centre will be revising the risk of the West Coast with the assistance of the Western Cape Disaster Management Centre. The risk is still as follows:

- Veld fire
- Structural fire
- Storm surge and Social conflict
- Seismic hazards
- Road accidents
- Drought
- Hazmat / Ocean Spills
- Floods
- Harmful Algae Bloom
- Hazmat/ Road



- Human diseases
- Coastal erosion
- Sand dune migration
- Animal diseases
- Nuclear event
- Severe weather
- Heat waves
- Dam Failure
- Aircraft incidents

To this end, the biggest challenge and debilitating factor that speak into every component in Disaster management both with the District as well as the Local Municipality is funding. The call centre system caters for the EMS and not necessarily for Disaster Management. A proper upgrade needs to happen whereby the system is integrated and can be used optimally by all services.

In addition-the human resource component on district level is needed to enhance the Centre capabilities but also in terms of its statutory requirements to the Western Cape Disaster management Centre and National Disaster management Centre. In order to optimally operate within our jurisdiction but also taking cognisance of preventing or reducing the risk of disasters, mitigating the severity of disasters, emergency preparedness, rapid and effective response to disasters and post disaster discovery and rehabilitation we have to prioritise Disaster Management in our IDP and budgets.

Whilst some progress has been made in building resilience and reducing losses and damages, substantial support, commitment and involvement is required from all tiered leadership which will ensure the necessary, conducive and enabling environment.

**Table 3.12.1: Financial performance: Disaster Management (R'000)**

Details	2016/2017	2017/2018			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
Total operating revenue					
Expenditure:					
Employees					
Repairs and maintenance					
Other					
Total operating expenditure					
Net operating expenditure					
					T3.11.1

**Table 3.12.2: Employees: Disaster Management**

Job level	2016/2017	2017/2018			
	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0-3	1	1	1	0	0
4-6					
7-9					
10-12					
13-15	1	1	1	0	0
16-18					
19-20					
Total	2	2	2	0	0



## COMPONENT H: RECREATION

### 3.13 GANZEKRAAL HOLIDAY RESORT

#### INTRODUCTION

Ganzekraal Holiday Resort is situated along the Atlantic Ocean, approximately 60 km from Cape Town on the R 27 Westcoast Road.

The Resort consist of 28 affordable self-catering chalets, campsites and conference facilities. The facilities are suitable for a variety of purposes for example conferences seminars, teambuilding efforts, private meetings, weddings, film shoots, year-end functions and family reunions. The chalets are fully furnished and the view is spectacular, The Resort is ideal for weekends breakaway, away from the city. Guests can enjoy the award winning views, vibrant spring flowers and wildflowers.

The children can enjoyed the tidal pool and playparks. The communal Lapa area are popular for braai's. There are two groups of caravan parks near the ocean, both areas have well designed ablution blocks. Chalets can accommodate 4-6 people and are spotlessly clean and comfortable. Locally employed staff has earned a well-deserved reputation for their warm country hospitality and 24 hour security personnel, trained in first aid and regularly patrolling the resort, ensures safety and peace of mind.

**Table 3.13.1: Employees: Ganzekraal Holiday Resort**

Job level	2016/2017	2017/2018			
	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0-3	9	9	9	0	0
4-6	1	1	1	0	0
7-9	3	3	3	0	0
10-12	1	1	1	0	0
13-15					
16-18					
19-20					
Total	14	14	14	0	0
T3.12.1					

## **Resort Report**

All repairs and maintenance has been done by the reliable team. Teamwork improved amazingly. Staff are dedicated to their work duties. The sewage pumps was replaced and the roof at the Lapa area repaired. The transformer was also replaced and a new air conditioner was installed in the Conference Centre, new water pump was also replaced at the Dam. Weekly inspections was also done on a regular basis. The Braai areas was rebuild.

The chalets are in good order, still need a lot of maintenance work, and are planned according the approved budget. Electric equipment, kitchen utensils, lounge suites were procured during the past financial year.

Administration is up to standard, the telephone system are still a major challenge, and income is also up to standard.

DSS security is really a bonus to the resort. No burglaries were reported for the past few months, due to the excellent service delivery of the service provider. The Resort received positive comments every weekend from the public.



**Table 3.13.3: Financial performance: Ganzekraal Holiday Resort (R'000)**

Financial Performance: Ganzekraal Resort					
Details	2016/2017	2017/2018			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
<b>Total Operating Revenue</b>	3 654 806	4 502 950	4 502 950	3 643 288	19.09%
Expenditure:					
Employees	3 149 973	3 372 330	3 272 330	3 206 359	2.02%
Repairs and maintenance	-	-	-	-	-
Other	1 468 800	3 429 660	2 053 060	1 804 910	12.09%
<b>Total Operating Expenditure</b>	4 618 773	6 801 990	5 325 390	5 011 269	5.90%
<b>Net Operating Expenditure</b>					
					T3.13.3

### General

Priority at Ganzekraal are maintenance.

Staff try their best to keep the clients happy. And the staff is true ambassadors of Ganzekraal and deliver excellent and attempt that clients will always come back.

### Occupation Statistics

OCCUPATION STATISTIC		
<u>CLASS</u>	<u>2016/2017</u>	<u>2017/2018</u>
Amanzi	47.04	56.84
Proteas	30.51	56.79
Mooimaak	41.94	48.86
Facilities	13.74	16.91
Camping sites	23.47	25.86
<b>Resort Avenue</b>	<b>30.51</b>	<b>35.06</b>



## COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

### 3.14 EXECUTIVE AND COUNCIL

This component includes the executive office (mayor, councillors and municipal manager).

**Table 3.14.1: Employees: Executive and Council**

Job level	2017	2017/2018			
	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0-3					
4-6					
7-9					
10-12					
13-15					
16-18					
19-20					
Executive Mayoral Committee	7	7	7	0	0
Councillors	17	17	17	0	0
Personal assistant	2	2	1	1	50%
Receptionist/clerk	1	1	0	1	100%
<b>Total</b>	<b>27</b>	<b>27</b>	<b>25</b>	<b>2</b>	<b>0</b>

**Table 3.14.2: Financial performance: Executive and Council (R'000)**

Financial Performance Executive and Council					
Details	2016/2017	2017/2018			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
<b>Total Operating Revenue</b>	170 218	310	310	222 817	(71776.38%)
Expenditure:					
Employees	5 447 199	6 002 950	6 002 950	5 942 246	1.01%
Repairs and maintenance	-	-	-	-	-
Other	1 627 163	4 321 150	2 079 950	2 080 964	(0.05%)
<b>Total Operating Expenditure</b>	7 074 362	10 324 100	8 082 900	8 023 210	0.74%
<b>Net Operating Expenditure</b>					
					T3.41.2

## 3.15 ADMINISTRATION

### 3.15.1 INTRODUCTION

The Administration Division manages the key performance areas of the West Coast District Municipality by providing an effective administrative service to core service delivery functions by designing, developing and aligning policies, implementing procedures, reviewing policies and procedures, and aligning document management systems to facilitate effective circulation, response, storage and retrieval. The division also manages and controls strict adherence to Council policy and relevant legislation.

### PERFORMANCE HIGHLIGHTS

#### GENERATE AND DISTRIBUTION OF ELECTRONIC AGENDAS

The purpose of the compilation of Electronic agendas and move towards a paperless system was to review the existing distribution of Agendas and Minutes for all Standing and Ad Hoc Committee of the Council with effect 01 January 2018. The West Coast District Municipality aim to move towards a Paperless Council, by distributing agendas electronically.

The need to move to a Paperless Council arose after the Municipality considered the growing costs of printing and delivery of meeting agendas to all Councillors since the jurisdiction of the West Coast DM is 311 000 km<sup>2</sup> with five Local Municipalities. The West Coast District Municipality consist of 25 councillors (10 Proportional representatives and 15 representing Local Municipalities) and agendas have to be distributed as far as Matzikama Municipality (with Vredendal as Head Office).

With reference to the Tools of Trade and as defined in the Remuneration of Public Office Bearers Act, 1998 (Act no 20 of 1998) as amended, Tools of trade are the resources or enabling facilities provided by a municipal council to a councillor to enable effective and efficient fulfilment of his/her duties in the most cost effective manner, and at all times remain the assets of the municipality.

Providing Councillors with the tools covered by the Tools of Trade Policy have the following advantages:

- It will make communication and accessibility between councillors and their constituency easier;
- It will enhance the status of councillors and improve the perception of their competence amongst the communities they serve;
- Reduce the paper used by the municipality;
- Reduce carbon footprint

### CONCLUSION

The distribution of electronic agendas and minutes and relevant documents is a clear opportunity to reduce costs in preparing and delivering of meeting agendas to Councillors. It further assists the Municipality in reducing its carbon footprint by minimizing the paper usage and vehicle fuel consumption.



## **MORE INFORMATION**

More information regarding the activities of the Division Administration is available in:

- Chapter 2.9: Governance under By-laws
- Appendix A – Councillors, Committee Allocation and Council Attendance
- Appendix B – Committees and Committee Purposes
- Appendix D – Functions of Municipality/Entity
- Appendix J – Disclosure of Financial Interests: Councillors

### **3.15.2 COMPILATION OF THE ANNUAL REPORT AND OVERSIGHT REPORT**

The Administration Division is responsible for the compilation of the annual report by drawing up timeframes for all tasks relating to the completion of the annual report, liaising with departmental heads, tabling the annual report to Council, distributing the annual report to the relevant government departments and carrying out the final phase of translating, editing and printing the final version. The division also manages both the process and drafting of the oversight report, in collaboration with the Oversight Committee, and tables the oversight report to Council.

### **3.15.3 SECRETARIAT**

As the administrative arm of the Municipality, the Secretariat Division renders an administrative support service to Council and its political structures and ensures quality administrative service delivery by managing all standing committee and ad hoc committee meetings and ensuring effective coordination and prompt secretariat support.

The Secretariat Division is responsible for the following meetings:

Council meetings, special Council meetings, District Coordinating Forum (DCF) Technical Committee meetings, Water Monitoring meetings, Water Monitoring Technical Committee meetings, Oversight Committee meetings, Risk Management meetings, Portfolio Committees: Administration and Community Service, Finance and Technical Services meetings, and Bid Committee meetings: Specification and Evaluation, Bid Adjudication Committee and Audit Committee meetings.

### **COUNCILLOR SUPPORT**

Attendance register for 2016/2017 financial year for the Standing Committee meetings of West Coast DM was submitted.

#### **Legal Implication:**

#### **Code of Conduct for Councillors, Schedule 1 of the Local Government Municipal Systems Act 32 of 2000:**

- Item 3: Attendance at meetings and;
- Item 4: Sanctions for non-attendance of meetings of the

#### **Standing Operating Procedures:**

- Application for leave of absence



## **Rules of Order By-law of the West Coast District Municipality**

- Item 7: Attendance of Councillors;
- Item 8: Procedure for leave of absence
- Item 9: Sanctions for non-attendance

### **3.15.4 OFFICE SUPPORT SERVICES**

#### **3.15.4.1 RECORDS AND ARCHIVES**

The Administration Division manages the implementation of procedures and systems associated with document flow, such as the archiving and keeping of records systems (in accordance with statutory prescriptions) and the establishment, evaluation and maintenance of registry procedures for the operating of the main registry office and suboffices and for regulating record keeping. The division also oversees compliance with statutory requirements regarding control over the maintenance and application of the filing system and records control schedule.

#### **3.15.4.2 SWITCHBOARD AND RECEPTION**

The switchboard and reception play an important public relations role at the head office of the West Coast District Municipality and are an integral part of the organisation. These activities entail liaison with the public and the promotion of the Batho Pele principles, as well as the delivery and promotion of service delivery to the public.

#### **3.15.4.3 REPROGRAPHY**

As a support to Council, an effective reprographic service is rendered to ensure the prompt making of photocopies for the administrative offices of Council.

#### **3.15.4.4 CARETAKING AND CLEANING SERVICE**

The Caretaking and Cleaning Service Section is responsible for controlled access to the buildings of West Coast District Municipality I and West Coast District Municipality II. All entrances of the buildings are secured by a controlled access mechanism during and after office hours. An effective cleaning and caretaking service is rendered to the administration buildings of the Municipality.



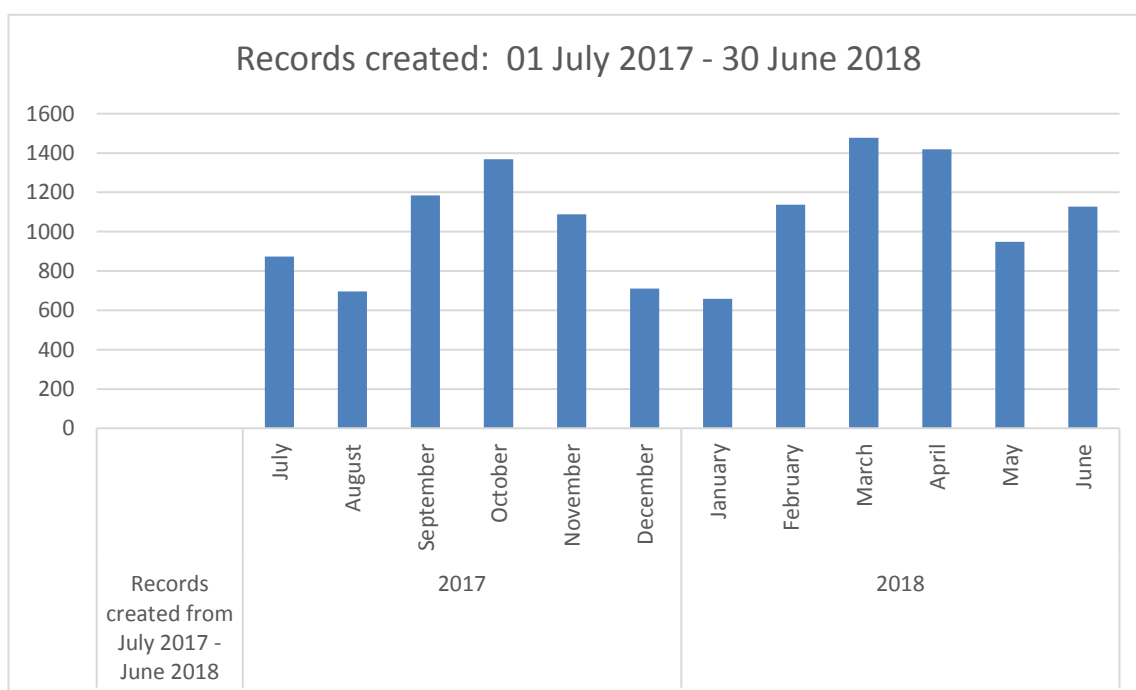


## RECORDS AND ARCHIVES

### Record Creation History

01 July 2017 - 30 June 2018

2017	July	874
	August	696
	September	1 185
	October	1 369
	November	1 089
	December	710
2018	January	659
	February	1 137
	March	1 477
	April	1 419
	May	948
	June	1 128
<b>Total</b>		<b>12 691</b>



**Table 3.15.1: Employees: Administration**

Job level	2016/2017	2017/2018			
	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0-3	5	5	5	0	0
4-6	3	3	3	0	0
7-9	3	3	3	0	0
10-12	2	2	2	0	0
13-15	1	1	1	0	0
16-18					
19-20					
<b>Total</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>0</b>	<b>0</b>

**Table 3.15.2: Financial performance: Administration (R'000)**

Financial Performance Administration					
Details	2016/2017	2017/2018			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
<b>Total Operating Revenue</b>	436 108	24 710	99 985	132 677	(33.45%)
Expenditure:					
Employees	4 227 697	4 125 240	4 125 240	3 920 517	4.96%
Repairs and maintenance	-	-	-	-	-
Other	2 596 113	(4 100 530)	2 999 620	2 759 031	8.02%
<b>Total Operating Expenditure</b>	6 823 810	24 710	7 124 860	6 679 548	6.25%
<b>Net Operating Expenditure</b>					
T3.15.2					

### 3.16 FINANCIAL SERVICES

#### 3.16.1 INTRODUCTION

Our main priority with reference to service delivery is water. Two of our main consumers are Saldanha Bay Municipality and Swartland Municipality. All the necessary measures are in place with regard to our Credit Policy.

**Table 3.16.2: Financial performance: Financial Services – Budget and Treasury Office (R'000)**

Financial Performance: Finance					
Details	2016/2017	2018/2019			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
<b>Total Operating Revenue</b>	2 701 165	135 940	558 124	441 624	20.87%
Expenditure:					
Employees	9 298 908	10 998 390	9 972 390	9 459 059	5.15%
Repairs and maintenance	-	-	-	-	-
Other	3 389 095	(10 862 450)	4 835 514	2 992 921	38.13%
<b>Total Operating Expenditure</b>	12 688 003	135 940	14 807 904	12 450 980	15.92%
<b>Net Operating Expenditure</b>					
					T3.16.2

**Table 3.16.3: Accounts billed**

Details of the types of account raised and recovered	2017/2018		
	Billed in year	Actual for accounts billed in year	Proportion of accounts value billed that was collected in the year
Property rates	0		
Electricity – B	0		
Electricity – C	1 169	747	99.63 %
Water – B			
Water – C	10 211	93 685	95.94 %
Sanitation	1 169	83 000	99.55 %
Refuse	1 025	59 000	98.91 %
Other	2 210	5 000	93.97 %

**Table 3.16.4: Financial performance: Financial Services – Grants / Other income (R'000)**

Financial Performance: Grants / Other Income					
Details	2016/2017	2017/2018			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
<b>Total Operating Revenue</b>	88 996 817	83 945 750	83 945 750	104 867 341	(24.92%)
Expenditure:					
Employees	296 687	5 893 370	5 893 370	5 356 443	9.11%
Repairs and maintenance	-	-	-	-	-
Other	-	(12 302 650)	346 500	1 162 020	(235.36%)
<b>Total Operating Expenditure</b>	296 687	(6 409 280)	6 239 870	6 518 462	(4.46%)
<b>Net Operating Expenditure</b>					
T3.16.4					

**Table 3.16.5 financial performance: Financial Management (Interns) (R'000)**

<b>Financial Performance: Finance Management (INTERN)</b>					
<b>Details</b>	<b>2016/2017</b>	<b>2017/2018</b>			
	<b>Actual</b>	<b>Original budget</b>	<b>Adjustments budget</b>	<b>Actual</b>	<b>Variance from budget</b>
<b>Total Operating Revenue</b>	734 472	1 250 000	1 250 000	1 250 000	-
Expenditure:					
Employees	455 825	617 820	564 820	651 973	(15.43%)
Repairs and maintenance	-	-	-	-	-
Other	247 788	632 180	600 680	505 698	15.81%
<b>Total Operating Expenditure</b>	703 613	1 250 000	1 165 500	1 157 671	0.67%
<b>Net Operating Expenditure</b>					
T3.16.5					

**Table 3.16.6: Employees: Financial Services – Financial Management and Control**

<b>Job level</b>	<b>2016/2017</b>	<b>2017/2018</b>			
	<b>Employees (N)</b>	<b>Posts (N)</b>	<b>Employees (N)</b>	<b>Vacancies: full-time equivalent (N)</b>	<b>Vacancies (% of total posts)</b>
0–3					
4–6					
7–9					
10–12	0	1	1	0	0
13–15					
16–18	1	1	1	0	0
19–20					
<b>Total</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>

### 3.17 HUMAN RESOURCE SERVICES

#### 3.17.1 INTRODUCTION

Refer to Chapter 4 for detailed information.

**Table 3.17.1: Employees: Human Resource Services**

Job level	2016/2017	2017/2018			
	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0-3	0	0	0	0	0
4-6	0	0	0	0	0
7-9	0	0	0	0	0
10-12	2	3	3	0	0
13-15	1	1	1	0	0
16-18	1	1	1	0	0
19-20	0	0	0	0	0
<b>Total</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>0</b>

**Table 3.17.2: Financial performance: Human Resource Services (R'000)**

Financial Performance Human Resource Management					
Details	2016/2017	2017/2018			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
<b>Total Operating Revenue</b>	75 931	-	-	-	-
Expenditure:					
Employees	2 234 574	2 313 220	2 313 220	2 502 823	(8.20%)
Repairs and maintenance	-	-	-	-	-
Other	173 402	950 710	242 160	180 986	25.26%
<b>Total Operating Expenditure</b>	2 407 976	3 263 930	2 555 380	2 683 809	(5.03%)
<b>Net Operating Expenditure</b>					
T3.17.3					



**Table 3.17.3: Financial performance: Training (R'000)**

Financial Performance Training					
Details	2016/2017	2017/2018			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
<b>Total Operating Revenue</b>	287 954	-	275 225	396 779	(44.17%)
Expenditure:					
Employees	608 402	790 600	790 600	655 061	17.14%
Repairs and maintenance	-	-	-	-	-
Other	1 490 094	2 149 160	1 786 205	914 802	48.79%
<b>Total Operating Expenditure</b>	2 098 496	2 939 760	2 576 805	1 569 863	39.08%
<b>Net Operating Expenditure</b>					
					T3.17.3



## **3.18 INFORMATION AND COMMUNICATION TECHNOLOGY SERVICES**

### **3.18.1 INTRODUCTION**

#### **STRATEGIC OBJECTIVE**

The Strategic objective of the division ICT Services are as follows:

- To provide software application and technical support to end users;
- Consolidate of all needs assessments from departments into a workable format for prioritization during the budgetary process;
- To provide effective management of the West Coast District Municipal technical resources through resource tracking, project management, clerical assistance and managerial support;
- To provide timely and effective technical assistance to all departments within the Municipality
- To provide an efficient, secure, and reliable network infrastructure that supports data and/or voice requirements for the West Coast District Municipal service delivery initiatives.

#### **PURPOSE**

The purpose of the Information Technology section is to provide efficient and effective services to the West Coast District Municipality. To ensure that ICT tasks will be prioritized and executed according the IT Strategic Plan. ICT should be used as a Strategic Tool to achieve objectives and business initiatives.

#### **CHALLENGES**

Major challenges to the ICT section is Capacity and Budget. Skills development should be consistent.

#### **PERFORMANCE HIGHLIGHTS**

All requests to the ICT section was addressed timely. ICT services strategic needs analysis was completed and submitted in the ICT Strategic Plan. ICT Forum meetings was held quarterly to ensure proper management of ICT services. The ICT section ensured that the availability of ICT resources and services was accessible to all network users.



**Table 3.18.1: Employees: ICT**

Job level	2016/2017	2017/2018			
	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0-3					
4-6					
7-9					
10-12	1	1	1	0	0
13-15	1	1	1	0	0
16-18					
19-20					
Total	1	1	1	0	0
					T3.18.1

**Table 3.18.2: Financial performance: Information Technology and Communication (R'000)**

Financial Performance Information Technology and Communication					
Details	2016/2017	2017/2018			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
<b>Total Operating Revenue</b>	-	-	-	-	-
Expenditure:					
Employees	1 064 830	1 147 300	1 163 380	1 144 234	1.65%
Repairs and maintenance	-	-	-	-	-
Other	1 745 399	(1 147 300)	2 319 380	1 785 880	23.00%
<b>Total Operating Expenditure</b>	2 810 229	-	3 482 760	2 930 114	15.87%
<b>Net Operating Expenditure</b>	-	-	-	-	-
					T3.18.2

### 3.19 OFFICE OF THE MUNICIPAL MANAGER

The District Municipality's macro-organisational structure reflects the Council's policy according to which the micro-organisational structure had been developed. The District Municipality consists of three departments with their respective divisions as well as the Office of the Municipal Manager.

#### The three departments report to the Municipal Manager

1. Administration and Community Services
2. Finance
3. Technical services

#### The following three divisions report to the Office of the Municipal Manager:

1. Human Resources
2. Internal Auditing
3. Strategic Services
4. Social and Community Development
5. Tourism
6. Public Relations

**Table 3.19.1: Employees: Office of the Municipal Manager**

Job level	2016/2017	2017/2018			
	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0-3	0	0	0	0	0%
4-6	0	0	0	0	0%
7-9	0	0	0	0	0%
10-12	5	4	4	0	0%
13-15	1	2	2	0	0%
16-18	1	1	1	0	0%
19-20	0	0	0	0	0%
Total	7	7	7	0	0%
Tourism, Human Resources and Internal Audit separate					Table 3.19.1

**Table 3.19.2: Financial performance: Office of the Municipal Manager (R'000)**

Financial Performance: Office of the Municipal Manager					
Details	2016/2017	2017/2018			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
<b>Total Operating Revenue</b>	179 841	240 000	272 888	1 644	99.40%
Expenditure:					
Employees	2 571 308	3 070 850	3 070 850	1 848 012	39.82%
Repairs and maintenance	-	-	-	-	-
Other	286 853	1 826 290	796 088	365 907	54.04%
<b>Total Operating Expenditure</b>	2 858 161	4 897 140	3 866 938	2 213 919	42.75%
<b>Net Operating Expenditure</b>					
					T3.19.2

## **3.20 INTERNAL AUDIT**

### **3.20.1 INTRODUCTION**

The West Coast District Municipality has an efficient Internal Audit Unit, as prescribed in terms of Section 165 of the Municipal Finance Management Act, Act 56 of 2003.

The audit committee is the oversight body whom internal audit needs to account to functionally whilst reporting to management administratively.

### **STRATEGIC OBJECTIVE**

Strategic goal 5 states that the municipality will strive to ensure good governance and financial viability

### **PURPOSE**

Internal audit provides the municipality with reasonable assurance regarding Risk Management, Controls and Governance.

### **CHALLENGES**

For the financial year the internal audit unit completed 13 risks based audits out of 16 which were planned.

Reasons for not completing all audits were as a result of control deficiencies identified by the Office of the Auditor General during their annual audit, which resulted in internal audit having to amend their internal audit plan to increase their scope of work with regard to supply chain management and Municipal Standard Chart of Accounts (Mscoa) and time spent on responding to management requests.

The Challenge we face is to change the perception of our internal stakeholders, specifically line management in how they see the internal audit unit.

As currently we are perceived as being investigators or watchdogs as opposed to a being unit that can add value in improving the municipality's governance, risk and control environment.

It is to this end that Provincial Treasury has embarked on assisting all internal audit units across the region, to do an assessment on their Quality Assurance and Improvement plans to help identify how we as a unit can add value to the municipality.

### **PERFORMANCE HIGHLIGHTS**

The audit committee send their recommendations to Council whom approved the following documents:

- a) 2017/2018 Internal Audit Charter
- b) 2017/2018 Audit and Performance Audit Charter
- c) 2017/2018 Risk based Internal Audit Plan



**Internal Audit provided reasonable assurance on the following audits:**

<b>AUDITS COMPLETED</b>	<b>RISKS DESCRIPTION</b>	<b>CURRENT CONTROLS EVALUATED</b>
Inventory stock take	Ineffective inventory management	- Quarterly stock takes
Pre-determined Objectives	Ineffective performance management system	- Reporting to Oversight Committees - Updating of KPI's by owners and validating it through quarterly KPI monitoring session
Compliance reviews	Non-compliance with laws and regulations	- Effective implementation of the compliance monitoring system (Eunomia) - Compliance reports reviews - Performing Municipal Governance Review Outlook (MGRO) assessments
Division of Revenue Act review	Ineffective Division of Revue Act grant management	- Monthly grant review and submission to National Treasury - Grant Management reports submitted to Finance Portfolio Committee for review
TASK evaluation review	Ineffective implementation of TASK Job Evaluation Process	internal controls around the implementation of the TASK Job Evaluation process
Study Bursary review	Inadequate monitoring of study bursaries	- Regular reviews on study progress of bursary holders - Annual review and implementation of the Study Bursary Policy
Cathodic Protection Substance review Audit	Inadequate cathodic protection on water pipelines	- Monthly meter readings - Reporting defects - Regular inspection at cathodic stations - Perform ongoing repairs and maintenance
Supply Chain Management: Deviation review	Supply Chain Management may not be fair, equitable, transparent and compliant	- Management and Supervisory reviews - National vetted supplier database - Annual review of the Supply Chain Management Policy - Management and Supervisory reviews - National vetted supplier database
Adequacy of Risk Management Review	Inadequate Risk Management	- Risk identification - Risk Committee effectiveness - Terms of reference - Risk analysis and response - Risk policies - Communication and reporting
mSCOA classification review	Inadequate SCOA project implementation	- SCOA project steering committee - Training - Provincial Treasury monitoring - SCOA implementation plan approved and monitored by council



Table 3.20.1: Employees: Internal Audit

Job level	2016/2017	2017/2018			
	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0-3					
4-6					
7-9					
10-12	2	0	2	0	0
13-15	1	0	1	0	0
16-18					
19-20					
Total					

Table 3.20.2: Financial performance: Internal Audit (R'000)

Financial Performance: Internal Audit					
Details	2016/2017	2017/2018			
	Actual	Original budget	Adjustments budget	Actual	Variance from budget
<b>Total Operating Revenue</b>	56 948	-	-	-	-
Expenditure:					
Employees	1 347 260	1 541 140	1 541 140	1 587 403	(3.00%)
Repairs and maintenance	-	-	-	-	-
Other	57 798	(1 541 140)	67 860	46 485	31.50%
<b>Total Operating Expenditure</b>	1 405 058	-	1 609 000	1 633 888	(1.55%)
<b>Net Operating Expenditure</b>					

T3.20.2



## CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

### COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

#### INTRODUCTION

Organisational development can be defined as an emerging discipline aimed at improving the effectiveness of organisations and its members by means of systematically planned interventions. The processes of designing the approved West Coast District Municipality's structure is informed by the following principles:

**1. Priority focused**

The design must reflect and give optimal effect to the vision, mission and strategic priorities of the West Coast District Municipality. The rule that structure follows strategy should apply.

**2. Appropriate**

The design of any functional unit should be appropriate to the function. Form should follow function. Different organisational models may thus be applied to different parts of the organisation.

**3. Multi-disciplinary team based approaches**

The design should encourage multi-disciplinary team based approaches to service delivery and policy development which emphasise participative management and harness skills and resources in a flexible and responsive manner.

**4. Devolution of authority**

Authority and responsibility should be devolved to the greatest extent appropriate. The design should seek to reduce the number of levels of authority and the chain of command in order to empower staff to act in a proactive but accountable manner and to minimise bureaucracy.

**5. Clear lines of accountability**

There should be clear lines of authority, accountability and responsibility with manageable spans of control.

**6. Results and performance orientation**

The design should promote a results-orientated approach and should incorporate monitoring systems to ensure impact and cost-efficiency.

**7. Participation and partnership**

The decision-making processes of the West Coast District Municipality should help give effect to its enabling, co-ordinating and policy roles and should promote a strong sense of partnership with its major stakeholders.

**8. Strategic management and planning**

The design should facilitate and encourage strong strategic management and planning. The top management component should thus have a strong strategic role and capability. However, the capacity for thinking strategically should also exist at all levels of the organisation and there should be symbiosis between the organisation's strategic and functional components.



**9. Client focused**

The design should be externally directed towards on the client/customer and should thus emphasise the role of front-line staff.

**10. Use of information technology**

The design should exploit modern information technologies to establish efficient and effective communication, information and management systems and to achieve savings.

**11. Flexible approach to centralisation and decentralisation**

The design should balance elements of both centralisation and decentralisation in a flexible manner so as to minimise the disadvantages of scale (remoteness) but also to maximise its benefits (economies of scale, specialisation).

**12. Organisational and human resources development**

The organisational design should promote on-going organisational and human resources development. In this regard more flexible approaches to job grading evaluation to allow for on-going development will need to be considered.

**13. Simplicity**

The design should be as simple and understandable as possible.

**14. Financial sustainability/viability**

The design should be realistic in terms of the West Coast District Municipality's financial capacity.

The Municipality's organisational development function is as follows:

**(a) Office of the Municipal Manager**

- Human Resources
- Internal Auditing
- Strategic Services
- Social and Community Development
- Tourism
- Public Relations

**(b) Department: Administration and Community Services**

- Administration
- Air Quality
- Municipal Environmental Health
- Municipal Environmental Management
- Disaster Management
- Fire Services

**(c) Department: Financial Services**

- Financial Statements, Reporting and Asset Control
- Income
- Expenditure
- Supply Chain Management
- Information Technology
- Ganzekraal Resort



#### (d) Department: Infrastructure Services

- Town and Regional Planning
- Roads Construction
- Roads Concrete and Re-gravel
- Roads Maintenance
- Mechanical Workshops
- Electrical and Instrumentation Services
- Mechanical Services
- Water Purification and Plan Support
- Water Distribution

### 4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

#### 4.1.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Table 4.1: Employees

Description	2017/2018			
	Approved posts (N)	Employees (N)	Vacancies (N)	Vacancies (%)
Water	126	104	22	17%
Health	29	28	1	3%
Security and Safety	73	66	7	10%
Roads	242	216	26	11%
Planning	1	1	0	0%
Planning (strategic and regulatory)	7	7	0	0%
Community and social services	6	6	0	0%
Environmental protection	3	2	1	33%
Corporate policy offices and other	88	76	2	2%
				T4.1.1

**Table 4.2: Vacancy rate for 2017/2018**

Designations	Approved posts	Variances (N)	Variances (%)
Municipal manager	1	0	0%
CFO	1	1	100%
Other S57 managers (excluding finance posts)	2	0	0%
Other S57 managers (finance managers)	0	0	0%
Fire fighters	70	7	10%
Senior managers: levels 13–18 (excluding finance posts)	32	0	0%
Senior managers: levels 13–16 (finance posts)	5	0	0%
Highly skilled supervisors: levels 9–12 (excluding finance posts)	98	11	11%
Highly skilled supervisors: levels 9–12 (finance posts)	12	0	0%
			T4. 2

**Table 4.3: Turnover rate**

Details	Total appointments from beginning of financial year	Total terminations during financial year	Turnover rate
2017/2018	39	34	7%
			T4.3

## 4.2 HUMAN RESOURCE POLICIES

**Table 4.2: Human resource policies and plans**

Human resources policies are being reviewed on an annual basis for amendments and improvements.

**Table 4.2 Human Resource policies and plans**

	<b>Name of policy</b>	<b>Completed (%)</b>	<b>Reviewed (%)</b>	<b>Date adopted by council or comment on failure to adopt</b>
1	Induction Policy	100		2008/08/24
2	Recruitment and Selection Policy	100		2012/04/24
3	Study Bursary Policy	100		2010/09/01
4	Private Work and Declaration of Interest Policy	100		2016/12/07
5	Education, Training and Development Policy	100		2008/08/24
6	Succession Planning Career Pathing Policy	100		2008/08/24
7	Student Assistance Policy	100		2008/08/24
8	Travel and Removal Expenses Policy	100		2008/08/24
9	Disciplinary and Grievances Procedure	100		2014/04/23
10	Whistleblowing Policy	100		2014/10/29
11	Nepotism Policy	100		2014/10/29
12	Confidentiality Policy	100		2014/10/29
13	Overtime Policy	100		2013/03/12
14	Manage Poor Work Performance Policy	100		2013/03/12
15	Attendance and Punctuality Policy	100		2008/08/24
16	Unpaid Leave Policy	100		2008/08/24
17	Sexual Harassment Policy	100		2013/05/14
18	Use of Official Vehicle Policy	100		2008/08/24
19	Staff Statements to the Media Policy	100		2014/10/29
20	Internet and E-mail Policy	100		2008/08/24
21	Chronic Illness Policy	100		2014/10/29
22	Substance Abuse Policy	100		2016/12/07
23	Occupational Health and Safety Policy	100		2014/10/29
24	Smoking Policy	100		2013/05/14
25	Uniform and Protective Clothing Policy	100		2014/10/29
26	HIV/Aids Policy	100		2014/10/29
27	Employment Assistance Programme	100		2014/10/29
28	Travel and Subsistence Policy	100		2016/12/07
29	Extra Services Allowance Policy	100		2012/04/24
30	Maternity Benefit Policy	100		2014/04/23
31	Advancement for Fire Personnel Policy	100		2018/04/01
32	Hepatitis B Policy	100		2016/12/07
33	Municipal External Bursary Scheme	100		2017/01/18
34	T.A.S.K. Job Evaluation Policy	100		2016/12/07
35	Transport Scheme Policy	100		2016/12/07
Table 4.4				



## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### 4.3 INJURIES, SICKNESS AND SUSPENSIONS – 2017 /2018

Table 4.5: Number and cost of injuries on duty

Type of injury	Injury leave taken (Days)	Employee s using injury leave (N)	Proportion of employees using sick leave (%)	Average injury leave per employee (Days)	Total estimate d cost (R'000)
Required basic medical attention only	15	29	5.4%	0.5	4783.60
Temporary total disablement	183	21	3.9%	8.8	106133.75
Permanent disablement	0	0	0%	0	0
Fatal	0	0	0%	0	0
Total	198	50	9.3%	9.3	110917.35
					T4.5

## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### 4.3 INJURIES, SICKNESS AND SUSPENSIONS – 2017 /2018

**Table 4.3.1: Number of days and cost of sick leave (excluding injuries on duty)**

Designations	Total sick leave (Days)	Proportion of sick leave without medical certification (%)	Employees using sick leave (N)	Total employees in post* (N)	Average sick leave per employee** (Days)	Estimated cost (R'000)
Lower skilled (levels 1–2)	NA	NA	NA	NA	NA	NA
Skilled (levels 3–5)	1395	31%	163	219	6	R495 429.52
Highly skilled (levels 6–8)	1246	25%	137	142	8	R735 989.26
Highly skilled supervision (levels 9–12)	732	47%	70	105	6	R780 053.37
Senior management (levels 13–16)	218	32%	28	34	6	R400 311.94
MM and S57	2	25%	1	4	0	R6553.57
<b>Total</b>	<b>3593</b>	<b>32%</b>	<b>399</b>	<b>504</b>	<b>7</b>	<b>R2 418 337.66</b>
T4.3.1						
*Number of employees in post at the beginning of the year.						
**Average calculated by taking sick leave in column 2 divided by total employees in column 5.						



**Table 4.3.2 Number and period of suspension**

Position	Nature of alleged misconduct	Date of suspension	Details of disciplinary action taken or status of case and reasons why not finalised	Date finalised
Senior Instrumentation Technician	Did not conduct himself with honesty and integrity and placed the council at risk.	2017/09/11-2017/09/12 2017/09/17-2017/09/20	06 days suspension (unpaid)	2017/09/20
General Assistant Maintenance	Absent without leave (AWOL).	2017/11/02-2017/11/03 2017/11/06-2017/11/08	Final written warning, 05 days suspension (unpaid)	2017/11/08
Workshop Assistant (Mechanical)	Intimidatory and aggressive behaviour towards fellow employee.	2017/10/23-2017/10/27	Final written warning, 05 days suspension (unpaid)	2017/10/27
General Assistant: Regravel & construction	Absent without leave (AWOL).	2018/05/14-2018/05/25	Final written warning, 10 days suspension (unpaid)	2018/05/25
General Assistant: Construction	Absent without leave (AWOL).	2018/05/14-2018/05/25	Final written warning, 10 days suspension (unpaid)	2018/05/25
Artisan (Bricklayer)	Refrain from any rude, abusive, insolent, provocative, intimidatory or aggressive behaviour to a fellow employee or member of the public; Obey all lawful and reasonable instructions given by a person having the authority to do so; Absent without leave (AWOL).	2018/06/08-2018/06/21	Final written warning, 10 days suspension (unpaid)	2018/06/21
				T4.7



**Table 4.3.3: Disciplinary action taken against cases of financial misconduct**

<b>Position</b>	<b>Nature of alleged misconduct and rand value of loss to the Municipality</b>	<b>Disciplinary action taken</b>	<b>Date finalised</b>
None.			

#### **4.4 PERFORMANCE REWARDS**

No performance reward system for permanent employees.

Performance contracts are entered into with the Section 57 employees.

## COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

### 4.5 SKILLS DEVELOPMENT AND TRAINING

#### 4.5.1 INTRODUCTION: WORKFORCE CAPACITY DEVELOPMENT

Training initiatives are rolled out in the Municipality, including apprenticeships as mechanic, carpenter and bricklayer trades, as well as learnerships in water process control and the construction of roads. Training for fire personnel is a priority in the Municipal District, and recruits are appointed and sent for the necessary training. Short courses to develop skilled employees are rolled out annually according to the Workplace Skills Plan, which is linked to the strategic objectives of the West Coast District Municipality.

**Table 4.9: Skills matrix**

Management level	Gender	Employees in post as at 30 June 2018 (N)	Number of skilled employees required and actual as at 30 June 2018			
			Received training		Percentage	
			Original	Actual	Original	Actual
Legislators	Female	9	3	3	28	28
	Male	16	4	4		
Directors and corporate managers	Female	4	1	1	48	48
	Male	17	9	9		
Professionals	Female	20	15	15	81	81
	Male	23	20	20		
Technicians and associate professionals	Female	21	5	5	68	68
	Male	45	40	40		
<b>Total</b>		<b>155</b>	<b>97</b>	<b>97</b>	<b>63</b>	<b>63</b>
T4.9						

**Table 4.10: Financial competency development: Progress report\***

Description	A. Total: Officials employed by Municipality	B. Total: Officials employed by municipal entities	Consolidated: total: A + B	Competency assessments completed: A + B	Total: Officials with performance agreements compiling with Regulation 16	Total: Officials meeting prescribed competency levels
<b>Financial officials</b>						
Accounting officer	1	0	1	1	1	1
Chief financial officer	0	0	0	0	0	0
Senior managers	2	0	2	2	2	2
Any other financial official	14	0	14	0	0	14
<b>SCM officials</b>						
Heads of SCM units	1	0	1	0	0	1
SCM senior manager	0	0	0	0	0	0
<b>Total</b>	<b>18</b>	<b>0</b>	<b>18</b>	<b>3</b>	<b>3</b>	<b>18</b>
<p>*This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulation (June 2007).</p> <p>Table 4.10</p>						

**Table 4.11: Skills development and expenditure (R'000)**

Management level	Gender	Employees in post as at 30 June 2018 (N)	Total number of employees who received training and percentage			
			Received training		%	
			Original	Actual	Original	Actual
Legislators	Female	9	3	3	28	28
	Male	16	4	4		
Directors and corporate managers	Female	4	1	1	48	48
	Male	17	9	9		
Professionals	Female	20	15	15	81	81
	Male	23	20	20		
Technicians and associate professionals	Female	21	5	5	68	68
	Male	45	40	40		
Clerical and administrative workers	Female	18	7	7	41	41
	Male	9	4	4		
Community and personal services workers	Female	7	7	7	88	88
	Male	60	52	52		
Skilled Agricultural, Forestry, Fishery, Craft and Related Trade Workers	Female	1	0	0	81	81
	Male	15	13	13		
Machine operators and drivers	Female	0	0	0	81	81
	Male	47	38	38		
Elementary occupations	Female	24	4	4	30	30
	Male	193	62	62		
<b>Total</b>		<b>529</b>	<b>284</b>	<b>284</b>	<b>54</b>	<b>54</b>

Table 4.11

**Total actual training spend for the year: R 1 616 675.00**



## E. ORGANISASIE EN WERKSTUDIE / ORGANISATION AND WORK STUDY



### 1. Personeelsterkte / Workforce

DEPARTEMENT / DEPARTMENT	TOTAAL / TOTAL
Kantoor van die Uitvoerende Burgemeester / Office of the Executive Mayor	26
Kantoor van die Munisipale Bestuurder / Office of the Municipal Manager	27
Administrasie en Gemeenskapsdienste / Administration and Community Services	118
Finansiële Dienste / Financial Services	43
Tegniese Dienste / Technical Services – Paaie / Roads	219
Tegniese Dienste / Technical Services – Water	104
<b>Totaal / Total</b>	<b>537</b>

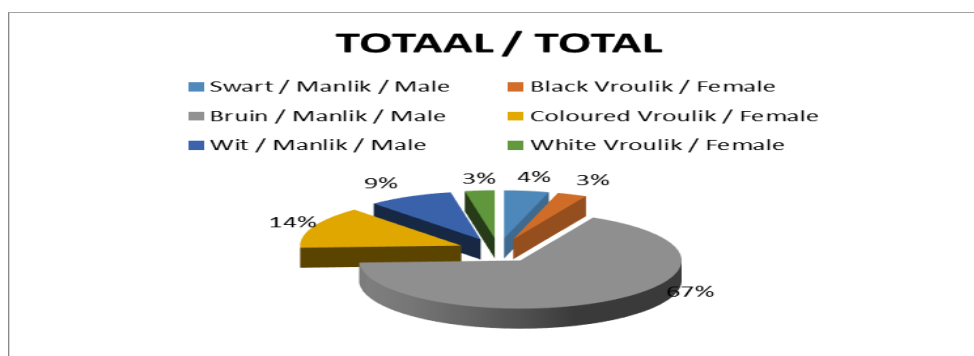
### 2. Vakante Poste / Vacant Posts [Vakante % / Vacancy rate %: **9%**]

DEPARTEMENT / DEPARTMENT	BEFONDS / FUNDED
Kantoor van die Uitvoerende Burgemeester / Office of the Executive Mayor	1
Kantoor van die Munisipale Bestuurder / Office of the Municipal Manager	0
Administrasie en Gemeenskapsdienste / Administration and Community Services	1
Finansiële Dienste / Financial Services	2
Tegniese Dienste / Technical Services – Paaie / Roads	26
Tegniese Dienste / Technical Services – Water	22
<b>Totaal / Total</b>	<b>52</b>

POSGRADERING / JOB GRADE	TOTAAL POSBEKLEËRS / TOTAL INCUMBENTS	TOTAAL VAKANTE POSTE / TOTAL VACANCIES	POSTE TOTAAL / TOTAL POSTS	% VAN POS VAKANT / OF POSTS VACANT
Section 54A/57 (HoD's)	4	0	4	0%
Office of Executive Mayor	26	1	27	4%
Interns	5	0	5	0%
Grade 18	6	0	6	0%
Grade 17	2	0	2	0%
Grade 16	2	0	2	0%
Grade 15	5	0	5	0%
Grade 14	14	0	14	0%
Grade 13	7	0	7	0%
Grade 12	17	1	18	6%
Grade 11	40	1	41	2%
Grade 10	17	1	18	6%
Grade 9	27	11	38	29%
Grade 8	54	7	61	11%
Grade 7	44	5	49	10%
Grade 6	45	4	49	8%
Grade 5	22	2	24	8%
Grade 4	21	2	23	9%
Grade 3	179	17	196	9%
<b>Totals</b>	<b>537</b>	<b>52</b>	<b>589</b>	<b>9%</b>

## 2. Personeel Indeling volgens Ras en Geslag / Employee Distribution by Race and Gender

RAS / RACE	GESLAG / GENDER	TOTAAL / TOTAL
Swart / Black	Manlik / Male	24
	Vroulik / Female	16
Bruin / Coloured	Manlik / Male	359
	Vroulik / Female	76
Wit / White	Manlik / Male	46
	Vroulik / Female	16
Totaal / Total		537



## 3. Personeel Indeling volgens Posgradering / Ras / Geslag / Employee Distribution by Job Grade / Race / Gender

Total Number of Employees per Job Grade / Race / Gender									
Note: A=African, C=Coloured, I=Indian, W=Whites									
Job Grade	Male				Female				Totals
	A	C	I	W	A	C	I	W	
Section 54A/57 (HoD's)	0	2	0	2	0	0	0	0	4
Office of Executive Mayor	2	12	0	2	3	4	0	3	26
Interns	0	1	0	0	4	0	0	0	5
Grade 18	0	2	0	4	0	0	0	0	6
Grade 17	0	1	0	1	0	0	0	0	2
Grade 16	0	0	0	2	0	0	0	0	2
Grade 15	0	3	0	0	0	0	0	2	5
Grade 14	1	5	0	4	0	2	0	2	14
Grade 13	0	1	0	3	0	1	0	2	7
Grade 12	0	6	0	7	0	3	0	1	17
Grade 11	0	13	0	8	6	10	0	3	40
Grade 10	1	8	0	3	2	3	0	0	17
Grade 9	1	18	0	1	0	6	0	1	27
Grade 8	6	40	0	2	0	5	0	1	54
Grade 7	1	27	0	2	0	13	0	1	44
Grade 6	2	34	0	5	0	4	0	0	45
Grade 5	1	21	0	0	0	0	0	0	22
Grade 4	1	18	0	0	0	2	0	0	21
Grade 3	8	147	0	0	1	23	0	0	179
<b>Totals</b>	<b>24</b>	<b>359</b>	<b>0</b>	<b>46</b>	<b>16</b>	<b>76</b>	<b>0</b>	<b>16</b>	<b>537</b>

## CHAPTER 5: FINANCIAL PERFORMANCE

### INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of three components:

- **Component A:** Statement of Financial Performance
- **Component B:** Spending Against Capital Budget
- **Component C:** Other Financial Matter



## COMPONENT A: 5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Note: Statements of Revenue Collection Performance by vote and by source are included at **Appendix K**

### DC1 West Coast - Reconciliation of Table A1 Budget Summary

Description	2017/18								2016/17			
	Original Budget	Budget Adjustments (i.to. MFMA s28)	Final adjustments budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	1	2	3	4	5	6	7	8	9	10	11	12
<b>R thousands</b>												
<b>Financial Performance</b>												
Property rates	-	-	-	-		-	-	-				-
Service charges	123 020	(7 331)	115 689	94 340		(21 349)	81,5%	76,7%				114 321
Investment revenue	13 885	-	13 885	21 753		7 869	156,7%	156,7%				20 727
Transfers recognised - operational	90 115	3 488	93 603	93 566		(37)	100,0%	103,8%				88 917
Other own revenue	127 544	14 726	142 269	138 910		(3 360)	97,6%	108,9%				138 269
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>354 564</b>	<b>10 882</b>	<b>365 446</b>	<b>348 570</b>		<b>(16 876)</b>	<b>95,4%</b>	<b>98,3%</b>				<b>362 234</b>
Employee costs	168 071	149	168 220	164 791	-	(3 429)	98,0%	98,0%	-	-	-	155 578
Remuneration of councillors	6 003	-	6 003	5 942	-	(61)	99,0%	99,0%	-	-	-	5 447
Debt impairment	1 547	-	1 547	151	-	(1 395)	9,8%	9,8%	-	-	-	-
Depreciation & asset impairment	13 919	-	13 919	8 127	-	(5 792)	58,4%	58,4%	-	-	-	7 666
Finance charges	8 455	-	8 455	5 474	-	(2 981)	64,7%	64,7%	-	-	-	7 276
Materials and bulk purchases	73 392	619	74 011	61 392	-	(12 619)	82,9%	83,6%	-	-	-	53 257
Transfers and grants	350	2 266	2 616	1 567	-	(1 049)	59,9%	447,7%	-	-	-	1 167
Other expenditure	82 253	7 381	89 634	112 175	-	22 541	125,1%	136,4%	-	-	-	83 062
<b>Total Expenditure</b>	<b>353 989</b>	<b>10 415</b>	<b>364 404</b>	<b>359 620</b>	<b>-</b>	<b>(4 784)</b>	<b>98,7%</b>	<b>101,6%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>313 453</b>
<b>Surplus/(Deficit)</b>	<b>575</b>	<b>467</b>	<b>1 042</b>	<b>(11 051)</b>		<b>(12 092)</b>	<b>-106,7%</b>	<b>-1923,3%</b>				<b>48 781</b>
Transfers recognised - capital	1 450	-	1 450	1 450		-	100,0%	100,0%				-
Contributions recognised - capital & contributed assets	-	-	-	-		-	-	-				-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>2 025</b>	<b>467</b>	<b>2 492</b>	<b>(9 601)</b>		<b>(12 092)</b>	<b>-385,3%</b>	<b>-474,2%</b>				<b>48 781</b>
Share of surplus/ (deficit) of associate	-	-	-	-		-	-	-				-
<b>Surplus/(Deficit) for the year</b>	<b>2 025</b>	<b>467</b>	<b>2 492</b>	<b>(9 601)</b>		<b>(12 092)</b>	<b>-385,3%</b>	<b>-474,2%</b>				<b>48 781</b>
<b>Capital expenditure &amp; funds sources</b>												
<b>Capital expenditure</b>												
Transfers recognised - capital	1 450	-	1 450	1 450		-	100,0%	100,0%				-
Public contributions & donations	-	-	-	-		-	-	-				-
Borrowing	-	-	-	-		-	-	-				-
Internally generated funds	7 515	370	7 885	6 656		(1 229)	84,4%	88,6%				10 852
<b>Total sources of capital funds</b>	<b>8 965</b>	<b>370</b>	<b>9 335</b>	<b>8 106</b>		<b>(1 229)</b>	<b>86,8%</b>	<b>90,4%</b>				<b>10 852</b>
<b>Cash flows</b>												
Net cash from (used) operating	22 870	370	23 240	60 422		37 182	260,0%	264,2%				33 671
Net cash from (used) investing	(8 965)	(370)	(9 335)	(8 035)		1 300	86,1%	89,6%				(10 660)
Net cash from (used) financing	(9 299)	-	(9 299)	(17 013)		(7 715)	183,0%	183,0%				(15 492)
<b>Cash/cash equivalents at the year end</b>	<b>231 521</b>	<b>-</b>	<b>231 521</b>	<b>269 808</b>		<b>38 287</b>	<b>116,5%</b>	<b>116,5%</b>				<b>234 434</b>



DC1 West Coast - Reconciliation of Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Description	2017/18								2016/17			
	Original Budget	Budget Adjustments (i.e. MFMA s28)	Final adjustments budget	Actual Outcome	Unauthorised expenditure	Variance of Actual Outcome against Adjustments Budget	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
R thousand	1	2	3	4	5	6	7	8	9	10	11	12
<b>Revenue - Standard</b>												
<b>Governance and administration</b>	88 669	806	89 474	110 502		21 028	123,5%	124,6%				96 618
Executive and council	240	33	273	224		(49)	82,2%	93,4%				1 437
Budget and treasury office	88 428	773	89 201	110 145		20 944	123,5%	124,6%				94 668
Corporate services	-	-	-	133		133	#DIV/0!	#DIV/0!				512
<b>Community and public safety</b>	26 637	(3 026)	23 611	23 707		96	100,4%	89,0%				27 432
Community and social services	-	-	-	-		-	-	-				3 619
Sport and recreation	4 503	-	4 503	3 643		(860)	80,9%	80,9%				-
Public safety	13 380	(4 299)	9 081	9 985		904	110,0%	74,6%				12 765
Housing	-	-	-	-		-	-	-				1 923
Health	8 754	1 274	10 027	10 079		51	100,5%	115,1%				9 126
<b>Economic and environmental services</b>	118 543	19 563	138 106	122 127		(15 980)	88,4%	103,0%				122 339
Planning and development	2 553	(1 145)	1 408	756		(653)	53,7%	29,6%				57
Road transport	115 990	20 708	136 698	121 371		(15 327)	88,8%	104,6%				122 282
Environmental protection	-	-	-	-		-	-	-				-
<b>Trading services</b>	122 165	(6 461)	115 704	93 684		(22 020)	81,0%	76,7%				115 845
Electricity	-	-	-	-		-	-	-				-
Water	122 165	(6 461)	115 704	93 684		(22 020)	81,0%	76,7%				115 845
Waste water management	-	-	-	-		-	-	-				-
Waste management	-	-	-	-		-	-	-				-
<b>Other</b>	-	-	-	-		-	-	-				-
<b>Total Revenue - Standard</b>	356 014	10 882	366 896	350 020		(16 876)	95,4%	98,3%				362 234
<b>Expenditure - Standard</b>												
<b>Governance and administration</b>	21 906	34 274	56 179	49 614	(6 565)	(6 565)	88,3%	226,5%	-	-	-	48 892
Executive and council	15 221	(3 271)	11 950	12 164	214	214	101,8%	79,9%	-	-	-	20 644
Budget and treasury office	6 684	35 936	42 621	30 771	(11 849)	(11 849)	72,2%	460,3%	-	-	-	16 206
Corporate services	-	1 609	1 609	6 680	5 071	5 071	415,1%	#DIV/0!	-	-	-	12 042
<b>Community and public safety</b>	85 849	(20 038)	65 811	64 211	(1 600)	(1 600)	97,6%	74,8%	-	-	-	67 660
Community and social services	2 863	(621)	2 241	1 652	(589)	(589)	73,7%	57,7%	-	-	-	4 619
Sport and recreation	6 802	(1 477)	5 325	5 011	(314)	(314)	94,1%	73,7%	-	-	-	-
Public safety	46 227	(12 894)	33 333	34 503	1 170	1 170	103,5%	74,6%	-	-	-	40 184
Housing	-	-	-	-	-	-	-	-	-	-	-	1 139
Health	29 957	(5 046)	24 911	23 045	(1 867)	(1 867)	92,5%	76,9%	-	-	-	21 718
<b>Economic and environmental services</b>	130 554	4 410	134 964	129 357	(5 607)	(5 607)	95,8%	99,1%	-	-	-	114 127
Planning and development	12 078	(1 214)	10 865	8 070	(2 794)	(2 794)	74,3%	66,8%	-	-	-	3 151
Road transport	118 476	5 623	124 099	121 287	(2 813)	(2 813)	97,7%	102,4%	-	-	-	110 976
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	111 536	(7 331)	104 205	113 410	9 206	9 206	108,8%	101,7%	-	-	-	82 773
Electricity	-	-	-	-	-	-	-	-	-	-	-	-
Water	111 536	(7 331)	104 205	113 410	9 206	9 206	108,8%	101,7%	-	-	-	82 773
Waste water management	-	-	-	-	-	-	-	-	-	-	-	-
Waste management	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other</b>	4 145	(900)	3 245	3 027	(218)	(218)	93,3%	73,0%	-	-	-	-
<b>Total Expenditure - Standard</b>	353 989	10 415	364 404	359 620	(4 784)	(4 784)	98,7%	101,6%	-	-	-	313 453
<b>Surplus/(Deficit) for the year</b>	2 025	467	2 492	(9 601)	(12 092)	(12 092)	-385,3%	-474,2%	-	-	-	48 781

## 5.2 GRANTS

	30 June 2018	30 June 2017
Western Cape Financial Management Grant (Risk & MSCOA)	422 164	236 260
Local Government Graduate Internship Grant	81 566	87 112
Western Cape Financial Management Grant (IDP)	692 458	507 542
Western Cape Financial Management Grant (Internship)	168 769	184 211
RSC Levy Replacement Grant (Equitable Share)	70 061 000	68 270 000
Equitable Share	14 911 000	13 924 000
MSIG	-	142 711
Financial Management Grant	1 250 000	1 250 000
EPWP	1 100 000	1 036 000
Donations Mayor	222 818	170 401
Greenest Municipality Competition	75 275	24 725
Capacity Building Health Services	162 040	128 593
Install Rainwater Tanks	-	54 886
Rural Roads Management	2 206 743	1 980 280
Working for Water	1 009 836	979 063
Fire Services Capacity Building Grant	1 450 000	-
Other Government Grants and Subsidies : Less VAT on administration charge	- 247 500	- 58 677
<b>Total</b>	<b>93 566 169</b>	<b>88 917 107</b>

## 5.3 ASSET MANAGEMENT

### INTRODUCTION

*Property, plant and equipment* are tangible assets that:

- Are held by a municipality for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and
- Are expected to be used during more than one period.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery of the asset are enhanced in excess of the originally assessed standard of performance. If expenditure only restores the originally assessed standard of performance, it is regarded as repairs and maintenance and is expensed.

The enhancement of an existing asset so that its use is expanded or the further development of an asset so that its original life is extended are examples of subsequent expenditure which should be capitalised.

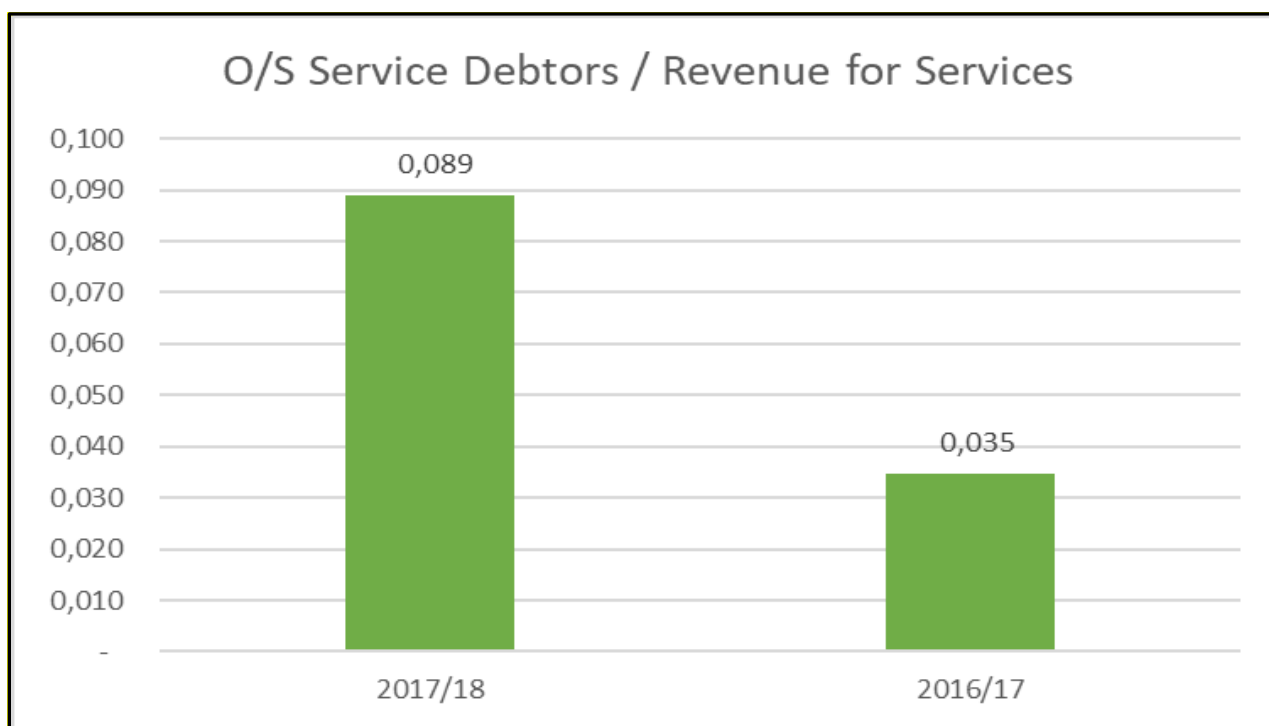
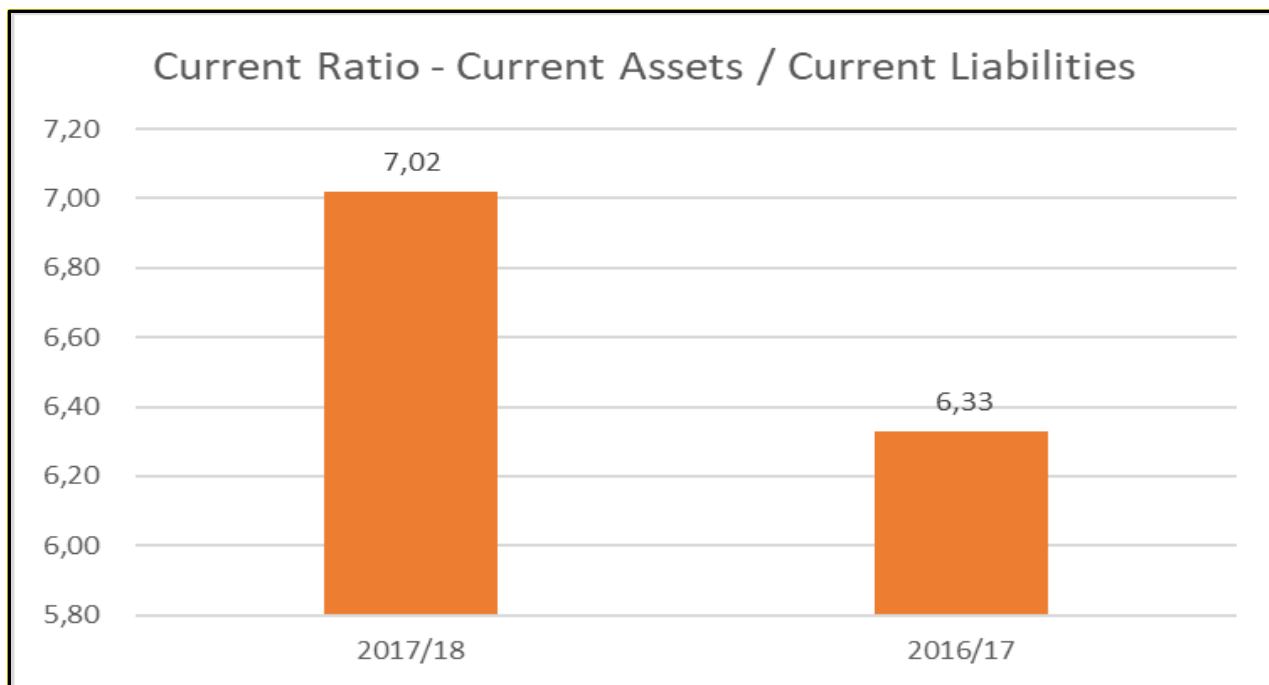
The cost of an item of property, plant and equipment acquired in exchange for a non-monetary asset

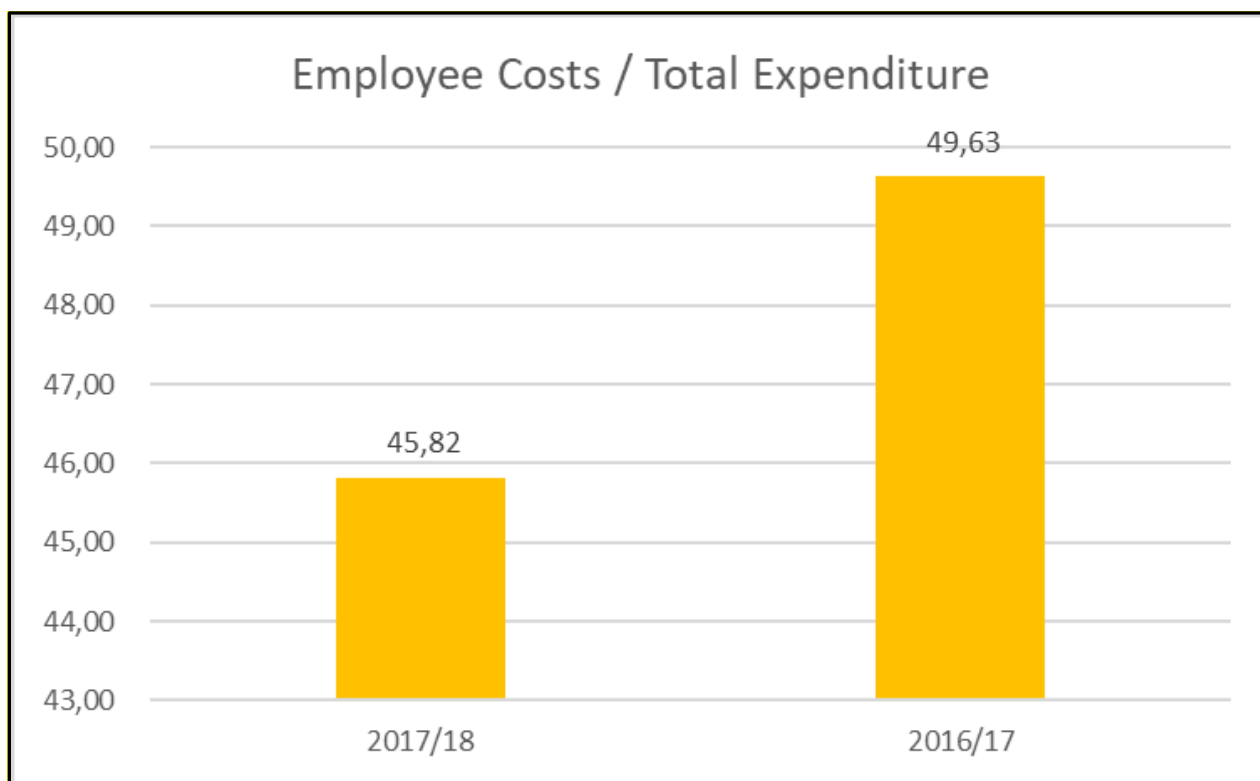
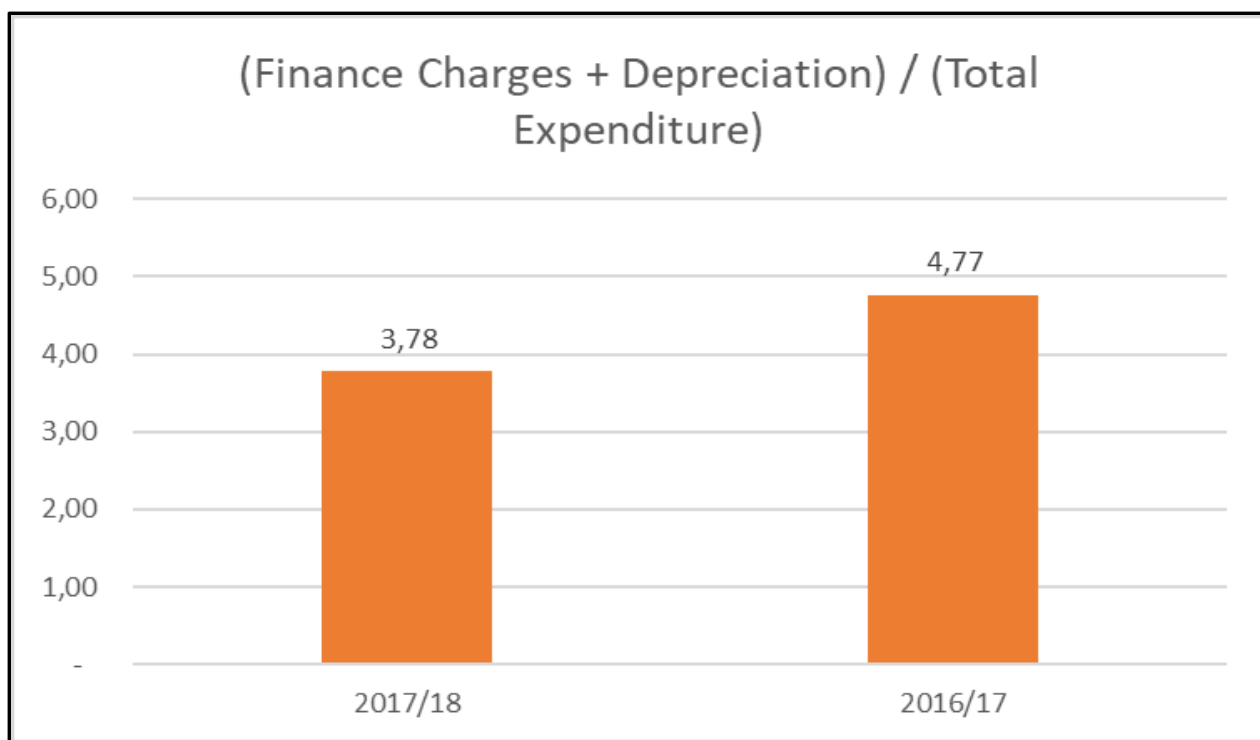
TREATMENT OF THE TWO LARGEST ASSETS ACQUIRED YEAR 1				
Asset 1				
Name	Water Reticulation			
Description				
Asset Type	Infrastructure			
Key Staff Involved	D Joubert	J Koekemoer	PR April	H Matthee
Staff Responsibilities	Municipal Manager	Chief Financial Officer	Snr Manager: Finance & Control	Director: Technical Services
Asset Value	Year -2	Year -1	Year 0	Year 1
				4 425
Capital Implications	None			
Future Purpose of Asset	Bulk Water Supply			
Describe Key Issues	None			
Policies in Place to Manage Asset	Asset Management Policy	Supply Chain Policy		Credit Control Policy
Asset 2				
Name	Fire Equipment and Vehicles			

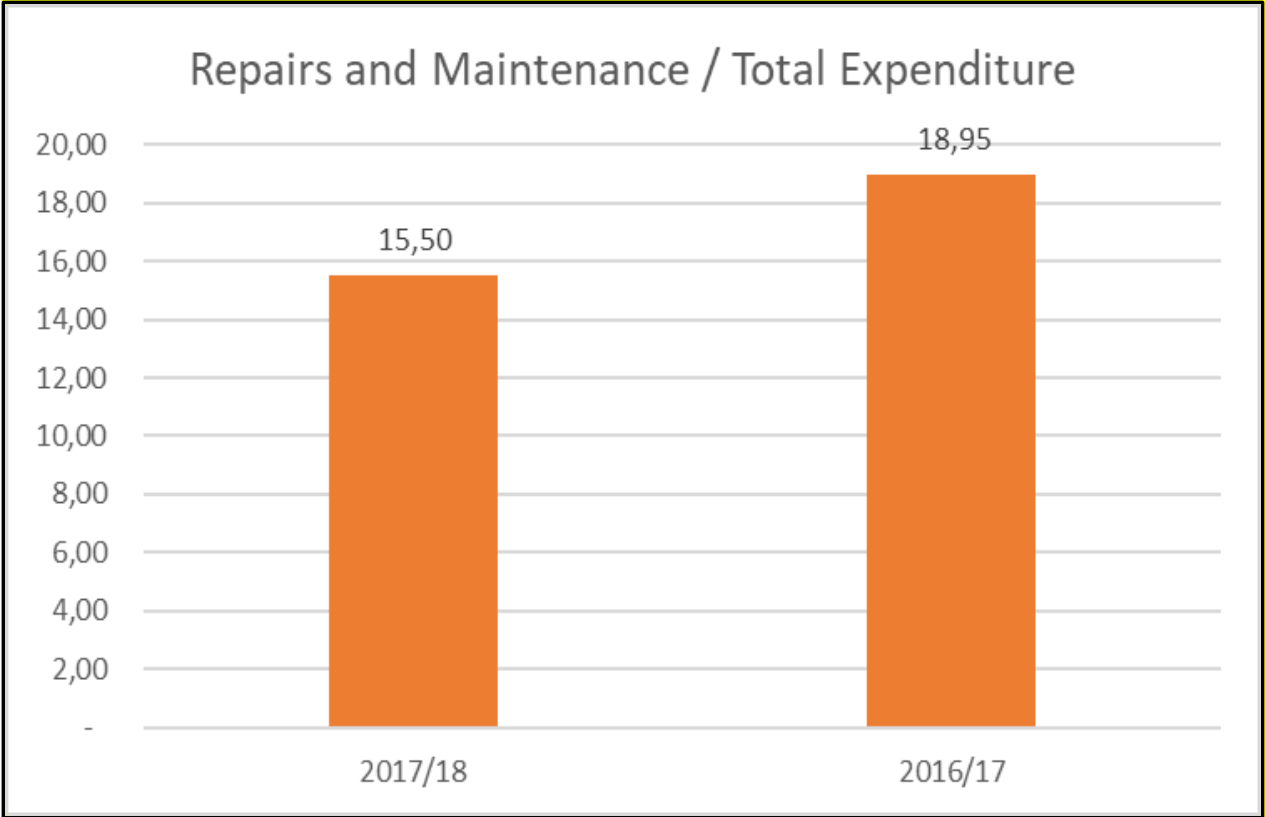
Description				
Asset Type	Infrastructure			
Key Staff Involved	D Joubert	J Koekemoer	PR April	W Markus
Staff Responsibilities	Municipal Manager	Chief Financial Officer	Snr Manager: Finance & Control	Director: Corporate and Community Services
Asset Value	Year -2	Year -1	Year 0	Year 1
				2 927
Capital Implications	None			
Future Purpose of Asset	Fire Fighting			
Describe Key Issues	None			
Policies in Place to Manage Asset	Asset Management Policy	Supply Chain Policy	Credit Control Policy	
T5.3.2				

Repair and Maintenance Expenditure: Year 1				
	Original Budget	Adjustment Budget	Actual	Budget spent
Repairs and Maintenance Expenditure (Other Materials)	62 863	62 863	55 752	88.68%
T5.3.4				

## 5.4 FINANCIAL RATIO'S







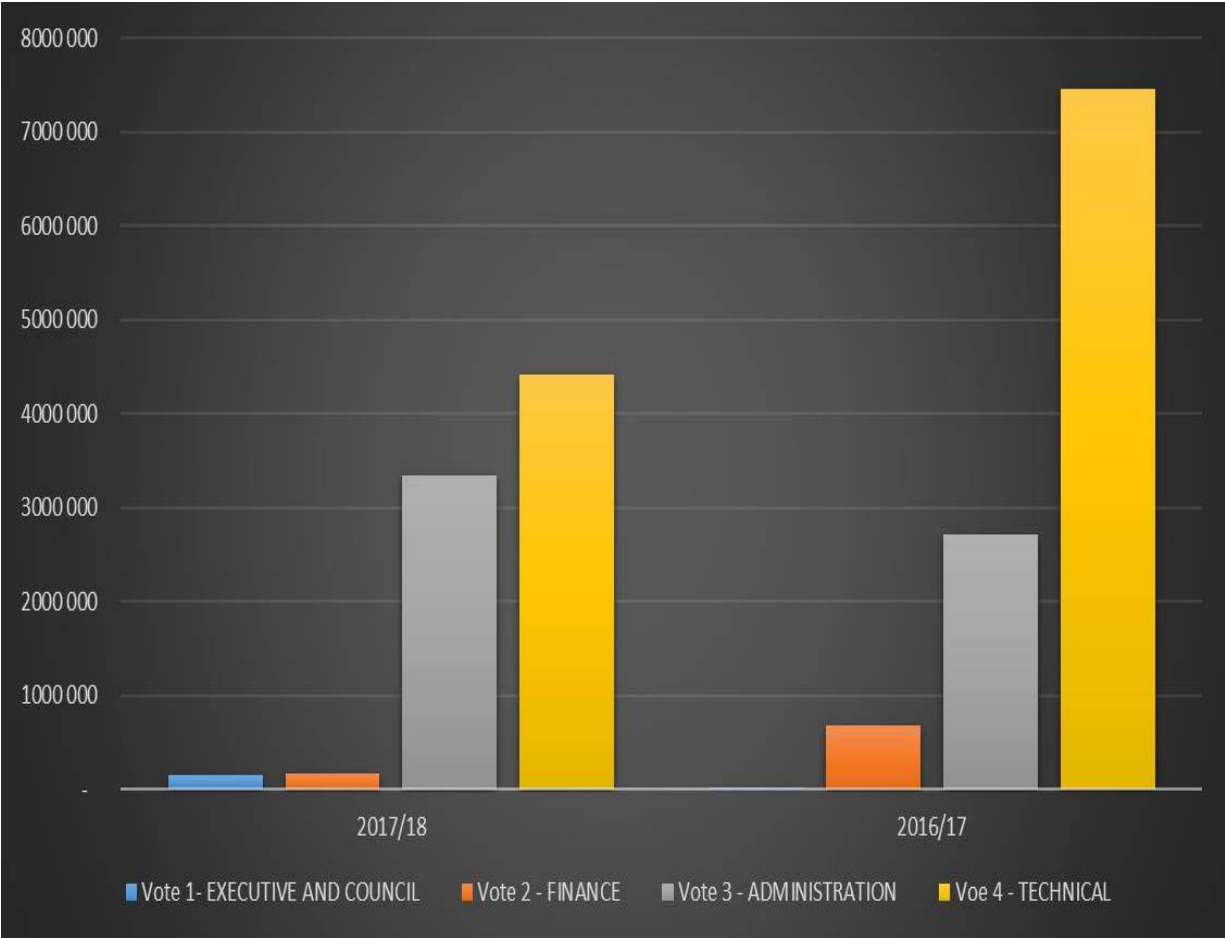
## **COMPONENT B: SPENDING AGAINST CAPITAL BUDGET**

### **5.5 CAPITAL EXPENDITURE BY STANDARD CLASSIFICATION**



**DC1 West Coast - Reconciliation of Table A5 Budgeted Capital Expenditure by vote, standard classification and funding**

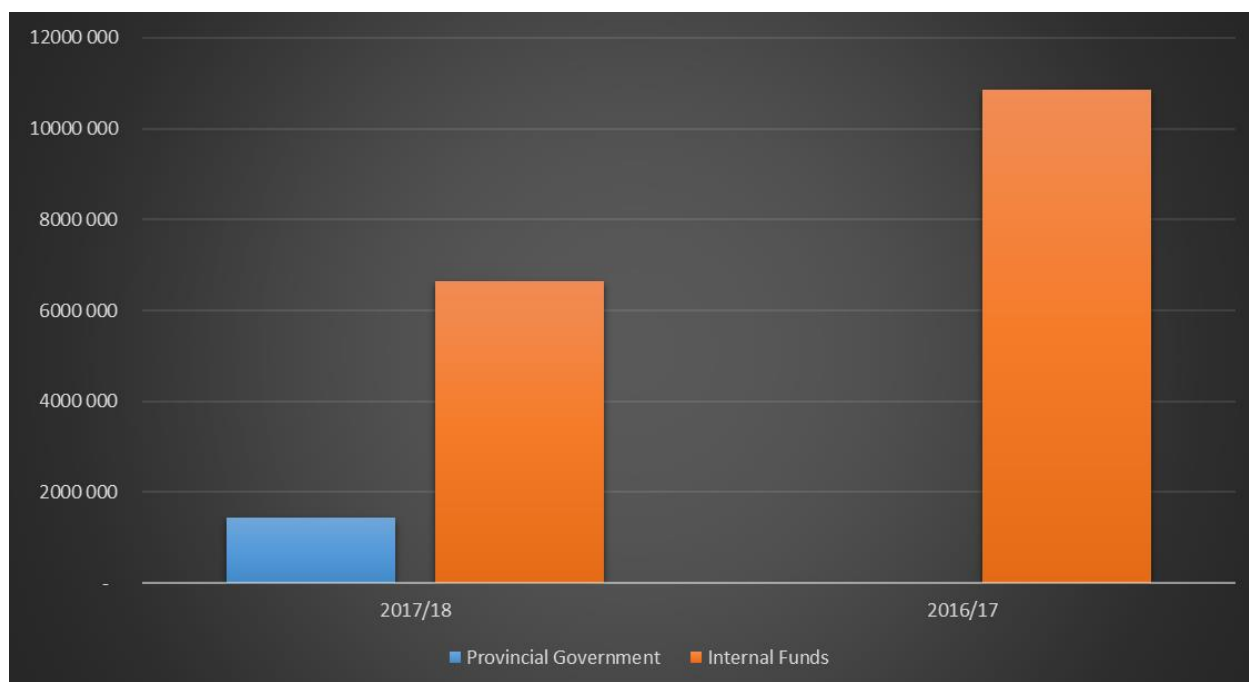
Vote Description	2017/18								2016/17			
	Original Budget	Total Budget Adjustments (i.to. MFMA s28)	Final adjustments budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
R thousand	1	2	3	4	5	6	7	8	9	10	11	12
<b>Capital expenditure - Vote</b>												
<b>Multi-year expenditure</b>												
Vote 1- EXECUTIVE AND COUNCIL	8	-	8	8	-	(0)	95%	95%	-	-	-	-
Vote 2 - FINANCE	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - ADMINISTRATION	317	-	317	83	-	(234)	26%	26%	-	-	-	-
Vote 4 - TECHNICAL	5 395	-	5 395	4 281	-	(1 114)	79%	79%	-	-	-	-
Vote 5 - AGENCIES	-	-	-	-	-	-	-	-	-	-	-	-
Example 6 - Vote6	-	-	-	-	-	-	-	-	-	-	-	-
Example 7 - Vote7	-	-	-	-	-	-	-	-	-	-	-	-
Example 8 - Vote8	-	-	-	-	-	-	-	-	-	-	-	-
Example 9 - Vote9	-	-	-	-	-	-	-	-	-	-	-	-
Example 10 - Vote10	-	-	-	-	-	-	-	-	-	-	-	-
Example 11 - Vote11	-	-	-	-	-	-	-	-	-	-	-	-
Example 12 - Vote12	-	-	-	-	-	-	-	-	-	-	-	-
Example 13 - Vote13	-	-	-	-	-	-	-	-	-	-	-	-
Example 14 - Vote14	-	-	-	-	-	-	-	-	-	-	-	-
Example 15 - Vote15	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure</b>	<b>5 720</b>	<b>-</b>	<b>5 720</b>	<b>4 372</b>	<b>-</b>	<b>(1 349)</b>	<b>76%</b>	<b>76%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Single-year expenditure</b>												
Vote 1- EXECUTIVE AND COUNCIL	168	(8)	160	155	-	(5)	97%	92%	-	-	-	8
Vote 2 - FINANCE	225	(1)	223	180	-	(43)	81%	80%	-	-	-	677
Vote 3 - ADMINISTRATION	3 903	(817)	3 085	3 253	-	168	105%	83%	-	-	-	2 714
Vote 4 - TECHNICAL	4 669	(4 524)	145	145	-	-	100%	3%	-	-	-	7 452
Vote 5 - AGENCIES	-	-	-	-	-	-	-	-	-	-	-	-
Example 6 - Vote6	-	-	-	-	-	-	-	-	-	-	-	-
Example 7 - Vote7	-	-	-	-	-	-	-	-	-	-	-	-
Example 8 - Vote8	-	-	-	-	-	-	-	-	-	-	-	-
Example 9 - Vote9	-	-	-	-	-	-	-	-	-	-	-	-
Example 10 - Vote10	-	-	-	-	-	-	-	-	-	-	-	-
Example 11 - Vote11	-	-	-	-	-	-	-	-	-	-	-	-
Example 12 - Vote12	-	-	-	-	-	-	-	-	-	-	-	-
Example 13 - Vote13	-	-	-	-	-	-	-	-	-	-	-	-
Example 14 - Vote14	-	-	-	-	-	-	-	-	-	-	-	-
Example 15 - Vote15	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure</b>	<b>8 965</b>	<b>(5 350)</b>	<b>3 614</b>	<b>3 734</b>	<b>-</b>	<b>120</b>	<b>103%</b>	<b>42%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 852</b>
<b>Total Capital Expenditure - Vote</b>	<b>14 685</b>	<b>(5 350)</b>	<b>9 335</b>	<b>8 106</b>	<b>-</b>	<b>(1 229)</b>	<b>87%</b>	<b>55%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 852</b>
<b>Capital Expenditure - Standard</b>												
<b>Governance and administration</b>	<b>339</b>	<b>(27)</b>	<b>311</b>	<b>230</b>	<b>-</b>	<b>(82)</b>	<b>74%</b>	<b>68%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>570</b>
Executive and council	150	-	150	146	-	(4)	97%	97%	-	-	-	8
Budget and treasury office	189	(27)	161	83	-	(78)	52%	44%	-	-	-	562
Corporate services	-	-	-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>	<b>4 173</b>	<b>(473)</b>	<b>3 700</b>	<b>3 433</b>	<b>-</b>	<b>(267)</b>	<b>93%</b>	<b>82%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 830</b>
Community and social services	327	1	328	181	-	(147)	55%	55%	-	-	-	116
Sport and recreation	148	26	174	180	-	6	104%	122%	-	-	-	-
Public safety	3 047	-	3 047	2 927	-	(119)	96%	96%	-	-	-	2 689
Housing	-	-	-	-	-	-	-	-	-	-	-	-
Health	651	(500)	151	144	-	(6)	96%	22%	-	-	-	25
<b>Economic and environmental services</b>	<b>10</b>	<b>-</b>	<b>10</b>	<b>9</b>	<b>-</b>	<b>(1)</b>	<b>91%</b>	<b>91%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Planning and development	10	-	10	9	-	(1)	91%	91%	-	-	-	-
Road transport	-	-	-	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	<b>4 435</b>	<b>870</b>	<b>5 305</b>	<b>4 426</b>	<b>-</b>	<b>(879)</b>	<b>83%</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7 452</b>
Electricity	-	-	-	-	-	-	-	-	-	-	-	-
Water	4 435	870	5 305	4 426	-	(879)	83%	100%	-	-	-	7 452
Waste water management	-	-	-	-	-	-	-	-	-	-	-	-
Waste management	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other</b>	<b>8</b>	<b>-</b>	<b>8</b>	<b>8</b>	<b>-</b>	<b>(0)</b>	<b>95%</b>	<b>95%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Standard</b>	<b>8 965</b>	<b>370</b>	<b>9 335</b>	<b>8 106</b>	<b>-</b>	<b>(1 229)</b>	<b>87%</b>	<b>90%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 852</b>
<b>Funded by:</b>												
National Government	-	-	-	-	-	-	-	-	-	-	-	-
Provincial Government	1 450	-	1 450	1 450	-	-	100%	100%	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	<b>1 450</b>	<b>-</b>	<b>1 450</b>	<b>1 450</b>	<b>-</b>	<b>-</b>	<b>100%</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Public contributions &amp; donations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Borrowing</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Internally generated funds</b>	<b>7 515</b>	<b>370</b>	<b>7 885</b>	<b>6 656</b>	<b>-</b>	<b>(1 229)</b>	<b>84%</b>	<b>89%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 852</b>
<b>Total Capital Funding</b>	<b>8 965</b>	<b>370</b>	<b>9 335</b>	<b>8 106</b>	<b>-</b>	<b>(1 229)</b>	<b>87%</b>	<b>90%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 852</b>



## 5.6 SOURCES OF FINANCE

Vote Description  R thousand	2017/18								2016/17			
	Original Budget	Total Budget Adjustments (i.to. MFMA s28)	Final adjustments budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome

<b>Funded by:</b>												
National Government	-	-	-	-		-	-	-				-
Provincial Government	1 450	-	1 450	1 450		-	100%	100%				-
District Municipality	-	-	-	-		-	-	-				-
Other transfers and grants	-	-	-	-		-	-	-				-
Transfers recognised - capital	1 450	-	1 450	1 450		-	100%	100%				-
Public contributions & donations	-	-	-	-		-	-	-				-
Borrowing	-	-	-	-		-	-	-				-
Internally generated funds	7 515	370	7 885	6 656		(1 229)	84%	89%				10 852
<b>Total Capital Funding</b>	<b>8 965</b>	<b>370</b>	<b>9 335</b>	<b>8 106</b>		<b>(1 229)</b>	<b>87%</b>	<b>90%</b>				<b>10 852</b>



## 5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure of 5 largest projects*					
Name of Project	Current Year: Year 1			Variance Current Year: Year 1	
	Original Budget	Adjustment Budget	Actual Expenditure	Original spent(%)	Adjustment spent (%)
A – Pipe replacement	1 600 000	1 650 000	1 188 760	74.30%	72.05%
B – Valves	1 350 000	1 018 000	640 731	47.46%	62.94%
C – Waterworks Vehicles	750 000	1 610 000	1 604 546	213.94%	99.66%
D - Fire Fighting Vehicles	1 450 000	2 253 000	2 133 654	147.15%	94.70%
E – Flow Meters & Instrumentation	250 000	140 000	142 949	57.18%	102.11%
* Projects with the highest capital expenditure in Year 1					

Name of Project - A	
Objective of Project	Bulk water supply
Delays	None
Future Challenges	None
Anticipated citizen benefits	Access to basic services

Name of Project - B	
Objective of Project	Bulk water supply
Delays	None
Future Challenges	None
Anticipated citizen benefits	Access to basic services

Name of Project - C	
Objective of Project	Bulk water supply
Delays	None
Future Challenges	None
Anticipated citizen benefits	Access to basic services

Name of Project - D	
Objective of Project	Disaster relief
Delays	None
Future Challenges	None
Anticipated citizen benefits	Public safety

Name of Project - E	
Objective of Project	Bulk water supply
Delays	None
Future Challenges	None
Anticipated citizen benefits	Access to basic services
T5.7.1	

5.8 Municipal Infrastructure Grant (MIG)* Expenditure Year 1 on Service backlogs						
Details	Budget	Adjust-ments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjust-ments Budget	
<b>Infrastructure - Road transport</b>				%	%	
<i>Roads, Pavements &amp; Bridges</i>				%	%	
<i>Storm water</i>				%	%	
<b>Infrastructure - Electricity</b>				%	%	
<i>Generation</i>				%	%	
<i>Transmission &amp; Reticulation</i>				%	%	
<i>Street Lighting</i>				%	%	
<b>Infrastructure - Water</b>				%	%	
<i>Dams &amp; Reservoirs</i>				%	%	
<i>Water purification</i>				%	%	
<i>Reticulation</i>				%	%	
<b>Infrastructure - Sanitation</b>				%	%	
<i>Reticulation</i>				%	%	
<i>Sewerage purification</i>				%	%	
<b>Infrastructure - Other</b>				%	%	
<i>Waste Management</i>				%	%	
<i>Transportation</i>				%	%	
<i>Gas</i>				%	%	
<b>Other Specify:</b>				%	%	
				%	%	
				%	%	
				%	%	
<b>Total</b>				%	%	
<p>* 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.</p>						

T5.8.3

## 5.9 CASH FLOW

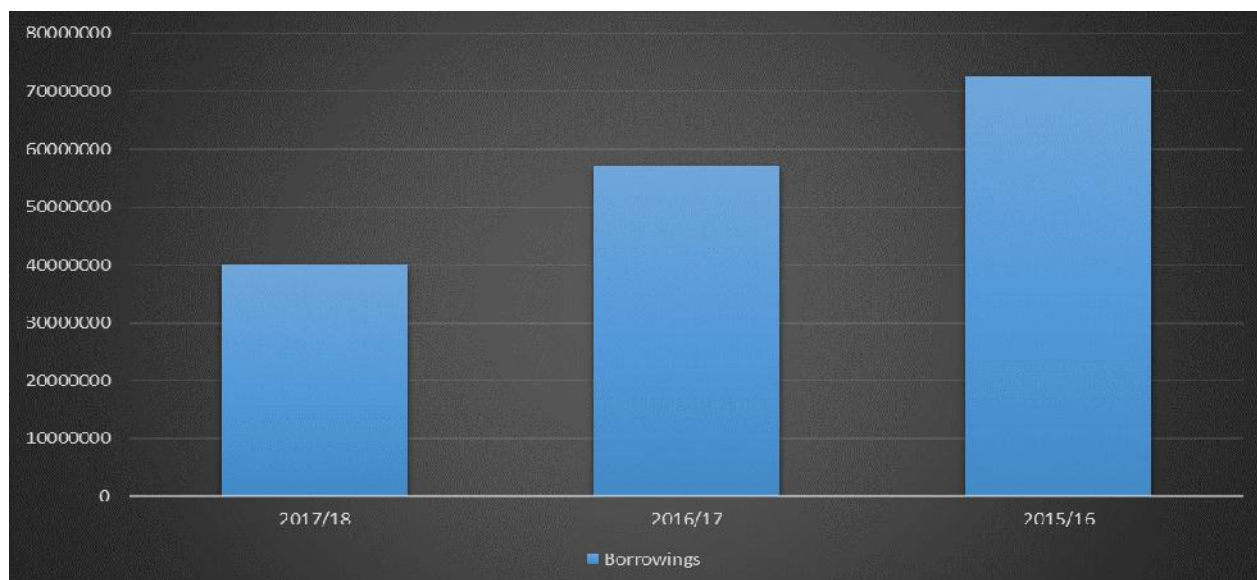
DC1 West Coast - Reconciliation of Table A7 Budgeted Cash Flows								
Description	2017/18							2016/17
	Original Budget	Budget Adjustments (i.t.o. s28)	Final adjustments budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Restated Audited Outcome
R thousand	1	2	3	4	5	6	7	8
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>								
<b>Receipts</b>								
Property rates, penalties and collection charges	-	-	-	-	-	-	-	-
Service charges	123 020	(7 331)	115 689	77 327	(38 362)	66,8%	62,9%	114 321
Other revenue	90 115	3 488	93 603	93 850	247	100,3%	104,1%	88 917
Government - operating	1 450	-	1 450	1 450	-	100,0%	100,0%	-
Government - capital	127 486	14 726	142 212	194 282	52 070	136,6%	152,4%	111 869
Interest	13 942	-	13 942	21 753	7 811	156,0%	156,0%	20 727
Dividends	-	-	-	-	-	-	-	-
<b>Payments</b>								
Suppliers and employees	(320 507)	(12 078)	(332 585)	(321 199)	11 386	96,6%	100,2%	(294 886)
Finance charges	(12 287)	3 832	(8 455)	(5 474)	2 981	64,7%	44,6%	(7 276)
Transfers and Grants	(350)	(2 266)	(2 616)	(1 567)	1 049	59,9%	44,7%	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>22 870</b>	<b>370</b>	<b>23 240</b>	<b>60 422</b>	<b>37 182</b>	<b>260,0%</b>	<b>264,2%</b>	<b>33 671</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>								
<b>Receipts</b>								
Proceeds on disposal of PPE	-	-	-	61	61	#DIV/0!	#DIV/0!	176
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-
<b>Payments</b>								
Capital assets	(8 965)	(370)	(9 335)	(8 096)	1 239	86,7%	90,3%	(10 836)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(8 965)</b>	<b>(370)</b>	<b>(9 335)</b>	<b>(8 035)</b>	<b>1 300</b>	<b>86,1%</b>	<b>89,6%</b>	<b>(10 660)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>								
<b>Receipts</b>								
Short term loans	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-
<b>Payments</b>								
Repayment of borrowing	(9 299)	-	(9 299)	(17 013)	(7 715)	183,0%	183,0%	(15 492)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(9 299)</b>	<b>-</b>	<b>(9 299)</b>	<b>(17 013)</b>	<b>(7 715)</b>	<b>183,0%</b>	<b>183,0%</b>	<b>(15 492)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>4 606</b>	<b>0</b>	<b>4 606</b>	<b>35 374</b>				<b>7 519</b>
Cash/cash equivalents at the year begin:	226 915	-	226 915	234 434				226 915
Cash/cash equivalents at the year end:	231 521	-	231 521	269 808	38 287	116,5%	116,5%	234 434

## 5.10 BORROWING AND INVESTMENT

Actual Borrowings			
Instrument	2015 / 2016	2016 / 2017	2017 / 2018
<b><u>Municipality</u></b>			
Long-Term Loans (annuity/reducing balance)	72 713	57 246	40 232
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
<b>Municipality Total</b>	<b>72 713</b>	<b>57 246</b>	<b>40 232</b>
<b><u>Municipal Entities</u></b>			
Long-Term Loans (annuity/reducing balance)			
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
<b>Entities Total</b>			

T5.10.2





Municipal and Entity Investments			
Investment* type	2015 / 2016	2016 / 2017	2017 / 2018
	Actual	Actual	Actual
<b><u>Municipality</u></b>			
Deposits - Bank			
FNB	465	-	-
NEDBANK	-	-	-
ABSA	-	-	-
NEDBANK	-	-	-
INVESTEC	-	-	-
NEDBANK	-	-	-
<b>Municipality Total</b>	465	-	-
T5.10.4			

\*The municipality transferred its short-term investments to the primary bank account at FNB for the year ended 30 June 2016 to 2018.

## 5.11 SUPPLY CHAIN MANAGEMENT

The West Coast District Municipality has established a fully operational Supply Chain Unit in line with the approved SCM Policy.

**Table 5.11.1: Employees: Financial Services – Supply Chain Management**

Job level	2016/2017	2017/2018			
	Employees (N)	Posts (N)	Employees (N)	Vacancies: full-time equivalent (N)	Vacancies (% of total posts)
0-3	0	0	0	0	0%
4-6	0	0	0	0	0%
7-9	8	8	8	0	0%
10-12	0	1	10	0	0%
13-15	1	1	1	0	0%
16-18	1	1	1	0	0%
19-20	0	0	0	0	0%
Total	10	11	11	0	0%
					T5.11.1

## CHAPTER 6 – AUDITOR-GENERAL AUDIT FINDINGS

### INTRODUCTION

The Constitution Section 188(1)(b) states that the functions of the Auditor-General include the auditing of and reporting on the accounts, financial statements and financial management of all municipalities. The Local Government: Municipal Systems Act, Act 32 of 2000, Section 45 states that the results of performance measurement must be audited annually by the Auditor-General.

The West Coast District Municipality received clean audit reports for the financial years from 2010/2011 to 2017/2018.

## **Report of the auditor-general to Western Cape Provincial Parliament and the council on the West Coast District Municipality**

### **Report on the audit of the financial statements**

#### **Opinion**

1. I have audited the financial statements of the West Coast District Municipality set out on pages 1 to 100 and 106 to 112, which comprise the statement of financial position as at 30 June 2018 the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual information for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the West Coast District Municipality as at 30 June 2018, and its financial performance and cash flows for the year then ended in accordance with the South African Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003).

#### **Basis for opinion**

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### **Emphasis of matter**

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.

#### **Restatement of corresponding figures**

7. As disclosed in note 26 to the financial statements, the corresponding figures for 30 June 2017 have been restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2018.

#### **Other matters**

8. I draw attention to the matter below. My opinion is not modified in respect of this matter.



## Unaudited supplementary schedules

9. The supplementary information set out on pages 101 to 105 and 113 to 116 does not form part of the financial statements and is presented as additional information. We have not audited these schedules and, accordingly, we do not express an opinion thereon.

### Responsibilities of the accounting officer

10. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with SA Standards of GRAP and the requirements of the MFMA and the Division of Revenue Act of South Africa, 2017 (Act No. 3 of 2017) (Dora) and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
11. In preparing the financial statements, the accounting officer is responsible for assessing the West Coast District Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the accounting officer either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

### Auditor-general's responsibilities for the audit of the financial statements

12. My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
13. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

## Report on the audit of the annual performance report

### Introduction and scope

14. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected objectives presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
15. My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the completeness and appropriateness of the performance indicators/ measures included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that

may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

16. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected objectives presented in the annual performance report of the municipality for the year ended 30 June 2018:

Objectives	Pages in the annual performance report
Strategic objective 1: Ensuring environmental integrity for the West Coast	7 – 8
Strategic objective 3: Promoting bulk infrastructure development services	11 – 13
Strategic objective 4: Promoting social well-being of the community	13 – 14

17. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
18. I did not raise any material findings on the usefulness and reliability of the reported performance information for these objectives:
- Strategic objective 1: Ensuring environmental integrity for the West Coast
  - Strategic objective 3: Promoting bulk infrastructure development services
  - Strategic objective 4: Promoting social well-being of the community

### Other matter

19. I draw attention to the matter below.

### Achievement of planned targets

20. Refer to the annual performance report on pages 7 to 14 for information on the achievement of planned targets for the year and explanations provided for the under achievement of a number of targets.



### Introduction and scope

21. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
22. I did not raise material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA

### Other information

23. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected objectives presented in the annual performance report that have been specifically reported in this auditor's report.
24. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
25. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected objectives presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
26. The complete draft annual report has been received for review and no material inconsistencies with the financial statements exist. The final printer's proof of the annual report will be reviewed and any material inconsistencies then identified will be communicated to management. Should the inconsistencies not be corrected, it may result in the matter being included in the audit report.

## Internal control deficiencies

27. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. I did not identify any significant deficiencies in internal control

*Auditor - General*

Cape Town

30 November 2018



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*



## **Annexure – Auditor-general’s responsibility for the audit**

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected objectives and on the municipality’s compliance with respect to the selected subject matters.

### **Financial statements**

2. In addition to my responsibility for the audit of the financial statements as described in this auditor’s report, I also:
  - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
  - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality’s internal control
  - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting
  - conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the West Coast District Municipality’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a municipality to cease continuing as a going concern
  - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

### **Communication with those charged with governance**

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

## Report of the auditor-general to the Western Cape Provincial Parliament and the council on the West Coast District Council

### Report on the audit of the financial statements

#### Opinion

1. I have audited the financial statements of the West Coast District Municipality set out on pages 1 to 96, which comprise the statement of financial position as at 30 June 2017, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual information for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the West Coast District Municipality as at 30 June 2017, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2016 (Act No. 3 of 2016) (DoRA).

#### Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* (IESBA code) and the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Emphasis of matter

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.

#### Restatement of corresponding figures

7. As disclosed in note 26 to the financial statements, the corresponding figures for 30 June 2016 have been restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2017.



## **Other matters**

8. I draw attention to the matters below. My opinion is not modified in respect of these matters.

### **Unaudited disclosure notes**

9. In terms of section 125(2)(e) of the MFMA the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and accordingly I do not express an opinion thereon.

### **Unaudited supplementary schedules**

10. The supplementary information set out on pages 97 to 114 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

## **Responsibilities of the accounting officer**

11. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with SA Standards of GRAP and the requirements of the MFMA and DoRA for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
12. In preparing the financial statements, the accounting officer is responsible for assessing the West Coast District Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the accounting officer's intention is to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

## **Auditor-general's responsibilities for the audit of the financial statements**

13. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
14. A further description of my responsibilities for the audit of the financial statements is included in the annexure to the auditor's report.

## Introduction and scope

15. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected objectives presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
16. My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the completeness and appropriateness of the performance indicators/measures included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
17. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected objectives presented in the annual performance report of the municipality for the year ended 30 June 2017:

Objectives	Pages in the annual performance report
Strategic objective 1 – Ensuring environmental integrity for the West Coast	260 – 260
Strategic objective 3 – Promoting social well-being of the community	264 – 264
Strategic objective 4 – Providing essential bulk services to the District	265 – 267

18. I performed procedures to determine whether the reported performance information was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
19. I did not raise any material findings on the usefulness and reliability of the reported performance information for the following objectives:
- Strategic objective 1 – Ensuring environmental integrity for the West Coast
  - Strategic objective 3 – Promoting social well-being for the community
  - Strategic objective 4 – Providing essential bulk services to the District

## Other matter

20. I draw attention to the matter below.

## Achievement of planned targets

21. Refer to the annual performance report on pages 260 to 267 for information on the achievement of planned targets for the year and explanations provided for the under achievement of a number of targets.

## Report on audit of compliance with legislation

### Introduction and scope

22. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
23. I did not raise material findings on compliance with the specific matters in key legislation as set out in the general notice issued in terms of the PAA.

## Other information

24. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report thereon and those selected objectives presented in the annual performance report that have been specifically reported on in the auditor's report.
25. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
26. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected objectives presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
27. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

## Internal control deficiencies

28. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance thereon. I did not identify any significant deficiencies in internal control.

*Auditor-General*

Cape Town

30 November 2017



AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*



## **Annexure – Auditor-general’s responsibility for the audit**

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements, and the procedures performed on reported performance information for selected objectives and on the municipality’s compliance with respect to the selected subject matters.

### **Financial statements**

2. In addition to my responsibility for the audit of the financial statements as described in the auditor’s report, I also:
  - identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality’s internal control.
  - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer.
  - conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the West Coast District Municipality’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. My conclusions are based on the information available to me at the date of the auditor’s report. However, future events or conditions may cause a municipality to cease operating as a going concern.
  - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

### **Communication with those charged with governance**

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and where applicable, related safeguards.

## Report of the auditor-general to the Western Cape Provincial Parliament and the council on the West Coast District Municipality

### Report on the financial statements

#### Introduction

1. I have audited the financial statements of the West Coast District Municipality set out on pages 1 to 93, which comprise the statement of financial position as at 30 June 2016, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual information for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

#### Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2015 (Act No. 1 of 2015) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor-general's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the municipality's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.



## Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the West Coast District Municipality as at 30 June 2016 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the MFMA and DoRA.

## Emphasis of matters

7. I draw attention to the matters below. My opinion is not modified in respect of these matters.

### Restatement of corresponding figures

8. As disclosed in note 27 to the financial statements, the corresponding figures for 30 June 2015 have been restated as a result of an error discovered during the year ended 30 June 2016 in the financial statements of the municipality at, and for the year ended, 30 June 2016.

### Material underspending of the budget

9. As disclosed in the statement of comparison of budget and actual information, the municipality materially underspent the operational budget by R39 450 000. This was due to a total amount of R43 531 669 having been received between 11 February 2016 and 30 June 2016 from the Department of Transport and Public Works for the construction and repair of the district's roads.

## Additional matters

10. I draw attention to the matters below. My opinion is not modified in respect of these matters.

### Unaudited supplementary schedules

11. The supplementary information set out on pages 94 to 111 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

### Unaudited disclosure notes

12. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion thereon.

## Report on other legal and regulatory requirements

13. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives for selected objectives presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading, but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

### **Predetermined objectives**

14. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected objective presented in the annual performance report of the municipality for the year ended 30 June 2016:
- Strategic objective: providing essential bulk services to the district on pages 10 to 11
15. I evaluated the usefulness of the reported performance information to determine whether it was consistent with the planned objective. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information (FMPPI).
16. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
17. I did not identify any material findings on the usefulness and reliability of the reported performance information for the following objective:
- Strategic objective: providing essential bulk services to the district

### **Additional matters**

18. Although I identified no material findings on the usefulness and reliability of the reported performance information for the selected objective, I draw attention to the following matters:

#### Achievement of planned targets

19. Refer to the annual performance report on pages 8 to 12 for information on the achievement of the planned targets for the year.

#### Unaudited supplementary schedules

20. The supplementary information set out on pages 4 to 7 and pages 13 to 15 does not form part of the annual performance report and is presented as additional information. I have not audited these schedules and, accordingly, I do not report thereon.

## **Compliance with legislation**

21. I performed procedures to obtain evidence that the municipality had complied with applicable legislation regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

## **Internal control**

22. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. I did not identify any significant deficiencies in internal control.

*Auditor-General*

Cape Town

30 November 2016



AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## GLOSSARY

<b>Accessibility indicators</b>	Explore whether the intended beneficiaries are able to access services or outputs.
<b>Accountability documents</b>	Documents used by executive authorities to give “full and regular” reports on the matters under their control to Parliament and provincial legislatures, as prescribed by the Constitution. These documents include plans, budgets, in-year reports and annual reports.
<b>Activities</b>	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe ‘what we do’.
<b>Adequacy indicators</b>	The quantity of input or output relative to the need or demand.
<b>Annual report</b>	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the MFMA. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
<b>Approved budget</b>	The annual financial statements of a municipality as audited by the Auditor-General and approved by council or a provincial or national executive.
<b>Baseline</b>	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
<b>Basic municipal service</b>	A municipal service that is necessary to ensure an acceptable and reasonable quality of life for citizens within that particular area. If not provided, it may endanger public health and safety or the environment.
<b>Budget year</b>	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
<b>Cost indicators</b>	The overall cost or expenditure of producing a specified quantity of outputs.

<b>Distribution indicators</b>	The distribution of capacity to deliver services.
<b>Financial statements</b>	These include at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
<b>General performance indicators (KPIs)</b>	After consultation with MECs for local government, the minister may prescribe general KPIs that are appropriate and applicable to local government generally.
<b>Impact</b>	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
<b>Inputs</b>	All the resources that contribute to the production and delivery of outputs. Inputs are 'what we use to do the work'. They include finances, personnel, equipment and buildings.
<b>Integrated development plan (IDP)</b>	Sets out municipal goals and development plans.
<b>National key performance areas</b>	<ul style="list-style-type: none"> <li>• Service delivery and infrastructure</li> <li>• Economic development</li> <li>• Municipal transformation and institutional development</li> <li>• Financial viability and management</li> <li>• Good governance and community participation</li> </ul>
<b>Outcomes</b>	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are 'what we wish to achieve'.
<b>Outputs</b>	The final products or goods and services produced for delivery. Outputs may be defined as 'what we produce or deliver'. An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunisation or a service such as processing an application) that contributes to the achievement of a key result area.
<b>Performance indicator</b>	31 October 2014

<b>Performance information</b>	Generic term for nonfinancial information about municipal services and activities. Can also be used interchangeably with 'performance measure'.
<b>Performance standards</b>	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service level agreements. Performance standards are mutually agreed-upon criteria to describe how well work must be done in terms of quantity and/or quality and how promptly, in order to clarify the outputs and related activities of a job by describing what the required result should be. In this employee performance management and development system, performance standards are divided into indicators and the time factor.
<b>Performance targets</b>	The level of performance that municipalities and their employees strive to achieve. Performance targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
<b>Service Delivery Budget Implementation Plan</b>	Detailed plan approved by the mayor for implementing the municipality's delivery of services, including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
<b>Vote</b>	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a 'vote' as</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.</i></p>

## APPENDIX A – COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, committees allocated and Council attendance					
Council members	Full-time / Part-time	Committees allocated	Ward and/or party represented	Council meetings attendance	Apologies for non-attendance
SA Gxabalashe	Proportional	Portfolio Committee Administration and Community Services Secundus: SALGA: Capacity Building and Institutional Resilience	ANC	7	4
R Skei	Proportional	Portfolio Committee Strategic Support and Economic Development Chairperson: MPAC (Municipal Public Accounts Committee) Secundus: SALGA: Economic Empowerment and Employment Creation	ANC	11	0
F Kamfer	Proportional	Portfolio Committee Infrastructure Services Secundus: SALGA: Community Development and Social Cohesion	ANC	10	1
RW Strydom	Proportional	Deputy Executive Mayor Ex Officio : All Committees Local Labour Forum SALGA: Governance and Intergovernmental Relations IDP Coordinating Committee (IDPCC)	DA	9	2
JH Cleophas	Proportional	Executive Mayor Ex officio: All Committees SALGA: PEC (Provincial Executive Committee) Member IDP Coordinating Committee (IDPCC)	DA	9	2
HJ van der Hoven	Proportional	Executive Mayoral Committee Member Portfolio Committee Strategic Support and Economic Development Portfolio Infrastructure Services SALGA: Water, Sanitation and Waste Management	DA	9	2

		Secundus: SALGA: Environmental Planning and Climate Resilience West Coast Regional Tourism Organisation (RTO)			
RE Swarts	Proportional	Speaker Ex officio: Executive Mayoral Committee Ex officio: All Committees SALGA: Capacity Building and Institutional Resilience Secundus: SALGA: Governance and Intergovernmental Relations Appeal Authority	DA	11	0
H Kordom	Proportional	Portfolio Committee Administration and Community services Portfolio Committee Strategic Support and Economic Development MPAC (Municipal Public Accounts Committee)	DA	8	0
J Alexander	Proportional	Portfolio Committee Infrastructure Services Portfolio Committee Administration and Community Services SALGA: Human Settlements and Municipal Planning Secundus: SALGA: Water, Sanitation and Waste Management	DA	10	1
JJ Hoop	Proportional	Portfolio Committee Administration and Community Services Portfolio Committee Finance SALGA: Municipal Innovations and Information Technology Secundus: SALGA: Municipal Finance and Fiscal Policy MPAC (Municipal Public Accounts Committee)	DA	11	0



NM Ngobo	Appointed Matzikama Municipality	Portfolio Committee Infrastructure Services	ANC	7	4
M Carosini	Appointed Matzikama Municipality	Portfolio Committee Infrastructure Services IDP: Local Municipalities (Matzikama Municipality)	DA	8	3
NS Qunta	Appointed Cederberg Municipality	None	ANC	9	2
J Meyer	Appointed Cederberg Municipality	Executive Mayoral Committee Member Chairperson: Portfolio Committee Strategic Support and Economic Development Local Labour Forum SALGA: Economic Empowerment and Employment Creation Secundus: SALGA: Public Transport and Roads IDP: Local Municipalities (Cederberg Municipality) West Coast Regional Tourism Organisation (RTO)	DA	10	1
SIJ Smit	Appointed Bergrivier Municipality	Portfolio Committee Finance	ANC	7	4
J Daniels	Appointed	Portfolio Committee Infrastructure Services Portfolio Committee Finance IDP: Local Municipalities (Bergrivier Municipality)	DA	5	3
EB Mankay	Appointed Saldanha Bay Municipality	Portfolio Committee Administration and Community Services	ANC	5	6
E Nackerdien	Appointed Saldanha Bay Municipality	Portfolio Committee Finance SALGA: Environmental Planning and Climate Resilience Secundus: SALGA: Human Settlements and Municipal Planning	ANC	9	2

FJ Schippers	Appointed Saldanha Bay Municipality	Executive Mayoral Committee Member Chairperson: Portfolio Committee Finance Local Labour Forum SALGA: Municipal Finance and Fiscal Policy Secundus: SALGA: Municipal Innovations and Information Technology Appeal Authority	DA	10	1
M Schrader	Appointed Saldanha Bay Municipality	Portfolio Committee Finance Portfolio Committee Strategic Support and Economic Development IDP: Local Municipalities (Saldanha Bay Municipality) West Coast Biosphere Reserve West Coast Coastal Management Committee	DA	9	2
SM Scholtz	Appointed Saldanha Bay Municipality	Portfolio Committee Finance SALGA: Women's Commission	DA	9	2
BJ Penxa	Appointed Swartland Municipality	Portfolio Committee Strategic Support and Economic Development	ANC	10	1
BJ Stanley	Appointed Swartland Municipality	Executive Mayoral Committee Member Chairperson: Portfolio Committee Infrastructure Services Local Labour Forum SALGA: Public Transport and Roads Appeal Authority Expanded Public Works Programme (EPWP)	DA	11	0
VD McQuire	Appointed Swartland Municipality	Executive Mayoral Committee Member Chairperson: Portfolio Committee Administration and Community Services Local Labour Forum	DA	11	0

		SALGA: Community Development and Social Cohesion			
N Smit	Appointed Swartland Municipality	Portfolio Committee Administration and Community Services Portfolio Committee Strategic Support and Economic Development IDP: Local Municipalities (Swartland Municipality)	DA	11	0

## APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

### B.1 COMPREHENSIVE POLITICAL OVERSIGHT IS CONDUCTED WITHIN THE MUNICIPALITY

#### EXECUTIVE MAYORAL COMMITTEE

- a) **Executive Mayor**  
JH Cleophas
- b) **Executive Deputy Mayor**  
RW Strydom
- c) **Members**  
BJ Stanley  
FJ Schippers  
V McQuire  
J Meyer
- d) **Ex Officio**  
R Swarts

### 2. SECTION 80: PORTFOLIO COMMITTEES

Portfolio Committee : Infrastructure Services	Portfolio Committee : Financial Services	Portfolio Committee : Administration & Community Services	Portfolio Committee : Strategic Support & Economic Development
<b><u>Functions:</u></b> Spatial Planning and Development Roads Civil Engineering Projects Water Supply	<b><u>Functions:</u></b> Financial Management and Control Income and Expenditure Information Technology Supply Chain Management Ganzekraal Holiday Resort	<b><u>Functions:</u></b> Administration Municipal Environmental Health: Air Quality and Environmental Integrity Disaster Management Fire Services Social Development	<b><u>Functions:</u></b> Human Resources IDP LED Tourism
<b><u>PC Chair</u></b>  BJ Stanley	<b><u>PC Chair</u></b>  FJ Schippers	<b><u>PC Chair</u></b>  V McQuire	<b><u>PC Chair</u></b>  J Meyer
<b><u>PC Members</u></b>  HJ van der Hoven J Daniels J Alexander M Carosini F Kamfer NM Ngobo	<b><u>PC Members</u></b>  M Schrader JJ Hoop J Daniels SM Scholtz SIJ Smit E Nackerdien	<b><u>PC Members</u></b>  N Smit JJ Hoop J Alexander H Kordom EB Mankay SA Gxabalashe	<b><u>PC Members</u></b>  HJ van der Hoven N Smit H Kordom M Schrader R Skei BJ Penxa
<b><u>Ex Officio</u></b> Uitvoerende Burgemeester / Executive Mayor Deputy Executive Mayor/Uitvoerende Onderburgemeester Speaker	<b><u>Ex Officio</u></b> Uitvoerende Burgemeester / Executive Mayor Deputy Executive Mayor/Uitvoerende Onderburgemeester Speaker	<b><u>Ex Officio</u></b> Uitvoerende Burgemeester / Executive Mayor Deputy Executive Mayor/Uitvoerende Onderburgemeester Speaker	<b><u>Ex Officio</u></b> Uitvoerende Burgemeester / Executive Mayor Deputy Executive Mayor/Uitvoerende Onderburgemeester Speaker

### 3. **STATUTORY COMMITTEES**

#### **Local Labour Forum Employer component**

J Meyer  
V McQuire  
FJ Schippers  
BJ Stanley  
RW Strydom

### 4. **SALGA REPRESENTATIVES**

<b><u>SALGA REPRESENTATIVES OF THE WEST COAST DM</u></b>	
<b>Community Development and Social Cohesion</b> <i>HIV/Aids awareness, Health, Poverty Alleviation, Arts and Culture, Public Safety (Local Crime Prevention, Disaster Management, Policing and law enforcement, Emergency and fire services), Youth Development programmes, Children and the elderly, Gender mainstreaming and Persons with Disability</i>	<b>V McQuire</b> <b>Secundi: F Kamfer</b>
<b>Economic Empowerment and Employment Creation</b> <i>Integrated Development Planning (IDPs, GDS, NSDP), Town Planning and Land Use Management, Public Employment Programmes, Expanded Public Works Programme (EPWP), Community Works Programme and Municipal-Private Sector Innovation on Public Employment Initiatives</i>	<b>J Meyer</b> <b>Secundi: R Skei</b>
<b>Environmental Planning and Climate Resilience</b> <i>Environmental regulations and Policies, Air Pollution, Environmental, Climate Change, Environmental Affairs and Sustainability, Paris Agenda on Climate Change, Environmental Management Programmes</i>	<b>E Nackerdien</b> <b>Secundi: J van der Hoven</b>
<b>Human Settlements and Municipal Planning</b> <i>Human Settlements and Planning Strategies, Affordable Housing Markets, Spatial Planning and Land-use Management, Integrated Urban Development Framework (IUDF)</i>	<b>J Alexander</b> <b>Secundi: E Nackerdien</b>
<b>Public Transport and Roads</b> <i>Mobility and Public Transport, Public Transport Investments, Integrated Rapid Transit, Roads Planning, Access Roads and Upgrading, Policies and Programmes</i>	<b>BJ Stanley</b> <b>Secundi: JJ Meyer</b>
<b>Water, Sanitation and Waste Management</b> <i>Water, Sanitation, Waste Management, Tariff Modeling, Water Boards, Bulk Water, Distribution and Reticulation Value Chain</i>	<b>J van der Hoven</b> <b>Secundi: J Alexander</b>
<b>Capacity Building and Institutional Resilience</b> <i>Capacity Development: Human Resources, Capacity Building and Labour Relations implications, Organisational Development: LR implications, Restructuring of Municipalities, Labour Relations Matters and Institutional Issues relating to Municipal Service Partnerships</i>	<b>R Swarts</b> <b>Secundi: SA Gxabalashe</b>
<b>Governance and Intergovernmental Relations</b> <i>Constitutional Matters, Local Government Legislation, Powers and Functions of Municipalities, IGR Policy Issues, Traditional Leaders, Demarcation Issues, Elections and Municipal By-Laws, Public Participation, Oversight and Governance, Parliamentary and Legislative matters, Municipal Interventions (Section 154 and 139), Councillor Code of Conduct and Enforcement Mechanism for Accountability, NCOP Programmes, Local Government Week and Outreach Programmes</i>	<b>RW Strydom</b> <b>Secundi: R Swarts</b>
<b>Municipal Innovations and Information Technology</b> <i>ICT, Knowledge Sharing and Barometer, SALGA Municipal Awards, Disruptive Technologies and Systems</i>	<b>JJ Hoop</b> <b>Secundi: FJ Schippers</b>

### 3. COMMITTEES

<b>IDP COORDINATING COMMITTEE</b>	JH Cleophas RW Strydom
<b>IDP - LOCAL MUNICIPALITIES</b>	
<b>Bergvriër</b>	J Daniels
<b>Cederberg</b>	J Meyer
<b>Matzikama</b>	M Carosini
<b>Saldanha Bay</b>	M Schrader
<b>Swartland</b>	N Smit
<b>OTHER COMMITTEES</b>	
<b>West Coast Regional Tourism Organisation (RTO)</b>	HJ van der Hoven J Meyer
<b>Greater Cederberg Biodiversity Corridor</b>	J Meyer
<b>West Coast Coastal Management Community</b>	M Schrader
<b>APPEAL AUTHORITY</b>	R Swarts BJ Stanley FJ Schippers
<b>MPAC (Municipal Public Accounts Committee)</b>	R Skei ( Chairperson) JJ Hoop H Kordom
<b>Expanded Public Works Programme (EPWP)</b>	BJ Stanley

## APPENDIX C – THIRD TIER ADMINISTRATIVE STRUCTURE

THIRD TIER STRUCTURE		
Directorate	Designation	Official
<b>Office of the Municipal Manager</b>	<b>Municipal Manager</b>	<b>Mr DC Joubert</b>
	Senior Manager: Strategic Services	Mr FE Williams
	Senior Manager: Human Resources	Dr H Brand
	Manager: Internal Audit	Mr A Adams
	Manager: Training and Development	Mrs T Steinmann
	Manager: Community and Social Development	Mrs M Blanckenberg
	Manager: Tourism	Mrs H Van Rooyen
<b>Administration and Community Services</b>	<b>Director Administration and Community Services</b>	<b>Mr W Markus</b>
	Senior Manager: Municipal Environmental Health	Mr N de Jongh
	Regional Manager: Municipal Environmental Health	Mr P Reynders (Matzikama) Mr H De Wee (Cederberg) Mr A Scott (Malmesbury) Mr R Swangasa (Saldanha-04 September 2018) Mr C Kotze (Bergrivier)
	Manager: Air Quality Control	Mr G Manuel (Till 05 January 2018) Mrs C Ganten-Bein (01 May 2018)
	Manager: Administration	Mrs P (Z) Jacobs
	Disaster Management Manager	Mrs S Visser Mr F Petersen (01 May 2018)
	Chief Fire Officer	Mr B Senekal

<b>Financial Services</b>	<b>Director Finance</b>	<b>Mr J Koekemoer</b>
	Senior Manager: Financial Statements, Reporting and Asset Control	Mr P April
	Senior Manager: Income and Expenditure	Mr J Jonker
	Senior Manager: Supply Chain Management	Mr M Markus
	Manager: Information Technology	Mr H Matthews
<b>Technical Services</b>	<b>Director Technical Services</b>	<b>Mr H Matthee</b>
	Senior Manager: Roads	Mr D Van Der Westhuizen
	Senior Manager: Water Supply	Mr N Faasen
	Manager: Roads Construction and Maintenance	Mr M Visser
	Manager: Water Purification and Plant Support	Mr B van der Merwe
	Manager: Electrical and Instrumentation Services	Mr J van der Merwe
T C		



## APPENDIX D – FUNCTIONS OF MUNICIPALITY/ENTITY

<b>Municipal functions</b>		
<b>Municipal functions</b>	<b>Function applicable to Municipality (Yes/No)</b>	<b>Function applicable to entity (Yes/No)</b>
<b>Constitution Schedule 4, Part B functions</b>		Not applicable
Air pollution	Yes	
Building regulations	Yes	
Childcare facilities		
Electricity and gas reticulation		
Firefighting services	Yes	
Local tourism	Yes	
Municipal airports		
Municipal planning	Yes	
Municipal health services	Yes	
Municipal public transport		
Municipal public works – only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under the Constitution and any other function such as the maintenance of pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related		
Storm water management systems in built-up areas		
Trading regulations		
Water and sanitation services limited to potable water supply systems and domestic waste water and sewage disposal systems	Yes	
Beaches and amusement facilities	Yes	
Billboards and the display of advertisements in public places		
Cemeteries, funeral parlours and crematoria		
Cleansing		
Control of public nuisances	Yes	
Control of undertakings that sell food to the public	Yes	
Facilities for the accommodation, care and burial of animals		
Fencing and fences		
Licensing of dogs		

Control of undertakings that sell food to the public	Yes	
Local amenities – Ganzekraal Holiday Resort	Yes	
Local sport facilities		
Markets		
Municipal abattoirs		
Municipal parks and recreation		
Municipal roads		
Noise pollution	Yes	
Pounds		
Public places		
Refuse removal, refuse dumps and solid waste disposal	Yes	
Street trading		
Street lighting		
Traffic and parking		

## APPENDIX E – WARD REPORTING

Not applicable to the District Municipality

## APPENDIX F – WARD INFORMATION

Not applicable to the District Municipality.

## APPENDIX G – RECOMMENDATIONS OF THE AUDIT COMMITTEE 2017/2018

Date of Committee Meeting	Committee recommendations during 2017/2018	Recommendation adopted (Yes); not adopted (provide explanation)
21 February 2018	Minutes of Executive Mayoral Committee meetings should be send via email to the audit committee for their consideration	Yes
19 April 2018	Draft SDBIP be send to Audit Committee for consideration before final approval	Yes
19 April 2018	Other than the declaration register being completed, members must also declare their interest in each meeting with regard to agenda items being discussed.	Yes



**FINAL THE AUDIT AND PERFORMANCE AUDIT COMMITTEE  
ANNUAL REPORT TO COUNCIL**

**30 JUNE 2018**

**2017/2018**

## 1. INTRODUCTION

We are pleased to present our annual Audit and Performance Audit Committee Report for the year ending 30 June 2018.

## 2. AUDIT COMMITTEE MEMBERS AND ATTENDANCE

Name of Member	Number of Meetings Attended
Mr Jurie Van Dyk (Chairman) – External	6 out of 6 meetings attended
Mr Chris De Jager – External	5 out of 6 meetings attended
Mr Graham Lawrence– External	6 out of 6 meetings attended
Ds Lysander Prins– External	6 out of 6 meetings attended
Ms Reyhana Gani – External	6 out of 6 meetings attended

During the financial year, 6 meetings were held.

Other attendees from time to time were:

- Municipal Manger
- Chief Financial Officer
- Chief Audit Executive
- DA Councillor

## 3. AUDIT COMMITTEE RESPONSIBILITY

The Audit Committee has adopted appropriate formal terms of reference in its Audit Committee Charter and has regulated its affairs in compliance with this Charter. The Charter is regularly updated and complies with principles of good governance and with the requirements of the Municipal Finance Management Act 53 of 2003. In the conduct of its duties, the Committee has to perform the following reviews:

- The quality and integrity of financial reporting process,
- System of internal control through internal audit reports,
- The organisation process for monitoring compliance with laws and regulations and code of conduct,
- Internal Audit functions,
- Performance Management,
- The risk management and government process.

## 4. REPORT ON THE OPERATIONS OF THE AUDIT COMMITTEE

### 4.1 SYSTEM OF INTERNAL CONTROL

We have reviewed various reports presented by internal audit, on the adequacy and effectiveness of the municipality's internal control systems. In terms of these reports, there has been instances of non-compliance with prescribed policies, procedures and internal controls which were as follows:

- 1) Deficiencies were identified regarding Inventory Management with regard to slow moving stock.
- 2) Administrative deficiencies regarding Study bursaries and Task Job Evaluations were not complete or followed up.

The Audit Committee however wishes to highlight that management has taken the following action in mitigating the control weaknesses identified by the internal auditors in their reports:

- 1) Standard Operating Procedures were developed to address the Study Bursary and Task Job Evaluation process to ensure control effectiveness.
- 2) A report will be compiled annually and submitted to the CFO for write-off approval where after it will be tabled in council for consideration

Action plans undertaken by management are monitored and reviewed on a regular basis.

## **4.2 THE EFFECTIVENESS OF THE INTERNAL AUDIT UNIT**

We recommended approval to Council of the 2017/18 annual internal audit plan as well as the revised internal audit plan at our meetings on 22 June 2017 and 7 December 2017. The Chief Audit Executive attended 5 of the 6 meetings during the financial year and provided the following information:

- Quarterly progress report against the audit plan, which also highlighted any changes to be affected,
- All internal audit reports and findings for our scrutiny,
- Progress by management on implementing agreed actions plans that address issues raised,

For the financial year the internal audit unit completed 13 risks based audits out of 16 which were planned.

Reasons for not completing all audits were as a result of control deficiencies identified by the Office of the Auditor General during their annual audit, which resulted in internal audit having to amend their internal audit plan to increase their scope of work with regard to supply chain management and Municipal Standard Chart of Accounts (mSCOA) and time spent on responding to management requests.

Of the management requests the unit concluded the following audit for management:

- 1) Cathodic Protection on water pipelines audit

Furthermore, internal audit unit also completed four quarterly service delivery and budget implementation (SDBIP) performance reviews.

## **4.3 EVALUATION OF THE FINANCIAL STATEMENTS**

The external auditor was the Office of the Auditor General. They prepared and submitted their audit strategy and scope of their audit, during our 22 August 2017 meeting.

The Audit Committee has reviewed:

- The draft annual financial statements as required by legislation
- The appropriateness of accounting policies and practices as required by legislation



#### **4.4 RISK MANAGEMENT AND GOVERNANCE PROCESSES**

The appointed external service provider, Nexia SAB&T, at year end concluded the following:

- 1) Revising and amending the municipality's Risk Policy, Strategy & Implementation Plan which was circulated to the committee for recommendation before Council approval.
- 2) Anti-Fraud and Corruption Strategy and Policy was circulated to the committee for recommendation before Council approval.
- 3) As well as the Quarterly minutes of the Fraud and Risk Committee containing the Strategic and Operational Risk Registers and the progress on the management of those risks.

#### **4.5 PERFORMANCE MANAGEMENT**

During the year under review the Committee had a complement of five members, The Committee assessed four quarterly performance reports, as well the as the annual performance report, which were all audited by the internal audit.

#### **4.6 GENERAL**

I am very proud of all our audit committee members and happy with the goodwill and assistance of Councillors (both parties), the Municipal Manager and his staff. It is always a pleasure to attend meetings. While we have lost our previous Municipal Manager, we have gained a new one who appears to be equally capable.

  
Jurie Van Dyk

Chairperson of the Audit- and Performance Audit Committee

# APPENDIX H- LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Long Contracts (20 Largest Contracts Entered into 2017/2018)					
Name of Service Provider (Entity of Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry Date of Contract	Project Manager	Contract Value R' 000
Startune (Pty) Ltd	Supply and delivery of grader blades	01/07/2016	30/06/2018	Roads Department	R 428 320.80 (2nd year)
Equipment Spares Parts (Africa) (Pty) Ltd	Supply and delivery of grader blades	01/07/2016	30/06/2018	Roads Department	R 764 404.24(2nd year)
Trentyre (Pty) Ltd	Supply and delivery of new tyres, retreading of tyres and subsidiary services, Cederberg and Matzikama area	01/07/2016	30/06/2018	Various departments	R 2 632 796.33 (2nd year)
Erasmus Tyres CC	Supply and delivery of new tyres, retreading of tyres and subsidiary services, Swartland and Saldanha area	01/07/2016	30/06/2018	Various departments	R 90 913.12 (2nd year)
Improchem	Supply and delivery of sudfloc to Withoogte and Swartland Water Purifications	01/11/2016	30/06/2018	Water Department	R 4 929 990.00
Nu – Way Enterprises CC	Supply and delivery of traffic control signs	01/07/2016	30/06/2018	Roads Departments	R 526 227.15 (2nd year)
SOS Oil and Lubricant Distributors (Pty) Ltd	Supply and bulk delivery of oils and lubricants	01/07/2016	30/06/2018	Various Departments	R 739 079.51 (2nd year)
Swift Silliker (Pty) Ltd	Bacteriological analysis of samples	01/10/2016	30/06/2019	N de Jongh	R 610 741.39 ( 2nd year)
Various Suppliers	Hire of mechanical equipment and construction plant	01/02/2017	30/06/2018	Roads Department	R 506 338.12 (2nd year)
Nexia – SAB & T	Risk Management Services	01/02/2017	30/06/2019	Internal Audit Department	R 325 532.52 (2nd year)
Startune (Pty) Ltd	Supply and delivery of protective clothing and footwear	01/01/2017	30/06/2019	Roads Department	R 1 020 304.59 (2nd year)
Sparks & Ellis	Supply and delivery of Fire	01/01/2017	30/06/2019	Fire Department	R 588 320.75 (2nd year)

	Services station wear				
Namakwa Kontrakteurs (Pty) Ltd	Erecting of fencing in the West Coast DM area	01/02/2017	30/06/2018	Roads Department	R 844 990.00 (2nd year)
W N Samuels	Supply and delivery of G5 subbase material	01/04/2017	30/06/2018	Roads Department	R 297 017.44 (2nd year)
Mzantzi Koloni Electronics	Supply and delivery of radio equipment as well as upgrade of the existing communication system for the West Coast DM	01/06/2017	30/06/2019	Water and Fire Departments	R 319 153.31 (2nd year)
Tip Trans Logistix	Supply and delivery of crushed stone and associated products	01/07/2017	30/06/2019	Roads Department	R 5 844 585.91 (1st year)
AJ van Huffel Plant Hire CC	Supply and delivery of crushed stone and associated products	01/07/2017	30/06/2019	Roads Department	R 844 709.82 (1st year)
Darling Security Services	Supply and delivery of security services	01/09/2017	30/06/2019	Roads Department	R 1 057 221.50 (1st 10 months)
Various Suppliers	Hire of mechanical equipment and construction plant	01/10/2017	30/06/2019	Roads Department	R 3 251 362.84 (1st 9 months)
SA Rotsbore	Drilling and developing of groundwater boreholes	01/02/2018	30/06/2019	Roads Department	R 347 270.00 (1st 5 months)

No Public Private Partnerships at the West Coast District Municipality.

## APPENDIX I – SERVICE PROVIDER PERFORMANCE SCHEDULE: 2017/2018

Tender	Value for money	According to specification	Quality to specification	Delivery within reasonable time	Any additional work	Satisfied with level of procurement	Impose penalties	Additional comments
WDM 01/2017	Yes	Yes	Yes	Some delivery delays	No	Yes	No	Supply of materials not satisfactory due to delays
WDM 04/2017	Yes	Yes	Yes	Yes	No	Yes	No	
WDM 06/2017	Yes	Yes	Yes	Yes	No	Yes	No	
WDM 13/2016	Yes	Yes	Yes	No	No	Yes	No	Main supplier performed poorly at times
WDM 14/2016	Yes	Yes	Yes	Yes	No	Yes	No	
WDM 16/2016	Yes	Yes	Yes	Yes	No	Yes	No	
WDM 17/2016	Yes	Yes	Yes	Yes	No	Yes	No	
WDM 18/2016	Yes	Yes	Yes	Some delivery delays	No	Yes	No	Main supplier performed poorly at times
WDM 19/2016	Yes	Yes	Yes	Yes	No	Yes	No	
WDM 20/2016	Yes	Yes	Yes	Yes	No	Yes	No	Supplier did not closed
WDM 21/2016	Yes	Yes	Yes	Yes	No	Yes	No	Satisfactory service



WDM 22/2016	Yes	Yes	Yes	Yes	No	Yes	No	
WDM 28/2016	Yes	Yes	Yes	Yes	No	Yes	No	
WDM 38/2016	Yes	Yes	Yes	Yes	No	Yes	No	
WDM 43/2016	Yes	Yes	Yes	Yes	No	Yes	No	
WDM 44/2016	Yes	Yes	Yes	Yes	No	Yes	No	
WDM 49/2016	Yes	Yes	Yes	Yes	Yes	Yes	No	Satisfactory service
WDM 50/2016	Yes	Yes	Yes	Yes	No	Yes	No	
WDM 52/2016	Yes	Yes	Yes	Yes	No	Yes	No	
WDM 53/2016	Yes	Yes	Yes	Yes	Yes	Yes	No	
WDM 55/2016	Yes	Yes	Yes	Yes	No	Yes	No	
WDM 56/2016	Yes	Yes	Yes	No	No	No	No	Main supplier performed poorly

## APPENDIX J – DISCLOSURE OF FINANCIAL INTERESTS: COUNCILLORS

Disclosure of Financial Interest		
Period 01 July 2017 – 30 June 2018		
Position	Name	Description of Financial interest
<b>Executive Mayor</b>	JH Cleophas	Shares and Security: Sasol – Azalo Directorship: Cleo Holdings Other financial interest in any business undertaking: Cleo Holdings
<b>Member of Executive Mayoral Committee</b>	RW Strydom	Interest in Property: Student flat in Potchefstroom (De Reitz 2, Unit 4)
	FJ Schippers	Membership - Close Corporation: Phalafala Farming CC (Reg. no. 2008/261 467/23)
	BJ Stanley	None
	J Meyer	None
	VD McQuire	None
<b>Speaker</b>	R Swarts	None
<b>Councillor</b>	SA Gxabalashe	Employment and remuneration: Employment by National Union of Mine Workers (NUM)
	R Skei	Saldanha Black Business Women Association <b>Other-Business Enterprises: Lindiwe Logistic Services &amp; Freight</b> Directorship: Lindiwe Logistic Services & Freight Shares and Security: Lindiwe Logistic Services & Freight
	F Kamfer	Membership - Close Corporation: FK Projects Sharon Services and Projects Directorship: FA Verpakkers FK Projects, Sharon Services and Projects Employment and remuneration: Dhadhla
	HJ van der Hoven	Trust: Trust member – Rondeberg Trust (No financial interest) Trust member – Estate of PA Gouws (No financial interests)

		Employment and remuneration: Executive Manager: Landbou Gemeenskap Ontwikkeling (LGO) – NPO nr 169/153 Reg nr 2013/228586/08
	G Stephan	Interest in any trust: Dadelbos Trust Directorship: MLI Investments
	HGJ Kordom	Employment and remuneration: Give Judo classes, Ju Jitsu and self defense classes.
	JA Engelbrecht	None
	J Alexander	Membership - Close Corporation & Directorship: ILSANI Holdings CC
	J Hoop	None
	NM Ngobo	None
	M Carosini	Shares and Security: Cadiz; Prodential; ADSA
	NS Qunta	Directorship: Senzwa Construction
	SIJ Smit	Other financial interest in any business: Owner liquor license
	AJ du Plooy	Membership - Close Corporation: BAAPA Construction
	J Daniels	None
	EB Mankay	Shares and Security: Skhokele Projects Directorship: Skhokele Projects
	E Nackerdien	None
	M Schrader	Shares and Security: Terajan Shares Interest in property: Koperfontein 346/12 Matzikama Farm
	SM Scholtz	None
	BJ Penxa	None
	N Smit	None

## APPENDIX J2 – DISCLOSURE OF FINANCIAL INTERESTS: SECTION 57 OFFICIALS

Disclosure of financial interest		
Period 1 July 2017 to 30 June 2018		
Position	Name	Description of financial interest
<b>Municipal manager</b>	DC Joubert	2 Properties with a total Value of R 2 139 000
<b>Municipal manager</b>	HF Prins	Yizani Shares valued at R 500 Property investment R 60.00 Own Property valued at R 1 950 000
<b>Chief financial officer</b>	J Koekemoer	One Property valued at R 707 000
<b>Director: Administration and Community Services</b>	W Markus	+/- 50 shares in Media 24 Three properties with a total value of R 950 000
<b>Director: Technical Service</b>	H Matthee	Three Properties valued at R 2 602 000



# APPENDIX K – REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

## APPENDIX K (1): REVENUE COLLECTION PERFORMANCE BY VOTE FINANCIAL DISCLOSURE

DC1 West Coast - Reconciliation of Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)												
Vote Description	2017/18								2016/17			
	Original Budget	Budget Adjustments (i.to. MFMA s28)	Final adjustments budget	Actual Outcome	Unauthorised expenditure	Variance of Actual Outcome against Adjustments Budget	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
R thousand	1	2	3	4	5	6	7	8	9	10	11	12
<b>Revenue by Vote</b>												
Vote 1- EXECUTIVE AND COUNCIL	240	1,717	1,957	980		(977)	50.1%	407.9%				1,494
Vote 2 - FINANCE	89,835	422	90,257	113,788		23,531	126.1%	126.7%				98,287
Vote 3 - ADMINISTRATION	22,158	(3,960)	18,198	20,196		1,998	111.0%	91.1%				22,402
Vote 4 - TECHNICAL	127,790	(5,451)	122,339	93,684		(28,655)	76.6%	73.3%				117,768
Vote 5 - AGENCIES	115,990	18,155	134,145	121,371		(12,774)	90.5%	104.6%				122,282
Example 6 - Vote6	-	-	-	-		-	-	-				-
Example 7 - Vote7	-	-	-	-		-	-	-				-
Example 8 - Vote8	-	-	-	-		-	-	-				-
Example 9 - Vote9	-	-	-	-		-	-	-				-
Example 10 - Vote10	-	-	-	-		-	-	-				-
Example 11 - Vote11	-	-	-	-		-	-	-				-
Example 12 - Vote12	-	-	-	-		-	-	-				-
Example 13 - Vote13	-	-	-	-		-	-	-				-
Example 14 - Vote14	-	-	-	-		-	-	-				-
Example 15 - Vote15	-	-	-	-		-	-	-				-
<b>Total Revenue by Vote</b>	<b>356,014</b>	<b>10,882</b>	<b>366,896</b>	<b>350,020</b>		<b>(16,876)</b>	<b>95.4%</b>	<b>98.3%</b>				<b>362,234</b>
<b>Expenditure by Vote to be appropriated</b>												
Vote 1- EXECUTIVE AND COUNCIL	34,436	(4,750)	29,686	27,813	-	(1,873)	93.7%	80.8%	-	-	-	23,796
Vote 2 - FINANCE	2,129	29,243	31,371	31,231	-	(140)	99.6%	1467.2%	-	-	-	20,482
Vote 3 - ADMINISTRATION	79,071	(11,461)	67,610	65,879	-	(1,731)	97.4%	83.3%	-	-	-	73,944
Vote 4 - TECHNICAL	122,430	(8,368)	114,062	113,410	-	(652)	99.4%	92.6%	-	-	-	85,004
Vote 5 - AGENCIES	115,923	5,751	121,674	121,287	-	(387)	99.7%	104.6%	-	-	-	110,227
Example 6 - Vote6	-	-	-	-	-	-	-	-	-	-	-	-
Example 7 - Vote7	-	-	-	-	-	-	-	-	-	-	-	-
Example 8 - Vote8	-	-	-	-	-	-	-	-	-	-	-	-
Example 9 - Vote9	-	-	-	-	-	-	-	-	-	-	-	-
Example 10 - Vote10	-	-	-	-	-	-	-	-	-	-	-	-
Example 11 - Vote11	-	-	-	-	-	-	-	-	-	-	-	-
Example 12 - Vote12	-	-	-	-	-	-	-	-	-	-	-	-
Example 13 - Vote13	-	-	-	-	-	-	-	-	-	-	-	-
Example 14 - Vote14	-	-	-	-	-	-	-	-	-	-	-	-
Example 15 - Vote15	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>353,989</b>	<b>10,415</b>	<b>364,404</b>	<b>359,620</b>	<b>-</b>	<b>(4,784)</b>	<b>98.7%</b>	<b>101.6%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>313,453</b>
<b>Surplus/(Deficit) for the year</b>	<b>2,025</b>	<b>467</b>	<b>2,492</b>	<b>(9,601)</b>		<b>(12,092)</b>	<b>-385.3%</b>	<b>-474.2%</b>				

# APPENDIX K – REVENUE COLLECTION PERFORMANCE BY SOURCE

DC1 West Coast - Reconciliation of Table A1 Budget Summary												
Description	2017/18								2016/17			
	Original Budget	Budget Adjustments (i.e. MFMA s28)	Final adjustments budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	1	2	3	4	5	6	7	8	9	10	11	12
<b>R thousands</b>												
<b>Financial Performance</b>												
Property rates	-	-	-	-		-	-	-				-
Service charges	123 020	(7 331)	115 689	94 340		(21 349)	81,5%	76,7%				114 321
Investment revenue	13 885	-	13 885	21 753		7 869	156,7%	156,7%				20 727
Transfers recognised - operational	90 115	3 488	93 603	93 566		(37)	100,0%	103,8%				88 917
Other own revenue	127 544	14 726	142 269	138 910		(3 360)	97,6%	108,9%				138 269
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>354 564</b>	<b>10 882</b>	<b>365 446</b>	<b>348 570</b>		<b>(16 876)</b>	<b>95,4%</b>	<b>98,3%</b>				<b>362 234</b>
Employee costs	168 071	149	168 220	164 791	-	(3 429)	98,0%	98,0%	-	-	-	155 578
Remuneration of councillors	6 003	-	6 003	5 942	-	(61)	99,0%	99,0%	-	-	-	5 447
Debt impairment	1 547	-	1 547	151	-	(1 395)	9,8%	9,8%	-	-	-	-
Depreciation & asset impairment	13 919	-	13 919	8 127	-	(5 792)	58,4%	58,4%	-	-	-	7 666
Finance charges	8 455	-	8 455	5 474	-	(2 981)	64,7%	64,7%	-	-	-	7 276
Materials and bulk purchases	73 392	619	74 011	61 392	-	(12 619)	82,9%	83,6%	-	-	-	53 257
Transfers and grants	350	2 266	2 616	1 567	-	(1 049)	59,9%	447,7%	-	-	-	1 167
Other expenditure	82 253	7 381	89 634	112 175	-	22 541	125,1%	136,4%	-	-	-	83 062
<b>Total Expenditure</b>	<b>353 989</b>	<b>10 415</b>	<b>364 404</b>	<b>359 620</b>	<b>-</b>	<b>(4 784)</b>	<b>98,7%</b>	<b>101,6%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>313 453</b>
<b>Surplus/(Deficit)</b>	<b>575</b>	<b>467</b>	<b>1 042</b>	<b>(11 051)</b>		<b>(12 092)</b>	<b>-106,7%</b>	<b>-1923,3%</b>				<b>48 781</b>
Transfers recognised - capital	1 450	-	1 450	1 450		-	100,0%	100,0%				-
Contributions recognised - capital & contributed assets	-	-	-	-		-	-	-				-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>2 025</b>	<b>467</b>	<b>2 492</b>	<b>(9 601)</b>		<b>(12 092)</b>	<b>-385,3%</b>	<b>-474,2%</b>				<b>48 781</b>
Share of surplus/ (deficit) of associate	-	-	-	-		-	-	-				-
<b>Surplus/(Deficit) for the year</b>	<b>2 025</b>	<b>467</b>	<b>2 492</b>	<b>(9 601)</b>		<b>(12 092)</b>	<b>-385,3%</b>	<b>-474,2%</b>				<b>48 781</b>
<b>Capital expenditure &amp; funds sources</b>												
<b>Capital expenditure</b>												
Transfers recognised - capital	1 450	-	1 450	1 450		-	100,0%	100,0%				-
Public contributions & donations	-	-	-	-		-	-	-				-
Borrowing	-	-	-	-		-	-	-				-
Internally generated funds	7 515	370	7 885	6 656		(1 229)	84,4%	88,6%				10 852
<b>Total sources of capital funds</b>	<b>8 965</b>	<b>370</b>	<b>9 335</b>	<b>8 106</b>		<b>(1 229)</b>	<b>86,8%</b>	<b>90,4%</b>				<b>10 852</b>
<b>Cash flows</b>												
Net cash from (used) operating	22 870	370	23 240	60 422		37 182	260,0%	264,2%				33 671
Net cash from (used) investing	(8 965)	(370)	(9 335)	(8 035)		1 300	86,1%	89,6%				(10 660)
Net cash from (used) financing	(9 299)	-	(9 299)	(17 013)		(7 715)	183,0%	183,0%				(15 492)
<b>Cash/cash equivalents at the year end</b>	<b>231 521</b>	<b>-</b>	<b>231 521</b>	<b>269 808</b>		<b>38 287</b>	<b>116,5%</b>	<b>116,5%</b>				<b>234 434</b>

## APPENDIX L: CONDITIONAL GRANTS RECEIVED

	30 June 2018	30 June 2017
Western Cape Financial Management Grant (Risk & MSCOA)	422 164	236 260
Local Government Graduate Internship Grant	81 566	87 112
Western Cape Financial Management Grant (IDP)	692 458	507 542
Western Cape Financial Management Grant (Internship)	168 769	184 211
RSC Levy Replacement Grant (Equitable Share)	70 061 000	68 270 000
Equitable Share	14 911 000	13 924 000
MSIG	-	142 711
Financial Management Grant	1 250 000	1 250 000
EPWP	1 100 000	1 036 000
Donations Mayor	222 818	170 401
Greenest Municipality Competition	75 275	24 725
Capacity Building Health Services	162 040	128 593
Install Rainwater Tanks	-	54 886
Rural Roads Management	2 206 743	1 980 280
Working for Water	1 009 836	979 063
Fire Services Capacity Building Grant	1 450 000	-
Other Government Grants and Subsidies : Less VAT on administration charge	- 247 500	- 58 677
<b>Total</b>	<b>93 566 169</b>	<b>88 917 107</b>

**APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES**

**APPENDIX M (I): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME**

## DC1 West Coast - Reconciliation of Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description  R thousand	2017/18							2016/17				
	Original Budget	Total Budget Adjustments (i.t.o. MFMA s28)	Final adjustments budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
	1	2	3	4	5	6	7	8	9	10	11	12
<b>Capital expenditure - Vote</b>												
<b>Multi-year expenditure</b>												
Vote 1- EXECUTIVE AND COUNCIL	8	-	8	8	-	(0)	95%	95%	-	-	-	-
Vote 2 - FINANCE	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - ADMINISTRATION	317	-	317	83	-	(234)	26%	26%	-	-	-	-
Vote 4 - TECHNICAL	5 395	-	5 395	4 281	-	(1 114)	79%	79%	-	-	-	-
Vote 5 - AGENCIES	-	-	-	-	-	-	-	-	-	-	-	-
Example 6 - Vote6	-	-	-	-	-	-	-	-	-	-	-	-
Example 7 - Vote7	-	-	-	-	-	-	-	-	-	-	-	-
Example 8 - Vote8	-	-	-	-	-	-	-	-	-	-	-	-
Example 9 - Vote9	-	-	-	-	-	-	-	-	-	-	-	-
Example 10 - Vote10	-	-	-	-	-	-	-	-	-	-	-	-
Example 11 - Vote11	-	-	-	-	-	-	-	-	-	-	-	-
Example 12 - Vote12	-	-	-	-	-	-	-	-	-	-	-	-
Example 13 - Vote13	-	-	-	-	-	-	-	-	-	-	-	-
Example 14 - Vote14	-	-	-	-	-	-	-	-	-	-	-	-
Example 15 - Vote15	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure</b>	<b>5 720</b>	<b>-</b>	<b>5 720</b>	<b>4 372</b>	<b>-</b>	<b>(1 349)</b>	<b>76%</b>	<b>76%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Single-year expenditure</b>												
Vote 1- EXECUTIVE AND COUNCIL	168	(8)	160	155	-	(5)	97%	92%	-	-	-	8
Vote 2 - FINANCE	225	(1)	223	180	-	(43)	81%	80%	-	-	-	677
Vote 3 - ADMINISTRATION	3 903	(817)	3 085	3 253	-	168	105%	83%	-	-	-	2 714
Vote 4 - TECHNICAL	4 669	(4 524)	145	145	-	-	100%	3%	-	-	-	7 452
Vote 5 - AGENCIES	-	-	-	-	-	-	-	-	-	-	-	-
Example 6 - Vote6	-	-	-	-	-	-	-	-	-	-	-	-
Example 7 - Vote7	-	-	-	-	-	-	-	-	-	-	-	-
Example 8 - Vote8	-	-	-	-	-	-	-	-	-	-	-	-
Example 9 - Vote9	-	-	-	-	-	-	-	-	-	-	-	-
Example 10 - Vote10	-	-	-	-	-	-	-	-	-	-	-	-
Example 11 - Vote11	-	-	-	-	-	-	-	-	-	-	-	-
Example 12 - Vote12	-	-	-	-	-	-	-	-	-	-	-	-
Example 13 - Vote13	-	-	-	-	-	-	-	-	-	-	-	-
Example 14 - Vote14	-	-	-	-	-	-	-	-	-	-	-	-
Example 15 - Vote15	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure</b>	<b>8 965</b>	<b>(5 350)</b>	<b>3 614</b>	<b>3 734</b>	<b>-</b>	<b>120</b>	<b>103%</b>	<b>42%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 852</b>
<b>Total Capital Expenditure - Vote</b>	<b>14 685</b>	<b>(5 350)</b>	<b>9 335</b>	<b>8 106</b>	<b>-</b>	<b>(1 229)</b>	<b>87%</b>	<b>55%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 852</b>
<b>Capital Expenditure - Standard</b>												
<b>Governance and administration</b>	<b>339</b>	<b>(27)</b>	<b>311</b>	<b>230</b>	<b>-</b>	<b>(82)</b>	<b>74%</b>	<b>68%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>570</b>
Executive and council	150	-	150	146	-	(4)	97%	97%	-	-	-	8
Budget and treasury office	189	(27)	161	83	-	(78)	52%	44%	-	-	-	562
Corporate services	-	-	-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>	<b>4 173</b>	<b>(473)</b>	<b>3 700</b>	<b>3 433</b>	<b>-</b>	<b>(267)</b>	<b>93%</b>	<b>82%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 830</b>
Community and social services	327	1	328	181	-	(147)	55%	55%	-	-	-	116
Sport and recreation	148	26	174	180	-	6	104%	122%	-	-	-	-
Public safety	3 047	-	3 047	2 927	-	(119)	96%	96%	-	-	-	2 689
Housing	-	-	-	-	-	-	-	-	-	-	-	-
Health	651	(500)	151	144	-	(6)	96%	22%	-	-	-	25
<b>Economic and environmental services</b>	<b>10</b>	<b>-</b>	<b>10</b>	<b>9</b>	<b>-</b>	<b>(1)</b>	<b>91%</b>	<b>91%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Planning and development	10	-	10	9	-	(1)	91%	91%	-	-	-	-
Road transport	-	-	-	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	<b>4 435</b>	<b>870</b>	<b>5 305</b>	<b>4 426</b>	<b>-</b>	<b>(879)</b>	<b>83%</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7 452</b>
Electricity	-	-	-	-	-	-	-	-	-	-	-	-
Water	4 435	870	5 305	4 426	-	(879)	83%	100%	-	-	-	7 452
Waste water management	-	-	-	-	-	-	-	-	-	-	-	-
Waste management	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other</b>	<b>8</b>	<b>-</b>	<b>8</b>	<b>8</b>	<b>-</b>	<b>(0)</b>	<b>95%</b>	<b>95%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Standard</b>	<b>8 965</b>	<b>370</b>	<b>9 335</b>	<b>8 106</b>	<b>-</b>	<b>(1 229)</b>	<b>87%</b>	<b>90%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 852</b>
<b>Funded by:</b>												
National Government	-	-	-	-	-	-	-	-	-	-	-	-
Provincial Government	1 450	-	1 450	1 450	-	-	100%	100%	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	<b>1 450</b>	<b>-</b>	<b>1 450</b>	<b>1 450</b>	<b>-</b>	<b>-</b>	<b>100%</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Public contributions &amp; donations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Borrowing</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Internally generated funds</b>	<b>7 515</b>	<b>370</b>	<b>7 885</b>	<b>6 656</b>	<b>-</b>	<b>(1 229)</b>	<b>84%</b>	<b>89%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 852</b>
<b>Total Capital Funding</b>	<b>8 965</b>	<b>370</b>	<b>9 335</b>	<b>8 106</b>	<b>-</b>	<b>(1 229)</b>	<b>87%</b>	<b>90%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 852</b>

## APPENDIX M (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

Not Applicable

## APPENDIX N – CAPITAL PROGRAMME BY PROJECT YEAR 1

Not Applicable

## APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 1

Not Applicable



## APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Service Backlogs: Schools and Clinics					
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection	
Schools (NAMES, LOCATIONS)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	
Clinics (NAMES, LOCATIONS)					
Names and locations of schools and clinics lacking one or more services. Use 'x' to mark lack of service at appropriate level for the number of people attending the school/clinic, allowing for the proper functioning of the establishment concerned.					
					TP

## **APPENDIX Q: CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME**

Not applicable.

## **APPENDIX R: CAPITAL PROGRAMME BY PROJECT: YEAR 1**

Not applicable.

## **APPENDIX S: CAPITAL PROGRAMME BY WARD: YEAR 1**

Not applicable.

## APPENDIX T – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

National and provincial outcomes for local government*		
Outcome/Output	Progress to date	Number or percentage achieved
<b>Output: Improving access to basic services</b>	All basic services backlogs have been addressed earlier by the District Municipality and an agreement for the development of a regional waste disposal site within the District has been entered into.	Not measured or quantifiable
<b>Output: Implementation of the Community Work Programme</b>	Extensive public works programmes have been implemented by the district, especially in the field of environmental management.	District Municipality has not participated in CWP, only EPWP.
<b>Output: Deepen democracy through a refined Ward Committee model</b>	The local municipality IDP Wards have been strengthened and the municipal public participation process has been implemented and co-ordinated with provincial and local government at district level.	Process-driven output, not measured or quantifiable
<b>Output: Administrative and financial capability</b>	Continuous corporate improvement of administrative and financial capabilities and systems have been carried out.	Not measured or quantifiable.
<b>Output: Improving access to basic services</b>	All basic services backlogs have been addressed earlier by the District Municipality and an agreement for the development of a regional waste disposal site within the District has been entered into.	Not measured or quantifiable
<b>Output: Implementation of the Community Work Programme</b>	Extensive public works programmes have been implemented by the district, especially in the field of environmental management.	District Municipality has not participated in CWP, only EPWP.

<b>Output: Deepen democracy through a refined Ward Committee model</b>	The local municipality IDP Wards have been strengthened and the municipal public participation process has been implemented and co-ordinated with provincial and local government at district level.	Process-driven output, not measured or quantifiable
--	--	---

**APPENDIX U – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION**

Service backlogs experienced by the community where another sphere of government is the service provider (whether or not the municipality acts on an agency basis)		
Services and locations	Scale of backlogs	Impact of backlogs
Clinics	Not applicable – District Municipality	Not applicable – District Municipality
Housing		
Licensing and Testing Centre		
Reservoir schools (primary and high)		
Sports fields		

## APPENDIX V – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Declaration of loans and grants made by the Municipality: Year 1*					
All organisations or persons in receipt of loans*/grants* provided by the Municipality	Nature of project	Conditions attached to funding	Value Year 1 (R' 000)	Total amount committed over previous and future years	
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	
* Loans/grants whether in cash or in kind					

**APPENDIX W – DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA  
SECTION 71**

<b>MFMA Section 71 returns not made according to reporting requirements</b>	
Return	Reason return has not been properly made on due date
	<b>None</b>





# **West Coast District Municipality**

## **Annual Performance Report**



**2017/18**



# Table of Contents

<b>LIST OF TABLES .....</b>	<b>2</b>
-----------------------------	----------

<b>LIST OF GRAPHS.....</b>	<b>2</b>
----------------------------	----------

<b>1 OVERVIEW OF PERFORMANCE WITHIN THE ORGANISATION .....</b>	<b>3</b>
--	----------

1.1 Legislative requirements .....	3
------------------------------------	---

1.2 Organisation performance .....	3
------------------------------------	---

1.3 The performance system followed for the financial year 2017/18 .....	4
--	---

1.4 Actual Performance.....	4
-----------------------------	---

1.5 Individual performance management.....	5
--	---

1.6 SDBIP (Top Layer) .....	6
-----------------------------	---

<b>2 COMPONENT E: ORGANISATIONAL PERFORMANCE SCORECARD .....</b>	<b>15</b>
--	-----------

2.1 Ensuring environmental integrity for the West Coast .....	15
---	----

2.2 Ensuring good governance and financial viability ...	16
--	----

2.4 Promoting bulk infrastructure development services .....	17
--	----

2.5 Promoting social well-being of the community .....	18
--	----

2.6 To pursue economic growth and facilitation of job opportunities.....	18
--	----

Table 3.: Top Layer SDBIP – Ensuring good governance and financial viability .....	11
--	----

Table 4.: Top Layer SDBIP – Promoting social well-being of the community .....	13
--	----

Table 5.: Top Layer SDBIP – Providing essential bulk services to the District .....	14
---	----

Table 6.: Top Layer SDBIP – To pursue economic growth and facilitation of job opportunities .....	15
---	----

Table 7.: Service delivery priorities 2018/19: Ensuring environmental integrity for the West Coast .....	16
--	----

Table 8.: Service delivery priorities 2018/19: Ensuring good governance and financial viability.....	17
--	----

Table 9.: Service delivery priorities 2018/19: Promoting bulk infrastructure development services .....	18
---	----

Table 10.:Service delivery priorities 2018/19: Promoting social well-being of the community .....	18
---	----

Table 11.:Service delivery priorities 2018/19: To pursue economic growth and facilitation of job opportunities .....	18
--	----

## LIST OF GRAPHS

Graph 1.: Overall performance per strategic objective .....	7
---	---

## LIST OF TABLES

Table 1.: SDBIP measurement categories.....	6
---	---

Table 2.: Top Layer SDBIP – Ensuring environmental integrity for the West Coast .....	8
---	---



# Annual Performance Report

## 1 OVERVIEW OF PERFORMANCE WITHIN THE ORGANISATION

---

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

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

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

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

The Municipal Systems Act (MSA), 2000 requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the Integrated Development Plan (IDP) to be aligned to the municipal budget and to be monitored for the performance of the budget against the IDP via the service delivery budget implementation plan (SDBIP). The Mayor approved the Top Layer SDBIP for 2017/18 in terms of Section 53(1)(c)(ii) of the Municipal Finance Management Act (MFMA), MFMA Circular No. 13 and the Budgeting and Reporting Regulation on 19 June 2017 which include the Municipality's key performance indicators for 2017/18.

### 1.1 Legislative requirements

---

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

### 1.2 Organisation performance

---

Strategic performance indicates how well the Municipality achieve its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical. Municipalities must develop strategic plans and allocate resources for the implementation. The implementation must