WITZENBERG
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Kennis word hiermee gegee in terme van Artikel 29 van die Plaaslike Regering: Munisipale Strukture Wet, 1998 (Wet 117 van 1998) soos gewysig, dat 'n **Gewone Raadsvergadering** van die Munisipaliteit Witzenberg gehou sal word op **Woensdag, 25 Maart 2020** om **10:00** in die **Stadsaal, Voortrekkerstraat, Ceres**.	Notice is hereby given in terms of Section 29(2) of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) as amended, that an **Ordinary Council Meeting** of the Witzenberg Municipality will be held in the **Town Hall, Voortrekker Street, Ceres** on **Wednesday, 25 March 2020** at **10:00**.

Raadslede en Amptenare / Councillors and officials		
Councillor TE Abrahams	Alderman K Adams (Deputy Executive Mayor)	Councillor P Daniels
Alderman TT Godden (Speaker)	Councillor P Heradien	Councillor MD Jacobs
Councillor D Kinnear	Councillor BC Klaasen (Executive Mayor)	Councillor GG Laban
Councillor C Lottering	Councillor M Mdala	Councillor TP Mgoboza
Councillor ZS Mzauziwa-Mdishwa	Councillor MJ Ndaba	Councillor N Phatsoane
Alderlady JT Phungula	Alderman JW Schuurman	Councillor EM Sidego
Councillor RJ Simpson	Alderman HJ Smit	Councillor D Swart
Councillor HF Visagie	Alderman JJ Visagie	
Municipal Manager	Acting Director: Finance	Director: Technical Services
Director: Corporate Services	Head: Internal Audit	Manager: Projects and Performance
Manager: Administration	IDP Manager	Manager: Legal Services
Acting Principal Administrative Officer	Committee Clerk	

TER INLIGTING / FOR INFORMATION

Volledige stukke		
Ondervoorsitter: IMATU (Mnr. L Ntshanga)	Voorsitter: SAMWU (Mnr. M Scholtz)	
Bella Vista Biblioteek	Emfundweni Biblioteek	Prince Alfred's Hamlet Biblioteek
Rietvallei Biblioteek	Montana Biblioteek, Wolseley	Wolseley Biblioteek
Tulbagh Biblioteek	Witzenville Biblioteek, Tulbagh	Op-die-Berg Biblioteek

Per e-pos		
Alderlady MC du Toit E-mail: dutoit.marina@gmail.com	Ceres Business Initiative Mr J Conradie Cell: (083) 270-7713 E-mail: manager@cerescbi.co.za	

ALDERMAN TT GODDEN
SPEAKER

18 March 2020

AGENDA

1. OPENING AND WELCOME

2. LEAVE OF ABSENCE AND CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION

2.1 Consideration of application for leave of absence, if any
(3/1/2/1)

2.2 Confidentiality and Conflict of Interest Declaration
(3/2/1)

3. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED

3.1 Gratitude, Congratulations and Commiseration
(11/4/3)

Council's congratulations are conveyed to the following Councillors and spouse on their birthdays:

- Councillor M Ndaba 3 March
- Councillor G Laban 19 March
- Mr Simon Phungula 3 April
- Councillor P Daniels 8 April
- Alderman J Schuurman 13 April
- Councillor C Lottering 21 April

NOTED.

3.2 Matters raised by the Speaker
(09/1/1)

3.3 Matters raised by the Executive Mayor
(09/1/1)

3.4 Matters raised by the Municipal Manager

4. MINUTES

4.1 Approval of minutes (3/1/2/3)

The following minutes are attached:

(a) Council meeting, held on 30 October 2019: **Annexure 4.1(a).**
(b) Council meeting, held on 11 December 2019: **Annexure 4.1(b).**
(c) Council meeting, held on 28 January 2020: **Annexure 4.1(c).**
(d) Council meeting, held on 25 February 2020: **Annexure 4.1(d).**

RECOMMENDED

That the following minutes be approved and signed by the Speaker:

(i) Council meeting, held on 30 October 2019.
(ii) Council meeting, held on 11 December 2019.
(iii) Council meeting, held on 28 January 2020.
(iv) Council meeting, held on 25 February 2020.

4.2 Outstanding matters (3/3/2)

Number	File reference	Heading, item no. and date	Directorate	Action	Progress	Target date
4.2.1	7/1/1/1 & 7/1/4/2	Item 8.4.3 of 25-02-2020 Property exchange transaction: Erf 5957 Nduli and Nduli commonage (erf 5958), Ceres	Municipal Manager	that the matter be held in abeyance for a Public Participation Process and after that be tabled to Council for consideration.		

RECOMMENDED

that notice be taken of the outstanding matter.

5. MOTIONS AND NOTICE OF SUGGESTIONS

7. GEDELEGEERDE BEVOEGDHEDE / DELEGATED POWERS

7.1 Minutes: Committee meetings (03/3/2)

The reports/minutes of the following meetings are attached:

(a) MPAC meeting, held on 28 October 2019: **Annexure 7.1(a)**.
(b) MPAC meeting, held on 4 November 2019: **Annexure 7.1(b)**.
(c) Committee for Housing Matters, held on 19 November 2019: **Annexure 7.1(c)**.
(d) Committee for Housing Matters (Special), held on 5 December 2019: **Annexure 7.1(d)**.
(e) Executive Mayoral Committee meeting, held on 23 January 2020: **Annexure 7.1(e)**.

RECOMMENDED

that notice be taken of the minutes of the Committee meetings and same be accepted.

8. GERESERVEERDE BEVOEGDHEDE / RESERVED POWERS

8.1 Direktoraat Finansies / Directorate Finance

8.1.1 Finance: Draft Budget, Draft Review and Amendments to IDP 2017 - 2022 and Draft Top Layer SDBIP: 2020/2021 (5/1/1/19; 2/2/1 & 5/1/5/13)

The following memorandum, dated 18 March 2020, was received from the Acting Director: Finance:

"1. Purpose

The purpose of this report is to table the 2020/2021 Draft Budget, Draft Review and Amendments to the IDP 2017 - 2022 and Draft Top Layer SDBIP for consideration to Council.

2. Legal framework

Section 16 - 18 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) stipulates as follows:

'Annual budgets

16. (1) The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.

(2) **In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.**

(3) Subsection (1) does not preclude the appropriation of money for capital expenditure for a period not exceeding three financial years, provided a separate appropriation is made for each of those financial years.'

'Contents of annual budgets and supporting documents

17. (1) An annual budget of a municipality must be a schedule in the prescribed format –

(a) setting out realistically anticipated revenue for the budget year from each revenue source;
(b) appropriating expenditure for the budget year under the different votes of the municipality;
(c) setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year;
(d) setting out –
(i) estimated revenue and expenditure by vote for the current year; and
(ii) actual revenue and expenditure by vote for the financial year preceding the current year; and
(e) a statement containing any other information required by section 215(3) of the Constitution or as may be prescribed.

(2) An annual budget must generally be divided into a capital and an operating budget in accordance with international best practice, as may be prescribed.

(3) When an annual budget is tabled in terms of Section 16 (2), it must be accompanied by the following documents:

(a) draft resolutions –
  (i) approving the budget of the municipality;
  (ii) imposing any municipal tax and setting any municipal tariffs as may be required for the budget year;
  (iii) approving the budgets for the relevant financial year of each municipal entity under the sole or shared control of the municipality; and
  (iv) approving any other matter that may be prescribed;

(b) measurable performance objectives for each vote in the budget, taking into account the municipality's integrated development plan;

(c) a projection of cash flow for the budget year by revenue source, broken down per month;

(d) any proposed amendments to the municipality's integrated development plan following the annual review of the integrated development plan in terms of section 34 of the Municipal Systems Act;

(e) any proposed amendments to the budget-related policies of the municipality;

(f) particulars of the municipality's investments;

(g) any prescribed budget information on municipal entities under the sole or shared control of the municipality;

(h) particulars of all proposed new municipal entities which the municipality intends to establish or in which the municipality intends to participate;

(i) particulars of any proposed service delivery agreements, including material amendments to existing service delivery agreements;

(j) particulars of any proposed allocations or grants by the municipality to –
  (i) other municipalities;
  (ii) any municipal entities and other external mechanisms assisting the municipality in the exercise of its functions or powers;
  (iii) any other organs of state;
  (iv) any organisations or bodies referred to in section 67(1);

(k) the proposed cost to the municipality for the budget year of the salary, allowances and benefits of –
  (i) each political office-bearer of the municipality;
  (ii) councillors of the municipality; and
  (iii) the municipal manager, the chief financial officer, each senior manager of the municipality and any other official of the municipality at a remuneration package at least equal to that of a senior manager;

(l) the proposed cost for the budget year to a municipal entity under the sole or shared control of the municipality of the salary, allowances and benefits of –
  (i) each member of the entity's board of directors; and
  (ii) the chief executive officer and each senior manager of the entity; and

(m) any other supporting documentation as may be prescribed.'

'Funding of expenditures

18. (1) An annual budget may only be funded from –
(a) realistically anticipated revenues to be collected;
(b) cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
(c) borrowed funds, but only for the capital budget referred to in section 17 (2).

(2) Revenue projections in the budget must be realistic, taking into account –
(a) projected revenue for the current year based on collection levels to date; and
(b) actual revenue collected in previous financial years.'

The Draft Top Layer SDBIP for 2020/2021 is attached as **annexure 8.1.1.**

The following documents will be tabled at the Council meeting:

(a) Draft Review and Amendments to IDP 2017 – 2022.
(b) Draft Budget: 2020/2021 – 2022/2023.
(c) Draft Budget Related Policies: 2020/2021.
(d) Draft Budget Schedules: 2020/2021 – 2022/2023.
(e) Procurement Plan: 2020/2021.

RECOMMENDED

(a) that Council takes notice of the Draft Budget, the Draft Review and Amendments to the IDP 2017 - 2022 and the Draft Top Layer SDBIP of the Witzenberg Municipality for the financial year 2020/2021 and the indicative budget for the three years 2020/2021, 2021/2022 and 2022/2023 that have been tabled by the Executive Mayor in Council.

(b) that the documents be advertised and made available at all libraries and municipal offices of Council.

(c) that the public meetings, if any, be conducted in accordance with the guidelines of the National State of Disaster (Covid 19).

(d) that an executive summary in the form of a pamphlet be distributed to households within the Witzenberg municipal area.

8.1.2 Witzenberg Annual Report and Oversight Report: 2018/2019 (5/14/2 & 9/1/1)

The following items refer:

(a) Item 7.2 of the MPAC meeting, held on 3 March 2020.
(b) Item 7.3 of the MPAC meeting, held on 3 March 2020.

The Municipal Public Accounts Committee resolved per item 7.2 of 3 March 2020 to recommend to Council:

(a) that Administration tables a full report on the Supply Chain Regulation, Section 32 matter to Council to further referral to the MEC and National Treasury.

(b) that Council re-establishes the Task Team to address the concern of the AGSA on debt impairment and to report on progress regarding the implementation of credit control.

(c) that Administration continues to execute the Credit Control Policy with due diligence and adherence.

(d) that the Public Office bearers, in conjunction with Administration, should make a collective drive to the public to campaign the importance of paying for municipal services.

(e) that Council takes note of the reliance on government grants and that Council investigates other means of revenue streams over medium to longer term.

(f) that the Performance, Risk and Audit Committee has recommended to Council to improve the functionality of the performance management system, timeous monitoring and reviewing of the portfolios of evidence should be implemented and management should embrace the recommendations by Internal Audit and ensure continuous monitoring to address the control deficiencies.

(g) Where Management has agreed to specific action plans these should be implemented timeously to improve the control environment and performance.

(h) that Management improves the management of Information Communication Technology (ICT) risks.

The Municipal Public Accounts Committee resolved per item 7.3 of 3 March 2020 to recommend to Council:

that the Municipal Public Accounts Committee (MPAC), having fully considered the 2018/2019 Annual Report of the Witzenberg Municipality, recommends that Council adopts the 2018/2019 Oversight Report and approves the 2018/2019 Annual Report without reservation.

The following memorandum, dated 18 March 2020, was received from the Municipal Manager:

"Purpose

The purpose of this report is to submit the Annual Report and Oversight Report for 2018/2019 to Council for consideration.

Legislature framework

In terms of Section 127 (2) of the Municipal Finance Management Act (Act 56 of 2003), the Mayor of a municipality must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control.

Section 129 to 131 of the Municipal Finance Management Act (Act 56 of 2003) states as follows:

'**129. Oversight reports on annual reports.**
(1)The council of a municipality must consider the annual report of the municipality and of any municipal entity under the municipality's sole or shared control, and by no later than two months from the date on which the annual report was tabled in the council in terms of section 127, adopt an oversight report containing the council's comments on the annual report, which must include a statement whether the council—
(a) has approved the annual report with or without reservations;
(b) has rejected the annual report; or
(c) has referred the annual report back for revision of those components that can be revised.
(2) The accounting officer must—
(a) attend council and council committee meetings where the annual report is discussed, for the purpose of responding to questions concerning the report; and
(b) submit copies of the minutes of those meetings to the Auditor-General, the relevant provincial treasury and the provincial department responsible for local government in the province.
(3) The accounting officer must in accordance with section 21A of the Municipal Systems Act make public an oversight report referred to in subsection (1) within seven days of its adoption.
(4) The National Treasury may issue guidelines on—
(a) the manner in which municipal councils should consider annual reports and conduct public hearings; and
(b) the functioning and composition of any public accounts or oversight committees established by the council to assist it to consider an annual report.
(5) No guidelines issued in terms of subsection (4) are binding on a municipal council unless adopted by the council.
(6) This section, with the necessary modifications as the context may require, is also applicable if only components of the annual report were tabled in terms of section 127 (3).

130. Council meetings open to public and certain public officials.
(1) The meetings of a municipal council at which an annual report is to be discussed or at which decisions concerning an annual report are to be taken, must be open to the public and any organs of state, and a reasonable time must be allowed—
(a) for the discussion of any written submissions received from the local community or organs of state on the annual report; and
(b) for members of the local community or any organs of state to address the council.

(2) Representatives of the Auditor-General are entitled to attend, and to speak at, any council meeting referred to in subsection (1).
(3) This section, with the necessary modifications as the context may require, is also applicable if only components of the annual report were tabled in terms of section 127 (3).

131. Issues raised by Auditor-General in audit reports.
(1) A municipality must address any issues raised by the Auditor-General in an audit report. The mayor of a municipality must ensure compliance by the municipality with this subsection.
(2) The MEC for local government in the province must—
(a) assess all annual financial statements of municipalities in the province, the audit reports on such statements and any responses of municipalities to such audit reports, and determine whether municipalities have adequately addressed any issues raised by the Auditor-General in audit reports; and
(b) report to the provincial legislature any omission by a municipality to adequately address those issues within 60 days.'

Discussion

The Draft Annual Report for 2018/2019 was tabled to Council on 28 January 2020.

Council unanimously resolved per item 8.1.7 of 28 January 2020:

(a) That cognisance be taken of the Draft Witzenberg Municipality Annual Report for 2018/2019.

(b) That a public participation process be followed as prescribed by law.

(c) That the Municipal Public Accounts Committee compiles an oversight report on the Draft Annual Report as per its delegated powers.

The following reports are attached:

(a) Annual Report for 2018/2019: **Annexure 8.1.2(a)**.
(b) Oversight Report for 2018/2019: **Annexure 8.1.2(b)**."

RECOMMENDED

(a) that, having fully considered the 2018/2019 Annual Report of the Witzenberg Municipality, Council adopts the 2018/2019 Oversight Report and approves the 2018/2019 Annual Report without reservations.

(b) that notice be taken of the recommendations of the Municipal Public Accounts Committee and that same be accepted and implemented.

(c) that notice be taken of the recommendations of the Performance, Risk and Audit Committee highlighted by the Municipal Public Accounts Committee.

8.1.3 Municipal Public Accounts Committee (MPAC) Charter with effect from July 2019 (02/01/2)

The following items refer:

(a) Item 7.2 of the Municipal Public Accounts Committee meeting, held on 20 August 2019.
(b) Item 8.1.13 of the Council meeting, held on 30 October 2019.
(c) Item 8.1.9 of the Council meeting, held on 11 December 2019.
(d) Item 8.1.3 of the Council meeting, held on 28 January 2020.
(e) Item 8.1.1 of the Council meeting, held on 25 February 2020.

A report from the Head: Internal Audit regarding the Municipal Public Accounts (MPAC) Charter, dated July 2019, is attached as **annexure 8.1.3**.

The Head: Internal Audit submitted the Municipal Public Accounts Committee (MPAC) Charter.

The Municipal Public Accounts Committee resolved on 20 August 2019 that the Committee for Municipal Public Accounts Committee recommends to Council:

that the Municipal Public Accounts Committee (MPAC) after consideration, takes notice of the Municipal Public Accounts Committee (MPAC) Charter and same be approved and accepted.

The following recommendation was tabled to Council:

that notice be taken of the Municipal Public Accounts Committee (MPAC) Charter and, after consideration, same be approved and accepted.

Council unanimously resolved on 30 October 2019 that the matter in respect of the Municipal Public Accounts Committee (MPAC) Charter, dated July 2019, be held in abeyance and be workshopped by Council.

The following recommendation was tabled to Council:

that notice be taken of the Municipal Public Accounts Committee (MPAC) Charter and, after consideration, same be approved and accepted.

Council unanimously resolved on 11 December 2019 that the matter in respect of the Municipal Public Accounts Committee (MPAC) Charter be held in abeyance until the next meeting.

The following recommendation was tabled to Council:

that notice be taken of the Municipal Public Accounts Committee (MPAC) Charter and, after consideration, same be approved and accepted.

Council unanimously resolved on 28 January 2020 that the matter in respect of the MPAC Charter with effect from July 2019 be held in abeyance until the next meeting.

The following recommendation was tabled to Council:

that notice be taken of the Municipal Public Accounts Committee (MPAC) Charter with effect from July 2019 and, after consideration, same be approved and accepted.

Council unanimously resolved on 25 February 2020 that the matter in respect of the Municipal Public Accounts Committee (MPAC) Charter with effect from 1 July 2019 be workshopped by Council and after that be tabled for consideration.

RECOMMENDED

that notice be taken of the Municipal Public Accounts Committee (MPAC) Charter with effect from July 2019 and, after consideration, same be approved and accepted.

8.1.4 Settling of Rand Merchant Bank (RMB) loan for Koekedouw Dam (16/2/1/1/1 & 5/4/R)

The following items refer:

(a) Item 7.1.3 of the Executive Mayoral Committee meeting, held on 27 May 2019.

(b) Item 8.1.3 of the Council meeting, held on 30 May 2019.

(c) Item 7.1.2 of the Executive Mayoral Committee meeting, held on 29 July 2019.

(d) Item 8.1.2 of the Council meeting, held on 31 July 2019.

(e) Item 4.4 of the Special Executive Mayoral Committee meeting, held on 21 August 2019.

(f) Item 4.4 of the Special Council meeting, held on 23 August 2019.

(g) Item 3.1 of the Special Municipal Public Accounts Committee meeting, held on 21 October 2019.

(h) Item 4.1 of the Municipal Public Accounts Committee meeting, held on 28 October 2019.

(i) Item 7.2 of the Special Municipal Public Accounts Committee meeting, held on 4 November 2019.

(j) Item 8.1.12 of the Council meeting, held on 11 December 2019.

(k) Item 8.1.5 of the Council meeting, held on 28 January 2020.

(l) Item 3.1 of the Municipal Public Accounts Committee meeting, held on 24 February 2020.

(m) Item 8.1.2 of the Council meeting, held on 25 February 2020.

The following memorandum, dated 20 May 2019, was received from the Manager: Water and Sewerage:

"Purpose

The purpose of this report is to inform Council regarding the settling option of the Rand Merchant Bank loan which was taken up by KBR (Koekedouw Irrigation Board) for the construction of the Koekedouw Dam.

Background

The Koekedouw Dam was constructed in 1999 as a joint venture between Witzenberg Municipality and the Koekedouw Irrigation Board. Both parties to this venture incurred loans to pay for their share of the construction cost. The loan taken up by Witzenberg Municipality has been settled in 2017.

Currently KBR is still paying off on their loan and Witzenberg Municipality is part of this repayment agreement in terms of our allocation for Vredebes farm. See **annexure 8.1.4(a)**.

The KBR management has met with RMB in order to negotiate a new financing model in order to settle the loan and minimize cost. The new financing model agreed to between the parties, and approved by KBR, is attached as **annexure 8.1.4(b)**.

This new option entails the settling of the loan once-off in order to cut out huge interest on the loan. As can be seen on the attached spreadsheet if we stay with the old financing model, KBR will make a total repayment of R348 628 396 on the initial loan. Currently the outstanding amount is R54 687 042.00, but this amount will escalate to R78 944 608.00 before it starts to decrease and eventually be settled in 2044. With the new financing model total repayment will be R83 152 706.00 resulting in a total saving of R265 475 690.00.

Legal framework

Because Witzenberg Municipality is part of KBR in terms of our allocation for Vredebes, we are also liable for the repayment of our portion of the loan from Rand Merchant Bank.

Financial impact

With the new financing model we will have a huge saving on the repayment of the loan. In terms of the old financing model we will be responsible for repayment of R4 052 646.00 whereas with the new financing model we will make a once-off payment of R889 891.98 to settle the loan, resulting in a saving of R3 162 754.02."

The Municipal Manager gave a background with regard to the matter of settling the Rand Merchant Bank (RMB) loan for the Koekedouw Dam. Further investigation in terms of the agreement will be done. This matter only recently arose and the loan was done before the purchase of Vredebes. The water rights were part of the agreement.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the new financing model option.
(b) That Witzenberg Municipality settles their portion of the loan with a once-off payment.

The Executive Mayoral Committee resolved on 27 May 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the settling of the Rand Merchant Bank loan for the Koekedouw Dam be held in abeyance until the matter has been properly investigated.

Councillor BC Klaasen mentioned that the outstanding arrear amount is based on calculations made by the Koekedouw Irrigation Board and that further investigations are necessary.

Council unanimously resolved on 30 May 2019 that the matter in respect of the settling of the Rand Merchant Bank loan for the Koekedouw Dam be held in abeyance until the matter has been properly investigated.

Further report from Municipal Manager, dated 24 July 2019:

"Since the last Executive Mayoral Committee and council meetings Administration has attempted to obtain written agreements of Council's financial commitment towards the Koekedouw Irrigation Board. The Deed of Sale does not make mention of any such financial commitment towards the Board nor the Title Deed. The Title Deed reflects the water right that is registered and which is inherent to the farm. A meeting was requested with the Chairperson of the Irrigation Board, Mr Danie Goosen, which took place on 2 July 2019.

A summary of the meeting is contained in the email sent by Mr Goosen to the Municipal Manager's office, dated 2 July 2019 and is attached as **annexure 8.1.4(c)**. In terms of the discussion the Koekedouw Irrigation Board took up a loan with the Rand Merchant Bank on behalf of its members. The accountability of the members was pro rata with the water rights of their respective farms. All the members at that time agreed to the conditions which was later on also accepted by the municipality when Vredebes was purchased.

The Irrigation Board used to send an invoice to its members on a yearly basis, which included the municipality and in terms of which they then were obliged to settle. The municipality has been paying regularly on an annual basis since they acquired the farm. The invoice was normally divided into an operational and capital contribution. In terms of the Irrigation Board's members meeting resolution taken, the members accepted the settlement as previously outlined. On the date of the discussion all the members have paid their contribution of the settlement towards the Rand Merchant Bank loan except for the municipality. The Koekedouw Irrigation Board went ahead to pay on the municipality's behalf, because of their commitment and legal obligation and has requested that the municipality repays the amount to them. The crux of the discussion is that the liability of the municipality is coupled to the water rights inherent to the property.

The Municipal Manager informed the meeting that he had consulted with the Chairperson of the Koekedouw Irrigation Board, Mr Danie Goosen, regarding the matter. The explanation from the Chairperson sounds acceptable, but he is awaiting documentation about the matter to submit to Council for consideration.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the new financing model option.
(b) that Witzenberg Municipality settles their portion of the loan with a once-off payment.

The Executive Mayoral Committee resolved on 29 July 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Irrigation Board be held in abeyance for further discussion by Council.

Council unanimously resolved on 31 July 2019 that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Irrigation Board be held in abeyance for further discussion by Council and to obtain more information.

The following documents are further attached:

(a) Correspondence from Koekedouw Irrigation Board, dated 13 March 2019: **Annexure 8.1.4(d)**.

(b) Letter from Grayston & Elliot, dated 13 March 2019: **Annexure 8.1.4(e)**.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the new financing model option.
(b) That Witzenberg Municipality settles their portion of the loan with a once-off payment.

The Executive Mayoral Committee resolved on 21 August 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam be referred to the Municipal Public Accounts Committee for an investigation and further discussions with the Chairperson of the Koekedouw Irrigation Board and after that a recommendation be made to Council.

Council unanimously resolved on 23 August 2019 that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam be referred to the Municipal Public Accounts Committee for an investigation and further discussions with the Chairperson of the Koekedouw Irrigation Board and after that a recommendation be made to Council.

The Municipal Public Accounts Committee resolved on 21 October 2019:

(a) that the Municipal Public Accounts Committee will meet with KMB and KIB on Monday, 28 October 2019 at 14h00 in the Council Chambers, Municipal Offices, Ceres.

(b) that the Director: Technical Services draft a presentation / report with the recommendation to take the matter forward.

(c) that the matter after the meeting supra (a) that Municipal Public Accounts Committee make a recommendation to Council.

The Municipal Public Accounts Committee resolved on 28 October 2019 that the Acting Chief Financial Officer compile a breakdown of all municipal payments in terms of the Koekedouw Dam and submit same at the next Municipal Public Accounts Committee (MPAC) meeting.

The Municipal Public Accounts Committee resolved on 4 November 2019 that Municipal Public Accounts Committee will draft a report in respect of Council's instruction to investigate the settling of the Rand Merchant bank (RMB) loan for the Koekedouw Dam and submit thereafter a recommendation to Council.

Council unanimously resolved on 11 December 2019 that the matter in respect of the settling of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam be held in abeyance until the necessary consultations have been done.

Council unanimously resolved on 28 January 2020 that the matter in respect of the settling of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam be held in abeyance until the next meeting.

The following documents are attached:

(a) Summary of the discussions at the meeting of 21 October 2019, received from the Director: Technical Services: **Annexure 8.1.4(f)**.

(b) Constitution of Koekedouw Irrigation Board: **Annexure 8.1.4(g)**.

(c) Agreement between the Municipality and Koekedouw Irrigation Board (*Water vir Ceres*): **Annexure 8.1.4(h)**.

(d) Dam settlement: **Annexure 8.1.4(i)**.

(e) Payment to *Koekedouw Bestuursmaatskappy* and *Ceres Koekedouw Bestuurskomitee*: **Annexure 8.1.4(j)**.

(f) Minutes of MPAC meeting, held on 21 October 2019: **Annexure 8.1.4(k)**.

(g) Minutes of MPAC meeting, held on 28 October 2019: **Annexure 8.1.4(l)**.

(h) Minutes of MPAC meeting, held on 4 November 2019: **Annexure 8.1.4(m)**.

(i) Report of MPAC on the matter: **Annexure 8.1.4(n)**.

The Municipal Public Accounts Committee resolved on 24 February 2020 to recommend to Council:

that the Municipal Public Accounts Committee (MPAC) takes notice of the report in respect of the settling of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam and, after consideration, recommend to Council to approve and accept same.

Extract from the minutes of the Council meeting, held on 25 February 2020:

"Council deliberated the matter in depth and various questions were raised in terms of:

(a) the evidence of an agreement;
(b) the stipulations of the loan;
(c) the original loan amount and the interests on that;
(d) the role of the Koekedouw Irrigation Board in the loan;
(e) the water rights;
(f) the calculations made by the Irrigation Board to get to R889 891-00;
(g) the influence of the liquidation on the former owner of Vredebes.

After a lengthy debate Council decided that a Special Council meeting will be held to resolve the matter."

Council unanimously resolved on 25 February 2020 that a Special Council meeting be held to deliberate the settling of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam and to scrutinise all documents.

RECOMMENDED

That the Municipal Public Accounts Committee recommends to Council:

that the Municipal Public Accounts Committee (MPAC) takes notice of the report in respect of the settling of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam and, after consideration, recommends to Council to approve and accept same.

8.2 Direktoraat Tegniese Dienste / Directorate Technical Services

8.2.1 Terms of reference for a Recycling Forum for Witzenberg Municipality (17/3/2)

The following items refer:

(a) Item 7.3 of the meeting of the Committee for Technical Services, held on 20 November 2019.

(b) Item 7.2.2 of the Executive Mayoral Committee meeting, held on 23 January 2020.

(c) Item 8.2.1 of the Council meeting, held on 25 February 2020.

A memorandum from the Senior Superintendent: Solid Waste and Cleansing Services, dated 30 September 2019, is attached as **annexure 8.2.1**.

The Committee for Technical Services resolved on 20 November 2019 to recommend to the Executive Mayoral Committee and Council:

that the Terms of Reference for a Recycling Forum for Witzenberg Municipality be approved by Council.

The Municipal Manager mentioned that a delegation from the town Essen in Belgium, with whom Witzenberg Municipality has a twinning agreement, will be visiting Witzenberg Municipality from 5 February 2020 in respect of recycling. The idea of the municipality is to support the smaller recycling companies, and this is all in line with the proposed Executive Mayoral strategic session.

The Executive Mayoral Committee resolved on 23 January 2020 to recommend to Council that the Terms of Reference for a Recycling Forum for Witzenberg Municipality be approved by Council.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that the Terms of Reference for a Recycling Forum for Witzenberg Municipality be approved by Council.

Council unanimously resolved on 25 February 2020 that the matter in respect of the Terms of Reference for a Recycling Forum for Witzenberg Municipality be held in abeyance until the next meeting.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

that the Terms of Reference for a Recycling Forum for Witzenberg Municipality be approved by Council.

8.2.2 Policy for Work and the Installation of Services in the Road Reserve (16/04/4/6)

The following items refer:

(a) Item 7.4 of the meeting of the Committee for Technical Services, held on 20 November 2019.

(b) Item 7.2.3 of the Executive Mayoral Committee meeting, held on 23 January 2020.

(c) Item 8.2.2 of the Council meeting, held on 25 February 2020.

The following documents are attached:

(a) Memorandum from the Manager: Streets and Storm Water, dated 4 November 2019: **Annexure 8.2.2(a)**.

(b) Policy for Work and the Installation of Services in the Road Reserve: **Annexure 8.2.2(b)**.

(c) Appendix A: List of Active Network Licensees in Witzenberg municipal area: **Annexure 8.2.2(c)**.

(d) Appendix B: Road works signing for urban streets: **Annexure 8.2.2(d)**.

(e) Appendix C: DCP Test Result Sheet: **Annexure 8.2.2(e)**.

(f) Appendix D: Occupational Health and Safety Specification for Construction Works Contracts: **Annexure 8.2.2(f)**.

(g) Form 1: Way leave Application Form, Form 1.1: Undertaking / Indemnity and Form 1.2: Certificate of Inspection and completion: **Annexure 8.2.2(g)**.

The Committee for Technical Services resolved on 20 November 2019 to recommend to the Executive Mayoral Committee and Council:

that the Policy for Work and the Installation of Services in the Road Reserve be workshopped by Council and after that be tabled to Council for adoption.

The Executive Mayoral Committee resolved on 23 January 2020 to recommend to Council that the Policy for Work and the Installation of Services in the Road Reserve be workshopped by Council and after that be tabled to Council for adoption.

The following recommendation was tabled to Council:

that the Policy for Work and the Installation of Services in the Road Reserve, after consideration, be approved and adopted by Council.

Council unanimously resolved on 25 February 2020 that the matter in respect of the Policy for Work and the Installation of Services in the Road Reserve be workshopped by Council and after that be submitted for consideration.

RECOMMENDED

that the Policy for Work and the Installation of Services in the Road Reserve, after consideration, be approved and adopted by Council.

8.3 Direktoraat Gemeenskapsdienste / Directorate Community Services

8.3.1 Housing: Witzenberg Municipal Housing Pipeline for 2019/2020 (05/06/1)

The following items refer:

(a) Item 9.1.4 of the meeting of the Committee for Housing Matters, held on 6 September 2018.

(b) Item 7.3.5 of the Executive Mayoral Committee meeting held on 30 October 2018.

(c) Item 8.3.7 of the Council meeting, held on 31 October 2018.

(d) Item 7.3.1 of the Executive Mayoral Committee meeting, held on 27 May 2019.

(e) Item 8.3.1 of the Council meeting, held on 30 May 2019.

(f) Item 7.3.1 of the Executive Mayoral Committee meeting held on 29 July 2019.

(g) Item 8.3.1 of the Council meeting, held on 31 July 2019.

(h) Item 7.3.1 of the Executive Mayoral Committee meeting held on 24 October 2019.

(i) Item 8.3.1 of the Council meeting, held on 30 October 2019.

(j) Item 7.3.1 of the Executive Mayoral Committee meeting still to be held.

A memorandum from the Manager: Housing, dated 6 August 2018, is attached as **annexure 8.3.1**.

The Committee for Housing Matters resolved on 6 September 2018 to recommend to the Executive Mayoral Committee and Council:

that the Witzenberg Municipal Housing Pipeline for 2018/2019 be endorsed by Council.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that the Witzenberg Municipal Housing Pipeline for 2018/2019 be endorsed by Council.

The Executive Mayoral Committee resolved on 30 October 2018 that the matter regarding the Witzenberg Municipal Housing Pipeline for 2018/2019 be held in abeyance until the next meeting.

Council unanimously resolved on 31 October 2019 that the matter regarding the Witzenberg Municipal Housing Pipeline for 2018/2019 be held in abeyance until the next meeting.

The following recommendation was tabled to the Executive Mayoral Committee on 27 May 2019:

That the Executive Mayoral Committee recommends to Council:

that the Witzenberg Municipal Housing Pipeline for 2018/2019 be endorsed by Council.

The Executive Mayoral Committee resolved on 27 May 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the Witzenberg Municipal Housing Pipeline for 2018/2019 be held in abeyance until the next meeting.

Council unanimously resolved on 30 May 2019 that the matter in respect of the Witzenberg Municipal Housing Pipeline for 2018/2019 be held in abeyance until the next meeting.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that the Witzenberg Municipal Housing Pipeline for 2018/2019 be endorsed by Council.

The Executive Mayoral Committee resolved on 29 July 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the Witzenberg Municipal Housing Pipeline for 2018/2019 be held in abeyance until the next meeting.

Council unanimously resolved on 31 July 2019 that the matter regarding the Witzenberg Municipal Housing Pipeline for 2018/2019 be held in abeyance until the next meeting.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that the Witzenberg Municipal Housing Pipeline for 2018/2019 be endorsed by Council.

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council that the matter in respect of the Witzenberg Municipal Housing Pipeline for 2019/2020 be held in abeyance until the next meeting.

Council unanimously resolved on 30 October 2019 that the matter in respect of the Witzenberg Municipal Housing Pipeline for 2019/2020 be held in abeyance until the next meeting.

The following recommendation is tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that the Witzenberg Municipal Housing Pipeline for 2019/2020 be endorsed by Council.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

that the Witzenberg Municipal Housing Pipeline for 2019/2020 be endorsed by Council.

8.3.2 Lease agreement: Vrolike Vinkies (7/1/4/1)

The following items refer:

(a) Item 7.2 of the meeting of the Committee for Community Development, held on 19 April 2018.

(b) Item 7.3.3 of the Executive Mayoral Committee meeting, held on 23 July 2018.

(c) Item 8.3.3 of the Council meeting, held on 25 July 2018.

(d) Item 7.3.2 of the Executive Mayoral Committee meeting, held on 30 October 2018.

(e) Item 8.3.2 of the Council meeting, held on 31 October 2018.

(f) Item 7.3.1 of the Executive Mayoral Committee meeting held on 21 January 2019.

(g) Item 7.2 of the Committee for Community Development meeting, held on 14 February 2019.

(h) Item 7.2 of the Committee for Community Development meeting, held on 25 July 2019.

(i) Item 7.1 of the Committee for Community Development meeting, held 22 August 2019.

(j) Item 7.1 of the Committee for Community Development meeting, held on 17 October 2019.

(k) Item 7.3.4 of the Executive Mayoral Committee meeting to be held on 23 March 2020.

A memorandum from the Director: Community Services, dated 6 April 2018, is attached as **annexure 8.3.2**.

The Committee for Community Development resolved on 19 April 2018 to recommend to the Executive Mayoral Committee and Council:

that Council considers the request for the renewal of the lease agreement and the erection of Nutech building in relation to the future plans of The Island Resort.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that Council considers the request for the renewal of the lease agreement and the erection of Nutech building in relation to the future plans of The Island Resort.

The Executive Mayoral Committee resolved on 23 July 2018 that the matter in respect of the lease agreement of Vrolike Vinkies be held in abeyance until the next meeting.

Council resolved on 25 July 2018 that notice be taken that the matter in respect of the lease agreement of Vrolike Vinkies was held in abeyance by the Executive Mayoral Committee.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that Council considers the request for the renewal of the lease agreement and the erection of Nutech building in relation to the future plans of The Island Resort.

The Executive Mayoral Committee resolved on 30 October 2018 that the matter in respect of the Vrolike Vinkies lease agreement be held in abeyance until the next meeting.

Council unanimously resolved on 31 October 2018 that the matter in respect of the Vrolike Vinkies lease agreement be held in abeyance until the next meeting.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that Council considers the request for the renewal of the lease agreement and the erection of Nutech building in relation to the future plans of The Island Resort.

The Executive Mayoral Committee resolved on 21 January 2019 that the matter with regard to Vrolike Vinkies crèche be referred to the Committee for Community Development to consider the possibilities to move the crèche to an alternative venue due to safety reasons for the children.

The Committee for Community Development resolved on 14 February 2019 that the matter in respect of the lease agreement of Vrolike Vinkies Crèche be held in abeyance until the next meeting.

That the Executive Mayor, Deputy Executive Mayor and the Committee members engage with the management of Vrolike Vinkies Crèche for an information session in respect of a future venue for the Vrolike Vinkies Crèche after a meeting with the MEC of Social Development, Mr. A Fritz.

The Committee for Community Development resolved on 25 July 2019 that the matter in respect of the lease agreement of Vrolike Vinkies Crèche be held in abeyance until the next meeting.

The Committee for Community Development resolved on 22 August 2018 that the matter in respect of the lease agreement of Vrolike Vinkies Crèche be held in abeyance until the next meeting.

The Chairperson requested that the matter in respect of the lease agreement of Vrolike Vinkies be held in abeyance and tabled as an outstanding item on the agenda for Community Development.

An engagement with regard to the Vrolike Vinkies Crèche needs to be done with the newly appointed Minister of Social Development, Ms Sharna Fernandez.

The Acting Manager: Social Economic Development mentioned that the current state of the building is a safety risk for Council.

The Committee for Community Development resolved on 17 October 2019:

(a) that the Executive Mayor, Deputy Executive Mayor and the Committee members engage with the management of Vrolike Vinkies Crèche for an information session in respect of a future venue for the Vrolike Vinkies Crèche after a meeting with the MEC for Social Development, Ms. S Fernandez.

(b) that the matter in respect of the lease agreement for Vrolike Vinkies Crèche be held in abeyance and tabled as an outstanding item on the agenda of the Committee for Community Development

Comments from Municipal Manager, dated 18 March 2020:

"A meeting took place on 13 February 2020 between the Executive Mayor, Councillor Dirk Swart, Municipal Manager and Ms Andaleen Coetzee of Vrolike Vinkies. The Executive Mayor explained the reason for the delay and also informed Ms Coetzee that the matter of alternative accommodation for Vrolike Vinkies was already brought to the attention of the MEC for Social Development, Ms. S Fernandez. At the said meeting the MEC requested that the matter be pursued with Public Works. Ms Jackie Gooch of Public Works was tasked to investigate and revert to the Executive Mayor on the outcome of the request. Unfortunately up to date no further progress report has been received from the relevant department. Ms Coetzee explained the predicament of Vrolike Vinkies and mentioned that the lease agreement is a pre-requirement for funding from the Department of Social Services and other state departments. Failure to present such a lease agreement will be catastrophic for Vrolike Vinkies. A temporary solution was offered in terms whereof Ms Coetzee was informed that Council will be approached to consider entering into a lease agreement for a period of twelve months."

The item is tabled to the Executive Mayoral Committee for consideration.

RECOMMENDED

For consideration.

8.3.3 Draft Air Quality Management Plan: Review 2019 (17/1/4/P)

Item 7.3.2 of the Executive Mayoral Committee meeting, still to be held, refers.

The following memorandum, dated 22 November 2019, was received from the Environmental Officer, Mr B Isaacs:

"Background

The Air Quality Management Plan has to be reviewed every five years. The last time the Plan was tabled to and approved by Council was 28 May 2014. The Plan was tabled to Council per item 8.3.4 of 30 October 2019 and Council took notice of same.

Deliberation

The Plan was made available to the public on the municipal website and at the various libraries and municipal offices and also to the Department of Environment, Fisheries and Forestry (the former Department of Environmental Affairs and Development Planning) for comments. The inputs of the said Department were taken up in the Plan.

The amended Draft Air Quality Management Plan Review 2019 is attached as **annexure 8.3.3**."

The following recommendation is tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that the Draft Air Quality Management Plan (AQMP) Review 2019 be approved.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

that the Draft Air Quality Management Plan (AQMP) Review 2019 be approved.

8.3.4 Allocation of land for informal traders: Tulbagh (17/18/1)

The following items refer:

(a) Item 8.1 of the meeting of the Committee for Local Economic Development and Tourism, held on 20 November 2019.

(b) Item 7.3.3 of the Executive Mayoral Committee meeting still to be held.

The following report, dated 20 November 2019, was received from the Municipal Manager:

"Purpose

To request the Executive Mayoral Committee to recommend to Council to consider demarcating a trading place for the informal traders in Van der Stel Street, Tulbagh.

Background

In terms of the Municipal By-Law a person may only trade in an area as demarcated by the municipal Council. The informal areas demarcated in Tulbagh are in Market and Piet Retief Streets and Karee Street, Witzenville. See in this regard the following documents:

(a) Council resolution 8.3.1 of 5 December 2017: **Annexure 8.3.4(a)**.

(b) Memorandum from the Director: Community Services, dated 1 September 2017: **Annexure 8.3.4(b)**.

The municipality has in recent times received complaints from the formal business sector of the informal traders trading in areas outside of the demarcated areas provided for in the Municipal By-Law. This has resulted in the Law Enforcement acting against the informal traders by issuing fines. The informal traders initially approached the Ward Councillor to assist them. Councillor Sidego in turn referred the matter to the Portfolio Chairperson for Local Economic Development, Councillor Abrahams, to deal with the matter. Councillor Abrahams facilitated a meeting with the traders on 6 November 2019. A copy of the minutes is attached as **annexure 8.3.4(c)**. The traders are requesting that they be allowed to do business in town, because most of their customers are basically farmworkers from the surrounding farms. The traders have identified inter alia a church property in the main road as well as a portion of the sidewalk in Van der Stel Street. The areas previously demarcated in terms of the current By-Law were during the time of community members receiving SASSA grants at some of the community facilities. This practice has, however, come to an end, because most of the recipients of grants are being paid via banking institutions. This has made the trading places dormant and not financially viable. Part of the LED mission is to uplift the previously disadvantaged community and to grow and assist economic entrepreneurs. The request is that Council considers making an area available where the informal traders can be accommodated."

The Committee for Local Economic Development and Tourism resolved on 20 November 2019:

(a) that the Manager: Town Planning and Building Control, the Acting Manager: Socio-Economic Development and the Committee for Local Economic Development and Tourism to undertake a site inspection of the area in front of the "Ou Sendingkerk", Van der Stel Street, Tulbagh for the purpose of informal trading.

(b) that the Committee for Local Economic Development and Tourism recommends to the Executive Mayoral Committee and Council:

that Council considers demarcating a trading place for informal trading in Van der Stel Street, Tulbagh.

A memorandum from the Acting Manager: Socio-Economic Development, dated 2 March 2020, is attached as **annexure 8.3.4(d)**.

The matter is tabled to the Executive Mayoral Committee for consideration of demarcating a trading space for informal trading in the area of the "Old Sendingkerk" in Tulbagh.

RECOMMENDED

For consideration of the Executive Mayoral Committee's recommendation to Council.

8.3.5 Witzenberg Municipality: Invasive Species Monitoring, Control and Eradication Plans for Prince Alfred's Hamlet and Op-die-Berg (17/9/2)

The following items refer:

(a) Item 7.1 of the meeting of the Committee for Community Development, held on 21 November 2019.

(b) Item 7.3.3 of the Executive Mayoral Committee meeting, held on 23 January 2020.

A memorandum from the Manager: Amenities and Environment, dated 24 October 2019, is attached as **annexure 8.3.5(a).**

The Committee for Community Development resolved on 21 November 2019 to recommend to the Executive Mayoral Committee and Council.

(a) that Messrs Aurecon Pty (Ltd) be invited to the next Council meeting to do a presentation regarding the final draft plans of the Prince Alfred's Hamlet and Op-die-Berg commonage.

(b) that the Invasive Species Monitoring, Control and Eradication Plans for Prince Alfred's Hamlet and Op-die-Berg commonage be approved.

The Executive Mayoral Committee resolved on 23 January 2020 to recommend to Council:

(a) that Messrs Aurecon Pty (Ltd) be invited to the next Council meeting to do a presentation regarding the final draft plans of the Prince Alfred's Hamlet and Op-die-Berg commonage.

(b) that the Invasive Species Monitoring, Control and Eradication Plans for Prince Alfred's Hamlet and Op-die-Berg commonage be approved.

A further memorandum from the Manager: Amenities and Environment, dated 14 February 2020, is attached as **annexure 8.3.5(b)**.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

that the Invasive Species Monitoring, Control and Eradication Plans for Prince Alfred's Hamlet and Op-die-Berg commonage be approved.

8.3.6 Housing: Approval of street names for Vredebes (16/04/P)

Item 9.2.1 of the meeting of the Committee for Housing Matters, held on 27 February 2020, refers.

The Committee for Housing Matters resolved on 27 February 2020 to recommend to the Executive Mayoral Committee and Council:

(a) that the following proposed street names for Ward 1 of the Vredebes Housing Project, after consideration, be approved and submitted to the Manager: Town Planning and Building Control to be placed on the street map:

(i) Steve Biko Street
(ii) Lilian Ngoy Street
(iii) Govin Mbeka Street
(iv) Hector Petersen Street
(v) Walter Sisilu Street
(vi) Winnie Mandela Street
(vii) Albert Luthuli Street

(viii) Langalibalele Dube Street
(ix) Enox Stonga Street

(b) that the following proposed street names for Ward 5 of the Vredebes Housing Project, after consideration, be approved and submitted to the Manager: Town Planning and Building Control to be placed on the street map:

(i) Kankerbos Street
(ii) Jakkalsbos Street
(iii) Skilpadbossie Street
(iv) Kapokbossie Street
(v) Kouterbossie Street
(vi) Pienk-Kiesieblaar Street
(vii) Kamferbos Street
(viii) Blouaalwyn Street
(ix) Plakkie-Pigs Ears Street
(x) Rooi-ysplant Street
(xi) Botterblom Street
(xii) Rooi vygie Street
(xiii) Mossienes Street
(xiv) Bitterbos Street
(xv) Bloublommetjie Street
(xvi) Viooltjie Street
(xvii) Kinkelblaar Street
(xviii) Kanniedood Street
(xix) Hawergras Street
(xx) Witsparril Street
(xxi) Babriena Street
(xxii) Witstorm Street
(xxiii) Perdebossie Street
(xxiv) Polygala Street
(xxv) Klein Skilpadbos Street
(xxvi) Klawergras Street
(xxvii) Soetdoring Street
(xxviii) Klipvygie Street
(xxix) Brakeveldvygie Street
(xxx) Rolbos Street
(xxxi) Knipsoutbos Street
(xxxii) Vaalbrakbossie Street
(xxxiii) Karoogroen Gogga Street
(xxxiv) Purple Kalkoentjie Street
(xxxv) Gouesterretjie Street
(xxxvi) Geldbeursie Street
(xxxvii) Bokkool Street
(xxxviii) Roggras Street

(c) that the following proposed street names for Ward 12 of the Vredebes Housing Project, after consideration, be approved and submitted to the Manager: Town Planning and Building Control to be placed on the street map.

(i) Thuma Mina Street
(ii) Amos Delato Street
(iii) Patrick Hinana Street
(iv) Elizabeth Mbangula-Mrwetyana Street
(v) Ginger Gqalaqha Street

(vi) Zola Mdala Street
(vii) Ntsiki Lalapi Street
(viii) Trea Manjiya Street
(ix) Wilson Skisazana Street
(x) Mkhwemnte T Street
(xi) Khauleza Street
(xii) Vengaye Yisa Street
(xiii) GT Nongwe Street
(xiv) Alda Nomjana Street
(xv) Gqalagha Street

The Policy for the Naming and Renaming of Streets is attached as **annexure 8.3.6**.

RECOMMENDED

(a) that the following proposed street names for Ward 1 of the Vredebes Housing Project, after consideration, be approved and submitted to the Manager: Town Planning and Building Control to be placed on the street map:

(i) Steve Biko Street
(ii) Lilian Ngoy Street
(iii) Govin Mbeka Street
(iv) Hector Petersen Street
(v) Walter Sisilu Street
(vi) Winnie Mandela Street
(vii) Albert Luthuli Street
(viii) Langalibalele Dube Street
(ix) Enox Stonga Street

(b) that the following proposed street names for Ward 5 of the Vredebes Housing Project, after consideration, be approved and submitted to the Manager: Town Planning and Building Control to be placed on the street map:

(i) Kankerbos Street
(ii) Jakkalsbos Street
(iii) Skilpadbossie Street
(iv) Kapokbossie Street
(v) Kouterbossie Street
(vi) Pienk-Kiesieblaar Street
(vii) Kamferbos Street
(viii) Blouaalwyn Street
(ix) Plakkie-Pigs Ears Street
(x) Rooi-ysplant Street
(xi) Botterblom Street
(xii) Rooi vygie Street
(xiii) Mossienes Street
(xiv) Bitterbos Street
(xv) Bloublommetjie Street
(xvi) Viooltjie Street
(xvii) Kinkelblaar Street
(xviii) Kanniedood Street
(xix) Hawergras Street
(xx) Witsparril Street
(xxi) Babriena Street
(xxii) Witstorm Street

(xxiii) Perdebossie Street
(xxiv) Polygala Street
(xxv) Klein Skilpadbos Street
(xxvi) Klawergras Street
(xxvii) Soetdoring Street
(xxviii) Klipvygie Street
(xxix) Brakeveldvygie Street
(xxx) Rolbos Street
(xxxi) Knipsoutbos Street
(xxxii) Vaalbrakbossie Street
(xxxiii) Karoogroen Gogga Street
(xxxiv) Purple Kalkoentjie Street
(xxxv) Gouesterretjie Street
(xxxvi) Geldbeursie Street
(xxxvii) Bokkool Street
(xxxviii) Roggras Street

(c) *that the following proposed street names for Ward 12 of the Vredebes Housing Project, after consideration, be approved and submitted to the Manager: Town Planning and Building Control to be placed on the street map.*

(i) Thuma Mina Street
(ii) Amos Delato Street
(iii) Patrick Hinana Street
(iv) Elizabeth Mbangula-Mrwetyana Street
(v) Ginger Gqalaqha Street
(vi) Zola Mdala Street
(vii) Ntsiki Lalapi Street
(viii) Trea Manjiya Street
(ix) Wilson Skisazana Street
(x) Mkhwemnte T Street
(xi) Khauleza Street
(xii) Vengaye Yisa Street
(xiii) GT Nongwe Street
(xiv) Alda Nomjana Street
(xv) Gqalagha Street

8.4 Direktoraat Korporatiewe Dienste / Directorate Corporate Services

8.4.1 National state of disaster: COVID-19 (17/7/3/P)

Item 7.4.1 of the Executive Mayoral Committee meeting, to be held on 23 March 2020, refers.

Regulations issued in terms of Section 27(2) of the Disaster Management Act, 2002 (Act no. 57 of 2002), dated 18 March 2020, is attached as **annexure 8.4.1**.

The following recommendation is tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that notice be taken of the contents of the regulations issued in terms of Section 27(2) of the Disaster Management Act, 2002 (Act no. 57 of 2002) and same be accepted.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

that notice be taken of the contents of the regulations issued in terms of Section 27(2) of the Disaster Management Act, 2002 (Act no. 57 of 2002) and same be accepted.

8.4.2 Personnel matters: Retirement Policy: Witzenberg Municipality (4/2/P & 1/3/1/32)

The following items refer:

(a) Item 4.4.1 of the Executive Mayoral Committee meeting, held on 3 October 2019.
(b) Item 4.4.1 of the Special Council meeting, held on 4 October 2019.
(c) Item 8.4.4 of the Council meeting, held on 30 October 2019.

The proposed Retirement Policy for Witzenberg Municipality is attached as **annexure 8.4.2**.

The policy was workshopped by Council on 29 May 2019.

The Executive Mayoral Committee resolved on 3 October 2019 to recommend to Council that the Retirement Policy for Witzenberg Municipality, after consideration, be approved and adopted.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that the Retirement Policy for Witzenberg Municipality, after consideration, be approved and adopted.

Council unanimously resolved on 4 October 2019 that the matter in respect of the Retirement Policy for Witzenberg Municipality be held in abeyance until the next meeting.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that the Retirement Policy for Witzenberg Municipality, after consideration, be approved and adopted.

Council unanimously resolved on 30 October 2019 that the Retirement Policy for Witzenberg Municipality be workshopped by Council and after that be tabled to Council for approval.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

that the Retirement Policy for Witzenberg Municipality, after consideration, be approved and adopted.

8.4.3 Personnel matters: Leave Policy: Witzenberg Municipality (4/2/P & 1/3/1/32)

The following items refer:

(a) Item 4.4.2 of the Executive Mayoral Committee meeting, held on 3 October 2019.
(b) Item 4.4.2 of the Special Council meeting, held on 4 October 2019.
(c) Item 8.4.5 of the Council meeting, held on 30 October 2019.

The proposed Leave Policy for Witzenberg Municipality is attached as **annexure 8.4.3**.

The policy was workshopped by Council on 29 May 2019.

The Executive Mayoral Committee resolved on 3 October 2019 to recommend to Council that the Leave Policy for Witzenberg Municipality, after consideration, be approved and adopted.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that the Leave Policy for Witzenberg Municipality, after consideration, be approved and adopted.

Council unanimously resolved on 4 October 2019 that the matter in respect of the Leave Policy for Witzenberg Municipality be held in abeyance until the next meeting.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that the Leave Policy for Witzenberg Municipality, after consideration, be approved and adopted.

Council unanimously resolved on 30 October 2019 that the Leave Policy for Witzenberg Municipality be workshopped by Council and after that be tabled to Council for approval.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

that the Leave Policy for Witzenberg Municipality, after consideration, be approved and adopted.

8.4.4 Mayoral Bursary Fund Policy: Witzenberg Municipality (5/P)

The following items refer:

(a) Item 4.4.3 of the Executive Mayoral Committee meeting, held on 3 October 2019.
(b) Item 4.4.3 of the Special Council meeting, held on 4 October 2019.
(c) Item 8.4.6 of the Council meeting, held on 30 October 2019.

The proposed Mayoral Bursary Fund Policy for Witzenberg Municipality is attached as **annexure 8.4.4**.

The policy was workshopped by Council on 29 May 2019.

The Executive Mayoral Committee resolved on 3 October 2019 to recommend to Council that the Mayoral Bursary Fund Policy for Witzenberg Municipality, after being workshopped and considered, be approved and adopted.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that the Mayoral Bursary Fund Policy for Witzenberg Municipality, after consideration, be approved and adopted.

Council unanimously resolved on 4 October 2019 that the matter in respect of the Mayoral Bursary Fund Policy for Witzenberg Municipality be held in abeyance until the next meeting.

The following recommendation was tabled to Council:

that the Mayoral Bursary Fund Policy for Witzenberg Municipality, after consideration, be approved and adopted.

Council unanimously resolved on 30 October 2019 that the Mayoral Bursary Fund Policy for Witzenberg Municipality be workshopped by Council and after that be tabled to Council for approval.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

that the Mayoral Bursary Fund Policy for Witzenberg Municipality be workshopped, and after that, be approved and adopted.

9. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA

10. FORMAL AND STATUTORY MATTERS

10.1 Feedback on matters of outside bodies
(3/R)

11. QUESTIONS and/or MATTERS RAISED by COUNCILLORS

12. COUNCIL-IN-COMMITTEE

MINUTES OF THE COUNCIL MEETING OF WITZENBERG MUNICIPALITY, HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON WEDNESDAY, 30 OCTOBER 2019 AT 09:00

PRESENT

Councillors

Alderman TT Godden (Speaker)
Councillor BC Klaasen (Executive Mayor)
Alderman K Adams (Deputy Executive Mayor)
Councillor TE Abrahams
Councillor P Daniels
Councillor P Heradien
Councillor MD Jacobs
Councillor D Kinnear
Councillor GG Laban
Councillor C Lottering
Councillor M Mdala
Councillor TP Mgoboza
Councillor ZS Mzauziwa-Mdishwa
Councillor N Phatsoane
Alderlady JT Phungula
Alderman JW Schuurman
Councillor EM Sidego
Councillor RJ Simpson
Alderman HJ Smit
Councillor D Swart
Councillor HF Visagie
Alderman JJ Visagie

Officials

Mr D Nasson (Municipal Manager)
Mr J Barnard (Director: Technical Services)
Mr M Mpeluza (Director: Corporate Services)
Mr A Raubenheimer (Acting Director: Finance)
Mr G Louw (Head: Internal Audit)
Mr A Hofmeester (Manager: IDP)
Mr CG Wessels (Manager: Administration)
Ms MJ Prins (Acting Principal Administrative Officer)
Mr CJ Titus (Committee Clerk)

1. OPENING AND WELCOME

The Speaker welcomed everyone present after which he requested Councillor C Lottering to open the meeting with a prayer.

NOTED

2. LEAVE OF ABSENCE AND CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION

2.1 Consideration of application for leave of absence, if any (3/1/2/1)

An application for leave of absence from the meeting was received from Councillor MJ Ndaba (ANC).

UNANIMOUSLY RESOLVED

that the application for leave of absence from the meeting, received from Councillor MJ Ndaba (ANC), be approved and accepted.

2.2 Confidentiality and Conflict of Interest Declaration

The Confidentiality and Conflict of Interest Declaration was signed by all Councillors.

NOTED

3. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED

3.1 Gratitude, Congratulations and Commiseration (11/4/3)

Speaker conveyed on behalf of Council congratulations to the following Councillors and spouses on their birthdays:

- Ms Anthea Klaasen 4 August
- Councillor P Heradien 28 August
- Ms Clara Laban 12 September
- Mr Joseph Visagie 15 September
- Ms Lorna Visagie 24 September
- Councillor D Swart 30 September
- Councillor T Abrahams 6 October
- Alderman J Visagie 17 October
- Ms Karin Swart 20 October

NOTED

3.2 Matters raised by the Speaker (09/1/1)

The Speaker mentioned that the Ward Councillors and Ward Committee members had been invited to a meeting. Unfortunately only the Ward Committee members pitched for the meeting. The Speaker reprimanded the Ward Councillors and requested them to lead by example.

NOTED

3.3 Matters raised by the Executive Mayor
(09/1/1)

(a) The Executive Mayor mentioned that a symposium is being held by the *Landbouweekblad* in respect of land on 14 and 15 November 2019 in the Witzenberg area. Councillors who are interested to attend are welcome to submit their names to the office of the Speaker.

(b) The Executive Mayor mentioned that the By-Law: Rules of Order for meetings of the Witzenberg Council is supreme and requested Councillors to honour it.

(c) The Executive Mayor announced that in terms of the Cost Containment Regulations the annual Christmas Market and yearend function for the elderly cannot be held and that the communities will be informed accordingly.

(d) The Executive Mayor congratulated Sole Leather as the Best Entrepreneur in the Witzenberg Municipality.

(e) The Executive Mayor congratulated Cameron Hufke, a resident of Bella Vista, Ceres, who was elected as a Springbok Sevens player for the squad who will be competing in Dubai.

(f) The Executive Mayor mentioned that the coming festive season is at hand. It is a difficult time for the communities, but Council will assist to manage it to the best of their ability. The announcements of the Minister of Finance are expected and the expectation is that it will impact on the municipality in terms of a decrease in grants. The State President, Mr Cyril Ramaphosa, also announced that the days of *free* and *non-payment* are over and that municipalities must promote regular payments.

(g) The Executive Mayor mentioned that the matter in respect of the Pine Forest appeal will be heard on 15 November 2019 in the court. Council will be updated after the court decision.

(h) The Executive Mayor mentioned that the Whippery System was accepted, which defined that all Council meetings will have a Whippery meeting prior to any Council meeting.

(i) The Executive Mayor congratulated the Rastafarian community on its Day of Festival on 2 November 2019. The Mayor mentioned that the minority Muslim community is important, welcomed, honoured and respected in the Witzenberg municipal area and that their special days are also recognised. The Mayor requested that the minority communities inform him timeously of their special days and/or that Councillors submit the days to him.

NOTED

4. MINUTES

4.1 Approval of minutes (3/1/2/3)

The following minutes are attached:

(a) Council meeting, held on 31 July 2019: **Annexure 4.1(a)**.
(b) Special Council meeting, held on 23 August 2019: **Annexure 4.1(b)**.
(c) Special Council meeting, held on 4 October 2019: **Annexure 4.1(c)**.

UNANIMOUSLY RESOLVED

That the following minutes be approved and signed by the Speaker:

(a) Council meeting, held on 31 July 2019.
(b) Special Council meeting, held on 23 August 2019.
(c) Special Council meeting, held on 4 October 2019.

4.2 Outstanding matters (3/3/2)

Number	File reference	Heading, item no. and date	Directorate	Action	Progress	Target date
4.2.1	15/4/1/1/5	Item 11.1 of 26 March 2019 Ceres Golf Estate development	Municipal Manager	That the matter be held in abeyance to obtain further clarification and after that be submitted again.		
4.2.2	15/4/P	Item 8.2.4 of 31 July 2019 Proposed Integrated Zoning Scheme By-Law for Witzenberg	Manager: Town Planning and Building Control	(d) That the proposed draft Witzenberg Zoning Scheme By-Law and any comments received during public participation be submitted to Council for consideration and final adoption.		

UNANIMOUSLY RESOLVED

That notice be taken of the outstanding matters.

5. MOTIONS AND NOTICE OF SUGGESTIONS

5.1 Mosie: Raadsheer TT Godden (COPE) (15/4/1/1/4/5)

Hierdie aangeleentheid is in-komitee hanteer onder item 12.2.7.

AANGETEKEN.

6. INTERVIEWS WITH DELEGATIONS

None

NOTED

7. GEDELEGEERDE BEVOEGDHEDE / DELEGATED POWERS

7.1 Minutes: Committee meetings (03/3/2)

The minutes of the following meetings are attached:

(a) Committee for Local Economic Development and Tourism, held on 18 April 2018: **Annexure 7.1(a)**.

(b) Committee for Local Economic Development and Tourism, held on 13 June 2018: **Annexure 7.1(b)**.

(c) Committee for Local Economic Development and Tourism, held on 19 September 2018: **Annexure 7.1(c)**.

(d) Committee for Corporate and Financial Services, held on 18 October 2018: **Annexure 7.1(d)**.

(e) Municipal Public Accounts Committee, held on 16 January 2019: **Annexure 7.1(e)**.

(f) Committee for Community Development, held on 14 February 2019: **Annexure 7.1(f)**.

(g) Committee for Corporate and Financial Services, held on 19 February 2019: **Annexure 7.1(g)**.

(h) Committee for Local Economic Development and Tourism, held on 20 February 2019: **Annexure 7.1(h)**.

(i) ICT Steering Committee, held on 29 April 2019: **Annexure 7.1(i)**.

(j) Performance, Risk and Audit Committee, held on 17 May 2019: **Annexure 7.1(j)**.

(k) Executive Mayoral Committee, held on 27 May 2019: **Annexure 7.1(k)**.

(l) Committee for Housing Matters, held on 23 July 2019: **Annexure 7.1(l)**.

(m) Committee for Community Development, held on 25 July 2019: **Annexure 7.1(m)**.

(n) Committee for Corporate and Financial Services, held on 25 July 2019: **Annexure 7.1(n)**.

(o) Local Labour Forum, held on 26 July 2019: **Annexure 7.1(o)**.

(p) Performance, Risk and Audit Committee, held on 2 August 2019: **Annexure 7.1(p)**.

UNANIMOUSLY RESOLVED

that notice be taken of the minutes of the Committee meetings and same be accepted.

8. GERESERVEERDE BEVOEGDHEDE / RESERVED POWERS

8.1 Direktoraat Finansies / Directorate Finance

8.1.1 Section 71 Monthly Budget Statement Reports of the Directorate Finance: April, May, June and July 2019 (9/1/2/2)

The following items refer:

(a) Item 7.1 of the meeting of the Committee for Corporate and Financial Services, held on 25 July 2019.

(b) Item 8.1 of the Performance, Risk and Audit Committee meeting, held on 2 August 2019.

(c) Item 7.1 of the meeting of the Committee for Corporate and Financial Services, held on 22 August 2019.

(d) Item 8.1 of the Performance, Risk and Audit Committee meeting, held on 13 September 2019.

(e) Item 7.1.1 of the Executive Mayoral Committee meeting held on 24 October 2019.

The following Section 71 Monthly Budget Statement Reports of the Directorate Finance are attached:

(a)	April 2019	**Annexure 8.1.1(a)**
(b)	May 2019	**Annexure 8.1.1(b)**
(c)	June 2019	**Annexure 8.1.1(c)**
(d)	July 2019	**Annexure 8.1.1(d)**

The Committee for Corporate and Financial Services resolved on 25 July 2019 that the Committee for Corporate and Financial Services recommends to the Executive Mayoral Committee and Council:

that the Committee for Corporate and Financial Services takes notice, after consideration, of the content of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May and June 2019 and same be accepted.

Extract from the minutes of the Performance, Risk and Audit Committee meeting, held on 2 August 2019:

"The Acting Chief Financial Officer tabled the Section 71 Monthly Budget Statement Reports for April, May and June 2019. The Performance, Risk and Audit Committee decided to focus on the June 2019 report and highlighted the following:

- That the total operational revenue for the period 1 July 2018 until 30 June 2019 is 92,86 %.
- That the total operational revenue for the period supra does not include the fines revenue which stands on R7 million material in nature.
- The problem of the fines revenue is municipal wide in all municipalities with high risks. The representative of AGSA mentioned that Treasury is in a process to assist municipalities with the problems to obtain documentation from the provincial traffic department.
- That the capital expenditure for the period 1 July 2018 until 30 June 2019 is 96,45 %.

- That government departments are repeatedly requested to pay their outstanding municipal monies, but with limited success.
- That the financial deviations in respect of Mafoko Security Services were due to the increase in vandalism, taxi violence and service delivery protest actions which necessitated armed response.

The Performance, Risk and Audit Committee resolved on 2 August 2019 that the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council:

that the Performance, Risk and Audit Committee takes notice of the Section 71 Monthly Budget Statement Reports for April, May and June 2019 and, after consideration, same be approved and accepted."

The Committee for Corporate and Financial Services resolved on 22 August 2019 that the Committee for Corporate and Financial Services recommends to the Executive Mayoral Committee and Council:

that the Committee for Corporate and Financial Services takes notice, after consideration, of the content of the Section 71 Monthly Budget Statement Report of the Directorate Finance for July 2019 and same be accepted.

Extract from the minutes of the Performance, Risk and Audit Committee meeting, held on 13 September 2019:

"The Manager: Financial Administration tabled the Section 71 Monthly Budget Statement Report for July 2019 and the following was highlighted:

- The Performance, Risk and Audit Committee requested that a comparison be shown between the current and the previous in terms of accounts amounting vs indigent cost (p. 6).
- That the YTD actuals and YTD budget (p. 10) do not correlate.
- That the bulk debt of the organs of state are property rates.

The Performance, Risk and Audit Committee resolved on 13 September 2019 to recommend to Council that the Performance, Risk and Audit Committee, after consideration, takes notice of the Section 71 Monthly Budget Statement Report of the Directorate Finance for July 2019."

The Executive Mayoral Committee resolved on 24 October to recommend to Council that notice be taken of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May, June and July 2019 and, after consideration, same be approved and accepted.

The Acting Chief Financial Officer presented the Section 71 Monthly Budget Statement Reports for April, May, June and July 2019. The following matters were highlighted:

- Questions were raised in respect of the tender awarded to Mafoko Security with regard to:
  - the period of the tender
  - the reasons for deviations to pay the company

The Acting Chief Financial Officer and Municipal Manager clarified the questions. Council requested that all relevant documentation in respect of the matter of the tender Mafoko Security be tabled to Council.

On request of Council the Speaker granted a caucus break from 10:20 until 11:20.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that notice be taken of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May, June and July 2019 and, after consideration, same be approved and accepted.

UNANIMOUSLY RESOLVED

(a) that the Municipal Manager submits all relevant documentation in respect of deviations in favour of Messrs Mafoko Security to Council.

(b) that the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May, June and July 2019 be held in abeyance until the next meeting.

8.1.2 Quarterly Budget Statement [Section 52(d)] Report: 4th Quarter of 2018/2019 (1 April 2019 until 30 June 2019)
(9/1/2/2)

The following items refer:

(a) Item 8.1.4 of the Council meeting, held on 31 July 2019.

(b) Item 8.3 of the Performance, Risk and Audit Committee meeting, held on 2 August 2019.

(c) Item 7.1 of the Municipal Public Accounts Committee meeting, held on 20 August 2019.

The Quarterly Budget Statement [Section 52(d)] Report for the fourth quarter of 2018/2019 is not attached again as it was already tabled to Council.

Council unanimously resolved on 31 July 2019:

(a) that notice be taken of the tabling of the Quarterly Budget Statement Report in terms of Section 52(d) for the fourth quarter of 2018/2019 (period 1 April 2019 to 30 June 2019) and that the report, after consideration, be approved and accepted.

(b) that the report be referred to Council's Municipal Public Accounts Committee and Performance, Risk and Audit Committee for their recommendations to Council.

The Performance, Risk and Audit Committee resolved on 2 August 2019 that the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council:

that the Performance, Risk and Audit Committee, after consideration, takes notice of the Quarterly Budget Statement [Section 52(d)] Report for the fourth quarter of 2018/2019 and that same be approved and accepted.

Extract from minutes of Municipal Public Accounts Committee meeting, held on 20 August 2019:

"The Acting Chief Financial Officer submitted the Section 52(d) reports for the periods 1 October 2018 to 31 December 2018; 1 January 2019 to 31 March 2019 and 1 April 2019 to 30 June 2019. The following matters were highlighted:

- Total operational revenue for period 1 July 2018 until 30 June 2019 is 92,42%.
- Total capital expenditure for the period 1 July 2018 until 30 June 2019 is 94,42%.

The Manager: Performance and Projects submitted the Performance Report. The following matters were highlighted.

- The performance has met the expectations of Council and the community. The targets met were high in comparison with other municipalities especially in the Directorate: Technical Services. The targets met of losses were also good.
- That 32 out of 36 targets were met and in cases where the performance targets were not met sufficient reasons were provided.
- Explanations provided for non-achievement are in the case of electricity the theft of electricity in the informal areas which contribute to the non-achievement of the target. In the case of under expenditure in respect of the capital budget in the Community Directorate sufficient reasons were provided as well.
- The impact on the service delivery and expenditure objections in the budget where the capital targets were not met was mainly in the Directorate Community Services funds and this funds will be transferred to the next year.

The Municipal Public Accounts Committee resolved on 20 August 2019 that the Municipal Public Accounts Committee recommends to Council:

that the Municipal Public Accounts Committee (MPAC) takes notice of the quarterly reports of the Mayor on the implementation of the budget and the state of affairs of the municipality [Section 52(d)] and approved and same be accepted."

UNANIMOUSLY RESOLVED

(a) that notice be taken that the Quarterly Budget Statement [Section 52(d)] Report for the fourth quarter of 2018/2019 has already been tabled to and accepted and approved by Council on 31 July 2019.

(b) that notice be taken of the recommendations of the Performance, Risk and Audit Committee and Municipal Public Accounts Committee respectively to Council.

8.1.3 Terms of Reference: Disciplinary Board for Financial Misconduct (5/P)

The following items refer:

(a) Item 7.1.7 of the Executive Mayoral Committee meeting, held on 29 July 2019.
(b) Item 8.1.9 of the Council meeting, held on 31 July 2019.
(c) Item 7.1.2 of the Executive Mayoral Committee meeting held on 24 October 2019.

Council resolved on 27 August 2014:

(a) That a Board be established in terms of Government Gazette 37699 of 30 May 2014 to address any financial misconduct, as described in the Municipal Finance Management Act, in the municipality.

(b) That any investigation regarding financial irregularities applicable to councillors be conducted in terms of the Code of Conduct for Councillors as regulated by the Municipal Systems Act.

(c) That the Board does not consist of more than five members, as stated in the Regulations.

(d) That the Executive Mayoral Committee will have delegated powers to co-opt any person to the Board.

The Terms of Reference for the Disciplinary Board for Financial Misconduct, dated July 2019, is attached as **annexure 8.1.3**.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

That the Terms of Reference for the Disciplinary Board for Financial Misconduct, after consideration, be approved and accepted.

The Executive Mayoral Committee resolved on 29 July 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the Terms of Reference of the Disciplinary Board for Financial Misconduct be held in abeyance and be workshopped by the Executive Mayoral Committee and after that be submitted to Council with a recommendation.

Council unanimously resolved on 31 July 2019:

that the matter in respect of the Terms of Reference of the Disciplinary Board for Financial Misconduct be held in abeyance and be workshopped by the Executive Mayoral Committee and after that be submitted to Council with a recommendation.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

That the Terms of Reference for the Disciplinary Board for Financial Misconduct, after consideration, be approved and accepted.

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council that the matter in respect of the Disciplinary Board for Financial Misconduct be workshopped by Council.

UNANIMOUSLY RESOLVED

that the matter in respect of the Disciplinary Board for Financial Misconduct be workshopped by Council.

8.1.4 Library Services: Non-binding VAT ruling (5/10/5)

Item 7.1.6 of the Executive Mayoral Committee meeting, held on 24 October 2019, refers.

A memorandum from the Acting Director: Finance, dated 21 October 2019, is attached as **annexure 8.1.4**.

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council that notice be taken of the contents of the memorandum regarding Library Services: Non-binding VAT ruling.

UNANIMOUSLY RESOLVED

(a) that Council, after consideration, takes notice of the contents of the memorandum regarding Library Services: Non-binding VAT ruling.

(b) that the matter supra (a) be submitted to SARS.

8.1.5 PRAC review: Fraud and Corruption Prevention Policy and Response Plan (5/14/P)

Item 7.1 of the Performance, Risk and Audit Committee meeting, held on 2 August 2019, refers.

In terms of the Fraud and Corruption Prevention Policy the Performance Risk and Audit Committee shall annually review this policy and determine its adequacy and effectiveness for current circumstances and recommend to Council for approval of any amendments that may be required.

The Fraud and Corruption Prevention Policy and Response Plan, dated July 2019, is attached as **annexure 8.1.5**.

The Head: Internal Audit tabled the Fraud and Corruption Prevention Policy for revision.

The Performance, Risk and Audit Committee resolved on 2 August 2019:

(a) that the Head: Internal Audit removes paragraph 10.5 from the policy.

(b) that the Performance, Risk and Audit Committee recommends to Council:

that the Performance, Risk and Audit Committee takes notice of the amendments to the Fraud and Corruption Prevention Policy and, after consideration, approved and accepted same.

The following recommendation was tabled to Council:

that notice be taken of the Fraud and Corruption Prevention Policy and Response Plan and, after consideration, same be approved and accepted.

UNANIMOUSLY RESOLVED

that the matter in respect of the Fraud and Corruption Prevention Policy and Response Plan be held in abeyance and be workshopped by Council.

8.1.6 PRAC review: Fraud and Corruption Prevention Strategy (5/14/P)

Item 7.2 of the Performance, Risk and Audit Committee meeting, held on 2 August 2019, refers.

In terms of the Fraud and Prevention Policy the Chief Risk Officer shall annually review the Fraud and Corruption Prevention Strategy and seek advice from the Performance Risk and Audit Committee to determine its adequacy and effectiveness for current circumstances and recommend to Council for approval of any amendments that may be required.

The Fraud and Corruption Prevention Strategy, dated 19 July 2019, is attached as **annexure 8.1.6**.

The Performance, Risk and Audit Committee resolved on 2 August 2019 that the Performance, Risk and Audit Committee recommends to Council:

that notice be taken of the Fraud and Corruption Prevention Strategy and, after consideration, approved and accepted same.

The following recommendation was tabled to Council:

that notice be taken of the Fraud and Corruption Prevention Strategy and, after consideration, same be approved and accepted.

UNANIMOUSLY RESOLVED

that the matter in respect of the Fraud and Corruption Prevention Strategy be held in abeyance and be workshopped by Council.

8.1.7 PRAC review: Whistle Blowing Policy (5/14/P)

Item 7.3 of the Performance, Risk and Audit Committee meeting, held on 2 August 2019, refers.

In terms of the Whistle Blowing Policy the Performance and Risk Audit Committee shall annually review this policy and determine its adequacy and effectiveness for current circumstances and recommend to Council for approval of any amendments that may be required.

The Performance, Risk and Audit Committee resolved on 2 August 2019 that the Whistle Blowing Policy be updated and amended and after that be tabled to Council for adoption.

The amended Whistle Blowing Policy, dated July 2019, is attached as **annexure 8.1.7**.

The following recommendation was tabled to Council:

that notice be taken of the Whistle Blowing Policy and, after consideration, same be approved and accepted.

UNANIMOUSLY RESOLVED

that the matter in respect of the Whistle Blowing Policy be held in abeyance and be workshopped by Council.

8.1.8 Annual Risk Assessment Report: 30 June 2019
(5/14/2)

Item 7.5 of the Performance, Risk and Audit Committee meeting, held on 2 August 2019, refers.

The Annual Risk Assessment Report, dated June 2019, is attached as **annexure 8.1.8**.

The Performance, Risk and Audit Committee resolved on 2 August 2019 that the Performance, Risk and Audit Committee recommends to Council:

that notice be taken of the Annual Risk Assessment Report ended 30 June 2019 and same, after consideration, be accepted.

UNANIMOUSLY RESOLVED

that notice be taken of the Annual Risk Assessment Report ended 30 June 2019 and same, after consideration, be accepted.

8.1.9 PRAC Charter with effect from 1 July 2019
(5/14/2)

Item 8.4 of the Performance, Risk and Audit Committee meeting, held on 2 August 2019, refers.

The PRAC Charter with effect from 1 July 2019, dated July 2019, is attached as **annexure 8.1.9**.

The Performance, Risk and Audit Committee resolved on 2 August 2019 that the Performance, Risk and Audit Committee recommends to Council:

that the PRAC Charter be reviewed and adopted and after that returned to the Performance, Risk and Audit Committee for implementation.

UNANIMOUSLY RESOLVED

that the PRAC Charter with effect from 1 July 2019, after consideration, be adopted and returned to the Performance, Risk and Audit Committee for implementation.

8.1.10 Internal Audit Report: Compliance with Division of Revenue Act, 2018 (DORA) (5/14/2)

Item 8.5 of the Performance, Risk and Audit Committee meeting, held on 2 August 2019, refers.

The Internal Audit Report on Compliance with the Division of Revenue Act, 2018 (DORA), dated June 2019, is attached as **annexure 8.1.10**.

The Head: Internal Audit tabled the Internal Audit Report in respect of the Compliance with the Division of Revenue Act, 2018 (DORA).

The Performance, Risk and Audit Committee accepted the report and requested that the date on page 9 which reads *January 2018* be corrected to read *January 2019*.

The Performance, Risk and Audit Committee resolved on 2 August 2019 that the Performance, Risk and Audit Committee recommends to Council:

that the Performance, Risk and Audit Committee, after consideration, takes notice of the Internal Audit Report in respect of the Compliance with the Division of Revenue Act, 2018 (DORA) and that same be approved and accepted.

UNANIMOUSLY RESOLVED

that notice be taken of the Internal Audit Report in respect of the Compliance with the Division of Revenue Act, 2018 (DORA) and, after consideration, same be approved and accepted.

8.1.11 Annual confirmation of organisational independence of Internal Audit Activity (5/14/3)

Item 8.6 of the Performance, Risk and Audit Committee meeting, held on 2 August 2019, refers.

A memorandum from the Head: Internal Audit, dated 30 July 2019, is attached as **annexure 8.1.11**.

The following recommendation was tabled to the Performance, Risk and Audit Committee:

That the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council:

that, based on the above assessment, it is concluded that the Witzenberg Internal Audit Activity is allowed to fulfil its responsibilities and that the Internal Audit Activity is independent.

The Performance, Risk and Audit Committee resolved on 2 August 2019 that the Performance, Risk and Audit Committee recommends to Council:

that the Performance, Risk and Audit Committee, after consideration, takes notice of the matter in respect of the annual confirmation of organisational independence of the Internal Audit Activity and recommends that same be accepted.

UNANIMOUSLY RESOLVED

that notice be taken of the matter in respect of the annual confirmation of organisational independence of the Internal Audit Activity and, after consideration, same be accepted.

8.1.12 State and Provincial funds: MIG Sport Projects (5/6/1)

Item 7.1.3 of the Executive Mayoral Committee meeting, held on 24 October 2019, refers.

A memorandum from the Manager: Projects and Performance, dated 15 August 2019, is attached as **annexure 8.1.12**.

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council:

That virement transfer of abovementioned budgets for the Tulbagh and Wolseley upgrade of sport facilities as set out above be approved with the subsequent adjustment of the 2019/20 budget at the budget adjustment process in February 2020:

UKey	Project name	Budget
20180707024068	Ceres upgrade of Lyell Street sport facilities	12 940 693
20190703064041	Tulbagh sport facilities upgrade	0
20190703064038	Wolseley sport facilities upgrade	0

UNANIMOUSLY RESOLVED

That virement transfer of abovementioned budgets for the Tulbagh and Wolseley upgrade of sport facilities as set out above be approved with the subsequent adjustment of the 2019/20 budget at the budget adjustment process in February 2020:

UKey	*Project name*	*Budget*
20180707024068	*Ceres upgrade of Lyell Street sport facilities*	*12 940 693*
20190703064041	*Tulbagh sport facilities upgrade*	*0*
20190703064038	*Wolseley sport facilities upgrade*	*0*

8.1.13 Municipal Public Accounts Committee (MPAC) Charter: July 2019 (02/01/2)

Item 7.2 of the Municipal Public Accounts Committee meeting, held on 20 August 2019, refers.

A report from the Head: Internal Audit regarding the Municipal Public Accounts (MPAC) Charter, dated July 2019, is attached as **annexure 8.1.13**.

The Head: Internal Audit submitted the Municipal Public Accounts Committee (MPAC) Charter.

The Municipal Public Accounts Committee resolved on 20 August 2019 that the Committee for Municipal Public Accounts Committee recommends to Council:

that the Municipal Public Accounts Committee (MPAC) after consideration, takes notice of the Municipal Public Accounts Committee (MPAC) Charter and same be approved and accepted.

The following recommendation was tabled to Council:

that notice be taken of the Municipal Public Accounts Committee (MPAC) Charter and, after consideration, same be approved and accepted.

UNANIMOUSLY RESOLVED

that the matter in respect of the Municipal Public Accounts Committee (MPAC) Charter, dated July 2019, be held in abeyance and be workshopped by Council.

8.1.14 Quarterly Budget Statement [Section 52(d)] Report: 1st Quarter of 2019/2020 (1 July 2019 until 30 September 2019)
(9/1/2/2)

Item 7.1.4 of the Executive Mayoral Committee meeting, held on 24 October 2019, refers.

The Quarterly Budget Statement [Section 52(d)] Report for the 1st quarter of 2019/2020 is attached as **annexure 8.1.14.**

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council:

(a) that notice be taken of the Quarterly Budget Statement Report in terms of Section 52(d) for the period 1 July 2019 until 30 September 2019.

(b) that the report be tabled to the Performance, Risk and Audit Committee and the Municipal Public Accounts Committee for their recommendations to Council.

UNANIMOUSLY RESOLVED

(a) that notice be taken of the Quarterly Budget Statement Report in terms of Section 52(d) for the period 1 July 2019 until 30 September 2019 and, after consideration, same be accepted.

(b) that the report be tabled to the Performance, Risk and Audit Committee and the Municipal Public Accounts Committee for their recommendations to Council.

8.1.15 Memorandum: Action against water demand management meters
(5/12/4)

Item 7.1.5 of the Executive Mayoral Committee meeting, held on 24 October 2019, refers.

The ANC component requested a caucus break from 11:20 until 12:45.

A memorandum from the Fighting for Water Justice Coalition regarding the water demand management meters, dated 10 October 2019, is attached as **annexure 8.1.15**.

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council:

(a) that Council continues with the installation of water management devices.
(b) that Council confirms that the Indigent Policy is freely accessible to all people.
(c) that Council does have meetings with the communities for consultation.
(d) that the Witzenberg Municipality does not intimate women.

Alderman JW Schuurman proposed that Council embarks on a roadshow to explain to the communities the matter with regard to the water demand management meters and that after the information sessions a decision be made by Council. Councillor N Phatsoane seconded.

Councillor BC Klaasen proposed that Council accepts the recommendations of the Executive Mayoral Committee as stated in the agenda. Alderman JJ Visagie seconded.

The Speaker called for a secret vote and the outcomes were as follows:

Votes in favour of the proposal Executive Mayoral Committee recommendations accepted:	11
Votes in favour of the proposal information sessions be held:	9
Votes abstained:	1
Total votes	21

RESOLVED

(a) that Council continues with the installation of water management devices.
(b) that Council confirms that the Indigent Policy is freely accessible to all people.
(c) that Council does have meetings with the communities for consultation.
(d) that the Witzenberg Municipality does not intimidate women.

8.1.16 Travel Management Policy (4/5/P)

The following items refer:

(a) Item 4.1.1 of the Executive Mayoral Committee meeting, held on 3 October 2019.
(b) Item 4.1.1 of the Special Council meeting, held on 4 October 2019.

The Travel Management Policy is attached as **annexure 8.1.16**.

The Executive Mayoral Committee resolved on 3 October 2019 that the Travel Management Policy be workshopped by Council and after that be tabled to Council for approval and adoption.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that the Travel Management Policy, after being workshopped and considered, be approved and adopted.

Council unanimously resolved on 4 October 2019 that the matter in respect of the Travel Management Policy be held in abeyance and be workshopped by Council.

UNANIMOUSLY RESOLVED

that the Travel Management Policy, as amended, be approved and adopted.

8.1.17 PRAC review: Internal Audit Charter: 1 July 2019 until 30 June 2020 (5/14/2)

Item 8.2 of the Performance, Risk and Audit Committee meeting, held on 13 September 2019, refers.

In terms of the Internal Audit Charter, the charter should be annually reviewed for Council approval.

The Performance, Risk and Audit Committee resolved on 13 September 2019:

(a) that the Performance, Risk and Audit Committee, after consideration, accepts the Internal Audit Charter for the period 1 July 2019 until 30 June 2020.

(b) that the Head: Internal Audit finalise the reviewed document for tabling to Council for approval.

The Internal Audit Charter with effect from 1 July 2019 until 30 June 2020, dated June 2019, is attached as **annexure 8.1.17**.

UNANIMOUSLY RESOLVED

that the Internal Audit Charter, effective from 1 July 2019 until 30 June 2020, after consideration, be accepted.

8.2 Direktoraat Tegniese Dienste / Directorate Technical Services

8.2.1 Waiver of pre-emptive right on erf 3775, Ceres (15/4/1/1/196)

The following items refer:

(a) Item 7.2.1 of the Executive Mayoral Committee meeting, held on 27 May 2019.
(b) Item 8.2.1 of the Council meeting, held on 30 May 2019.
(c) Item 7.2.1 of the Executive Mayoral Committee meeting, held on 29 July 2019.
(d) Item 8.2.1 of the Council meeting, held on 31 July 2019.
(e) Item 7.2.1 of the Executive Mayoral Committee meeting held on 24 October 2019.

The following memorandum, dated 21 May 2019, was received from the Municipal Manager:

"Purpose

To recommend to Council to consider the waiver of Council's pre-emptive right on a portion of erf 3775, Ceres, more commonly known as the Ceres cricket ground in favour of a property development.

Background

Erf 3775, Ceres is registered in the name of Ceres Agricultural Society. A property developer. Dorpstraat, Stellenbosch, approached the Ceres Agricultural Society to acquire the property for purposes of developing a convenience shopping centre. No lay-out or building plans have been drafted, because the developer first wants an in-principle approval from Council before major expenses are being incurred. In terms of the letter from Dorpstraat the size of the development will be between 6 000 and 7 500 m². The total capital investment will between R120 million and R130 million. In terms of the presentation done by Dorp Street there will be an anchor tenant and the whole purpose is to attract new traders to Ceres instead of recycling existing shops in town. The existing cricket facility will be moved to Victoria Park where both the rugby and cricket facilities will be upgraded by the developer. Some of the proceeds of the sale agreement will be used to renovate and build new conference facilities at Victoria Park. If the development is approved it will create opportunities for local business people. Permanent job opportunities will be through the small businesses in the centre as well as security, cleansing and maintenance opportunities.

A profile of Dorpstraat Developers is attached as **annexure 8.2.1**. The developers have been involved in several successful centres and malls as listed in their profile. They are currently busy with three centres that are under construction which inter alia includes Robertson.

Municipal services

No detailed plans were submitted to the Directorate Technical Services. The directorate, however, indicated that municipal services will be available within the area. The most challenging service will be that of electricity in terms of the provisional requirement, but coupled with alternative energy the municipality should be in a position to provide electricity to the development. The development will be responsible for all costs related to the upgrade of bulk services to the specific development, which cost will be in terms of Council's approved policy.

Financial implication

There are no financial implications for Council. If the development is approved, it will create additional income for Council.

Legal implication

If Council waives the requirement in terms of the Title Deed that the property must first be offered to Council and that the land may only be used for sports activities, then such decision must be made known to the public through an advertisement in the local newspaper."

The Executive Mayoral Committee resolved on 27 May 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the pre-emptive right on erf 3775, Ceres be held in abeyance until the next meeting.

Council unanimously resolved on 30 May 2019 that the matter in respect of the pre-emptive right on erf 3775, Ceres be held in abeyance until the next meeting.

The Executive Mayoral Committee resolved on 29 July 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the waiver of the pre-emptive right on erf 3775, Ceres be held in abeyance pending a presentation in this regard to Council.

Council unanimously resolved on 31 July 2019 that Council takes notice of the presentation by Messrs Dorpstraat Property Development in respect of the proposed development at the entrance of Ceres Town and accepts same.

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council that Council not waive the pre-emptive right on erf 3775, Ceres, but to develop the land for sport activities.

UNANIMOUSLY RESOLVED

that Council not waive the pre-emptive right on erf 3775, Ceres, but that the authorisation be granted to Administration to start a process of acquiring the land and have it developed for sport purposes.

8.2.2 Notariële akte van serwituut en samewerkingsooreenkoms: Ceres Koekedouw Besproeiingsraad: Koekedouw Dam
(16/2/1/1/1)

Item 7.2.2 van die Uitvoerende Burgemeesterskomitee vergadering, gehou op 24 Oktober 2019, verwys.

'n Memorandum vanaf die Direkteur: Tegniese Dienste, gedateer 14 Oktober 2019, word aangeheg as **bylae 8.2.2**.

Die Uitvoerende Burgemeesterskomitee het op 24 Oktober 2019 besluit om by die Raad aan te beveel dat die Koekedouw Besproeiingsraad ingelig word dat hulle versoek vir addisionele rouwater nie moontlik is nie, aangesien Vlak 1 waterbeperkings volgens alle aanduidings in die tweede kwartaal van 2020 ingestel moet word en dit bots met die "early warning" kriteria soos per die Raad se goedgekeurde droogtebestuursplan.

EENPARIG BESLUIT

Dat die Koekedouw Besproeiingsraad ingelig word dat hulle versoek vir addisionele rouwater nie moontlik is nie, aangesien Vlak 1 waterbeperkings volgens alle aanduidings in die tweede kwartaal van 2020 ingestel moet word en dit bots met die "early warning" kriteria soos per die Raad se goedgekeurde droogtebestuursplan.

8.2.3 Proposed position of the Waste Transfer Station at Wolseley
(17/3/2)

The following items refer:

(a) Item 7.1 of the meeting of the Committee for Technical Services, held on 24 July 2019.
(b) Item 7.2.3 of the Executive Mayoral Committee meeting held on 24 October 2019.

A memorandum from the Senior Superintendent: Waste and Cleansing Services, dated 3 June 2019, is attached as **annexure 8.2.3**.

The Committee for Technical Services resolved on 24 July 2019 to recommend to the Executive Mayoral Committee and Council

that a portion of erf 72, Wolseley be approved as a suitable area for the construction of a Waste Transfer Station as per the attached sketch plan.

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council that a portion of erf 72, Wolseley be approved as a suitable area for the construction of a Waste Transfer Station as per the attached sketch plan.

UNANIMOUSLY RESOLVED

that a portion of erf 72, Wolseley be approved as a suitable area for the construction of a Waste Transfer Station as per the attached sketch plan.

8.2.4 Proposed renting of a portion of erf 1, Prince Alfred's Hamlet to Mr Abraham van der Merwe
(7/1/4/1)

The following items refer:

(a) Item 7.2 of the meeting of the Committee for Technical Services, held on 24 July 2019.
(b) Item 7.2.4 of the Executive Mayoral Committee meeting held on 24 October 2019.

A memorandum from the Director: Technical Services, dated 3 June 2019, is attached as **annexure 8.2.4**.

The Committee for Technical Services resolved on 24 July 2019 to recommend to the Executive Mayoral Committee and Council

(a) that approximately 3 000 m² of erf 1, Prince Alfred's Hamlet be rented to Mr Abraham van der Merwe at a market related price as per the attached sketch plan.

(b) that the Municipal Manager be authorised to finalise and sign the agreement on behalf of Council.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that approximately 3 000 m² of erf 1, Prince Alfred's Hamlet be rented to Mr Abraham van der Merwe at a market related price as per the attached sketch plan.

(b) that the Municipal Manager be authorised to finalise and sign the agreement on behalf of Council.

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council that the matter regarding the proposed renting of a portion of erf 1, Prince Alfred's Hamlet be held in abeyance until the next meeting.

UNANIMOUSLY RESOLVED

that the matter regarding the proposed renting of a portion of erf 1, Prince Alfred's Hamlet to Mr Abraham van der Merwe, be held in abeyance until the next meeting.

8.2.5 Waste Characterisation and Brand Audit Report
(17/03/2)

The following items refer:

(a) Item 7.3 of the meeting of the Committee for Technical Services, held on 24 July 2019.
(b) Item 7.2.5 of the Executive Mayoral Committee meeting held on 24 October 2019.

The following documents are attached:

(a) Memorandum from the Senior Superintendent: Solid Waste and Cleansing Services, dated 4 June 2019: **Annexure 8.2.5(a)**.

(b) Waste Characterisation and Brand Audit Report, dated 10 May 2019: **Annexure 8.2.5(b)**.

The Committee for Technical Services resolved on 24 July 2019 that the Committee for Technical Services recommends to the Executive Mayoral Committee and Council:

(a) that the Wellington Association Against the Incinerator (WAAI) do a presentation to Council.

(b) that notice be taken of the Waste Characterisation and Brand Audit Report of the Witzenberg Waste Streams.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that the Wellington Association Against the Incinerator (WAAI) do a presentation to Council.

(b) that notice be taken of the Waste Characterisation and Brand Audit Report of the Witzenberg Waste Streams.

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council that the matter regarding the Waste Characterisation and Brand Audit Report be held in abeyance until the next meeting.

UNANIMOUSLY RESOLVED

that the matter regarding the Waste Characterisation and Brand Audit Report be held in abeyance until the next meeting.

8.2.6 Town Planning: Additional dwelling units on single residential erven: Effect on bulk infrastructure
(15/4/R)

Item 7.2.6 of the Executive Mayoral Committee meeting, held on 24 October 2019, refers.

A memorandum with annexures from the Director: Technical Services, dated 30 September 2019, is attached as **annexure 8.2.6**.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) That, due to the electricity network being the limiting factor, the maximum number of new connections (or second dwelling units) using the available spare capacity in each town be limited as follows:

Town	Consumption equivalent to the undermentioned low or high consumption users		Area
	Number of low consumption consumers	Number of high consumption users	
Ceres	1 132	377	Throughout the town
Tulbagh	200	66	Throughout the town
Wolseley	254	85	Mainly in the Pine Valley area

(b) That applications for second dwelling units in ESKOM supply areas (Prince Alfred's Hamlet and Op-die-Berg) must receive ESKOM approval before being considered by the municipality.

(c) That Council takes notice that the approval of additional dwellings on existing residential erven increases the impact on the existing infrastructure without significant income to Council.

(d) That all residential erven does not automatically have a right for additional units and shall be approved by the Director.

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council that the matter regarding additional dwelling units on single residential erven be held in abeyance until the next meeting.

UNANIMOUSLY RESOLVED

that the matter in respect of additional dwelling units on single residential erven and the effect on bulk infrastructure be held in abeyance until the next meeting.

8.2.7 Application to install solar panels at Vadersgawe: Eselfontein Road, Ceres (16/03/R)

Item 7.2.7 of the Executive Mayoral Committee meeting, held on 24 October 2019, refers.

A memorandum from the Senior Manager: Electro-Technical Services, dated 22 September 2019, is attached as **annexure 8.2.7**.

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council:

(i) that Council considers and takes notice of the report regarding the Vadersgawe application to install a Small Scale Embedded Generation (SSEG) plant.

(ii) that the Vadersgawe application for the installation of 223,65 kWp solar panels be approved by Council.

UNANIMOUSLY RESOLVED

(a) that Council considered and took notice of the report regarding the Vadersgawe application to install a Small Scale Embedded Generation (SSEG) plant.

(b) that the Vadersgawe application for the installation of 223,65 kWp solar panels be approved by Council.

8.2.8 Policy for appointment of consultants as per Cost Containment Regulations (5/P)

The following items refer:

(a) Item 4.2.1 of the Executive Mayoral Committee meeting, held on 3 October 2019.
(b) Item 4.2.1 of the Special Council meeting, held on 4 October 2019.

The following memorandum, dated 10 September 2019, was received from the Director: Technical Services:

"1. Purpose

The purpose of the report is to approve the Policy for the Appointment of consultants, 2019.

2. Background

The Minister of Finance has, acting with the concurrence of the Minister of Cooperative Governance and Traditional Affairs, in terms of Section 168(1) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), made the Regulations for Municipal Cost Containment. These regulations were published by National Treasury in the Government Gazette No. 42514 of 7 June 2019 and will be used as a guideline in drafting the Policy for the Appointment of consultants, 2019.

3. Legal framework

The municipality's operations are governed by an array of different acts and this policy should be understood within the context of the compilation of all these legislations. The following Acts and prescripts are central in defining the municipality's boundaries and areas of influence:

- Constitution of the Republic of South Africa, 1996
- Local Government: Municipal Structures Act, 1998 (Act 117 of 1998)
- Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)
- Local Government: Municipal Finance Management Act, 2003 (Act 53 of 2003)
- Municipal Cost Containment Regulations, 2019, herein after referred to as the Regulations.

4. Financial impact

As per clause 5(2) of the Cost Containment Regulations:

An accounting officer must adopt a fair and reasonable remuneration framework for consultants taking into account the rates –

(a) determined in the 'Guideline on fees for audits undertaken on behalf of the Auditor-general of South Africa', issued by the South African Institute of Chartered Accountants

(b) set out in the 'Guide on Hourly Fee Rates for Consultants', issued by the Department of Public Service and Administration; or

(c) as prescribed by the body regulating the profession of the consultant."

The Policy for the appointment of consultants, 2019 is attached as **annexure 8.2.8**.

The Executive Mayoral Committee resolved on 3 October 2019 to recommend to Council that the Policy for the appointment of consultants, 2019, after being workshopped and considered, be approved and adopted.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that the Policy for the appointment of consultants, 2019, after consideration, be approved and adopted.

Council unanimously resolved on 4 October 2019 that the matter in respect of the Policy for the appointment of consultants as per Cost Containment Regulations be held in abeyance and be workshopped by Council.

The matter was workshopped by Council on 29 October 2019.

UNANIMOUSLY RESOLVED

that the Policy for the appointment of consultants as per Cost Containment Regulations, 2019, after consideration, be approved and adopted.

8.3 Direktoraat Gemeenskapsdienste / Directorate Community Services

8.3.1 Housing: Witzenberg Municipal Housing Pipeline for 2019/2020 (05/06/1)

The following items refer:

(a) Item 9.1.4 of the meeting of the Committee for Housing Matters, held on 6 September 2018.

(b) Item 7.3.5 of the Executive Mayoral Committee meeting held on 30 October 2018.

(c) Item 8.3.7 of the Council meeting, held on 31 October 2018.

(d) Item 7.3.1 of the Executive Mayoral Committee meeting, held on 27 May 2019.

(e) Item 8.3.1 of the Council meeting, held on 30 May 2019.

(f) Item 7.3.1 of the Executive Mayoral Committee meeting held on 29 July 2019.

(g) Item 8.3.1 of the Council meeting, held on 31 July 2019.

(h) Item 7.3.1 of the Executive Mayoral Committee meeting held on 24 October 2019.

A memorandum from the Manager: Housing, dated 6 August 2018, is attached as **annexure 8.3.1**.

The Committee for Housing Matters resolved on 6 September 2018 to recommend to the Executive Mayoral Committee and Council:

that the Witzenberg Municipal Housing Pipeline for 2018/2019 be endorsed by Council.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that the Witzenberg Municipal Housing Pipeline for 2018/2019 be endorsed by Council.

The Executive Mayoral Committee resolved on 30 October 2018 that the matter regarding the Witzenberg Municipal Housing Pipeline for 2018/2019 be held in abeyance until the next meeting.

Council unanimously resolved on 31 October 2019 that the matter regarding the Witzenberg Municipal Housing Pipeline for 2018/2019 be held in abeyance until the next meeting.

The following recommendation was tabled to the Executive Mayoral Committee on 27 May 2019:

That the Executive Mayoral Committee recommends to Council:

that the Witzenberg Municipal Housing Pipeline for 2018/2019 be endorsed by Council.

The Executive Mayoral Committee resolved on 27 May 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the Witzenberg Municipal Housing Pipeline for 2018/2019 be held in abeyance until the next meeting.

Council unanimously resolved on 30 May 2019 that the matter in respect of the Witzenberg Municipal Housing Pipeline for 2018/2019 be held in abeyance until the next meeting.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that the Witzenberg Municipal Housing Pipeline for 2018/2019 be endorsed by Council.

The Executive Mayoral Committee resolved on 29 July 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the Witzenberg Municipal Housing Pipeline for 2018/2019 be held in abeyance until the next meeting.

Council unanimously resolved on 31 July 2019 that the matter regarding the Witzenberg Municipal Housing Pipeline for 2018/2019 be held in abeyance until the next meeting.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that the Witzenberg Municipal Housing Pipeline for 2018/2019 be endorsed by Council.

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council that the matter in respect of the Witzenberg Municipal Housing Pipeline for 2019/2020 be held in abeyance until the next meeting.

UNANIMOUSLY RESOLVED

that the matter in respect of the Witzenberg Municipal Housing Pipeline for 2019/2020 be held in abeyance until the next meeting.

8.3.2 Proposal for utilisation of Busy Bee Building: Erf 1567, Piet Retief Street, Tulbagh (7/1/4/1)

The following items refer:

(a) Item 7.1 of the meeting of the Committee for Local Economic Development and Tourism, held on 20 February 2019.

(b) Item 7.3.3 of the Executive Mayoral Committee meeting held on 26 February 2019.

(c) Item 8.3.5 of the Council meeting, held on 27 February 2019.

(d) Item 7.3.1 of the Executive Mayoral Committee meeting, held on 25 March 2019.

(e) Item 8.3.1 of the Council meeting, held on 26 March 2019.

(f) Item 7.3.1 of the Executive Mayoral Committee meeting, held on 27 May 2019.

(g) Item 8.3.2 of the Council meeting, held on 30 May 2019.

(h) Item 7.3.2 of the Executive Mayoral Committee meeting held on 29 July 2019.

(i) Item 8.3.2 of the Council meeting, held on 31 July 2019.

(j) Item 7.3.2 of the Executive Mayoral Committee meeting held on 24 October 2019.

The following memorandum, dated 27 September 2018, was received from the Acting Manager: Socio-Economic Development:

"Purpose

The purpose of the report is to determine the utilisation of the old Busy Bee building on erf 1567, Piet Retief Street, Tulbagh.

Background

The building on erf 1567, Piet Retief Street, Tulbagh (known as the Busy Bee building) has been vacant since 1st March 2018. DPSA Tulbagh was the previous lessee from 1 October 2013, with the lease not being renewed by the Witzenberg Council. The current lessee was obligated to evacuate the building by the end of February 2018.

Request

It is requested that the Witzenberg Council provides suggestions for the utilisation of the building.

Recommendation

A current proposal is on the table for the building to be provided to Tulbagh Tourism in order to utilise the building to expose local tourism entrepreneurs from Witzenville and Chris Hani to tourists visiting the area. The recommendation is also that the building must contribute towards economic transformation through tourism and skills impartation."

The Committee for Local Economic Development resolved on 20 February 2019 to recommend to the Executive Mayoral Committee and Council:

(a) that the Acting Manager: Socio-Economic Development investigates and takes control of the municipal assets at the Busy Bee Building, erf 1567, Piet Retief Street, Tulbagh.

(b) To recommend to the Executive Mayoral Committee and Council:

(i) that the building located on erf 1567, Piet Retief Street, Tulbagh be leased to Tulbagh Tourism in order to utilise the premises for local tourism, entrepreneurs from Witzenville and Chris Hani to get exposure to tourists visiting the area.

(ii) that the building supra (a) must contribute towards economic transformation through tourism and skills impartation.

(iii) that the Municipal Manager be mandated to sign the Service Level Agreement with Tulbagh Tourism.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(i) that the building located on erf 1567, Piet Retief Street, Tulbagh be leased to Tulbagh Tourism in order to utilise the premises for local tourism, entrepreneurs from Witzenville and Chris Hani to get exposure to tourists visiting the area.

(ii) that the building supra (a) must contribute towards economic transformation through tourism and skills impartation.

(iii) that the Municipal Manager be mandated to sign the Service Level Agreement with Tulbagh Tourism.

The Executive Mayoral Committee resolved on 26 February 2019 that the Executive Mayoral Committee recommends to Council:

that the matter in respect of the utilisation of the Busy Bee building on erf 1567, Piet Retief Street, Tulbagh be held in abeyance until the next meeting and the cost for repairs be determined and done.

Council resolved on 27 February 2019 that the matter in respect of the utilisation of the Busy Bee building on erf 1567, Piet Retief Street, Tulbagh be held in abeyance until the next meeting and the cost for repairs be determined and done.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(i) that the building located on erf 1567, Piet Retief Street, Tulbagh be leased to Tulbagh Tourism in order to utilise the premises for local tourism, entrepreneurs from Witzenville and Chris Hani to get exposure to tourists visiting the area.

(ii) that the building supra (a) must contribute towards economic transformation through tourism and skills impartation.

(iii) that the Municipal Manager be mandated to sign the Service Level Agreement with Tulbagh Tourism.

The Executive Mayoral Committee resolved on 25 March 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the proposal for utilisation of the Busy Bee building, situated on erf 1567, Piet Retief Street, Tulbagh be held in abeyance to obtain clarity and for further deliberations regarding the matter.

Council unanimously resolved on 26 March 2019 that the matter in respect of the proposal for utilisation of the Busy Bee building, situated on erf 1567, Piet Retief Street, Tulbagh be held in abeyance to obtain clarity and for further deliberations regarding the matter.

The following recommendation was tabled to the Executive Mayoral Committee on 27 May 2019:

That the Executive Mayoral Committee recommends to Council:

(i) that the building located on erf 1567, Piet Retief Street, Tulbagh be leased to Tulbagh Tourism in order to utilise the premises for local tourism, entrepreneurs from Witzenville and Chris Hani to get exposure to tourists visiting the area.

(ii) that the building supra (a) must contribute towards economic transformation through tourism and skills impartation.

(iii) that the Municipal Manager be mandated to sign the Service Level Agreement with Tulbagh Tourism.

The Executive Mayoral Committee resolved on 27 May 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the proposal for utilisation of the Busy Bee building, situated on erf 1567, Piet Retief Street, Tulbagh be held in abeyance until the next meeting.

Council unanimously resolved on 30 May 2019 that the matter in respect of the proposal for utilisation of the Busy Bee building, situated on erf 1567, Piet Retief Street, Tulbagh be held in abeyance until the next meeting.

The following recommendation was tabled to the Executive Mayoral Committee on 29 July 2019:

That the Executive Mayoral Committee recommends to Council:

(i) that the building located on erf 1567, Piet Retief Street, Tulbagh be leased to Tulbagh Tourism in order to utilise the premises for local tourism, entrepreneurs from Witzenville and Chris Hani to get exposure to tourists visiting the area.

(ii) that the building supra (a) must contribute towards economic transformation through tourism and skills impartation.

(iii) that the Municipal Manager be mandated to sign the Service Level Agreement with Tulbagh Tourism.

The Executive Mayoral Committee resolved on 29 July 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the proposal for utilisation of the Busy Bee building, situated on erf 1567, Piet Retief Street, Tulbagh be held in abeyance until the next meeting.

Council unanimously resolved on 31 July 2019 that the matter in respect of the proposal for utilisation of the Busy Bee building, situated on erf 1567, Piet Retief Street, Tulbagh be held in abeyance until the next meeting.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(i) that the building located on erf 1567, Piet Retief Street, Tulbagh be leased to Tulbagh Tourism in order to utilise the premises for local tourism, entrepreneurs from Witzenville and Chris Hani to get exposure to tourists visiting the area.

(ii) that the building supra (a) must contribute towards economic transformation through tourism and skills impartation.

(iii) that the Municipal Manager be mandated to sign the Service Level Agreement with Tulbagh Tourism.

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council that the matter regarding the Busy Bee Building, Tulbagh be held in abeyance until the next meeting.

UNANIMOUSLY RESOLVED

that the matter regarding the Busy Bee Building, Tulbagh be held in abeyance until the next meeting.

8.3.3 Witzenberg Municipality: Conditions for the hiring of Community Halls (17/8/3)

The following items refer:

(a) Item 7.2 of the meeting of the Committee for Community Development, held on 22 August 2019.

(b) Item 7.3.3 of the Executive Mayoral Committee meeting held on 24 October 2019.

A memorandum received from the Manager: Amenities and Environment, dated 11 July 2019, is attached as **annexure 8.3.3**.

The Committee for Community Development resolved on 22 August 2019 to recommend to the Executive Mayoral Committee and Council:

that the matter with regard to the conditions for hiring community halls in the Witzenberg Municipality be deliberated by Council.

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council that the matter regarding the conditions for the hiring of Community Halls be held in abeyance until the next meeting.

UNANIMOUSLY RESOLVED

that the matter regarding the conditions for the hiring of Community Halls be held in abeyance until the next meeting.

8.3.4 Draft Air Quality Management Plan: Review 2019 (17/1/4/P)

Item 7.3.4 of the Executive Mayoral Committee meeting, held on 24 October 2019, refers.

The following report, dated 15 October 2019, was received from the Environmental Officer:

"Background

The Air Quality Management Plan has to be reviewed every five years. The last time the Plan was tabled to and approved by Council was 28 May 2014. The Draft Air Quality Management Plan Review 2019 is attached as **annexure 8.3.4**.

Deliberation

A public notice was placed in the Witzenberg Herald that the Draft Air Quality Management Plan Review 2019 is available for inspection and public inputs on the municipal website and the various libraries and municipal offices. The closing date for comments is 1 November 2019. The Plan will be tabled to Council for approval after the Public Participation Process."

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council that notice be taken of the Draft Air Quality Management Plan Review 2019.

UNANIMOUSLY RESOLVED

that notice be taken of the Draft Air Quality Management Plan Review 2019.

8.4 Direktoraat Korporatiewe Dienste / Directorate Corporate Services

8.4.1 Council's immovable property: Long lease or alienation of Klip River Park Resort, Tulbagh (7/1/4/1)

The following items refer:

(a) Item 7.4.4 of the Executive Mayoral Committee meeting, held on 27 May 2019.
(b) Item 8.4.4 of the Council meeting, held on 30 May 2019.
(c) Item 7.4.1 of the Executive Mayoral Committee meeting held on 29 July 2019.
(d) Item 8.4.1 of the Council meeting, held on 31 July 2019.
(e) Item 7.4.1 of the Executive Mayoral Committee meeting held on 24 October 2019.

The following report, dated 22 May 2019, was received from the Municipal Manager:

"Purpose

To recommend to Council to consider extending the lease period of Klip River Park from 15 years to 30 years or alienating the property known as Klip River Park together with adjacent land in terms of Council's Supply Chain process.

Background

Council resolved per item 8.1.3 on 28 August 2008:

(i) That Klip River Park and surrounding land be retained as a holiday resort and a recreational area.

(ii) That possible developments to be requested from interested parties for consideration by Council in future.

(iii) That the report of the developers and interested parties be tabled to Council.

A Section 78 investigation as per the Municipal Systems Act of 2000 was then followed to look at the Council resolution with the view of entering into a private public partnership agreement. A report was compiled, which is attached as **annexure 8.4.1(a)**. The report recommended that Council should either alienate the said land or follow a PPP process. During discussions with various stakeholders and National Treasury the option of a PPP was eliminated because of the possible turnover of the project (was being regarded as too small). The item was referred back to Council and it was resolved to follow a Supply Chain process in terms whereof Klip River Park would be leased on a long term period of 30 years. The Supply Chain process was advertised on two occasions in both the National and Provincial newspapers without any success. An extract from the tender document which was then advertised, is attached as **annexure 8.4.1(b)**. Site meetings during the advertisement process were compulsory and at all the meetings there were community members claiming that Council's process was flawed and that they would create problems for any successful bidder. At the last site meeting there were two company representatives who flew from Johannesburg and whom had shown genuine interest in as a potential lessee. They have, however, not submitted any bids after the said site meetings. Some of the inputs received during the clarification meetings and also from potential interested parties were that the lease period was not long enough and that the capital investment required at the park would not make the park a viable option for the 15 year period.

The area for rental in terms of the said Council resolution is approximately 14.5 ha. A copy of a Google aerial photo is attached as **annexure 8.4.1(c)**.

The green section of Klip River Park is part of Galgeheuwel local Nature Reserve and cannot be developed whether the land is alienated or being part of a rental agreement. When the lease option was initially considered Council took into account the capital required to upgrade the park. At the time the park had to be re-electrified at a major cost. The swimming pool also required repairs which included a total replacement of the pump system. When the resort was operational it provided the following facilities:

(i) 18 Chalets
(ii) 69 Camping Sites
(iii) 4 Ablution blocks
(iv) Small office
(v) Swimming pool

Although the resort is not in operation there are two security guards guarding the property on a 24-hour basis. The cost of the security is approximately R35 000,00 per month. All the previous staff members were transferred and/or placed to other departments within the municipality. The previous report of 2010 has placed an evaluation of R5.2 million on the resort as well as the adjacent land. The resort forms part of commonage of Tulbagh. The municipal valuer has been requested for an updated valuation of the property in question.

Legal implication

If Council considers approving the long term lease agreement the process must be advertised in the local newspaper and submitted to Provincial and National Treasury for their comments as well. Council already took a decision that the land in question is not required for basic services as per the requirements of Section 14 of the Municipal Finance Management Act of 2003. The value of the land might be such that it will fall within the threshold of a special process that needs to be followed when such asset is alienated. In the latter instance it must also be advertised and Treasury must also be notified for inputs.

Financial implication

Council is not deriving any financial benefit from the property. Council in fact is losing money on the security spent as well as loss of potential income. Resorts are not a core function of Council."

The Executive Mayoral Committee resolved on 27 May 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the long lease or alienation of Klip River Park Resort, Tulbagh be held in abeyance until the next meeting.

Council unanimously resolved on 30 May 2019 that the matter in respect of the long lease or alienation of Klip River Park Resort, Tulbagh be held in abeyance until the next meeting.

The Executive Mayoral Committee resolved on 29 July 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the long lease or alienation of Klip River Park Resort, Tulbagh be held in abeyance until the next meeting.

Council unanimously resolved on 31 July 2019 that the matter in respect of the long lease or alienation of Klip River Park Resort, Tulbagh be held in abeyance until the next meeting and be workshopped by Council.

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council that the matter in respect of the long lease or alienation of Klip River Park Resort, Tulbagh be held in abeyance until the next meeting.

UNANIMOUSLY RESOLVED

that the matter in respect of the long lease or alienation of Klip River Park Resort, Tulbagh be held in abeyance until the next meeting.

8.4.2 Council's immovable property: Pigeon Society Clubhouse: Erf 496, Stamper Street, Wolseley
(7/1/4/1)

The following items refer:

(a) Item 6.4 of the meeting of the Committee for Corporate and Financial Services, held on 28 August 2019.

(b) Item 7.4.2 of the Executive Mayoral Committee meeting, held on 24 October 2019.

A memorandum from the Senior Legal Advisor, dated 21 January 2019, is attached as **annexure 8.4.2**.

The Committee for Corporate and Financial Services resolved on 28 August 2019 to recommend to the Executive Mayoral Committee and Council:

that Council considers the possibility of a potential Non-Governmental Organisation (NGO) in Ward 2 or 7 in need to lease the Pigeon Society Clubhouse on erf 496 in Stamper Street, Wolseley.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that Council considers the possibility of a potential Non-Governmental Organisation (NGO) in Ward 2 or 7 in need to lease the Pigeon Society Clubhouse on erf 496 in Stamper Street, Wolseley.

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council that the matter regarding the Pigeon Society Clubhouse, Wolseley be held in abeyance until the next meeting.

UNANIMOUSLY RESOLVED

that the matter regarding the Pigeon Society Clubhouse, Wolseley be held in abeyance until the next meeting.

8.4.3 Delimitation of wards 2019-2020 in preparation for 2021 Local Government elections (3/1/1/2)

A circular from the Municipal Demarcation Board, dated 7 October 2019, is attached as **annexure 8.4.3**.

UNANIMOUSLY RESOLVED

that Council takes notice, after consideration, of the circular from the Municipal Demarcation Board.

8.4.4 Personnel matters: Retirement Policy: Witzenberg Municipality (4/2/P & 1/3/1/32)

The following items refer:

(a) Item 4.4.1 of the Executive Mayoral Committee meeting, held on 3 October 2019.
(b) Item 4.4.1 of the Special Council meeting, held on 4 October 2019.

The proposed Retirement Policy for Witzenberg Municipality is attached as **annexure 8.4.4**.

The policy was workshopped by Council on 29 May 2019.

The Executive Mayoral Committee resolved on 3 October 2019 to recommend to Council that the Retirement Policy for Witzenberg Municipality, after consideration, be approved and adopted.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that the Retirement Policy for Witzenberg Municipality, after consideration, be approved and adopted.

Council unanimously resolved on 4 October 2019 that the matter in respect of the Retirement Policy for Witzenberg Municipality be held in abeyance until the next meeting.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that the Retirement Policy for Witzenberg Municipality, after consideration, be approved and adopted.

UNANIMOUSLY RESOLVED

that the Retirement Policy for Witzenberg Municipality be workshopped by Council and after that be tabled to Council for approval.

8.4.5 Personnel matters: Leave Policy: Witzenberg Municipality (4/2/P & 1/3/1/32)

The following items refer:

(a) Item 4.4.2 of the Executive Mayoral Committee meeting, held on 3 October 2019.
(b) Item 4.4.2 of the Special Council meeting, held on 4 October 2019.

The proposed Leave Policy for Witzenberg Municipality is attached as **annexure 8.4.5**.

The policy was workshopped by Council on 29 May 2019.

The Executive Mayoral Committee resolved on 3 October 2019 to recommend to Council that the Leave Policy for Witzenberg Municipality, after consideration, be approved and adopted.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that the Leave Policy for Witzenberg Municipality, after consideration, be approved and adopted.

Council unanimously resolved on 4 October 2019 that the matter in respect of the Leave Policy for Witzenberg Municipality be held in abeyance until the next meeting.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that the Leave Policy for Witzenberg Municipality, after consideration, be approved and adopted.

UNANIMOUSLY RESOLVED

that the Leave Policy for Witzenberg Municipality be workshopped by Council and after that be tabled to Council for approval.

8.4.6 Mayoral Bursary Fund Policy: Witzenberg Municipality (5/P)

The following items refer:

(a) Item 4.4.3 of the Executive Mayoral Committee meeting, held on 3 October 2019.
(b) Item 4.4.3 of the Special Council meeting, held on 4 October 2019.

The proposed Mayoral Bursary Fund Policy for Witzenberg Municipality is attached as **annexure 8.4.6**.

The policy was workshopped by Council on 29 May 2019.

The Executive Mayoral Committee resolved on 3 October 2019 to recommend to Council that the Mayoral Bursary Fund Policy for Witzenberg Municipality, after being workshopped and considered, be approved and adopted.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that the Mayoral Bursary Fund Policy for Witzenberg Municipality, after consideration, be approved and adopted.

Council unanimously resolved on 4 October 2019 that the matter in respect of the Mayoral Bursary Fund Policy for Witzenberg Municipality be held in abeyance until the next meeting.

The following recommendation was tabled to Council:

that the Mayoral Bursary Fund Policy for Witzenberg Municipality, after consideration, be approved and adopted.

UNANIMOUSLY RESOLVED

that the Mayoral Bursary Fund Policy for Witzenberg Municipality be workshopped by Council and after that be tabled to Council for approval.

8.4.7 Property exchange transaction: Erf 5957 Nduli and Nduli commonage (erf 5958), Ceres (7/1/1/1 & 7/1/4/2)

Item 7.4.3 of the Executive Mayoral Committee meeting, held on 24 October 2019, refers.

The following report, dated 22 October 2019, was received from the Municipal Manager:

"Purpose

To consider recommending to Council to approve a possible property exchange transaction between the owner of a portion of erf 5957, Nduli, Ceres and the Witzenberg Municipality who is the owner of a portion of the Nduli commonage, erf 5958.

Deliberation

Mr Petrus Johannes Mostert is the registered owner of erf 5957, Nduli, Ceres. A copy of the Deeds Registry enquiry to this effect is attached as **annexure 8.4.7(a)**.

A portion of this erf is covered with graves and is generally been regarded by the public as part of the Nduli cemetery. This confusion crept as a result of a fence that was erroneously erected as a border fence between the graveyard and the private erf. The owner is frustrated, because he cannot use his property for the purpose required. He has proposed, in an attempt to resolve the impasse, that the municipality considers alienating a portion of commonage 5958, which is reflected on the attached **annexure 8.4.7(b)** with an X, in favour of himself. The portion of the commonage marked with an X is the property where the mobile post office has been erected. (The post office has been vandalised and the indication is that it will not be repaired or replaced). The Post Office previously indicated, prior to the destruction of the building, that they will rather sub-lease the building than conducting any services themselves. The size of the property in question is 775 square metres.

The owner, Mr Mostert, will in exchange for the commonage transfer a portion of erf 5957, marked as Y on the Google map, to the municipality for incorporation to the graveyard. The size of the portion marked Y is 993 square metres. The proposal further includes that no financial considerations be given for the transfer of the properties.

Legal implication

The alienation of the municipal property must be dealt with in terms of Section 14 of the Municipal Finance Act. In this instance the municipality must take a decision that the property is not required for minimum service delivery. The municipality is currently impeding on the rights of the owner of erf 5957. The market value of the asset to be received will in any event be higher than the value of the asset to be alienated.

Financial implication

There will be no financial implications except for the cost of any subdivision, consolidation, transfer cost and any other incidental costs relating to the transfer of the property."

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council that the matter regarding a property exchange transaction in Nduli, Ceres be held in abeyance until the next meeting.

UNANIMOUSLY RESOLVED

that the matter regarding a property exchange transaction in Nduli, Ceres be held in abeyance until the next meeting.

8.4.8 Legislation: Amendments to AARTO Act
(17/7/4/P)

Item 7.4.4 of the Executive Mayoral Committee meeting, held on 24 October 2019, refers.

A memorandum from the Manager: Traffic Services, dated 29 August 2019, is attached as **annexure 8.4.8**.

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council that notice be taken of the current status of AARTO.

UNANIMOUSLY RESOLVED

that Council takes notice of the matter in respect of the amendments to the AARTO Act.

9. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA

None

NOTED

10. FORMAL AND STATUTORY MATTERS

10.1 Feedback on matters of outside bodies (3/R)

10.1.1 SALGA conference: Western Cape

The Executive Mayor gave the following feedback on the SALGA conference:

(a) That SALGA be authorised to institute action against the Pension Fund and make a decision on the current members. Councillors affected in the municipality are Councillors BC Klaasen, D Swart and Alderman JJ Visagie. The matter will be tabled to Council to deliberate on same.

(b) SALGA discussed the matter of water management in the Western Cape.

(c) SALGA discussed the status of the economy in the country and the impact thereof on municipalities as well as the expected announcements of the Minister of Finance.

(d) Meeting was adjourned earlier, because of unrest in Piketberg and could not continue on the second day.

NOTED

11. QUESTIONS and/or MATTERS RAISED by COUNCILLORS

11.1 Questions raised by Alderlady JT Phungula on behalf of ANC (3/1/2/2)

A list of questions received from the ANC Chief Whip, Alderlady JT Phungula, is attached as **annexure 11.1**.

(a) Mafoko Security

That a brief overview be given in respect of Mafoko Security with regard to the timeframe of the contract.

(b) Vacancy: Manager: Resorts and Swimming Pools

Questions were raised in respect of the filling of the vacant position of Manager: Resorts and Swimming Pools.

The Municipal Manager responded that nobody is acting due to a lack of criteria.

(c) EPWP Projects

That EPWP workers are requested to borrow money in exchange for jobs. Complaints have been made to Councillors that these workers do not know anything about their future.

(d) Abuse of women

Concern was expressed about the abuse of women and that the names of the culprits are known.

(e) Ward committees

Concern was expressed about the allocations of the wards in respect of the Cost Containment Regulations. The Executive Mayor mentioned that Ward Committee members had complained directly to the MEC.

(f) Year-end function for the elderly

The annual year-end function for the elderly has been terminated due to the Cost Containment Regulations.

RESOLVED

(a) that the matter in respect of the contract with Messrs Mafoko Security will be dealt with in detail at the next meeting.

(b) that the vacant position of Manager: Resorts and Swimming Pools will be advertised and filled.

(c) that more information in respect of the EPWP workers matter be given to the Municipal Manager to deal with same.

12. COUNCIL-IN-COMMITTEE

MINUTES OF THE COUNCIL MEETING OF WITZENBERG MUNICIPALITY, HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON WEDNESDAY, 11 DECEMBER 2019 AT 10:00

PRESENT

Councillors

Alderman TT Godden (Speaker)
Councillor BC Klaasen (Executive Mayor)
Alderman K Adams (Deputy Executive Mayor)
Councillor TE Abrahams
Councillor P Daniels
Councillor P Heradien
Councillor MD Jacobs
Councillor D Kinnear
Councillor GG Laban
Councillor C Lottering
Councillor M Mdala
Councillor TP Mgoboza
Councillor ZS Mzauziwa-Mdishwa
Councillor MJ Ndaba
Councillor N Phatsoane
Alderlady JT Phungula
Alderman JW Schuurman
Councillor EM Sidego
Councillor RJ Simpson
Alderman HJ Smit
Councillor D Swart
Councillor HF Visagie
Alderman JJ Visagie

Officials

Mr D Nasson (Municipal Manager)
Mr J Barnard (Director: Technical Services)
Mr M Mpeluza (Director: Corporate Services)
Mr W Mars (Acting Director: Finance)
Mr G Louw (Head: Internal Audit)
Ms L Nieuwenhuis (Manager: Legal Services)
Mr A Hofmeester (IDP Manager)
Mr CG Wessels (Manager: Administration)
Ms R Hendricks (Manager: Marketing and Communication)
Mr C Titus (Committee Clerk)
Ms MJ Prins (Acting Principal Administrative Officer)
Ms M Badela (Interpreter)

1. OPENING AND WELCOME

The Speaker welcomed everyone present after which he requested Councillor C Lottering to open the meeting with a prayer.

NOTED

2. LEAVE OF ABSENCE AND CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION

2.1 Consideration of application for leave of absence, if any (3/1/2/1)

An apology for absence from the meeting was received from the Acting Director: Finance.

UNANIMOUSLY RESOLVED

that the apology for absence from the meeting, received from the Acting Director: Finance, be approved and accepted.

2.2 Confidentiality and Conflict of Interest Declaration (3/2/1)

The Confidentiality and Conflict of Interest Declaration was signed by all Councillors.

Councillor BC Klaasen declared interest in terms of item 5.2 of the in-committee agenda, being the property of his wife.

NOTED

3. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED

3.1 Gratitude, Congratulations and Commiseration (11/4/3)

Council's congratulations were conveyed by Alderlady JT Phungula (on behalf of the ANC) and Councillor E Sidego (on behalf of Council) to the following Councillors and spouses on their birthdays:

- Councillor R Simpson 10 November
- Councillor T Mgoboza 15 November
- Councillor M Mdala 16 November
- Ms D Heradien 22 November
- Ms C Jacobs 5 December
- Alderman T Godden 10 December

NOTED.

3.2 Matters raised by the Speaker (09/1/1)

(a) The Speaker conveyed his best wishes to Council, Senior Management and the Administration for the Festive Season.

(b) The Speaker mentioned that a whippery meeting will be held to discuss and finalise the whippery system for future council meetings.

(c) The Speaker announced that all councillors are invited to the yearend function for Council after the meeting in the Pine Forest Resort.

NOTED

The DA component requested a caucus break from 10:25 until 10:35.

The ANC component requested a caucus break from 10:35 until 11:40.

3.3 Matters raised by the Executive Mayor
(09/1/1)

(a) The Executive Mayor referred to the outcomes of the court case in respect of the Pine Forest Resort and mentioned that the matter will be discussed by Council.

(b) The Executive Mayor mentioned that 2019 was a year with many challenges to overcome and it includes a provincial and national election. He expressed gratitude towards Council and the Administration for a job well done and wished everyone a blessed Festive Season and a prosperous new year.

NOTED

4. MINUTES

4.1 Approval of minutes
(3/1/2/3)

The minutes of the Council meeting, held on 30 October 2019, are attached as **annexure 4.1**.

The following recommendation was tabled to Council:

that the minutes of the Council meeting, held on 30 October 2019, be approved and signed by the Speaker.

UNANIMOUSLY RESOLVED

that the approval of the minutes of the Council meeting, held on 30 October 2019, be held in abeyance until the next meeting.

4.2 Outstanding matters (3/3/2)

Number	File reference	Heading, item no. and date	Directorate	Action	Progress	Target date
4.2.1	15/4/1/1/5	Item 11.1 of 26 March 2019 Ceres Golf Estate development	Municipal Manager	That the matter be held in abeyance to obtain further clarification and after that be submitted again.		
4.2.2	15/4/P	Item 8.2.4 of 31 July 2019 Proposed Integrated Zoning Scheme By-Law for Witzenberg	Manager: Town Planning and Building Control	(d) That the proposed draft Witzenberg Zoning Scheme By-Law and any comments received during public participation process be submitted to Council for consideration and final adoption.		31 January 2020

The Municipal Manager mentioned that a discussion was held between himself and Alderman JW Schuurman in respect of the Ceres Golf Estate. An item regarding the matter will be submitted to Council.

UNANIMOUSLY RESOLVED

(a) Item 4.2.1: Ceres Golf Estate development

that the Municipal Manager will submit an item in respect of the Ceres Golf Estate to Council.

(b) Item 4.2.2: Proposed Integrated Zoning Scheme By-Law

(i) that the matter in respect of the Proposed Integrated Zoning Scheme By-Law for Witzenberg be held in abeyance until the Council meeting of May 2020 with the approval of the Budget 2020/2021.

(ii) that the matter supra (i) be removed from the agenda for the interim period from December 2019 until May 2020.

5. MOTIONS AND NOTICE OF SUGGESTIONS

5.1 Mosie van wantroue in amp van Uitvoerende Burgemeester (3/2/2)

'n Mosie vanaf Raadslid G Laban (Witzenberg Aksie), gedateer 2 Desember 2019, word ingebind as **bylae 5.1**.

Die Speaker meld dat 'n foutiewe verwysing in terme van Artikel 40 van die Munisipale Strukture Wet (No. 117 van 1998) in die mosie voorkom en versoek dat die mosie gekorrigeer word met Artikel 58 van die genoemde wet.

Raadslid GG Laban stel voor en Raadsheer JW Schuurman sekondeer dat Raadslid BC Klaasen as Uitvoerende Burgemeester uit die amp verwyder word.

Raadsheer JJ Visagie stel voor en Raadsheer HJ Smit sekondeer dat Raadslid BC Klaasen nie as Uitvoerende Burgemeester uit die amp verwyder word nie.

Die Speaker reël 'n geheime stemming met stembriefies.

Na die stemming is die uitslag 'n gelykop van elf stemme elk vir die twee voorstelle met een stembrief in dispuut.

Die Speaker bring 'n beslissende stem uit en is die uitslag van die stemming soos volg:

- Twaalf (12) stemme ten gunste van die voorstel dat Raadslid BC Klaasen nie as Uitvoerende Burgemeester uit die amp verwyder word nie.
- Elf (11) stemme ten gunste van die voorstel dat Raadslid BC Klaasen as Uitvoerende Burgemeester uit die amp verwyder word.

BESLUIT

dat Raadslid BC Klaasen nie as die Uitvoerende Burgemeester van Munisipaliteit Witzenberg uit die amp verwyder word nie.

5.2 Mosie: Raadsheer TT Godden (COPE) (15/4/1/1/4/5)

Hierdie aangeleentheid word in-komitee hanteer.

AANGETEKEN.

6. INTERVIEWS WITH DELEGATIONS

None

NOTED

7. GEDELEGEERDE BEVOEGDHEDE / DELEGATED POWERS

7.1 Minutes: Committee meetings (03/3/2)

The reports/minutes of the following meetings are attached:

(a) Committee for Technical Services, held on 24 July 2019: **Annexure 7.1(a)**.

(b) Executive Mayoral Committee, held on 29 July 2019: **Annexure 7.1(b)**.

(c) Performance, Risk and Audit Committee, held on 16 August 2019: **Annexure 7.1(c)**.

(d) Municipal Public Accounts Committee, held on 20 August 2019: **Annexure 7.1(d)**.

(e) Executive Mayoral Committee, held on 21 August 2019: **Annexure 7.1(e)**.

(f) Committee for Community Development, held on 22 August 2019: **Annexure 7.1(f)**.

(g) Committee for Corporate and Financial Services, held on 22 August 2019: **Annexure 7.1(g)**.

(h) Committee for Local Economic Development and Tourism, held on 28 August 2019: **Annexure 7.1(h)**.

(i) Committee for Housing Matters, held on 28 August 2019: **Annexure 7.1(i)**.

(j) Performance, Risk and Audit Committee, held on 13 September 2019: **Annexure 7.1(j)**.

(k) Special Executive Mayoral Committee, held on 3 October 2019: **Annexure 7.1(k)**.

(l) Committee for Housing Matters, held on 15 October 2019: **Annexure 7.1(l)**.

(m) Committee for Local Economic Development and Tourism, held on 16 October 2019: **Annexure 7.1(m)**.

(n) Committee for Community Development, held on 17 October 2019: **Annexure 7.1(n)**.

(o) Committee for Corporate and Financial Services, held on 17 October 2019: **Annexure 7.1(o)**.

(p) Special Municipal Public Accounts Committee, held on 21 October 2019: **Annexure 7.1(p)**.

(q) Executive Mayoral Committee, held on 24 October 2019: **Annexure 7.1(q)**.

UNANIMOUSLY RESOLVED

that notice is taken, after consideration, of the minutes of the Committee meetings and same be accepted.

8. GERESERVEERDE BEVOEGDHEDE / RESERVED POWERS

8.1 Direktoraat Finansies / Directorate Finance

8.1.1 Section 71 Monthly Budget Statement Reports of the Directorate Finance: April, May, June and July 2019 (9/1/2/2)

The following items refer:

(a) Item 7.1 of the meeting of the Committee for Corporate and Financial Services, held on 25 July 2019.

(b) Item 8.1 of the Performance, Risk and Audit Committee meeting, held on 2 August 2019.

(c) Item 7.1 of the meeting of the Committee for Corporate and Financial Services, held on 22 August 2019.

(d) Item 8.1 of the Performance, Risk and Audit Committee meeting, held on 13 September 2019.

(e) Item 7.1.1 of the Executive Mayoral Committee meeting held on 24 October 2019.

(f) Item 8.1.1 of the Council meeting, held on 30 October 2019.

The following Section 71 Monthly Budget Statement Reports of the Directorate Finance are attached:

(a)	April 2019	**Annexure 8.1.1(a)**
(b)	May 2019	**Annexure 8.1.1(b)**
(c)	June 2019	**Annexure 8.1.1(c)**
(d)	July 2019	**Annexure 8.1.1(d)**

The Committee for Corporate and Financial Services resolved on 25 July 2019 that the Committee for Corporate and Financial Services recommends to the Executive Mayoral Committee and Council:

that the Committee for Corporate and Financial Services takes notice, after consideration, of the content of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May and June 2019 and same be accepted.

Extract from the minutes of the Performance, Risk and Audit Committee meeting, held on 2 August 2019:

"The Acting Chief Financial Officer tabled the Section 71 Monthly Budget Statement Reports for April, May and June 2019. The Performance, Risk and Audit Committee decided to focus on the June 2019 report and highlighted the following:

- That the total operational revenue for the period 1 July 2018 until 30 June 2019 is 92,86 %.
- That the total operational revenue for the period supra does not include the fines revenue which stands on R7 million material in nature.

- The problem of the fines revenue is municipal wide in all municipalities with high risks. The representative of AGSA mentioned that Treasury is in a process to assist municipalities with the problems to obtain documentation from the provincial traffic department.
- That the capital expenditure for the period 1 July 2018 until 30 June 2019 is 96,45 %.
- That government departments are repeatedly requested to pay their outstanding municipal monies, but with limited success.
- That the financial deviations in respect of Mafoko Security Services were due to the increase in vandalism, taxi violence and service delivery protest actions which necessitated armed response.

The Performance, Risk and Audit Committee resolved on 2 August 2019 that the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council:

that the Performance, Risk and Audit Committee takes notice of the Section 71 Monthly Budget Statement Reports for April, May and June 2019 and, after consideration, same be approved and accepted."

The Committee for Corporate and Financial Services resolved on 22 August 2019 that the Committee for Corporate and Financial Services recommends to the Executive Mayoral Committee and Council:

that the Committee for Corporate and Financial Services takes notice, after consideration, of the content of the Section 71 Monthly Budget Statement Report of the Directorate Finance for July 2019 and same be accepted.

Extract from the minutes of the Performance, Risk and Audit Committee meeting, held on 13 September 2019:

"The Manager: Financial Administration tabled the Section 71 Monthly Budget Statement Report for July 2019 and the following was highlighted:

- The Performance, Risk and Audit Committee requested that a comparison be shown between the current and the previous in terms of accounts amounting vs indigent cost (p. 6).
- That the YTD actuals and YTD budget (p. 10) do not correlate.
- That the bulk debt of the organs of state are property rates.

The Performance, Risk and Audit Committee resolved on 13 September 2019 to recommend to Council that the Performance, Risk and Audit Committee, after consideration, takes notice of the Section 71 Monthly Budget Statement Report of the Directorate Finance for July 2019."

The Executive Mayoral Committee resolved on 24 October to recommend to Council that notice be taken of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May, June and July 2019 and, after consideration, same be approved and accepted.

The Acting Chief Financial Officer presented the Section 71 Monthly Budget Statement Reports for April, May, June and July 2019. The following matters were highlighted:

- Questions were raised in respect of the tender awarded to Mafoko Security with regard to:
  - the period of the tender
  - the reasons for deviations to pay the company

The Acting Chief Financial Officer and Municipal Manager clarified the questions. Council requested that all relevant documentation in respect of the matter of the tender Mafoko Security be tabled to Council.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that notice be taken of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May, June and July 2019 and, after consideration, same be approved and accepted.

Council unanimously resolved on 30 October 2019:

(a) that the Municipal Manager submits all relevant documentation in respect of deviations in favour of Messrs Mafoko Security to Council.

(b) that the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May, June and July 2019 be held in abeyance until the next meeting.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that notice be taken of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May, June and July 2019 and, after consideration, same be approved and accepted.

UNANIMOUSLY RESOLVED

that the matter in respect of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May, June and July 2019 be held in abeyance until the next meeting.

8.1.2 Section 71 Monthly Budget Statement Reports of Directorate Finance: August and September 2019
(9/1/2/2)

The following items refer:

(a) Item 7.1 of the meeting of the Committee for Corporate and Financial Services, held on 17 October 2019.

(b) Item 8.1 of the Performance, Risk and Audit Committee meeting, held on 25 October 2019.

(c) Item 7.1 of the meeting of the Committee for Corporate and Financial Services, held on 21 November 2019.

(d) Item 7.1.1 of the Executive Mayoral Committee meeting, held on 4 December 2019.

The following Section 71 Monthly Budget Statement Reports of the Directorate Finance are attached:

(a) August 2019 **Annexure 8.1.2(a)**
(b) September 2019 **Annexure 8.1.2(b)**

Extract from the minutes of the Committee for Corporate and Financial Services meeting, held on 17 October 2019:

"The Acting Director: Financial Services presented the Section 71 Monthly Budget Statement Report for August 2019. The following were highlighted:

- The Committee expressed concern with regard to the high amounts of outstanding monies. The Municipal Manager explained that the matters of outstanding debtors as well as the water management devices in order to prevent further escalation of the outstanding money.

- That the Indigent Policy is currently on R3 500-00, but will possibly be decreased in future. Concern was expressed about jobless people receiving indigent allowances, but they do not inform the municipality when they are employed.

The Committee for Corporate and Financial Services resolved on 17 October 2019 to recommend to the Executive Mayoral Committee and Council that the Committee for Corporate and Financial Services takes notice, after consideration, of the content of the Section 71 Monthly Budget Statement Report of the Directorate Finance for August 2019 and same be approved and accepted."

Extract from the minutes of the Performance, Risk and Audit Committee meeting, held on 25 October 2019:

"The Acting Chief Financial Officer presented the Section 71 Monthly Budget Statement Reports for August and September 2019. The following matters were highlighted:

- That the municipality is cutting on expenses with regard to overtime.
- That the retirement age for female employees has been increased from 60 to 65 years, which affects expenditure in terms of benefits.
- Capital expenditure in first quarter of the budgeted capital expenditure on 6,89 % .
- The Acting Chief Financial Officer will report back to the Performance, Risk and Audit Committee with an explanation in terms of finance charges.
- The Acting Chief Financial Officer responded to the satisfaction of the Performance, Risk and Audit Committee on an enquiry in respect of the lack of figures for depreciation and asset impairment.
- The Municipal Manager reported satisfactorily with regard to appeals lodged for tenders.

The Performance, Risk and Audit Committee resolved on 25 October 2019 to recommend to Council that the Performance, Risk and Audit Committee takes notice, after consideration, of the Section 71 Monthly Budget Statement Reports for August and September 2019 and refers same to Council for consideration and approval."

The Committee for Corporate and Financial Services resolved on 21 November 2019 to recommend to the Executive Mayoral Committee and Council that the Committee for Corporate and Financial Services takes notice, after consideration, of the content of the Section 71 Monthly Budget Statement Report of the Directorate Finance for September 2019 and same be accepted.

The Executive Mayoral Committee resolved on 4 December 2019

(a) that the Executive Mayoral Committee takes notice, after consideration, of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for August and September 2019.

(b) that the Executive Mayoral Committee recommends to Council:

that, after consideration, the Section 71 Monthly Budget Statement Reports of the Directorate Finance for September and August 2019 be approved and accepted.

The following recommendation was tabled to Council:

that the Executive Mayoral Committee recommends to Council:

that, after consideration, the Section 71 Monthly Budget Statement Reports of the Directorate Finance for August and September 2019 be approved and accepted.

UNANIMOUSLY RESOLVED

that the matter in respect of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for August and September 2019 be held in abeyance until the next meeting.

8.1.3 Terms of Reference: Disciplinary Board for Financial Misconduct (5/P)

The following items refer:

(a) Item 7.1.7 of the Executive Mayoral Committee meeting, held on 29 July 2019.
(b) Item 8.1.9 of the Council meeting, held on 31 July 2019.
(c) Item 7.1.2 of the Executive Mayoral Committee meeting held on 24 October 2019.
(d) Item 8.1.3 of the Council meeting, held on 30 October 2019.
(e) Item 7.1.2 of the Executive Mayoral Committee meeting, held on 4 December 2019.

Council resolved on 27 August 2014:

(a) That a Board be established in terms of Government Gazette 37699 of 30 May 2014 to address any financial misconduct, as described in the Municipal Finance Management Act, in the municipality.

(b) That any investigation regarding financial irregularities applicable to councillors be conducted in terms of the Code of Conduct for Councillors as regulated by the Municipal Systems Act.

(c) That the Board does not consist of more than five members, as stated in the Regulations.

(d) That the Executive Mayoral Committee will have delegated powers to co-opt any person to the Board.

The Terms of Reference for the Disciplinary Board for Financial Misconduct, dated July 2019, is attached as **annexure 8.1.3**.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

That the Terms of Reference for the Disciplinary Board for Financial Misconduct, after consideration, be approved and accepted.

The Executive Mayoral Committee resolved on 29 July 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the Terms of Reference of the Disciplinary Board for Financial Misconduct be held in abeyance and be workshopped by the Executive Mayoral Committee and after that be submitted to Council with a recommendation.

Council unanimously resolved on 31 July 2019:

that the matter in respect of the Terms of Reference of the Disciplinary Board for Financial Misconduct be held in abeyance and be workshopped by the Executive Mayoral Committee and after that be submitted to Council with a recommendation.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

That the Terms of Reference for the Disciplinary Board for Financial Misconduct, after consideration, be approved and accepted.

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council that the matter in respect of the Disciplinary Board for Financial Misconduct be workshopped by Council.

Council unanimously resolved on 30 October 2019 that the matter in respect of the Disciplinary Board for Financial Misconduct be workshopped by Council.

The Executive Mayoral Committee resolved on 4 December 2019 to recommend to Council:

that the Terms of Reference for the Disciplinary Board for Financial Misconduct, after consideration, be approved and accepted.

UNANIMOUSLY RESOLVED

that the Terms of Reference for the Disciplinary Board for Financial Misconduct, after consideration, be approved and accepted.

8.1.4 Municipal Cost Containment Policy Framework (5/P)

Item 7.1.3 of the Executive Mayoral Committee meeting, held on 4 December 2019, refers.

The following report, dated 20 November 2019, was received from the Municipal Manager:

"The Draft Cost Containment Policy was workshopped by Council on 30 July 2019. In terms of the Cost Containment Regulations the municipality must adopt a Cost Containment Policy. The policy presented to Council is basically similar to the regulations. It is recommended and suggested that Council considers adopting the Cost Containment as a framework policy. Council has already adopted two separate policies that are linked to the Cost Containment Regulations, namely the Policy on the use of consultants as well as the Travel Management Policy."

The policy that was workshopped, is attached as **annexure 8.1.4**.

The Executive Mayoral Committee resolved on 4 December 2019 to recommend to Council:

that the Municipal Cost Containment Policy Framework, after consideration, be approved, but that the policy framework be amended in future if necessary.

UNANIMOUSLY RESOLVED

that the Municipal Cost Containment Policy Framework, after consideration, be approved, but that the policy framework be amended in future if necessary.

8.1.5 Quarterly Budget Statement [Section 52(d)] Report: 1st Quarter of 2019/2020 (1 July 2019 until 30 September 2019)
(9/1/2/2)

The following items refer:

(a) Item 7.1.4 of the Executive Mayoral Committee meeting, held on 24 October 2019.
(b) Item 8.2 of the PRAC meeting, held on 25 October 2019.
(c) Item 8.1.14 of the Council meeting, held on 30 October 2019.
(d) Item 7.1 of the MPAC meeting, held on 4 November 2019.

The Quarterly Budget Statement [Section 52(d)] Report for the 1st quarter of 2019/2020 is not attached as the document has already been tabled to Council.

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council:

(a) that notice be taken of the Quarterly Budget Statement Report in terms of Section 52(d) for the period 1 July 2019 until 30 September 2019.

(b) that the report be tabled to the Performance, Risk and Audit Committee and the Municipal Public Accounts Committee for their recommendations to Council.

The Performance, Risk and Audit Committee resolved on 25 October 2019 to recommend to Council that the Performance, Risk and Audit Committee takes notice, after consideration, of the Quarterly Budget Statement Report in terms of Section 52(d) for the period 1 July 2019 until 30 September 2019 and refers same to Council for consideration and approval.

Council unanimously resolved on 30 October 2019:

(a) that notice be taken of the Quarterly Budget Statement Report in terms of Section 52(d) for the period 1 July 2019 until 30 September 2019 and, after consideration, same be accepted.

(b) that the report be tabled to the Performance, Risk and Audit Committee and the Municipal Public Accounts Committee for their recommendations to Council.

Extract from the minutes of the MPAC meeting, held on 4 November 2019:

"The Municipal Public Accounts Committee (MPAC) considered the Section 52(d) Report for the period 1 July 2019 until 30 September 2019 and highlighted the following matters:

- The cash flow of the municipality is in order.
- That the investment amount stands on R96 million.
- That there is no major financial issues to report on.
- That the performance has met the expectations of Council and the community.
- That there is unspent capital on housing.
- That beneficiaries for houses at Vredebes will move in by end of November 2019.
- That rental stock will also be transferred.
- That the objectives (targets) of the municipality has been met.
- That the Cost Containment Regulations impacted negatively on the capital expenditure.
- That debt collection is a major concern.
- That the maintenance budget is high due to vandalism. The insurance refuse to pay.
- The Municipal Public Accounts Committee requested a report in terms of spending on vandalism.

The Municipal Public Accounts Committee resolved on 4 November to recommend to Council that notice be taken, after consideration, of the Section 52(d) Report of the 1st Quarter for 2019/2020 and same be approved and accepted."

UNANIMOUSLY RESOLVED

(a) that notice is taken that the Quarterly Budget Statement Report in terms of Section 52(d) for the period 1 July 2019 until 30 September 2019 has already been tabled to and accepted by Council on 30 October 2019.

(b) that notice is taken, after consideration, of the recommendations of the Performance, Risk and Audit Committee and the Municipal Public Accounts Committee to Council.

8.1.6 PRAC review: Fraud and Corruption Prevention Policy and Response Plan (5/14/P)

The following items refer:

(a) Item 7.1 of the Performance, Risk and Audit Committee meeting, held on 2 August 2019.

(b) Item 8.1.5 of the Council meeting, held on 30 October 2019.

In terms of the Fraud and Corruption Prevention Policy the Performance Risk and Audit Committee shall annually review this policy and determine its adequacy and effectiveness for current circumstances and recommend to Council for approval of any amendments that may be required.

The Fraud and Corruption Prevention Policy and Response Plan, dated July 2019, is attached as **annexure 8.1.6**.

The Head: Internal Audit tabled the Fraud and Corruption Prevention Policy for revision.

The Performance, Risk and Audit Committee resolved on 2 August 2019:

(a) that the Head: Internal Audit removes paragraph 10.5 from the policy.

(b) that the Performance, Risk and Audit Committee recommends to Council:

that the Performance, Risk and Audit Committee takes notice of the amendments to the Fraud and Corruption Prevention Policy and, after consideration, approved and accepted same.

The following recommendation was tabled to Council:

that notice be taken of the Fraud and Corruption Prevention Policy and Response Plan and, after consideration, same be approved and accepted.

Council unanimously resolved on 30 October 2019 that the matter in respect of the Fraud and Corruption Prevention Policy and Response Plan be held in abeyance and be workshopped by Council.

UNANIMOUSLY RESOLVED

that notice be taken of the Fraud and Corruption Prevention Policy and Response Plan and, after consideration, same be approved and accepted.

8.1.7 PRAC review: Fraud and Corruption Prevention Strategy (5/14/P)

The following items refer:

(a) Item 7.2 of the Performance, Risk and Audit Committee meeting, held on 2 August 2019.

In terms of the Fraud and Prevention Policy the Chief Risk Officer shall annually review the Fraud and Corruption Prevention Strategy and seek advice from the Performance Risk and Audit Committee to determine its adequacy and effectiveness for current circumstances and recommend to Council for approval of any amendments that may be required.

The Fraud and Corruption Prevention Strategy, dated 19 July 2019, is attached as **annexure 8.1.7**.

The Performance, Risk and Audit Committee resolved on 2 August 2019 that the Performance, Risk and Audit Committee recommends to Council:

that notice be taken of the Fraud and Corruption Prevention Strategy and, after consideration, approved and accepted same.

The following recommendation was tabled to Council:

that notice be taken of the Fraud and Corruption Prevention Strategy and, after consideration, same be approved and accepted.

Council unanimously resolved on 30 October 2019 that the matter in respect of the Fraud and Corruption Prevention Strategy be held in abeyance and be workshopped by Council.

UNANIMOUSLY RESOLVED

that notice be taken of the Fraud and Corruption Prevention Strategy and, after consideration, same be approved and accepted.

8.1.8 PRAC review: Whistle Blowing Policy (5/14/P)

The following items refer:

(a) Item 7.3 of the Performance, Risk and Audit Committee meeting, held on 2 August 2019.

(b) Item 8.1.7 of the Council meeting, held on 30 October 2019.

In terms of the Whistle Blowing Policy the Performance and Risk Audit Committee shall annually review this policy and determine its adequacy and effectiveness for current circumstances and recommend to Council for approval of any amendments that may be required.

The Performance, Risk and Audit Committee resolved on 2 August 2019 that the Whistle Blowing Policy be updated and amended and after that be tabled to Council for adoption.

The amended Whistle Blowing Policy, dated July 2019, is attached as **annexure 8.1.8**.

The following recommendation was tabled to Council:

that notice be taken of the Whistle Blowing Policy and, after consideration, same be approved and accepted.

Council unanimously resolved on 30 October 2019 that the matter in respect of the Whistle Blowing Policy be held in abeyance and be workshopped by Council.

UNANIMOUSLY RESOLVED

that notice be taken of the Whistle Blowing Policy and, after consideration, same be approved and accepted.

8.1.9 Municipal Public Accounts Committee (MPAC) Charter: July 2019 (02/01/2)

The following items refer:

(a) Item 7.2 of the Municipal Public Accounts Committee meeting, held on 20 August 2019.
(b) Item 8.1.13 of the Council meeting, held on 30 October 2019.

A report from the Head: Internal Audit regarding the Municipal Public Accounts (MPAC) Charter, dated July 2019, is attached as **annexure 8.1.9**.

The Head: Internal Audit submitted the Municipal Public Accounts Committee (MPAC) Charter.

The Municipal Public Accounts Committee resolved on 20 August 2019 that the Committee for Municipal Public Accounts Committee recommends to Council:

that the Municipal Public Accounts Committee (MPAC) after consideration, takes notice of the Municipal Public Accounts Committee (MPAC) Charter and same be approved and accepted.

The following recommendation was tabled to Council:

that notice be taken of the Municipal Public Accounts Committee (MPAC) Charter and, after consideration, same be approved and accepted.

Council unanimously resolved on 30 October 2019 that the matter in respect of the Municipal Public Accounts Committee (MPAC) Charter, dated July 2019, be held in abeyance and be workshopped by Council.

The following recommendation was tabled to Council:

that notice be taken of the Municipal Public Accounts Committee (MPAC) Charter and, after consideration, same be approved and accepted.

UNANIMOUSLY RESOLVED

that the matter in respect of the Municipal Public Accounts Committee (MPAC) Charter be held in abeyance until the next meeting.

8.1.10 PRAC 2nd Bi-Annual Performance Management Report: 2018/2019 (5/14/4)

The PRAC Second Bi-Annual Performance Management Report to Council for 2018/2019, dated November 2019, is attached as **annexure 8.1.10**.

The following recommendation was tabled to Council:

that the PRAC Second Bi-Annual Performance Management Report for 2018/2019, after consideration, be approved and accepted.

UNANIMOUSLY RESOLVED

that the matter in respect of the PRAC Second Bi-Annual Performance Management Report for 2018/2019 be held in abeyance until the next meeting.

8.1.11 Reconnection of electricity over the festive period (5/12/1/R)

Item 7.1.4 of the Executive Mayoral Committee meeting, held on 4 December 2019, refers.

Purpose

To consider the reconnection of all electricity consumers over the festive period from 20 December 2019 until 3 January 2020.

Deliberation

It has become customary for Council to reconnect the electricity supply of defaulters over the festive period. This is in the spirit of goodwill and also to ensure that all households enjoy the festive season. In the past Council has drawn a distinction between the prepaid and the conventional consumers. In terms of the conventional consumers they must pay a deposit of R300.00 because the electricity is supplied in advance. If the deposit is not levied Council will incur a loss.

The Executive Mayoral Committee resolved on 4 December 2019 to recommend to Council:

(a) that the electricity of prepaid consumers be reconnected free of charge.

(b) that the electricity of the suspended conventional consumers be reconnected upon payment of a deposit of R300.00.

(c) that Council considers the period in which the concession of goodwill will run.

(d) that the Acting Chief Financial Officer ensures that the public be informed of the Council decision via notices placed at all municipal pay points.

UNANIMOUSLY RESOLVED

(a) that the electricity of prepaid consumers be reconnected free of charge.

(b) that the electricity of the suspended conventional consumers be reconnected upon payment of a deposit of R300-00.

(c) that the concession of goodwill runs from 20 December 2019 until 3 January 2020.

(d) that the Acting Chief Financial Officer ensures that the public be informed of the Council decision via notices placed at all municipal pay points.

8.1.12 Settling of Rand Merchant Bank (RMB) loan for Koekedouw Dam (16/2/1/1/1 & 5/4/R)

Council resolved per item 4.4 of 23 August 2019 that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam be referred to the Municipal Public Accounts Committee for an investigation and further discussions with the Chairperson of the Koekedouw Irrigation Board and after that a recommendation be made to Council.

The following documents are attached:

(a) Minutes of MPAC meeting, held on 21 October 2019: **Annexure 8.1.12(a)**.
(b) Minutes of MPAC meeting, held on 28 October 2019: **Annexure 8.1.12(b)**.
(c) Minutes of MPAC meeting, held on 4 November 2019: **Annexure 8.1.12(c)**.
(d) Report of MPAC on the matter: **Annexure 8.1.12(d)**.

UNANIMOUSLY RESOLVED

that the matter in respect of the settling of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam be held in abeyance until the necessary consultations have been done.

8.2 Direktoraat Tegniese Dienste / Directorate Technical Services

8.2.1 Waste Characterisation and Brand Audit Report (17/03/2)

The following items refer:

(a) Item 7.3 of the meeting of the Committee for Technical Services, held on 24 July 2019.
(b) Item 7.2.5 of the Executive Mayoral Committee meeting held, on 24 October 2019.
(c) Item 8.2.5 of the Council meeting, held on 30 October 2019.
(d) Item 7.2.2 of the Executive Mayoral Committee meeting, held on 4 December 2019.

The following documents are attached:

(a) Memorandum from the Senior Superintendent: Solid Waste and Cleansing Services, dated 4 June 2019: **Annexure 8.2.1(a)**.

(b) Waste Characterisation and Brand Audit Report, dated 10 May 2019: **Annexure 8.2.1(b)**.

The Committee for Technical Services resolved on 24 July 2019 that the Committee for Technical Services recommends to the Executive Mayoral Committee and Council:

(a) that the Wellington Association Against the Incinerator (WAAI) do a presentation to Council.

(b) that notice be taken of the Waste Characterisation and Brand Audit Report of the Witzenberg Waste Streams.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that the Wellington Association Against the Incinerator (WAAI) do a presentation to Council.

(b) that notice be taken of the Waste Characterisation and Brand Audit Report of the Witzenberg Waste Streams.

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council that the matter regarding the Waste Characterisation and Brand Audit Report be held in abeyance until the next meeting.

Council unanimously resolved on 30 October 2019 that the matter regarding the Waste Characterisation and Brand Audit Report be held in abeyance until the next meeting.

The Executive Mayoral Committee resolved on 4 December 2019 to recommend to Council:

(a) that the Wellington Association Against the Incinerator (WAAI) do a presentation to Council.

(b) that notice be taken of the Waste Characterisation and Brand Audit Report of the Witzenberg Waste Streams.

UNANIMOUSLY RESOLVED

(a) that the Wellington Association Against the Incinerator (WAAI) do a presentation to Council.

(b) that notice be taken of the Waste Characterisation and Brand Audit Report of the Witzenberg Waste Streams.

8.2.2 Notariële akte van serwituut en samewerkingsooreenkoms: Ceres Koekedouw Besproeiingsraad: Koekedouw Dam (16/2/1/1/1)

Item 7.2.4 van die vergadering van die Uitvoerende Burgemeesterskomitee, gehou op 4 Desember 2019, verwys.

Die volgende dokumente word aangeheg:

(a) Memorandum vanaf Direkteur: Tegniese Dienste, gedateer 19 November 2019: **Bylae 8.2.2(a)**.

(b) Brief vanaf Koekedouw Besproeiingsraad, gedateer 22 Mei 2019: **Bylae 8.2.2(b)**.

(c) Brief aan Koekedouw Besproeiingsraad, gedateer 11 Junie 2019: **Bylae 8.2.2(c)**.

(e) E-pos vanaf Koekedouw Besproeiingsraad, gedateer 1 Oktober 2019: **Bylae 8.2.2(d)**.

Die Uitvoerende Burgemeesterskomitee het op 4 Desember 2019 besluit om by die Raad aan te beveel:

(a) Dat die Koekedouw Besproeiingsraad ingelig word dat 2 000 000 m³ water beskikbaar is vanaf Munisipaliteit Witzenberg se allokasie vir die tydperk 1 Januarie 2020 tot 30 April 2020 teen R0,51 per kubieke meter (BTW ingesluit), wat die goedgekeurde tarief van die Raad is.

(b) Dat die allokasie van 2 000 000 m³ vir die Koekedouw Besproeiingsraad in oorleg met die Direkteur: Tegniese Dienste maandeliks ingedeel word.

EENPARIGE BESLUIT

(a) dat die Koekedouw Besproeiingsraad ingelig word dat 2 000 000 m³ water beskikbaar is vanaf Munisipaliteit Witzenberg se allokasie vir die tydperk 1 Januarie 2020 tot 30 April 2020 teen R0,51 per kubieke meter (BTW ingesluit), wat die goedgekeurde tarief van die Raad is.

(b) dat die allokasie van 2 000 000 m³ vir die Koekedouw Besproeiingsraad in oorleg met die Direkteur: Tegniese Dienste maandeliks ingedeel word.

8.3 Direktoraat Gemeenskapsdienste / Directorate Community Services

None

NOTED

8.4 Direktoraat Korporatiewe Dienste / Directorate Corporate Services

8.4.1 Council recess: December 2019/January 2020
(3/1/2/3)

Item 7.4.2 of the Executive Mayoral Committee meeting, held on 4 December 2019, refers.

The Executive Mayoral Committee resolved on 4 December 2019 to recommend to Council:

that Council determines the recess period for the festive season of 2019/2020.

UNANIMOUSLY RESOLVED

that Council's recess period for the Festive Season 2019 will be from 12 December 2019 until 12 January 2020.

8.4.2 Personnel matters: Closure of municipal offices: 23, 24, 27, 30, 31 December 2019 and 2 January 2020
(4/2/8)

The following items refer:

(a) Item 10 of the Local Labour Forum meeting, held on 28 November 2019.
(b) Item 7.4.3 of the Executive Mayoral Committee meeting, held on 4 December 2019.

For the past number of years the municipal offices have been closed in December and January for the festive season.

The Director: Corporate Services proposed:

(a) That business hours on 20 December 2019 shall be from 08:00 until 16:00.

(b) That all employees be granted paid leave on 23, 24, 27, 30, 31 December 2019 and 2 January 2020.

(c) That essential services staff in all departments be on standby on 23, 24, 25, 27, 30, 31 December 2019 and 1 and 2 January 2020.

(d) That the municipality resumes full services on 3 January 2020.

The Local Labour Forum resolved on 28 November 2019 to recommend to the Executive Mayoral Committee and Council:

(a) That business hours on 20 December 2019 shall be from 08:00 until 16:00.

(b) That all employees be granted paid leave on 23, 24, 27, 30, 31 December 2019 and 2 January 2020.

(c) That essential services staff in all departments be on standby on 23, 24, 25, 27, 30, 31 December 2019 and 1 and 2 January 2020.

(d) that the municipality resumes full services on 3 January 2020 and the Library Services full services on 6 January 2020.

The Executive Mayoral Committee resolved on 4 December 2019 to recommend to Council:

(a) that business hours on 20 December 2019 shall be from 08:00 until 16:00.

(b) that all employees be granted paid leave on 23, 24, 27, 30, 31 December 2019 and 2 January 2020.

(c) that essential services staff in all departments be on standby on 23, 24, 25, 27, 30, 31 December 2019 and 1 and 2 January 2020.

(d) that the municipality resumes full services on 3 January 2020 and the Library Services full services on 6 January 2020.

UNANIMOUSLY RESOLVED

(a) that business hours on 20 December 2019 shall be from 08:00 until 16:00.

(b) that all employees be granted paid leave on 23, 24, 27, 30, 31 December 2019 and 2 January 2020.

(c) that essential services staff in all departments be on standby on 23, 24, 25, 27, 30, 31 December 2019 and 1 and 2 January 2020.

(d) that the municipality resumes full services on 3 January 2020 and the Library Services full services on 6 January 2020.

8.4.3 Council meeting program: January until March 2020 (3/1/2/3)

Item 7.4.4 of the Executive Mayoral Committee meeting, held on 4 December 2019, refers.

The following memorandum, dated 2 December 2019, was received from the Manager: Administration:

"**1. Purpose**

To obtain the approval of the Executive Mayoral Committee as well as Council for the proposed Council meeting program for January until March 2020.

2. For decision

Council.

3. Executive summary

The Council meeting program and meeting schedule for January until March 2020 is attached as **annexure 8.4.3**. The program is essentially similar to that of 2019. It is recommended that the attached program for the period January until March 2020 be approved. The SALGA Provincial Working Group meeting dates for February 2020 are included in the schedule. The other SALGA workshop dates are awaited and will be included when received. The final dates for the period April until December 2020 will thereafter be finalised.

Council is requested to approve the meeting program for January until March 2020. The Council meeting program of the Witzenberg Municipality has been synchronised with the meeting dates of the Cape Winelands District Municipality and is now submitted to Council for approval.

4. Discussion

4.1 Background and discussion

In terms of Section 19 of the Local Government Municipal Systems Act (Act 32 of 2000) the Municipal Manager must give notice to the public in a manner determined by the Municipal Council of the time, dates and venues of every ordinary meeting of the Council and special or urgent meetings of the Council except when time constraints make this impossible.

The proposed Council meeting program for January until March 2020 provides the list of scheduled meetings of Council, the Executive Mayoral Committee, the various Section 80 Committees, Municipal Public Accounts Committee (MPAC), Performance, Risk and Audit Committee (PRAC) and the Local Labour Forum (LLF) with the applicable time and date of the meetings.

Senior Management meetings are once again proposed to be held every Monday, Executive Mayoral Committee meetings on the first, second and third Tuesday of every month, Section 80 Committee meetings on the third Wednesday and Thursday of every month, but meetings of the Committee for Housing Matters on the last Thursday of the month, Council workshops on the day prior to the Council meeting and Council meetings on the last Wednesday of the month, depending on specific circumstances. Council meetings are also synchronised with the Council meetings of the Cape Winelands District Municipality.

4.2 Constitutional and policy implications

This program has no constitutional and policy implications for the municipality.

4.3 Environmental implications

This program has no environmental implications.

4.4 Financial implications

The monthly Council meetings are published in the local community newspaper, the cost of which is duly budgeted for.

4.5 Legal implications

In terms of Section 19 of the Local Government Municipals Systems Act (Act 32 of 2000) the Municipal Manager must give notice to the public in a manner determined by the Municipal Council of the time, date and venue of every ordinary meeting of the Council and special or urgent meetings of the Council except when time constraints make this impossible.

Council meetings are planned for every month except for June, September and November and this exceeds the minimum requirement of one meeting per quarter as prescribed.

All legislative and policy requirements are complied with."

The Executive Mayoral Committee resolved on 4 December 2019 to recommend to Council:

that the proposed Council meeting program for January until March 2020 be approved.

UNANIMOUSLY RESOLVED

that the Council meeting program for January until March 2020 be approved, but that the matter will be revisited at the next Council meeting.

8.4.4 Request for lease agreement: Erf 8069, Carson Street alley, Ceres (15/4/R & 7/1/4/1)

Council resolved per item 8.4.1 of 30 May 2019:

(a) that the matter in respect of the request for a lease agreement for erf 8069, Carson Street alley, Ceres be held in abeyance and that an offer to purchase be made to the owner.

(b) that in future Council will handle similar matters according to the same principle as supra (a).

UNANIMOUSLY RESOLVED

that a supply chain process be followed regarding the leasing of erf 8069, Carson Street alley, Ceres and a final decision about the matter be made by the Bid Adjudication Committee.

8.4.5 Ward delimitation public consultations
(3/1/1/2)

A letter from the Municipal Demarcation Board, dated 17 October 2019, is attached as **annexure 8.4.5**.

UNANIMOUSLY RESOLVED

that notice be taken that a public meeting of the Municipal Demarcation Board will be held on 12 February 2020 in the Town Hall, Ceres.

9. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA

9.1 Delimitation of wards in preparation of 2021 municipal elections: First set of draft wards
(3/1/1/2)

The following documents are attached:

(a) Memorandum from Manager: Projects and Performance, dated 28 November 2019: **Annexure 9.1(a)**.

(b) Correspondence from Municipal Demarcation Board: **Annexure 9.1(b)**.

(c) Maps of draft wards: **Annexure 9.1(c)**.

UNANIMOUSLY RESOLVED

that notice be taken of the first set of draft wards for the 2021 municipal elections.

10. FORMAL AND STATUTORY MATTERS

10.1 Feedback on matters of outside bodies
(3/R)

None

NOTED

11. QUESTIONS and/or MATTERS RAISED by COUNCILLORS

None

NOTED

12. COUNCIL-IN-COMMITTEE

MINUTES OF THE COUNCIL MEETING OF WITZENBERG MUNICIPALITY, HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON TUESDAY, 28 JANUARY 2020 AT 10:00

PRESENT

Councillors

Alderman TT Godden (Speaker) (COPE)
Councillor BC Klaasen (Executive Mayor) (DA)
Councillor TE Abrahams (DA)
Councillor P Daniels (DA)
Councillor MD Jacobs (EFF)
Councillor D Kinnear (DA)
Councillor GG Laban (Witzenberg Aksie Groep)
Councillor C Lottering (DA)
Councillor TP Mgoboza (ANC)
Councillor ZS Mzauziwa-Mdishwa (DA)
Councillor MJ Ndaba (ANC)
Councillor N Phatsoane (ANC)
Alderlady JT Phungula (ANC)
Alderman JW Schuurman (ANC)
Councillor EM Sidego (DA)
Councillor RJ Simpson (ANC)
Alderman HJ Smit (DA)
Councillor D Swart (DA)
Councillor HF Visagie (ANC)
Alderman JJ Visagie (DA)

Officials

Mr D Nasson (Municipal Manager)
Mr M Mpeluza (Director: Corporate Services)
Mr J Barnard (Director: Technical Services)
Mr A Raubenheimer (Acting Director: Finance)
Mr A Hofmeester (Manager: IDP)
Mr G Louw (Head: Internal Audit)
Ms L Nieuwenhuis (Manager: Legal Services)
Mr C Wessels (Manager: Administration)
Ms M Prins (Acting Principal Administrative Officer)
Mr C Titus (Committee Clerk)
Ms M Badela (Interpreter)

Other attendees

Mr A Allie (AGSA)

1. OPENING AND WELCOME

The Speaker welcomed everyone present after which he requested Councillor C Lottering to open the meeting with a prayer.

NOTED

2. LEAVE OF ABSENCE AND CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION

2.1 Consideration of application for leave of absence, if any (3/1/2/1)

Applications for leave of absence from the meeting were received from Alderman K Adams and Councillor P Heradien.

UNANIMOUSLY RESOLVED

that the applications for leave of absence from the meeting, received from Alderman K Adams and Councillor P Heradien, be approved and accepted.

2.2 Confidentiality and Conflict of Interest Declaration (3/2/1)

The Confidentiality and Conflict of Interest Declaration was signed by all Councillors.

NOTED

3. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED

3.1 Gratitude, Congratulations and Commiseration (11/4/3)

Alderman J Schuurman conveyed, on behalf of Council, congratulations to the following Councillors and spouses on their birthdays:

- Mr M Mdishwa 1 January
- Councillor B Klaasen 8 January
- Alderlady J Phungula 15 January
- Councillor H Visagie 18 January
- Ms F Adams 24 January
- Ms C Godden 25 January

NOTED.

3.2 Matters raised by the Speaker (09/1/1)

(a) The Speaker referred to the extreme high temperatures and requested the Administration to care for the employees working outside in the hot weather. The provision of water is important and will be appreciated.

(b) The Speaker welcomed all Councillors back from the festive season recess and expressed his gratitude for the safety of everyone.

(c) Alderlady J Phungula referred to the tragic deaths over the festive season in the Koue Bokkeveld and requested that in future the municipality conveys condolences through the municipal newsletter.

NOTED

3.3 Matters raised by the Executive Mayor (09/1/1)

The Executive Mayor welcomed all Councillors back in Council and wished them a successful and prosperous new year. He urged everyone to work hard and passionately to take our communities forward.

NOTED

4. MINUTES

4.1 Approval of minutes (3/1/2/3)

The following minutes are attached:

(a) Council meeting, held on 30 October 2019: **Annexure 4.1(a)**.
(b) Council meeting, held on 11 December 2019: **Annexure 4.1(b)**.

Council unanimously resolved on 11 December 2019 that the approval of the minutes of the Council meeting, held on 30 October 2019, be held in abeyance until the next meeting.

The following recommendation was tabled to Council:

that the minutes of the Council meetings, held on 30 October 2019 and 11 December 2019 respectively, be approved and signed by the Speaker.

UNANIMOUSLY RESOLVED

That the approval of the minutes of the Council meetings, held on 30 October 2019 and 11 December 2019 respectively, be held in abeyance until the next meeting.

4.2 Outstanding matters (3/3/2)

Alderman JW Schuurman mentioned that matters of the Pine Forest Resort court case and the Ceres Golf Estate are outstanding.

The Municipal Manager mentioned that the Pine Forest Resort court case matter is not outstanding. A meeting was held between the Municipal Manager and Alderman Schuurman and the report on the Ceres Golf Estate matter follows.

NOTED

5. MOTIONS AND NOTICE OF SUGGESTIONS

None

NOTED

6. INTERVIEWS WITH DELEGATIONS

6.1 Presentation: AGSA Audit Report: 2018/2019 (5/14/1/16)

Mr Ashiq Allie of the office of the Auditor-general of South Africa made a presentation in respect of the AGSA Audit Report for 2018/2019 and highlighted the following:

- The Witzenberg Municipality obtained for the seventh consecutive year a clean audit. He congratulated the Council, Municipal Manager and Administration.
- No material misstatements were found and that AGSA is satisfied with the financial statements for 2018/2019.
- No findings on pre-determined objectives, which are very good.
- A transferal finding in terms of Section 32 which, however, affected all municipalities. Circular 96 of the Treasury Department with regard to the use of contracts of another organ of state, also called "piggyback" contracts. It is due to difference in interpretation. The matter is a big concern amongst municipalities. Witzenberg Municipality has only two matters in this regard. The matter will be clarified in the time ahead.

Question: Is it better for the municipality to refrain from Section 32 transactions?

Answer: Given the uncertainty around it, it is better to wait for proper guidelines from National Treasury.

Question: Will AGSA have more focus on the EPWP projects of municipalities in the next audit?

Answer: No specific scope yet on the EPWP projects for the next audit. Will follow up on the matter.

Question: What is AGSA's opinion on the provision of civil litigation for the municipality?

Answer: At the end of the audit AGSA takes it to the lawyers to say what is the probabilities of the case. AGSA then looks at the GRAP requirements. Most cases are in the contingency liabilities than in the provision liabilities. National Treasury takes it from the lawyers to say on probability what is the success rate of the case. It is better to budget for liability in the case of uncertainty.

Question: The message of a clean audit is not always accepted well and with appreciation in the poor communities. They are unhappy with service delivery.

Answer: It is true that on the one hand we have a clean audit, but on the other hand the community does not see the service delivery. AGSA does not give an opinion on service delivery always, but ensures that everything is okay and in place.

Question: AGSA audit differently in different municipalities. At Witzenberg Municipality the focus in on supply chain, but at Breede Valley Municipality it is on something else. We recommend that AGSA focusses on a specific matter in all municipalities. That means that a clean audit is for a specific section and not for the entire municipality.

Answer: A lot of work still needs to be done to give everyone an idea what a clean audit involves. AGSA audits the same at all municipalities, but if there is a risk matter the focus of AGSA is on such a matter. AGSA is willing to inform Council on what a clean audit entails.

Question: The audit modus is to take samples. Can AGSA put more emphasis in the audit on performance management and service delivery?

Answer: The intention of the AGSA is to put more emphasis on service delivery.

Question: Did you find any unfunded mandate, which was funded by the municipality, in your audit for the municipality?

Answer: No unfunded mandate in the audit was found for the municipality in respect of expenditure.

UNANIMOUSLY RESOLVED

that Council took notice of the presentation in respect of the AGSA Audit Report for 2018/2019 and, after consideration, approved and accepted same.

7. GEDELEGEERDE BEVOEGDHEDE / DELEGATED POWERS

None

NOTED

8. GERESERVEERDE BEVOEGDHEDE / RESERVED POWERS

8.1 Direktoraat Finansies / Directorate Finance

8.1.1 Section 71 Monthly Budget Statement Reports of the Directorate Finance: April, May, June and July 2019 (9/1/2/2)

The following items refer:

(a) Item 7.1 of the meeting of the Committee for Corporate and Financial Services, held on 25 July 2019.

(b) Item 8.1 of the Performance, Risk and Audit Committee meeting, held on 2 August 2019.

(c) Item 7.1 of the meeting of the Committee for Corporate and Financial Services, held on 22 August 2019.

(d) Item 8.1 of the Performance, Risk and Audit Committee meeting, held on 13 September 2019.

(e) Item 7.1.1 of the Executive Mayoral Committee meeting held on 24 October 2019.

(f) Item 8.1.1 of the Council meeting, held on 30 October 2019.

(g) Item 8.1.1 of the Council meeting, held on 11 December 2019.

The following Section 71 Monthly Budget Statement Reports of the Directorate Finance are attached:

(a)	April 2019	**Annexure 8.1.1(a)**
(b)	May 2019	**Annexure 8.1.1(b)**
(c)	June 2019	**Annexure 8.1.1(c)**
(d)	July 2019	**Annexure 8.1.1(d)**

The Committee for Corporate and Financial Services resolved on 25 July 2019 that the Committee for Corporate and Financial Services recommends to the Executive Mayoral Committee and Council:

that the Committee for Corporate and Financial Services takes notice, after consideration, of the content of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May and June 2019 and same be accepted.

Extract from the minutes of the Performance, Risk and Audit Committee meeting, held on 2 August 2019:

"The Acting Chief Financial Officer tabled the Section 71 Monthly Budget Statement Reports for April, May and June 2019. The Performance, Risk and Audit Committee decided to focus on the June 2019 report and highlighted the following:

- That the total operational revenue for the period 1 July 2018 until 30 June 2019 is 92,86 %.
- That the total operational revenue for the period supra does not include the fines revenue which stands on R7 million material in nature.

- The problem of the fines revenue is municipal wide in all municipalities with high risks. The representative of AGSA mentioned that Treasury is in a process to assist municipalities with the problems to obtain documentation from the provincial traffic department.
- That the capital expenditure for the period 1 July 2018 until 30 June 2019 is 96,45 %.
- That government departments are repeatedly requested to pay their outstanding municipal monies, but with limited success.
- That the financial deviations in respect of Mafoko Security Services were due to the increase in vandalism, taxi violence and service delivery protest actions which necessitated armed response.

The Performance, Risk and Audit Committee resolved on 2 August 2019 that the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council:

that the Performance, Risk and Audit Committee takes notice of the Section 71 Monthly Budget Statement Reports for April, May and June 2019 and, after consideration, same be approved and accepted."

The Committee for Corporate and Financial Services resolved on 22 August 2019 that the Committee for Corporate and Financial Services recommends to the Executive Mayoral Committee and Council:

that the Committee for Corporate and Financial Services takes notice, after consideration, of the content of the Section 71 Monthly Budget Statement Report of the Directorate Finance for July 2019 and same be accepted.

Extract from the minutes of the Performance, Risk and Audit Committee meeting, held on 13 September 2019:

"The Manager: Financial Administration tabled the Section 71 Monthly Budget Statement Report for July 2019 and the following was highlighted:

- The Performance, Risk and Audit Committee requested that a comparison be shown between the current and the previous in terms of accounts amounting vs indigent cost (p. 6).
- That the YTD actuals and YTD budget (p. 10) do not correlate.
- That the bulk debt of the organs of state are property rates.

The Performance, Risk and Audit Committee resolved on 13 September 2019 to recommend to Council that the Performance, Risk and Audit Committee, after consideration, takes notice of the Section 71 Monthly Budget Statement Report of the Directorate Finance for July 2019."

The Executive Mayoral Committee resolved on 24 October to recommend to Council that notice be taken of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May, June and July 2019 and, after consideration, same be approved and accepted.

The Acting Chief Financial Officer presented the Section 71 Monthly Budget Statement Reports for April, May, June and July 2019. The following matters were highlighted:

- Questions were raised in respect of the tender awarded to Mafoko Security with regard to:
  - the period of the tender
  - the reasons for deviations to pay the company

The Acting Chief Financial Officer and Municipal Manager clarified the questions. Council requested that all relevant documentation in respect of the matter of the tender Mafoko Security be tabled to Council.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that notice be taken of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May, June and July 2019 and, after consideration, same be approved and accepted.

Council unanimously resolved on 30 October 2019:

(a) that the Municipal Manager submits all relevant documentation in respect of deviations in favour of Messrs Mafoko Security to Council.

(b) that the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May, June and July 2019 be held in abeyance until the next meeting.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that notice be taken of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May, June and July 2019 and, after consideration, same be approved and accepted.

Council unanimously resolved on 11 December 2019 that the matter in respect of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May, June and July 2019 be held in abeyance until the next meeting.

UNANIMOUSLY RESOLVED

that the matter in respect of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May, June and July 2019 be held in abeyance until the next meeting.

8.1.2 Section 71 Monthly Budget Statement Reports of Directorate Finance: August and September 2019
(9/1/2/2)

The following items refer:

(a) Item 7.1 of the meeting of the Committee for Corporate and Financial Services, held on 17 October 2019.

(b) Item 8.1 of the Performance, Risk and Audit Committee meeting, held on 25 October 2019.

(c) Item 7.1 of the meeting of the Committee for Corporate and Financial Services, held on 21 November 2019.

(d) Item 7.1.1 of the Executive Mayoral Committee meeting, held on 4 December 2019.

(e) Item 8.1.2 of the Council meeting, held on 11 December 2019.

The following Section 71 Monthly Budget Statement Reports of the Directorate Finance are attached:

(a) August 2019 **Annexure 8.1.2(a)**
(b) September 2019 **Annexure 8.1.2(b)**

Extract from the minutes of the Committee for Corporate and Financial Services meeting, held on 17 October 2019:

"The Acting Director: Financial Services presented the Section 71 Monthly Budget Statement Report for August 2019. The following were highlighted:

- The Committee expressed concern with regard to the high amounts of outstanding monies. The Municipal Manager explained that the matters of outstanding debtors as well as the water management devices in order to prevent further escalation of the outstanding money.

- That the Indigent Policy is currently on R3 500-00, but will possibly be decreased in future. Concern was expressed about jobless people receiving indigent allowances, but they do not inform the municipality when they are employed.

The Committee for Corporate and Financial Services resolved on 17 October 2019 to recommend to the Executive Mayoral Committee and Council that the Committee for Corporate and Financial Services takes notice, after consideration, of the content of the Section 71 Monthly Budget Statement Report of the Directorate Finance for August 2019 and same be approved and accepted."

Extract from the minutes of the Performance, Risk and Audit Committee meeting, held on 25 October 2019:

"The Acting Chief Financial Officer presented the Section 71 Monthly Budget Statement Reports for August and September 2019. The following matters were highlighted:

- That the municipality is cutting on expenses with regard to overtime.
- That the retirement age for female employees has been increased from 60 to 65 years, which affects expenditure in terms of benefits.
- Capital expenditure in first quarter of the budgeted capital expenditure on 6,89 % .
- The Acting Chief Financial Officer will report back to the Performance, Risk and Audit Committee with an explanation in terms of finance charges.
- The Acting Chief Financial Officer responded to the satisfaction of the Performance, Risk and Audit Committee on an enquiry in respect of the lack of figures for depreciation and asset impairment.
- The Municipal Manager reported satisfactorily with regard to appeals lodged for tenders.

The Performance, Risk and Audit Committee resolved on 25 October 2019 to recommend to Council that the Performance, Risk and Audit Committee takes notice, after consideration, of the Section 71 Monthly Budget Statement Reports for August and September 2019 and refers same to Council for consideration and approval."

The Committee for Corporate and Financial Services resolved on 21 November 2019 to recommend to the Executive Mayoral Committee and Council that the Committee for Corporate and Financial Services takes notice, after consideration, of the content of the Section 71 Monthly Budget Statement Report of the Directorate Finance for September 2019 and same be accepted.

The Executive Mayoral Committee resolved on 4 December 2019

(a) that the Executive Mayoral Committee takes notice, after consideration, of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for August and September 2019.

(b) that the Executive Mayoral Committee recommends to Council:

that, after consideration, the Section 71 Monthly Budget Statement Reports of the Directorate Finance for September and August 2019 be approved and accepted.

The following recommendation was tabled to Council:

that the Executive Mayoral Committee recommends to Council:

that, after consideration, the Section 71 Monthly Budget Statement Reports of the Directorate Finance for August and September 2019 be approved and accepted.

Council unanimously resolved on 11 December 2019 that the matter in respect of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for August and September 2019 be held in abeyance until the next meeting.

UNANIMOUSLY RESOLVED

that, after consideration, the Section 71 Monthly Budget Statement Reports of the Directorate Finance for August and September 2019 be approved and accepted.

8.1.3 Municipal Public Accounts Committee (MPAC) Charter with effect from July 2019 (02/01/2)

The following items refer:

(a) Item 7.2 of the Municipal Public Accounts Committee meeting, held on 20 August 2019.
(b) Item 8.1.13 of the Council meeting, held on 30 October 2019.
(c) Item 8.1.9 of the Council meeting, held on 11 December 2019.

A report from the Head: Internal Audit regarding the Municipal Public Accounts (MPAC) Charter, dated July 2019, is attached as **annexure 8.1.3**.

The Head: Internal Audit submitted the Municipal Public Accounts Committee (MPAC) Charter.

The Municipal Public Accounts Committee resolved on 20 August 2019 that the Committee for Municipal Public Accounts Committee recommends to Council:

that the Municipal Public Accounts Committee (MPAC) after consideration, takes notice of the Municipal Public Accounts Committee (MPAC) Charter and same be approved and accepted.

The following recommendation was tabled to Council:

that notice be taken of the Municipal Public Accounts Committee (MPAC) Charter and, after consideration, same be approved and accepted.

Council unanimously resolved on 30 October 2019 that the matter in respect of the Municipal Public Accounts Committee (MPAC) Charter, dated July 2019, be held in abeyance and be workshopped by Council.

The following recommendation was tabled to Council:

that notice be taken of the Municipal Public Accounts Committee (MPAC) Charter and, after consideration, same be approved and accepted.

Council unanimously resolved on 11 December 2019 that the matter in respect of the Municipal Public Accounts Committee (MPAC) Charter be held in abeyance until the next meeting.

The following recommendation was tabled to Council:

that notice be taken of the Municipal Public Accounts Committee (MPAC) Charter and, after consideration, same be approved and accepted.

UNANIMOUSLY RESOLVED

that the matter in respect of the MPAC Charter with effect from July 2019 be held in abeyance until the next meeting.

8.1.4 PRAC 2nd Bi-Annual Performance Management Report: 2018/2019 (5/14/4)

Item 8.1.10 of the Council meeting, held on 11 December 2019, refers.

The PRAC Second Bi-Annual Performance Management Report to Council for 2018/2019, dated November 2019, is attached as **annexure 8.1.4**.

The following recommendation was tabled to Council:

that the PRAC Second Bi-Annual Performance Management Report for 2018/2019, after consideration, be approved and accepted.

Council unanimously resolved on 11 December 2019 that the matter in respect of the PRAC Second Bi-Annual Performance Management Report for 2018/2019 be held in abeyance until the next meeting.

UNANIMOUSLY RESOLVED

that the PRAC Second Bi-Annual Performance Management Report for 2018/2019, after consideration, be approved and accepted.

8.1.5 Settling of Rand Merchant Bank (RMB) loan for Koekedouw Dam (16/2/1/1/1 & 5/4/R)

Item 8.1.12 of the Council meeting, held on 11 December 2019, refers.

Council resolved per item 4.4 of 23 August 2019 that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam be referred to the Municipal Public Accounts Committee for an investigation and further discussions with the Chairperson of the Koekedouw Irrigation Board and after that a recommendation be made to Council.

The following documents are attached:

(a) Minutes of MPAC meeting, held on 21 October 2019: **Annexure 8.1.5(a)**.
(b) Minutes of MPAC meeting, held on 28 October 2019: **Annexure 8.1.5(b)**.
(c) Minutes of MPAC meeting, held on 4 November 2019: **Annexure 8.1.5(c)**.
(d) Report of MPAC on the matter: **Annexure 8.1.5(d)**.

Council unanimously resolved on 11 December 2019 that the matter in respect of the settling of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam be held in abeyance until the necessary consultations have been done.

UNANIMOUSLY RESOLVED

that the matter in respect of the settling of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam be held in abeyance until the next meeting.

8.1.6 AGSA Audit Report: 2018/2019 (5/14/1/16)

Item 4.1 of the Special Performance, Risk and Audit Committee meeting, held on 29 November 2019, refers.

The AGSA Audit Report for 2018/2019 is attached as **annexure 8.1.6**.

Mr Ashiq Allie (AGSA) presented the AGSA Audit Report for 2018/2019 and highlighted the following matters:

- That Witzenberg Municipality had received a clean financial audit report for 2018/2019.
- That there is an overall regress in clean audits within municipalities.
- That there is a lack of registers at the Provincial Traffic Department for fines. AGSA requested that the municipality continues with discussions with the Department.
- That in terms of Section 32 of the Supply Chain in respect of piggy-back the different spheres of government will finalise the matter after the audit.
- That the municipality received a material finding in terms of irregular expenditure. A circular from Department Treasury was received very late, only in July 2019 after the financial year-end. Therefore the circular could not be in operation retrospectively.
- Concerns were expressed in respect of financial viability of the municipality.
- That there are currently no ongoing investigations and no fruitless and wasteful expenditure.
- No findings with regard to water and sanitation.

- That AGSA has looked into the indigent debtors. The Internal Audit team assisted with this.
- That the Bid Adjudication Committee needs to comply in terms of its structure. AGSA advised the municipality.
- AGSA expressed congratulations towards the municipality with obtaining a clean audit.
- The PRAC Chairperson responded likewise with gratitude towards AGSA. The Chairperson emphasised the requests that the views and concerns of the municipality in terms of the audit be conveyed.

The Performance, Risk and Audit Committee resolved on 29 November 2019 to recommend to Council:

that the Performance, Risk and Audit Committee took notice, after consideration, of the AGSA Audit Report for 2018/2019 and recommends same to Council for consideration.

UNANIMOUSLY RESOLVED

that the AGSA Audit Report for 2018/2019, after consideration, be approved by Council.

8.1.7 Draft Witzenberg Annual Report: 2018/2019
(5/14/2 & 9/1/1)

Item 7.1.1 of the Executive Mayoral Committee meeting, held on 23 January 2020, refers.

The following memorandum, dated 20 January 2020, was received from the Acting Director: Finance:

"Purpose

The purpose of this report is to table the draft annual report for 2018/2019 to Council.

Legislature framework

In terms of Section 127 (2) of the Municipal Finance Management Act (Act 56 of 2003), the Mayor of a municipality must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control.

Discussion

The draft annual report for 2018/2019 is attached as **annexure 8.1.7**."

The Executive Mayoral Committee resolved on 23 January 2020 to recommend to Council:

(a) That cognisance be taken of the Draft Witzenberg Municipality Annual Report for 2018/2019.

(b) That a public participation process be followed as prescribed by law.

(c) That the Municipal Public Accounts Committee compiles an oversight report on the Draft Annual Report as per its delegated powers, not later than **13 March 2020.**

UNANIMOUSLY RESOLVED

(a) That cognisance be taken of the Draft Witzenberg Municipality Annual Report for 2018/2019.

(b) That a public participation process be followed as prescribed by law.

(c) That the Municipal Public Accounts Committee compiles an oversight report on the Draft Annual Report as per its delegated powers.

8.1.8 Mid-year Budget Statement and Performance Assessment (Section 72) Report for period 1 July 2019 to 31 December 2019
(9/1/1 & 5/1/5/12)

Item 7.1.2 of the Executive Mayoral Committee meeting, held on 23 January 2020, refers.

The following memorandum, dated 20 January 2020, was received from the Acting Director: Finance:

"1. Purpose

The purpose of this report is to submit the mid-year budget and performance assessment for the period 1 July 2019 to 31 December 2019 to Council, for information.

2. Legislature framework

In terms of Section 72 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003):

'(1) The Accounting Officer of a municipality must by 25 January of each year:

(a) Assess the performance of the municipality during the first half of the financial year.

(b) Submit the report to the Mayor, National Treasury and Provincial Treasury.

The Mayor must, in terms of Section 54(1)(f) of the Act submit the report to the Council by 31 January of each year.

3. Discussion

The Mid-year report for the 2019/2020 financial year is attached as **annexure 8.1.8**."

The Executive Mayoral Committee resolved on 23 January 2020:

that the Executive Mayoral Committee takes cognisance of the Mid-year Budget Statement and Performance Assessment (Section 72) Report for 1 July 2019 to 31 December 2019 and recommends same to Council for information.

UNANIMOUSLY RESOLVED

that notice be taken of the Mid-year Budget Statement and Performance Assessment (Section 72) Report for 1 July 2019 to 31 December 2019.

8.1.9 Quarterly Budget Statement [Section 52(d)] Report: 2nd Quarter of 2019/2020 (1 October 2019 until 31 December 2019) (9/1/2/2)

Item 7.1.3 of the Executive Mayoral Committee meeting, held on 23 October 2020, refers.

The Quarterly Budget Statement [Section 52(d)] Report for the second quarter of 2019/2020 is attached as **annexure 8.1.9**.

The Executive Mayoral Committee resolved on 23 January 2020 to recommend to Council:

(a) that notice be taken of the Quarterly Budget Statement Report in terms of Section 52(d) for the period 1 October 2019 until 31 December 2019.

(b) that the report be referred to the Performance, Risk and Audit Committee and the Municipal Public Accounts Committee for their recommendations to Council.

UNANIMOUSLY RESOLVED

(a) that notice be taken of the Quarterly Budget Statement Report in terms of Section 52(d) for the period 1 October 2019 until 31 December 2019.

(b) that the report be referred to the Performance, Risk and Audit Committee and the Municipal Public Accounts Committee for their recommendations to Council.

8.2 Direktoraat Tegniese Dienste / Directorate Technical Services

8.2.1 Minutes of the meeting of Ceres Koekedouw Management Committee: 13 August 2019 (16/2/1/1/1)

The following items refer:

(a) Item 7.2 of the meeting of the Committee for Technical Services, held on 20 November 2019.

(b) Item 7.2.1 of the Executive Mayoral Committee meeting, held on 23 January 2020.

The minutes of the meeting of Ceres Koekedouw Management Committee, held on 13 August 2019, is attached as **annexure 8.2.1**.

The Committee for Technical Services resolved on 20 November 2019 to recommend to the Executive Mayoral Committee and Council:

that Council considers and takes notice of the minutes of the Ceres Koekedouw Management Committee meeting, held on 13 August 2019.

The Executive Mayoral Committee resolved on 23 January 2020 to recommend to Council:

that Council considers and takes notice of the minutes of the Ceres Koekedouw Management Committee meeting, held on 13 August 2019.

UNANIMOUSLY RESOLVED

that notice be taken, after consideration, of the minutes of the Ceres Koekedouw Management Committee meeting, held on 13 August 2019.

8.3 Direktoraat Gemeenskapsdienste / Directorate Community Services

8.3.1 Proposed erf 2622 for Schoonvlei SMME Business HUB: Corner of Bank and Forel Streets, Bella Vista, Ceres (7/1/4/1)

The following items refer:

(a) Item 7.1 of the meeting of the Committee for Local Economic Development and Tourism, held on 20 November 2019.

(b) Item 7.3.1 of the Executive Mayoral Committee meeting, held on 23 January 2020.

A memorandum from the Acting Manager: Socio-Economic Development, dated 4 November 2019, is attached as **annexure 8.3.1.**

The Committee for Local Economic Development and Tourism resolved on 20 November 2019 to recommend to the Executive Mayor and Council:

(a) that Council takes notice of the approved funding application from Witzenberg Municipality for the development of an SMME Small Business HUB in the Schoonvlei industrial area located in Bella Vista, Ceres.

(b) that Council considers to develop a Small Business HUB in Schoonvlei industrial area on erf 2622 on the corner of Bank and Forel Streets, Bella Vista, Ceres.

The Executive Mayoral Committee resolved on 23 January 2020 to recommend to Council:

(a) that Council takes notice of the approved funding application from Witzenberg Municipality for the development of an SMME Small Business HUB in the Schoonvlei industrial area located in Bella Vista, Ceres.

(b) that Council considers to develop a Small Business HUB in Schoonvlei industrial area on erf 2622 on the corner of Bank and Forel Streets, Bella Vista, Ceres.

Alderlady J Phungula requested Council to create more entrepreneurial opportunities for Nduli. Councillor T Abrahams ensured Council that all opportunities are open for everybody.

UNANIMOUSLY RESOLVED

(a) that Council takes notice of the approved funding application from Witzenberg Municipality for the development of an SMME Small Business HUB in the Schoonvlei industrial area located in Bella Vista, Ceres.

(b) that Council, after consideration, approved to develop a Small Business HUB in Schoonvlei industrial area on erf 2622 on the corner of Bank and Forel Streets, Bella Vista, Ceres.

8.3.2 Local Economic Development: Recommended names for Prince Alfred's Hamlet Business HUB units
(7/1/4/1)

The following items refer:

(a) Item 6.4 of the meeting of the Committee for Local Economic Development and Tourism, held on 16 October 2019.

(b) Item 7.2 of the meeting of the Committee for Local Economic Development and Tourism, held on 19 November 2019.

(c) Item 7.3.2 of the Executive Mayoral Committee meeting, held on 23 January 2020.

The Committee resolved on 16 October 2019:

(a) that the Acting Manager: Socio-Economic Development engages with the applicants by modus of a presentation and explains the layout of the business hub.

(b) that the Acting Manager: Socio-Economic Development, after the presentation supra (a), submits the names of the applicants to the Committee for Local Economic Development and Tourism for consideration.

A memorandum from the Acting Manager: Socio-Economic Development, dated 5 November 2019, is attached as **annexure 8.3.2**.

The Committee for Local Economic Development and Tourism resolved on 19 November 2019 to recommend to the Executive Mayoral Committee and Council:

(a) that the following type of business be approved and allocated in a single unit:

(i) Hair salon
(ii) Honey pollination
(iii) Production of security doors (welding)
(iv) Photography and;
(v) Fruit and vegetables

(b) that the tyre repair works and selling of tyre products business be approved and allocated in a double unit.

(c) that the Municipal Manager be mandated to determine a lease amount for the leasing of the Prince Alfred's Hamlet Business HUBS.

(d) that the lease amount <u>not</u> be market related in order to ensure and assist that the businesses can be successful.

(e) that the Municipal Manager and Acting Manager: Socio-Economic Development evaluate the success of the businesses when in operation.

The Executive Mayoral Committee resolved on 23 January 2020 to recommend to Council:

(a) that the following type of business be approved and allocated in a single unit:

(i) Hair salon
(ii) Beehive manufacturer
(iii) Production of security doors (welding)
(iv) Photography and;
(v) Fruit and vegetables

(b) that the tyre repair works and selling of tyre products business be approved and allocated in a double unit.

(c) that the Municipal Manager be mandated to determine a lease amount for the leasing of the Prince Alfred's Hamlet Business HUBS.

(d) that the lease amount not be market related from date of contract signing for two years in order to ensure and assist that the businesses can be successful, after which the lease amount will be revisited.

(e) that the Municipal Manager and Acting Manager: Socio-Economic Development evaluate the success of the businesses when in operation.

(f) that the Committee for Local Economic Development and Tourism determine the criteria to evaluate the success of the businesses when in operation.

UNANIMOUSLY RESOLVED

(a) that the following type of business be approved and allocated in a single unit:

(i) Hair salon
(ii) Beehive manufacturer
(iii) Production of security doors (welding)
(iv) Photography and;
(v) Fruit and vegetables

(b) that the tyre repair works and selling of tyre products business be approved and allocated in a double unit.

(c) that the Municipal Manager be mandated to determine a lease amount for the leasing of the Prince Alfred's Hamlet Business HUBS.

(d) that the lease amount not be market related from date of contract signing for two years in order to ensure and assist that the businesses can be successful, after which the lease amount will be revisited.

(e) that the Municipal Manager and Acting Manager: Socio-Economic Development evaluate the success of the businesses when in operation.

(f) that the Committee for Local Economic Development and Tourism determine the criteria to evaluate the success of the businesses when in operation.

8.4 Direktoraat Korporatiewe Dienste / Directorate Corporate Services

8.4.1 Council meeting program: February until December 2020 (3/1/2/3)

The following items refer:

(a) Item 8.4.3 of the Council meeting, held on 11 December 2019.
(b) Item 7.4.1 of the Executive Mayoral Committee meeting, held on 23 January 2020.

Council unanimously resolved on 11 December 2019 that the Council meeting program for January until March 2020 be approved, but that the matter will be revisited at the next Council meeting.

The following memorandum, dated 20 January 2020, was received from the Manager: Administration:

"**1. Purpose**

To obtain the approval of the Executive Mayoral Committee as well as Council for the proposed Council meeting program for February until December 2020.

2. For decision

Council.

3. Executive summary

The Council meeting program and meeting schedule for February until December 2020 is attached as **annexure 8.4.1**. The program differs from that of 2019 in order to create more flexibility to hold meetings on dates and times suitable for all involved. It is recommended that the attached program for the period February until December 2020 be approved. The SALGA Provincial Working Group meeting dates for 2020 are included in the schedule. Council is requested to approve the meeting program for February until December 2020. The Council meeting program of the Witzenberg Municipality has been synchronised with the meeting dates of the Cape Winelands District Municipality and is now submitted to Council for approval.

4. Discussion

4.1 Background and discussion

In terms of Section 19 of the Local Government Municipal Systems Act (Act 32 of 2000) the Municipal Manager must give notice to the public in a manner determined by the Municipal Council of the time, dates and venues of every ordinary meeting of the Council and special or urgent meetings of the Council except when time constraints make this impossible.

The proposed Council meeting program for February until December 2020 provides the list of scheduled meetings of Council, the various Section 80 Committees, Municipal Public Accounts Committee (MPAC), Performance, Risk and Audit Committee (PRAC) and the Local Labour Forum (LLF) with the applicable time and date of the meetings.

Senior Management meetings are once again proposed to be held every Monday, Section 80 Committee meetings every second month and normally on the third Wednesday and Thursday of the month, but meetings of the Committee for Housing Matters on the last Thursday of the month, Council workshops on the day prior to the Council meeting and Council meetings on the last Wednesday of the month, depending on specific circumstances. Executive Mayoral Committee meetings will be scheduled as necessary and determined by the Municipal Manager and Executive Mayor.

4.2 Constitutional and policy implications

This program has no constitutional and policy implications for the municipality.

4.3 Environmental implications

This program has no environmental implications.

4.4 Financial implications

The monthly Council meetings are published in the local community newspaper, the cost of which is duly budgeted for.

4.5 Legal implications

In terms of Section 19 of the Local Government Municipals Systems Act (Act 32 of 2000) the Municipal Manager must give notice to the public in a manner determined by the Municipal Council of the time, date and venue of every ordinary meeting of the Council and special or urgent meetings of the Council except when time constraints make this impossible.

Council meetings are planned for every month except for April, June, September and November and this exceeds the minimum requirement of one meeting per quarter as prescribed.

All legislative and policy requirements are complied with."

The Executive Mayoral Committee resolved on 23 January 2020 to recommend to Council:

that the proposed council meeting program for February until December 2020 be approved.

UNANIMOUSLY RESOLVED

that the proposed council meeting program for February until December 2020 be approved.

9. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA

9.1 Housing matters: Committee for Housing Matters and beneficiaries for Vredebes Housing Project (3/3/1/1 & 17/4/1/1/2/4)

Alderlady J Phungula expressed concern that the Committee for Housing Matters consists of only three (3) members in comparison with the other Portfolio Committees which consist of four (4) members.

Alderlady J Phungula expressed concern about the beneficiaries for the Vredebes Housing Project. People from Bella Vista and Wolseley are being settled, therefore the Nduli residents living in the informal settlement are very unhappy. The community is not allowed to raise their concerns due to the presence of Mafoko Security.

UNANIMOUSLY RESOLVED

that Alderlady J Phungula submit motions to Speaker in respect of her concerns regarding:

(i) members of the Committee for Housing Matters, and
(ii) the beneficiaries for the Vredebes Housing Project to be placed on the Council agenda.

The Speaker requested Council to submit written questions in good time to the office of the Speaker.

10. FORMAL AND STATUTORY MATTERS

10.1 Feedback on matters of outside bodies (3/R)

None

NOTED

11. QUESTIONS and/or MATTERS RAISED by COUNCILLORS

None

NOTED

12. COUNCIL-IN-COMMITTEE

MINUTES OF THE COUNCIL MEETING OF WITZENBERG MUNICIPALITY, HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON TUESDAY, 25 FEBRUARY 2020 AT 09:00

PRESENT

Councillors

Alderman TT Godden (Speaker) (COPE)
Councillor BC Klaasen (Executive Mayor) (DA)
Alderman K Adams (Deputy Executive Mayor) (DA)
Councillor TE Abrahams (DA)
Councillor P Daniels (DA)
Councillor MD Jacobs (EFF)
Councillor D Kinnear (DA)
Councillor C Lottering (DA)
Councillor M Mdala (ANC)
Councillor TP Mgoboza (ANC)
Councillor ZS Mzauziwa-Mdishwa (DA)
Councillor MJ Ndaba (ANC)
Councillor N Phatsoane (ANC)
Alderman JW Schuurman (ANC)
Councillor EM Sidego (DA)
Alderman HJ Smit (DA)
Councillor D Swart (DA)
Alderman JJ Visagie (DA)

Officials

Mr D Nasson (Municipal Manager)
Mr J Barnard (Director: Technical Services)
Mr M Mpeluza (Director: Corporate Services)
Mr A Raubenheimer (Acting Director: Finance)
Mr G Louw (Head: Internal Audit)
Ms L Nieuwenhuis (Manager: Legal Services)
Mr A Hofmeester (IDP Manager)
Mr CG Wessels (Manager: Administration)
Ms R Hendricks (Manager: Communication and Marketing)
Ms L Nieuwenhuis (Manager: Legal Services)
Mr C Titus (Committee Clerk)
Ms M Badela (Interpreter)

1. OPENING AND WELCOME

The Speaker welcomed everyone present after which he requested Councillor C Lottering to open the meeting with a prayer.

NOTED

2. LEAVE OF ABSENCE AND CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION

2.1 Consideration of application for leave of absence, if any (3/1/2/1)

Applications for leave of absence from the meeting were received from Alderlady JT Phungula (ANC) and Councillors HF Visagie (ANC), RJ Simpson (ANC) and GG Laban (Witzenberg Aksie).

UNANIMOUSLY RESOLVED

that the applications for leave of absence from the meeting, received from Alderlady JT Phungula (ANC) and Councillors HF Visagie (ANC), RJ Simpson (ANC) and GG Laban (Witzenberg Aksie), be approved and accepted.

2.2 Confidentiality and Conflict of Interest Declaration (3/2/1)

The Confidentiality and Conflict of Interest Declaration was signed by all Councillors.

NOTED

3. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED

3.1 Gratitude, Congratulations and Commiseration (11/4/3)

(a) Council's congratulations were conveyed by Councillor D Swart to the following Councillors and spouses on their birthdays:

- Ms N Ndaba 3 February
- Councillor MD Jacobs 7 February
- Councillor E Sidego 16 February
- Ms A Daniels 20 February
- Alderman H Smit 25 February

(b) The Executive Mayor conveyed, on behalf of Council and Administration, condolences to Mr Willem Cedras and his family on the passing of his son.

(c) Alderman J Schuurman conveyed condolences to the family of the young girl, Tazne of Elsies River, who was brutally raped and murdered by a parolee just released from prison.

NOTED.

3.2 Matters raised by the Speaker
(09/1/1)

The Speaker expressed serious concern with regard to the vandalism to municipal infrastructure assets. The behaviour of certain people is an embarrassment for the sacrifices and suffering made to obtain freedom and a better life for all. The Speaker called on Council to address this behavioural conduct at the schools, churches and at every possible opportunity.

NOTED

3.3 Matters raised by the Executive Mayor
(09/1/1)

(a) The Executive Mayor shared the wonder of jewels in the Witzenberg area and especially the story telling project in the Koue Bokkeveld. The Executive Mayor emphasised that despite the negative economic climate there are still many positive things to be proud of. The Executive Mayor called on Council to stay positive and urge everyone to involve the community and take them along in a positive manner.

(b) The Executive Mayor mentioned that in the next three years more budget cuts can be expected from the National Government. In order for Witzenberg Municipality to be successful in future the culture of municipal payment needs to be addressed.

(c) The Executive Mayor supported the plea of the Speaker with regard to the vandalism and mentioned the lack of appreciation and respect of the community for municipal assets. The Executive Mayor expressed his disappointment with the state of affairs in some communities in this regard. Council is invited to submit inputs in the coming budget on how to address this problem.

NOTED

3.4 Matters raised by the Municipal Manager

None

NOTED

4. MINUTES

4.1 Approval of minutes (3/1/2/3)

The following minutes are attached:

(a) Council meeting, held on 30 October 2019: **Annexure 4.1(a)**.
(b) Council meeting, held on 11 December 2019: **Annexure 4.1(b)**.

Council unanimously resolved on 11 December 2019 that the approval of the minutes of the Council meeting, held on 30 October 2019, be held in abeyance until the next meeting.

The following recommendation was tabled to Council:

that the minutes of the Council meetings, held on 30 October 2019 and 11 December 2019 respectively, be approved and signed by the Speaker.

Council unanimously resolved on 28 January 2020 that the approval of the minutes of the Council meetings, held on 30 October 2019 and 11 December 2019 respectively, be held in abeyance until the next meeting.

The minutes of the Council meeting, held on 28 January 2020, are attached as **annexure 4.1(c)**.

The following recommendation was tabled to Council:

That the following minutes be approved and signed by the Speaker:

(i) Council meeting, held on 30 October 2019.
(ii) Council meeting, held on 11 December 2019.
(iii) Council meeting, held on 28 January 2020.

UNANIMOUSLY RESOLVED

that the approval of the following minutes be held in abeyance until the next meeting:

(i) Council meeting, held on 30 October 2019.
(ii) Council meeting, held on 11 December 2019.
(iii) Council meeting, held on 28 January 2020.

5. MOTIONS AND NOTICE OF SUGGESTIONS

None

NOTED

6. INTERVIEWS WITH DELEGATIONS

None

NOTED

7. GEDELEGEERDE BEVOEGDHEDE / DELEGATED POWERS

7.1 Minutes: Committee meetings (03/3/2)

The minutes of the following meetings are attached:

(a) Performance, Risk and Audit Committee, held on 25 October 2019: **Annexure 7.1(a)**.

(b) Committee for Community Development, held on 21 November 2019: **Annexure 7.1(b)**.

(c) Special Performance, Risk and Audit Committee, held on 29 November 2019: **Annexure 7.1(c)**.

(d) Executive Mayoral Committee, held on 4 December 2019: **Annexure 7.1(d)**.

UNANIMOUSLY RESOLVED

that notice be taken of the minutes of the Committee meetings and same be accepted.

8. GERESERVEERDE BEVOEGDHEDE / RESERVED POWERS

8.1 Direktoraat Finansies / Directorate Finance

8.1.1 Municipal Public Accounts Committee (MPAC) Charter with effect from July 2019 (02/01/2)

The following items refer:

(a) Item 7.2 of the Municipal Public Accounts Committee meeting, held on 20 August 2019.
(b) Item 8.1.13 of the Council meeting, held on 30 October 2019.
(c) Item 8.1.9 of the Council meeting, held on 11 December 2019.
(d) Item 8.1.3 of the Council meeting, held on 28 January 2020.

A report from the Head: Internal Audit regarding the Municipal Public Accounts (MPAC) Charter, dated July 2019, is attached as **annexure 8.1.1**.

The Head: Internal Audit submitted the Municipal Public Accounts Committee (MPAC) Charter.

The Municipal Public Accounts Committee resolved on 20 August 2019 that the Committee for Municipal Public Accounts Committee recommends to Council:

that the Municipal Public Accounts Committee (MPAC) after consideration, takes notice of the Municipal Public Accounts Committee (MPAC) Charter and same be approved and accepted.

The following recommendation was tabled to Council:

that notice be taken of the Municipal Public Accounts Committee (MPAC) Charter and, after consideration, same be approved and accepted.

Council unanimously resolved on 30 October 2019 that the matter in respect of the Municipal Public Accounts Committee (MPAC) Charter, dated July 2019, be held in abeyance and be workshopped by Council.

The following recommendation was tabled to Council:

that notice be taken of the Municipal Public Accounts Committee (MPAC) Charter and, after consideration, same be approved and accepted.

Council unanimously resolved on 11 December 2019 that the matter in respect of the Municipal Public Accounts Committee (MPAC) Charter be held in abeyance until the next meeting.

The following recommendation was tabled to Council:

that notice be taken of the Municipal Public Accounts Committee (MPAC) Charter and, after consideration, same be approved and accepted.

Council unanimously resolved on 28 January 2020 that the matter in respect of the MPAC Charter with effect from July 2019 be held in abeyance until the next meeting.

The following recommendation was tabled to Council:

that notice be taken of the Municipal Public Accounts Committee (MPAC) Charter with effect from July 2019 and, after consideration, same be approved and accepted.

UNANIMOUSLY RESOLVED

that the matter in respect of the Municipal Public Accounts Committee (MPAC) Charter with effect from 1 July 2019 be workshopped by Council and after that be tabled for consideration.

8.1.2 Settling of Rand Merchant Bank (RMB) loan for Koekedouw Dam (16/2/1/1/1 & 5/4/R)

The following items refer:

(a) Item 8.1.12 of the Council meeting, held on 11 December 2019.

(b) Item 8.1.5 of the Council meeting, held on 28 January 2020.

(c) Item 3.1 of the Special Municipal Public Accounts Committee meeting, held on 24 February 2020.

Council resolved per item 4.4 of 23 August 2019 that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam be referred to the Municipal Public Accounts Committee for an investigation and further discussions with the Chairperson of the Koekedouw Irrigation Board and after that a recommendation be made to Council.

The following documents are attached:

(a) Minutes of MPAC meeting, held on 21 October 2019: **Annexure 8.1.2(a)**.
(b) Minutes of MPAC meeting, held on 28 October 2019: **Annexure 8.1.2(b)**.
(c) Minutes of MPAC meeting, held on 4 November 2019: **Annexure 8.1.2(c)**.
(d) Report of MPAC on the matter: **Annexure 8.1.2(d)**.

Council unanimously resolved on 11 December 2019 that the matter in respect of the settling of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam be held in abeyance until the necessary consultations have been done.

Council unanimously resolved on 28 January 2020 that the matter in respect of the settling of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam be held in abeyance until the next meeting.

The Municipal Public Accounts Committee resolved on 24 February 2020 to recommend to Council that the Municipal Public Accounts Committee (MPAC) takes notice of the report in respect of the settling of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam and, after consideration, recommend to Council to approve and accept same.

Council deliberated the matter in depth and various questions were raised in terms of:

(a) the evidence of an agreement;

(b) the stipulations of the loan;

(c) the original loan amount and the interests on that;

(d) the role of the Koekedouw Irrigation Board in the loan;

(e) the water rights;

(f) the calculations made by the Irrigation Board to get to R889 891-00;

(g) the influence of the liquidation on the former owner of Vredebes.

After a lengthy debate Council decided that a Special Council meeting will be held to resolve the matter.

The following recommendation was tabled to Council:

That the Municipal Public Accounts Committee recommends to Council:

that the Municipal Public Accounts Committee (MPAC) takes notice of the report in respect of the settling of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam and, after consideration, recommend to Council to approve and accept same.

UNANIMOUSLY RESOLVED

that a Special Council meeting be held to deliberate the settling of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam and to scrutinise all documents.

8.1.3 Proposed revisions to 2019/2020 Service Delivery and Budget Implementation Plan as per Section 54(1)(C) of MFMA
(5/1/5/12)

Item 7.1.1 of the Executive Mayoral Committee meeting, held on 24 February 2020, refers.

A memorandum from the Manager, Projects and Performance, dated 17 February 2020, is attached as **annexure 8.1.3**.

The Executive Mayoral Committee resolved on 24 February 2020 to recommend to Council that Council takes notice of the proposed revision to the 2019/2020 Service Delivery and Budget Implementation Plan as per Section 54(1)(C) of the Municipal Finance Management Act and approves and accepts same.

UNANIMOUSLY RESOLVED

that Council took notice of the proposed revision to the 2019/2020 Service Delivery and Budget Implementation Plan as per Section 54(1)(C) of the Municipal Finance Management Act and approved and accepted same.

8.1.4 Section 71 Monthly Budget Statement Reports of the Directorate Finance: April, May, June and July 2019
(9/1/2/2)

The following items refer:

(a) Item 7.1 of the meeting of the Committee for Corporate and Financial Services, held on 25 July 2019.

(b) Item 8.1 of the Performance, Risk and Audit Committee meeting, held on 2 August 2019.

(c) Item 7.1 of the meeting of the Committee for Corporate and Financial Services, held on 22 August 2019.

(d) Item 8.1 of the Performance, Risk and Audit Committee meeting, held on 13 September 2019.

(e) Item 7.1.1 of the Executive Mayoral Committee meeting held on 24 October 2019.

(f) Item 8.1.1 of the Council meeting, held on 30 October 2019.

(g) Item 8.1.1 of the Council meeting, held on 11 December 2019.

(h) Item 8.1.1 of the Council meeting, held on 28 January 2020.

The following Section 71 Monthly Budget Statement Reports of the Directorate Finance are attached:

(a)	April 2019	**Annexure 8.1.4(a)**
(b)	May 2019	**Annexure 8.1.4(b)**
(c)	June 2019	**Annexure 8.1.4(c)**
(d)	July 2019	**Annexure 8.1.4(d)**

The Committee for Corporate and Financial Services resolved on 25 July 2019 that the Committee for Corporate and Financial Services recommends to the Executive Mayoral Committee and Council:

that the Committee for Corporate and Financial Services takes notice, after consideration, of the content of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May and June 2019 and same be accepted.

Extract from the minutes of the Performance, Risk and Audit Committee meeting, held on 2 August 2019:

"The Acting Chief Financial Officer tabled the Section 71 Monthly Budget Statement Reports for April, May and June 2019. The Performance, Risk and Audit Committee decided to focus on the June 2019 report and highlighted the following:

- That the total operational revenue for the period 1 July 2018 until 30 June 2019 is 92,86 %.
- That the total operational revenue for the period supra does not include the fines revenue which stands on R7 million material in nature.

- The problem of the fines revenue is municipal wide in all municipalities with high risks. The representative of AGSA mentioned that Treasury is in a process to assist municipalities with the problems to obtain documentation from the provincial traffic department.
- That the capital expenditure for the period 1 July 2018 until 30 June 2019 is 96,45 %.
- That government departments are repeatedly requested to pay their outstanding municipal monies, but with limited success.
- That the financial deviations in respect of Mafoko Security Services were due to the increase in vandalism, taxi violence and service delivery protest actions which necessitated armed response.

The Performance, Risk and Audit Committee resolved on 2 August 2019 that the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council:

that the Performance, Risk and Audit Committee takes notice of the Section 71 Monthly Budget Statement Reports for April, May and June 2019 and, after consideration, same be approved and accepted."

The Committee for Corporate and Financial Services resolved on 22 August 2019 that the Committee for Corporate and Financial Services recommends to the Executive Mayoral Committee and Council:

that the Committee for Corporate and Financial Services takes notice, after consideration, of the content of the Section 71 Monthly Budget Statement Report of the Directorate Finance for July 2019 and same be accepted.

Extract from the minutes of the Performance, Risk and Audit Committee meeting, held on 13 September 2019:

"The Manager: Financial Administration tabled the Section 71 Monthly Budget Statement Report for July 2019 and the following was highlighted:

- The Performance, Risk and Audit Committee requested that a comparison be shown between the current and the previous in terms of accounts amounting vs indigent cost (p. 6).
- That the YTD actuals and YTD budget (p. 10) do not correlate.
- That the bulk debt of the organs of state are property rates.

The Performance, Risk and Audit Committee resolved on 13 September 2019 to recommend to Council that the Performance, Risk and Audit Committee, after consideration, takes notice of the Section 71 Monthly Budget Statement Report of the Directorate Finance for July 2019."

The Executive Mayoral Committee resolved on 24 October to recommend to Council that notice be taken of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May, June and July 2019 and, after consideration, same be approved and accepted.

The Acting Chief Financial Officer presented the Section 71 Monthly Budget Statement Reports for April, May, June and July 2019. The following matters were highlighted:

- Questions were raised in respect of the tender awarded to Mafoko Security with regard to:
  - the period of the tender
  - the reasons for deviations to pay the company

The Acting Chief Financial Officer and Municipal Manager clarified the questions. Council requested that all relevant documentation in respect of the matter of the tender Mafoko Security be tabled to Council.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that notice be taken of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May, June and July 2019 and, after consideration, same be approved and accepted.

Council unanimously resolved on 30 October 2019:

(a) that the Municipal Manager submits all relevant documentation in respect of deviations in favour of Messrs Mafoko Security to Council.

(b) that the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May, June and July 2019 be held in abeyance until the next meeting.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that notice be taken of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May, June and July 2019 and, after consideration, same be approved and accepted.

Council unanimously resolved on 11 December 2019 that the matter in respect of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May, June and July 2019 be held in abeyance until the next meeting.

Council unanimously resolved on 28 January 2020 that the matter in respect of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May, June and July 2019 be held in abeyance until the next meeting.

UNANIMOUSLY RESOLVED

that notice be taken of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for April, May, June and July 2019 and, after consideration, same be approved and accepted.

8.1.5 Finance: Adjustment budget 2019/2020 (5/1/1/18)

Item 7.1.2 of the Executive Mayoral Committee meeting, held on 24 February 2020, refers.

The following documents are attached:

(a) Memorandum from Acting Director: Finance, dated 17 February 2020: **Annexure 8.1.5(a)**.

(b) Adjustment budget: 2019/2020 – 2021/2022: **Annexure 8.1.5(b)**.

(c) Budget schedules: **Annexure 8.1.5(c)**.

The Executive Mayoral Committee resolved on 24 February 2020 to recommend to Council that the adjustment budget of Witzenberg Municipality for the financial year 2019/2020 as set out in the budget documents be approved:

(i) Table B1 - Budget summary;
(ii) Table B2 - Adjustment Budget Financial Performance (by standard classification)
(iii) Table B3 - Budgeted Financial Performance (Revenue and Expenditure) by Vote
(iv) Table B4 - Adjustment Budget Financial Performance (revenue by source)
(v) Table B5 - Budgeted Capital Expenditure by Vote, standard classification and funding.

UNANIMOUSLY RESOLVED

that the Adjustment budget of Witzenberg Municipality for the financial year 2019/2020 as set out in the budget documents be approved:

(i) Table B1 - Budget summary;
(ii) Table B2 - Adjustment Budget Financial Performance (by standard classification)
(iii) Table B3 - Budgeted Financial Performance (Revenue and Expenditure) by Vote
(iv) Table B4 - Adjustment Budget Financial Performance (revenue by source)
(v) Table B5 - Budgeted Capital Expenditure by Vote, standard classification and funding.

8.2 Direktoraat Tegniese Dienste / Directorate Technical Services

8.2.1 Terms of reference for a Recycling Forum for Witzenberg Municipality (17/3/2)

The following items refer:

(a) Item 7.3 of the meeting of the Committee for Technical Services, held on 20 November 2019.

(b) Item 7.2.2 of the Executive Mayoral Committee meeting, held on 23 January 2020.

A memorandum from the Senior Superintendent: Solid Waste and Cleansing Services, dated 30 September 2019, is attached as **annexure 8.2.1**.

The Committee for Technical Services resolved on 20 November 2019 to recommend to the Executive Mayoral Committee and Council:

that the Terms of Reference for a Recycling Forum for Witzenberg Municipality be approved by Council.

The Municipal Manager mentioned that a delegation from the town Essen in Belgium, with whom Witzenberg Municipality has a twinning agreement, will be visiting Witzenberg Municipality from 5 February 2020 in respect of recycling. The idea of the municipality is to support the smaller recycling companies, and this is all in line with the proposed Executive Mayoral strategic session.

The Executive Mayoral Committee resolved on 23 January 2020 to recommend to Council that the Terms of Reference for a Recycling Forum for Witzenberg Municipality be approved by Council.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that the Terms of Reference for a Recycling Forum for Witzenberg Municipality be approved by Council.

UNANIMOUSLY RESOLVED

that the matter in respect of the Terms of Reference for a Recycling Forum for Witzenberg Municipality be held in abeyance until the next meeting.

8.2.2 Policy for Work and the Installation of Services in the Road Reserve (16/04/4/6)

The following items refer:

(a) Item 7.4 of the meeting of the Committee for Technical Services, held on 20 November 2019.

(b) Item 7.2.3 of the Executive Mayoral Committee meeting, held on 23 January 2020.

The following documents are attached:

(a) Memorandum from the Manager: Streets and Storm Water, dated 4 November 2019: **Annexure 8.2.2(a)**.

(b) Policy for Work and the Installation of Services in the Road Reserve: **Annexure 8.2.2(b)**.

(c) Appendix A: List of Active Network Licensees in Witzenberg municipal area: **Annexure 8.2.2(c)**.

(d) Appendix B: Road works signing for urban streets: **Annexure 8.2.2(d)**.

(e) Appendix C: DCP Test Result Sheet: **Annexure 8.2.2(e)**.

(f) Appendix D: Occupational Health and Safety Specification for Construction Works Contracts: **Annexure 8.2.2(f)**.

(g) Form 1: Way leave Application Form, Form 1.1: Undertaking / Indemnity and Form 1.2: Certificate of Inspection and completion: **Annexure 8.2.2(g)**.

The Committee for Technical Services resolved on 20 November 2019 to recommend to the Executive Mayoral Committee and Council:

that the Policy for Work and the Installation of Services in the Road Reserve be workshopped by Council and after that be tabled to Council for adoption.

The Executive Mayoral Committee resolved on 23 January 2020 to recommend to Council that the Policy for Work and the Installation of Services in the Road Reserve be workshopped by Council and after that be tabled to Council for adoption.

The following recommendation was tabled to Council:

that the Policy for Work and the Installation of Services in the Road Reserve, after consideration, be approved and adopted by Council.

UNANIMOUSLY RESOLVED

that the matter in respect of the Policy for Work and the Installation of Services in the Road Reserve be workshopped by Council and after that be submitted for consideration.

8.2.3 Water restrictions: Tulbagh (16/2/1/5)

Item 7.2.2 of the Executive Mayoral Committee meeting, held on 24 February 2020, refers.

A memorandum from the Director: Technical Services, dated 22 January 2020, is attached as **annexure 8.2.3**.

The Executive Mayoral Committee resolved on 24 February 2020 to recommend to Council:

(a) that notice be taken of the contents of the report.

(b) that the Manager: Communication and Marketing be instructed to do awareness campaigns in this regard and inform the Tulbagh residents.

UNANIMOUSLY RESOLVED

(a) that notice be taken of the contents of the report.

(b) that the Manager: Communication and Marketing be instructed to do awareness campaigns in this regard and inform the Tulbagh residents.

8.2.4 Town planning: Proposed fencing: De Keur Centre, Ceres (15/4/R)

Item 7.2.3 of the Executive Mayoral Committee meeting, held on 24 February 2020, refers.

The following memorandum, dated 30 January 2020, was received from the Senior Manager: Town Planning and Building Control:

"The following documents are attached:

(a) Letter from Joubert van Vuuren, dated 13 December 2019: **Annexure 8.2.4(a)**.

(b) Letter to Mr Andre Mouton, dated 16 April 2019: **Annexure 8.2.4(b)**.

(c) Report from the Town Planner to the Committee for Technical Services dated 26 February 2019: **Annexure 8.2.4(c)**.

Discussion

Mr Andre Mouton, representing the De Keur Centre, requested municipal comment on a preliminary building plan for the erection of a street boundary fence.

A recommendation was made to the Council and on 26 March 2019 the following resolution was taken:

'UNANIMOUSLY RESOLVED

(a) that the application for a proposed street boundary fence on erf 7696 Ceres, illustrated by AXION drawing no 100-10, be refused having regard to Section 7(1)(b)(ii)(aa) of the National Building Regulations and Building Standards Act 103 of 1977.

(b) that the application is refused on the basis of having due regard to the proposal in its wider context considering that:

- the fence will be unsightly, objectionable; causing the area in which it is to be erected to be disfigured thereby.'

Subsequently a letter, dated 13 December 2019, was received from Joubert van Vuuren Attorneys urging Council to approve the proposed fencing or face a court application (letter attached as annexure A). The gist of Joubert van Vuuren's argument is as follows:

(a) Council's decision is subjective and unfairly discriminates against Mr Mouton.

(b) The owner has a legal duty to ensure the security and protection of its tenants and their customers.

(c) There are other fences in the main street that can be regarded as "unsightly, objectionable".

(d) There are many examples of shopping centres in other towns where fences have been approved.

(e) If the fence is not approved the internal appeal mechanism should be provided, after which process, if the fence is still not been approved, the instruction is to proceed with a court application against the Witzenberg Municipality.

Town Planner comment

Comment on the above-mentioned points of argument is as follow:

(a) The recommendation to refuse the fence does not seek to discriminate against Mr Mouton. It does not represent a personal opinion, but rather a well-reasoned consideration having regard to sound town planning principles. The concern is to maintain something of the special character of the town of Ceres in the face of many opposing pressures that threaten to damage the appearance of the main street. In addition it seeks to maintain the open character around the De Keur Centre allowing unfettered movement of people between the centre itself, the parking area and the business opposite the street. Movement is also necessary after hours when there is still activity from the Spur restaurant and people enjoying for example an evening walk around the centre. The decision is thus based not only on aesthetics, but also seeks to protect the convenience of the area.

(b) The majority of businesses in Ceres do not need fencing as a security measure and no convincing evidence is presented that the De Keur Centre is in fact in danger or faces a security threat.

(c) It is not contested that there are other fences in the main road. They are, however, not at the same scale as that of the proposed fence at the De Keur Centre. In considering a town planning matter each case needs to be considered on its own merits and one example of a fence cannot in itself justify that another is acceptable as each site is different and has its own set of circumstances.

(d) Each Council is free to decide matters in its own municipal area. Having street boundary fences at shopping centres in other towns is not motivation enough for having it in Ceres.

(e) Mr Mouton requested an opinion on whether the fence would be allowed and has not submitted formal building plans. Because the proposal is considered significant for the character of the main street of the town the matter was brought to Council for a decision. Mr Mouton can, once he has submitted formal plans for a decision, make an appeal in terms of the provisions of the National Building Regulations."

The Executive Mayoral Committee resolved on 24 February 2020 to recommend to Council that the application for a proposed street boundary fence on erf 7696, Ceres be refused.

UNANIMOUSLY RESOLVED

that the application for a proposed street boundary fence on erf 7696, Ceres be refused.

8.3 Direktoraat Gemeenskapsdienste / Directorate Community Services

None

NOTED

8.4 Direktoraat Korporatiewe Dienste / Directorate Corporate Services

8.4.1 Council's immovable property: Pigeon Society Clubhouse: Erf 496, Stamper Street, Wolseley (7/1/4/1)

The following items refer:

(a) Item 6.4 of the meeting of the Committee for Corporate and Financial Services, held on 28 August 2019.

(b) Item 7.4.2 of the Executive Mayoral Committee meeting, held on 24 October 2019.

(c) Item 8.4.2 of the Council meeting, held on 30 October 2019.

(d) Item 7.4.3 of the Executive Mayoral Committee meeting held on 24 February 2020.

A memorandum from the Senior Legal Advisor, dated 21 January 2019, is attached as **annexure 8.4.1**.

The Committee for Corporate and Financial Services resolved on 28 August 2019 to recommend to the Executive Mayoral Committee and Council:

that Council considers the possibility of a potential Non-Governmental Organisation (NGO) in Ward 2 or 7 in need to lease the Pigeon Society Clubhouse on erf 496 in Stamper Street, Wolseley.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that Council considers the possibility of a potential Non-Governmental Organisation (NGO) in Ward 2 or 7 in need to lease the Pigeon Society Clubhouse on erf 496 in Stamper Street, Wolseley.

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council that the matter regarding the Pigeon Society Clubhouse, Wolseley be held in abeyance until the next meeting.

Council unanimously resolved on 30 October 2019 that the matter regarding the Pigeon Society Clubhouse, Wolseley be held in abeyance until the next meeting.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

that Council considers the possibility of a potential Non-Governmental Organisation (NGO) in Ward 2 or 7 in need to lease the Pigeon Society Clubhouse on erf 496 in Stamper Street, Wolseley.

The Executive Mayoral Committee resolved on 24 February 2020 to recommend to Council that a Supply Chain process be followed in respect of the allocation of the Pigeon Society Clubhouse on erf 496, Stamper Street, Wolseley.

UNANIMOUSLY RESOLVED

that a Supply Chain process be followed in respect of the allocation of the Pigeon Society Clubhouse on erf 496, Stamper Street, Wolseley.

8.4.2 LA Retirement Fund: Annual General Meeting: 29 May 2020 (12/1/1/2)

Item 7.4.2 of the Executive Mayoral Committee meeting, held on 24 February 2020, refers.

A letter from the LA Retirement Fund, dated 24 January 2020, is attached as **annexure 8.4.2**.

The Executive Mayoral Committee resolved on 24 February 2020 to recommend to Council:

(a) that Alderman TT Godden be nominated to represent the municipality at the Annual General Meeting of the LA Retirement Fund on 29 May 2020 in Bellville.

(b) that Councillor MD Jacobs be nominated as the secundi to represent the municipality at the meeting supra (a).

UNANIMOUSLY RESOLVED

(a) that Alderman TT Godden be nominated to represent the municipality at the Annual General Meeting of the LA Retirement Fund on 29 May 2020 in Bellville.

(b) that Councillor MD Jacobs be nominated as the secundi to represent the municipality at the meeting supra (a).

8.4.3 Property exchange transaction: Erf 5957 Nduli and Nduli commonage (erf 5958), Ceres (7/1/1/1 & 7/1/4/2)

The following items refer:

(a) Item 7.4.3 of the Executive Mayoral Committee meeting, held on 24 October 2019.
(b) Item 8.4.7 of the Council meeting, held on 30 October 2019.
(c) Item 7.4.1 of the Executive Mayoral Committee meeting, held on 4 December 2019.
(d) Item 7.4.1 of the Executive Mayoral Committee meeting held on 24 February 2020.

The following report, dated 22 October 2019, was received from the Municipal Manager:

"Purpose

To consider recommending to Council to approve a possible property exchange transaction between the owner of a portion of erf 5957, Nduli, Ceres and the Witzenberg Municipality who is the owner of a portion of the Nduli commonage, erf 5958.

Deliberation

Mr Petrus Johannes Mostert is the registered owner of erf 5957, Nduli, Ceres. A copy of the Deeds Registry enquiry to this effect is attached as **annexure 8.4.3(a)**.

A portion of this erf is covered with graves and is generally been regarded by the public as part of the Nduli cemetery. This confusion crept as a result of a fence that was erroneously erected as a border fence between the graveyard and the private erf. The owner is frustrated, because he cannot use his property for the purpose required. He has proposed, in an attempt to resolve the impasse, that the municipality considers alienating a portion of commonage 5958, which is reflected on the attached **annexure 8.4.3(b)** with an X, in favour of himself. The portion of the commonage marked with an X is the property where the mobile post office has been erected. (The post office has been vandalised and the indication is that it will not be repaired or replaced). The Post Office previously indicated, prior to the destruction of the building, that they will rather sub-lease the building than conducting any services themselves. The size of the property in question is 775 square metres.

The owner, Mr Mostert, will in exchange for the commonage transfer a portion of erf 5957, marked as Y on the Google map, to the municipality for incorporation to the graveyard. The size of the portion marked Y is 993 square metres. The proposal further includes that no financial considerations be given for the transfer of the properties.

Legal implication

The alienation of the municipal property must be dealt with in terms of Section 14 of the Municipal Finance Act. In this instance the municipality must take a decision that the property is not required for minimum service delivery. The municipality is currently impeding on the rights of the owner of erf 5957. The market value of the asset to be received will in any event be higher than the value of the asset to be alienated.

Financial implication

There will be no financial implications except for the cost of any subdivision, consolidation, transfer cost and any other incidental costs relating to the transfer of the property."

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council that the matter regarding a property exchange transaction in Nduli, Ceres be held in abeyance until the next meeting.

Council unanimously resolved on 30 October 2019 that the matter regarding a property exchange transaction in Nduli, Ceres be held in abeyance until the next meeting.

The Executive Mayoral Committee resolved on 4 December 2019 that the matter regarding a property exchange transaction in Nduli, Ceres be held in abeyance for an in loco site inspection.

The Executive Mayoral Committee resolved on 24 February 2020 to recommend to Council that the matter in respect of the property exchange transaction between erf 5957, Nduli and Nduli commonage (erf 5958), Ceres be deliberated by Council and after that a resolution be taken.

The following recommendation was tabled to Council:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the property exchange transaction between erf 5957, Nduli and Nduli commonage (erf 5958), Ceres be deliberated by Council and after that a resolution be taken.

UNANIMOUSLY RESOLVED

that the matter in respect of the property exchange transaction between erf 5957, Nduli and Nduli commonage (erf 5958), Ceres be held in abeyance for a Public Participation Process and after that be tabled to Council for consideration.

9. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA

None

NOTED

10. FORMAL AND STATUTORY MATTERS

10.1 Feedback on matters of outside bodies (3/R)

None

NOTED

11. QUESTIONS and/or MATTERS RAISED by COUNCILLORS

Alderman JW Schuurman requested that the matter in respect of erf 2245 (26 Albert Crescent, Ceres) be attended to.

NOTED

12. COUNCIL-IN-COMMITTEE

MINUTES OF THE MEETING OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OF WITZENBERG MUNICIPALITY HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON MONDAY, 28 OCTOBER 2019 AT 14:00

PRESENT

Councillors

M. Jacobs (Chairperson)
Alderman J.W. Schuurman
C. Lottering
G. Laban

Officials

Mr. D. Nasson (Municipal Manager)
Mr J Barnard (Director: Technical Services)
Mr. A Raubenheimer (Acting Director: Finance)
Mr. M Mpeluza (Director: Corporate Services)
Mr. G. Louw (Head: Internal Auditor)
Mr. C. Wessels (Manager: Administration)
Mr. C Titus (Committee Clerk)

1. OPENING AND WELCOME

The Chairperson welcomed everyone present and requested Councillor C. Lottering to open the meeting with a prayer.

NOTED

2. CONSIDERATION OF APPLICATION FOR LEAVE OF ABSENCE, IF ANY (3/1/2/1)

An apology for absence from the meeting was received from the Senior Internal Auditor.

RESOLVED

that notice be taken of the apology for absence from the meeting, received from the Senior Internal Auditor and be accepted.

3. DELEGATED POWERS

None

NOTED

4. RESERVED POWERS

4.1 Settling of Rand Merchant Bank (RMB) loan for Koekedouw Dam (16/2/1/1/1 & 5/4/R)

The following items refer:

(a) Item 7.1.3 of the Executive Mayoral Committee meeting, held on 27 May 2019.

(b) Item 8.1.3 of the Council meeting, held on 30 May 2019.

(c) Item 7.1.2 of the Executive Mayoral Committee meeting, held on 29 July 2019.

(d) Item 8.1.2 of the Council meeting, held on 31 July 2019.

(e) Item 4.4 of the Special Executive Mayoral Committee meeting, held on 21 August 2019.

(f) Item 4.4 of the Special Council meeting, held on 23 August 2019.

(g) Item 3.1 of the Special Municipal Public Accounts Committee meeting, held on 21 October 2019.

The following memorandum, dated 20 May 2019, was received from the Manager: Water and Sewerage:

"Purpose

The purpose of this report is to inform Council regarding the settling option of the Rand Merchant Bank loan which was taken up by KBR (Koekedouw Irrigation Board) for the construction of the Koekedouw Dam.

Background

The Koekedouw Dam was constructed in 1999 as a joint venture between Witzenberg Municipality and the Koekedouw Irrigation Board. Both parties to this venture incurred loans to pay for their share of the construction cost. The loan taken up by Witzenberg Municipality has been settled in 2017.

Currently KBR is still paying off on their loan and Witzenberg Municipality is part of this repayment agreement in terms of our allocation for Vredebes farm. See **annexure 4.1(a)**.

The KBR management has met with RMB in order to negotiate a new financing model in order to settle the loan and minimize cost. The new financing model agreed to between the parties, and approved by KBR, is attached as **annexure 4.1(b)**.

This new option entails the settling of the loan once-off in order to cut out huge interest on the loan. As can be seen on the attached spreadsheet if we stay with the old financing model, KBR will make a total repayment of R348 628 396 on the initial loan. Currently the outstanding amount is R54 687 042.00, but this amount will escalate to R78 944 608.00 before it starts to decrease and eventually be settled in 2044. With the new financing model total repayment will be R83 152 706.00 resulting in a total saving of R265 475 690.00.

Legal framework

Because Witzenberg Municipality is part of KBR in terms of our allocation for Vredebes, we are also liable for the repayment of our portion of the loan from Rand Merchant Bank.

Financial impact

With the new financing model we will have a huge saving on the repayment of the loan. In terms of the old financing model we will be responsible for repayment of R4 052 646.00 whereas with the new financing model we will make a once-off payment of R889 891.98 to settle the loan, resulting in a saving of R3 162 754.02."

The Municipal Manager gave a background with regard to the matter of settling the Rand Merchant Bank (RMB) loan for the Koekedouw Dam. Further investigation in terms of the agreement will be done. This matter only recently arose and the loan was done before the purchase of Vredebes. The water rights were part of the agreement.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the new financing model option.
(b) That Witzenberg Municipality settles their portion of the loan with a once-off payment.

The Executive Mayoral Committee resolved on 27 May 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the settling of the Rand Merchant Bank loan for the Koekedouw Dam be held in abeyance until the matter has been properly investigated.

Councillor BC Klaasen mentioned that the outstanding arrear amount is based on calculations made by the Koekedouw Irrigation Board and that further investigations are necessary.

Council unanimously resolved on 30 May 2019 that the matter in respect of the settling of the Rand Merchant Bank loan for the Koekedouw Dam be held in abeyance until the matter has been properly investigated.

Further report from Municipal Manager, dated 24 July 2019:

"Since the last Executive Mayoral Committee and council meetings Administration has attempted to obtain written agreements of Council's financial commitment towards the Koekedouw Irrigation Board. The Deed of Sale does not make mention of any such financial commitment towards the Board nor the Title Deed. The Title Deed reflects the water right that is registered and which is inherent to the farm. A meeting was requested with the Chairperson of the Irrigation Board, Mr Danie Goosen, which took place on 2 July 2019.

A summary of the meeting is contained in the email sent by Mr Goosen to the Municipal Manager's office, dated 2 July 2019 and is attached as **annexure 4.1(c)**. In terms of the discussion the Koekedouw Irrigation Board took up a loan with the Rand Merchant Bank on behalf of its members. The accountability of the members was pro rata with the water rights of their respective farms. All the members at that time agreed to the conditions which was later on also accepted by the municipality when Vredebes was purchased. The Irrigation Board used to send an invoice to its members on a yearly basis, which included the municipality and in terms of which they then were obliged to settle. The

municipality has been paying regularly on an annual basis since they acquired the farm. The invoice was normally divided into an operational and capital contribution. In terms of the Irrigation Board's members meeting resolution taken, the members accepted the settlement as previously outlined. On the date of the discussion all the members have paid their contribution of the settlement towards the Rand Merchant Bank loan except for the municipality. The Koekedouw Irrigation Board went ahead to pay on the municipality's behalf, because of their commitment and legal obligation and has requested that the municipality repays the amount to them. The crux of the discussion is that the liability of the municipality is coupled to the water rights inherent to the property.

The Municipal Manager informed the meeting that he had consulted with the Chairperson of the Koekedouw Irrigation Board, Mr Danie Goosen, regarding the matter. The explanation from the Chairperson sounds acceptable, but he is awaiting documentation about the matter to submit to Council for consideration.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the new financing model option.
(b) that Witzenberg Municipality settles their portion of the loan with a once-off payment.

The Executive Mayoral Committee resolved on 29 July 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Irrigation Board be held in abeyance for further discussion by Council.

Council unanimously resolved on 31 July 2019 that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Irrigation Board be held in abeyance for further discussion by Council and to obtain more information.

The following documents are further attached:

(a) Correspondence from Koekedouw Irrigation Board, dated 13 March 2019: **Annexure 4.1(d)**.

(b) Letter from Grayston & Elliot, dated 13 March 2019: **Annexure 4.1(e)**.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the new financing model option.
(b) That Witzenberg Municipality settles their portion of the loan with a once-off payment.

The Executive Mayoral Committee resolved on 21 August 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam be referred to the Municipal Public Accounts Committee for an investigation and further discussions with the Chairperson of the Koekedouw Irrigation Board and after that a recommendation be made to Council.

Council unanimously resolved on 23 August 2019 that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam be referred to the Municipal Public Accounts Committee for an investigation and further discussions with the Chairperson of the Koekedouw Irrigation Board and after that a recommendation be made to Council.

The Municipal Public Accounts Committee resolved on 21 October 2019:

(a) that the Municipal Public Accounts Committee will meet with KMB and KIB on Monday, 28 October 2019 at 14h00 in the Council Chambers, Municipal Offices, Ceres.

(b) that the Director: Technical Services draft a presentation / report with the recommendation to take the matter forward.

(c) that the matter after the meeting supra (a) that Municipal Public Accounts Committee make a recommendation to Council.

The following documents are attached:

(i) Summary of the discussions at the meeting of 21 October 2019, received from the Director: Technical Services: **Annexure 4.1(f)**.

(ii) Constitution of Koekedouw Irrigation Board: **Annexure 4.1(g)**.

(iii) Agreement between the Municipality and Koekedouw Irrigation Board (*Water vir Ceres*): **Annexure 4.1(h)**.

The Committee requested that the Acting Chief Financial Officer do a breakdown of the different payments in respect of the Koekedouwdam as well as the final payment and same at the next Municipal Public Accounts Committee (MPAC) meeting.

RESOLVED

that the Acting Chief Financial Officer compile a breakdown of all municipal payments in terms of the Koekedouwdam and submit same at the next Municipal Public Accounts Committee (MPAC) meeting.

5. NEXT MEETING

That the next meeting be held in the Council Chambers, Municipal Offices, 50 Voortrekker Street, Ceres on 4 November 2019 at 14h00.

6. ADJOURNMENT

The meeting adjourned at 14h10.

Approved on _____

_____
MD JACOBS
CHAIRPERSON / VOORSITTER

/wr

MINUTES OF THE SPECIAL MEETING OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) OF WITZENBERG MUNICIPALITY HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON MONDAY, 4 NOVEMBER 2019 AT 14:00.

PRESENT

Councillors on the Committee

M. Jacobs (Chairperson)
Alderman J. Schuurman
C. Lottering
G. Laban
P. Heradien

Other Councillors not on the Committee

Alderman H Smit

Officials

Mr D. Nasson (Municipal Manager)
Mr A. Raubenheimer (Acting Director: Finance)
Mr J. Barnard (Director: Technical Services)
Mr M. Mpeluza (Director: Corporate Services)
Mr G. Louw (Head: Internal Auditor)
Ms S. Hendricks (Senior Internal Auditor)
Mr J. Swanepoel (Manager: Projects and Performance)
Mr C. Wessels (Manager: Administration)
Mr C. Titus (Committee Clerk)

Other

Mr D. Goosen (Koekedouw Irrigation Board)
Mr P. du Plessis (Koekedouw Irrigation Board)
Mr H. Conradi (Koekedouw Irrigation Board)

1. OPENING AND WELCOME

The Chairperson welcomed everyone present and requested thereafter Councillor P. Heradien to open the meeting with a prayer.

NOTED

2. CONSIDERATION OF APPLICATION FOR LEAVE OF ABSENCE, IF ANY (3/1/2/1)

None

NOTED

3. MINUTES

3.1 Approval of minutes (03/1/2/3)

The following documents are attached:

(a) The minutes of the Municipal Public Accounts Committee, held on 20 August 2019: **Annexure 3.1(a)**.

(b) The minutes of the Special meeting of the Municipal Public Accounts Committee, held on 21 October 2019: **Annexure 3.1(b).**

RESOLVED

(a) that the minutes of the Municipal Public Accounts Committee, held on 20 August 2019, be approved and signed by the chairperson.

(b) that the minutes of the Municipal Public Accounts Committee meeting, held on 21 October 2019, be approved and signed by the chairperson.

3.2 Matters from the minutes

None

NOTED

4. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED BY THE CHAIRPERSON

None

NOTED

5. INTERVIEWS WITH DELEGATIONS

None

NOTED

6. DELEGATED POWERS

None

NOTED

7. RESERVED POWERS

7.1 Quarterly Budget Statement [Section 52(d)] Report: 1st Quarter of 2019/2020 (1 July 2019 until 30 September 2019) (9/1/2/2)

The Quarterly Budget Statement (Section 52(d) Report for the period 1 July 2019 to 30 September 2019, received from the Acting Director: Finance, is attached as **annexure 7.1.**

The budget of the municipality must contain measurable performance objectives for revenue from each source and for each vote in the budget, taking into account the IDP [MFMA s17(3)(b)]. The accounting officer must include these objectives in the annual report and report on performance accordingly.

Frequency: Quarterly

The Municipal Public Accounts Committee (MPAC) consider the section 52(d) report for the period 1 July 2019 until 30 September 2019 and highlighted the following matters:

- The cash flow of the municipality is in order.
- That the investment amount stand on R96 million.
- That there is no major financial issues to report on.
- That the performance has met the expectations of Council and the community.
- That there is unspent capital on housing.
- That beneficiaries for houses at Vredebes will move in by end of November 2019.
- That rental stock will also be transferred.
- That the objectives (targets) of the municipality has been met.
- That the Cost Containment Regulations impacted negatively on the capital expenditure.
- That debt collection is a major concern.
- That the maintenance budget is high due to vandalism. The insurance refuse to pay.
- The Municipal Public Accounts Committee requested a report in terms of spending on vandalism.

RESOLVED

(a) that the Acting Chief Financial Officer submit a report in terms of spending due to vandalism.

(b) To recommend to the Executive Mayoral Committee and Council:

that notice is taken, after consideration, of the Section 52(d) Report of the 1st Quarter for 2019/2020 and same be approved and accepted.

7.2 Settling of Rand Merchant Bank (RMB) loan for Koekedouw Dam (16/2/1/1/1 & 5/4/R)

The following items refer:

(a) Item 7.1.3 of the Executive Mayoral Committee meeting, held on 27 May 2019.

(b) Item 8.1.3 of the Council meeting, held on 30 May 2019.

(c) Item 7.1.2 of the Executive Mayoral Committee meeting, held on 29 July 2019.

(d) Item 8.1.2 of the Council meeting, held on 31 July 2019.

(e) Item 4.4 of the Special Executive Mayoral Committee meeting, held on 21 August 2019.

(f) Item 4.4 of the Special Council meeting, held on 23 August 2019.

(g) Item 3.1 of the Special Municipal Public Accounts Committee meeting, held on 21 October 2019.

The following memorandum, dated 20 May 2019, was received from the Manager: Water and Sewerage:

"Purpose

The purpose of this report is to inform Council regarding the settling option of the Rand Merchant Bank loan which was taken up by KBR (Koekedouw Irrigation Board) for the construction of the Koekedouw Dam.

Background

The Koekedouw Dam was constructed in 1999 as a joint venture between Witzenberg Municipality and the Koekedouw Irrigation Board. Both parties to this venture incurred loans to pay for their share of the construction cost. The loan taken up by Witzenberg Municipality has been settled in 2017.

Currently KBR is still paying off on their loan and Witzenberg Municipality is part of this repayment agreement in terms of our allocation for Vredebes farm. See **annexure 7.2(a)**.

The KBR management has met with RMB in order to negotiate a new financing model in order to settle the loan and minimize cost. The new financing model agreed to between the parties, and approved by KBR, is attached as **annexure 7.2(b)**.

This new option entails the settling of the loan once-off in order to cut out huge interest on the loan. As can be seen on the attached spreadsheet if we stay with the old financing model, KBR will make a total repayment of R348 628 396 on the initial loan. Currently the outstanding amount is R54 687 042.00, but this amount will escalate to R78 944 608.00 before it starts to decrease and eventually be settled in 2044. With the new financing model total repayment will be R83 152 706.00 resulting in a total saving of R265 475 690.00.

Legal framework

Because Witzenberg Municipality is part of KBR in terms of our allocation for Vredebes, we are also liable for the repayment of our portion of the loan from Rand Merchant Bank.

Financial impact

With the new financing model we will have a huge saving on the repayment of the loan. In terms of the old financing model we will be responsible for repayment of R4 052 646.00 whereas with the new financing model we will make a once-off payment of R889 891.98 to settle the loan, resulting in a saving of R3 162 754.02."

The Municipal Manager gave a background with regard to the matter of settling the Rand Merchant Bank (RMB) loan for the Koekedouw Dam. Further investigation in terms of the agreement will be done. This matter only recently arose and the loan was done before the purchase of Vredebes. The water rights were part of the agreement.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the new financing model option.
(b) That Witzenberg Municipality settles their portion of the loan with a once-off payment.

The Executive Mayoral Committee resolved on 27 May 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the settling of the Rand Merchant Bank loan for the Koekedouw Dam be held in abeyance until the matter has been properly investigated.

Councillor BC Klaasen mentioned that the outstanding arrear amount is based on calculations made by the Koekedouw Irrigation Board and that further investigations are necessary.

Council unanimously resolved on 30 May 2019 that the matter in respect of the settling of the Rand Merchant Bank loan for the Koekedouw Dam be held in abeyance until the matter has been properly investigated.

Further report from Municipal Manager, dated 24 July 2019:

"Since the last Executive Mayoral Committee and council meetings Administration has attempted to obtain written agreements of Council's financial commitment towards the Koekedouw Irrigation Board. The Deed of Sale does not make mention of any such financial commitment towards the Board nor the Title Deed. The Title Deed reflects the water right that is registered and which is inherent to the farm. A meeting was requested with the Chairperson of the Irrigation Board, Mr Danie Goosen, which took place on 2 July 2019.

A summary of the meeting is contained in the email sent by Mr Goosen to the Municipal Manager's office, dated 2 July 2019 and is attached as **annexure 7.2(c)**. In terms of the discussion the Koekedouw Irrigation Board took up a loan with the Rand Merchant Bank on behalf of its members. The accountability of the members was pro rata with the water rights of their respective farms. All the members at that time agreed to the conditions which was later on also accepted by the municipality when Vredebes was purchased. The Irrigation Board used to send an invoice to its members on a yearly basis, which included the municipality and in terms of which they then were obliged to settle. The municipality has been paying regularly on an annual basis since they acquired the farm. The invoice was normally divided into an operational and capital contribution. In terms of the Irrigation Board's members meeting resolution taken, the members accepted the settlement as previously outlined. On the date of the discussion all the members have paid their contribution of the settlement towards the

Rand Merchant Bank loan except for the municipality. The Koekedouw Irrigation Board went ahead to pay on the municipality's behalf, because of their commitment and legal obligation and has requested that the municipality repays the amount to them. The crux of the discussion is that the liability of the municipality is coupled to the water rights inherent to the property.

The Municipal Manager informed the meeting that he had consulted with the Chairperson of the Koekedouw Irrigation Board, Mr Danie Goosen, regarding the matter. The explanation from the Chairperson sounds acceptable, but he is awaiting documentation about the matter to submit to Council for consideration.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the new financing model option.
(b) that Witzenberg Municipality settles their portion of the loan with a once-off payment.

The Executive Mayoral Committee resolved on 29 July 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Irrigation Board be held in abeyance for further discussion by Council.

Council unanimously resolved on 31 July 2019 that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Irrigation Board be held in abeyance for further discussion by Council and to obtain more information.

The following documents are further attached:

(a) Correspondence from Koekedouw Irrigation Board, dated 13 March 2019: **Annexure 7.2(d)**.

(b) Letter from Grayston & Elliot, dated 13 March 2019: **Annexure 7.2(e)**.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the new financing model option.
(b) That Witzenberg Municipality settles their portion of the loan with a once-off payment.

The Executive Mayoral Committee resolved on 21 August 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam be referred to the Municipal Public Accounts Committee for an investigation and further discussions with the Chairperson of the Koekedouw Irrigation Board and after that a recommendation be made to Council.

Council unanimously resolved on 23 August 2019 that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam be referred to the Municipal Public Accounts Committee for an investigation and further discussions with the Chairperson of the Koekedouw Irrigation Board and after that a recommendation be made to Council.

The Municipal Public Accounts Committee resolved on 21 October 2019:

(a) that the Municipal Public Accounts Committee will meet with KMB and KIB on Monday, 28 October 2019 at 14h00 in the Council Chambers, Municipal Offices, Ceres.

(b) that the Director: Technical Services draft a presentation / report with the recommendation to take the matter forward.

(c) that the matter after the meeting supra (a) that Municipal Public Accounts Committee make a recommendation to Council.

The following documents are attached:

(i) Summary of the discussions at the meeting of 21 October 2019, received from the Director: Technical Services: **Annexure 7.2(f)**.

(ii) Constitution of Koekedouw Irrigation Board: **Annexure 7.2(g)**.

(iii) Agreement between the Municipality and Koekedouw Irrigation Board (*Water vir Ceres*): **Annexure 7.2(h)**.

(iv) Dam settlement: **Annexure 7.2(i)**.

(v) Payment to *Koekedouw Bestuursmaatskappy* and *Ceres Koekedouw Bestuurskomitee*: **Annexure 7.2(j)**.

Mr. D. Goosen, Chairperson of the Koekedouw Irrigation Board, explained the operations of the water rights and how the Farm Vredebes is affected by the irrigation system. The explanation included the loan option the Koekedouw Irrigation Board followed and the involvement of the various farmers and the repayment of their own loans. The representatives of the municipality were present at all meetings. By June 2019 all monies were paid except the part of the Witzenberg Municipality. The Koekedouw Irrigation Board paid the outstanding monies of the municipality in order to adhere to the agreement.

The Koekedouw Irrigation Board propose to the municipality that the emerging farmers need summer water and wish to take over the water from the municipality. The necessary documentation will be completed in order to ensure that the municipality get rid of the debt legally. The modus will benefit both the municipality and the Koekedouw Irrigation Board.

The Municipal Public Accounts Committee (MPAC) caucused from 14:55 until 15:05.

RESOLVED

that Municipal Public Accounts Committee will draft a report in respect of Council's instruction to investigate the settling of the Rand Merchant bank (RMB) loan for the Koekedouw dam and submit thereafter a recommendation to Council.

8. ADJOURNMENT

The meeting adjourned at 15:30.

Approved on _____

_____
MD JACOBS
CHAIRPERSON

lwr

MINUTES OF THE MEETING OF THE COMMITTEE FOR HOUSING MATTERS OF WITZENBERG MUNICIPALITY, HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON TUESDAY, 19 NOVEMBER 2019 AT 10:00

NOTULE VAN DIE VERGADERING VAN DIE KOMITEE VIR BEHUISINGSAANGELEENTHEDE VAN DIE MUNISIPALITEIT WITZENBERG, GEHOU OP DINSDAG, 19 NOVEMBER 2019 OM 10:00 IN DIE RAADSAAL, MUNISIPALE KANTORE, VOORTREKKERSTRAAT 50, CERES

PRESENT / TEENWOORDIG

Committee Members / Komiteelede

Councillor / Raadslid E Sidego (Chairperson / Voorsitter)
Alderlady / Raasdame J Phungula
Councillor / Raadslid Z Mzauziwa-Mdishwa

Non-committee Member / Nie-komiteelid

Alderman / Raadsheer K Adams
Councillor / Raadslid M Mdala
Councillor / Raadslid N Phatsoane

Officials / Amptenare

Mr / Mnr D Nasson (Municipal Manager / Munisipale Bestuurder)
Ms / Me C Mackenzie (Manager: Housing / Bestuurder: Behuising)
Mr / Mnr T Plaatjies (Senior Housing Officer / Senior Behuisingsbeampte)
Mr / Mnr C Titus (Committee Clerk / Komiteeklerk)
Ms / Me W Roode (Word Processor Operator / Woordverwerkeroperateur)

Other / Ander

Ms Y Bonani (Nduli, Ceres)
Ms A Bonani (Nduli, Ceres)
Ms S de Wee (Bella Vista, Ceres)
Mr M Mdingi (Nduli, Ceres)
Ms A Mdingi (Nduli, Ceres)

1. OPENING AND WELCOME / OPENING EN VERWELKOMING

The Chairperson welcomed everyone present and requested the Manager: Housing to open the meeting with a prayer.

Die Voorsitter heet almal teenwoordig welkom en versoek die Bestuurder: Behuising om die vergadering met ‘n gebed te open.

NOTED / AANGETEKEN

2. CONSIDERATION OF APPLICATION FOR LEAVE OF ABSENCE, IF ANY / OORWEGING VAN AANSOEKE OM VERLOF TOT AFWESIGHEID, INDIEN ENIGE (3/1/2/1)

Apology for absence from the meeting was received from the Manager: Administration.

Verskoning vir afwesigheid van die vergadering is ontvang vanaf die Bestuurder: Administrasie.

RESOLVED

that notice be taken of the apology for absence from the meeting, received from the Manager: Administration, and same be accepted.

BESLUIT

dat kennis geneem word van die verskoning vir afwesigheid van die vergadering, ontvang vanaf die Bestuurder: Administrasie, en dat dit aanvaar word.

3. NOTULES

3.1 Approval of minutes / Goedkeuring van notules (3/1/2/3)

The minutes of the meeting of the Committee for Housing Matters, held on 15 October 2019, are attached as **annexure 3.1**.

Die notule van die vergadering van die Komitee vir Behuisingsaangeleenthede, gehou op 15 Oktober 2019, word ingebind as **bylae 3.1**.

RESOLVED

that the minutes of the meeting of the Committee for Housing Matters, held on 15 October 2019, be approved and signed by the Chairperson.

BESLUIT

dat die notule van die vergadering van die Komitee vir Behuisingsaangeleenthede, gehou op 15 Oktober 2019, goedgekeur en deur die Voorsitter onderteken word.

3.2 Outstanding matters (3/3/2)

The Chairperson enquired in respect of the outstanding detailed minutes, attendance register and motivations for street names to be submitted by Ward 12.

The meeting requested that the Integrated Development Planning (IDP) office be contacted to explain with regard to street names of Ward 12. The Integrated Development office visited the meeting and explained that the last meeting was held on 6 June 2019 when the street names were discussed.

NOTED / AANGETEKEN

4. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED BY CHAIRPERSON / VERKLARINGS, MEDEDELINGS OF SAKE INGEDIEN DEUR DIE VOORSITTER

None / Geen

NOTED / AANGETEKEN

5. INTERVIEWS WITH DELEGATIONS / ONDERHOUDE MET AFGEVAARDIGDES

None / Geen

NOTED / AANGETEKEN

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6. GEDELEGEERDE BEVOEGDHEDE / DELEGATED POWERS

6.1 Monthly report of the Section Housing: October 2019 / Maandverslag van die Afdeling Behuising: Oktober 2019)
(9/1/2/4)

The monthly report of the Section Housing for October 2019 is attached as **annexure 6.1.**

Die maandverslag van die Afdeling Behuising vir Oktober 2019 word aangeheg as **bylae 6.1**.

RESOLVED

that the Committee for Housing Matters takes notice, after consideration, of the content of the monthly report of the Section Housing for October 2019 and same be accepted.

BESLUIT

dat die Komitee vir Behuisingsaangeleenthede kennis neem, na oorweging, van die inhoud van die maandverslag van die Afdeling Behuising vir Oktober 2019 en dat die verslag aanvaar word.

6.2 Risk Management: First Quarter 2019/2020 Risk Management Report: Department Housing/ Risiko Bestuur: Eerste Kwartaal 2019/2020 Risiko Bestuursverslag: Departement Behuising
(9/1/2/2)

Council resolved per item 8.4.2 of 26 October 2016:

(a) that the review of the Quarterly Risk Matrix Report be delegated to the relevant Portfolio Committees.

(b) that the standardised agenda item for the Quarterly Risk Matrix Report be accepted.

A Risk Management report for the Committee for Housing Matters, First quarter of 2019/2020, dated 15 October 2019, is attached as **annexure 6.2**.

Objectives of Enterprise Risk Management

The objectives of risk management are to assist Management in making more informed decisions which:

- provide a level of assurance that current significant risks are effectively managed;
- improve operational performance by assisting and improving decision making and planning;
- promote a more innovative, less risk averse culture in which the taking of calculated risks in pursuit of opportunities, to benefit the municipality is encouraged; and
- provide a sound basis for risk management and internal control as components of good corporate governance.

Roles and Responsibilities

Council takes an interest in risk management to the extent necessary to obtain comfort that properly established and functioning systems of risk management are in place to protect Witzenberg Municipality against significant risks. Council has to report to the community, on the municipality's system of internal control. This provides comfort that the municipality is protected against significant risks to ensure the achievement of objectives as detailed in the Service Delivery and Budget Improvement Plan (SDBIP).

In terms of the Risk Management Framework the responsibilities of the Council in risk management includes:

(a) ensuring that the Institutional strategies are aligned to the government mandate;

(b) obtaining assurance from management that the Municipality's strategic choices were based on a rigorous assessment of risk;

(c) obtaining assurance that key risks inherent in the Municipality's strategies were identified and assessed, and are being properly managed;

(d) assisting the Accounting Officer / Authority to deal with fiscal, intergovernmental, political and other risks beyond their direct control and influence; and

(e) insisting on the achievement of objectives, effective performance management and value for money.

The Municipal Manager is ultimately responsible for risk management within the municipality. This includes ensuring that the responsibility for risk management vests at all levels of management. The Municipal Manager sets the tone at the top by promoting accountability, integrity and other factors that will create a positive control environment.

Senior Management takes ownership for managing the municipality's risks within their areas of responsibility and is accountable to the Municipal Manager for designing, implementing, monitoring and integrating Enterprise Risk Management (ERM) into their day-to-day activities of the municipality. This should be done in a manner that ensures that risk management becomes a valuable strategic management tool.

Line Management/Risk Owners take responsibility for managing the municipality's risks within their areas of responsibility and is responsible for the designing, implementing, monitoring and integrating Enterprise Risk Management into their day-to-day activities of the municipality. The key focus is to ensure that controls implemented to mitigate risk are working as intended and that any deviations are reported and improved.

The Chairperson reported with regard to the First Quarter 2019/2020 Risk Management Report for the Department Housing.

RESOLVED

that the Committee for Housing Matters takes notice of the Risk Management Report for the First Quarter of 2019/2020, and after consideration, advise Senior Management and Council accordingly.

7. RESERVED POWERS / GERESERVEERDE BEVOEGDHEDE

None / Geen

NOTED / AANGETEKEN

8. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA / DRINGENDE SAKE NA AFSENDING VAN DIE AGENDA

8.1 Housing: Witzenberg Municipality Housing Administration Policy (17/04/P)

The Housing Administration Policy for Witzenberg Municipality, received from the Municipal Manager on 18 November 2019, is attached as **annexure 8.1.**

The matter was dealt at Housing Matters-in-Committee at item 9.1.1.1.

NOTED

9. COMMITTEE FOR HOUSING MATTERS-IN-COMMITTEE / KOMITEE VIR BEHUISINGSAANGELEENTHEDE-IN-KOMITEE

MINUTES OF THE SPECIAL MEETING OF THE COMMITTEE FOR HOUSING MATTERS OF WITZENBERG MUNICIPALITY, HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON THURSDAY, 5 DECEMBER 2019 AT 08:30

NOTULE VAN DIE SPESIALE VERGADERING VAN DIE KOMITEE VIR BEHUISINGSAANGELEENTHEDE VAN DIE MUNISIPALITEIT WITZENBERG, GEHOU OP DONDERDAG, 5 DESEMBER 2019 OM 08:30 IN DIE RAADSAAL, MUNISIPALE KANTORE, VOORTREKKERSTRAAT 50, CERES

PRESENT / TEENWOORDIG

Committee Members / Komiteelede

Councillor / Raadslid E Sidego (Chairperson / Voorsitter)
Councillor / Raadslid Z Mzauziwa-Mdishwa

No-Committee Members / Nie-Komiteelede

Councillor / Raadslid N Phatsoane

Officials / Amptenare

Ms / Me C Mackenzie (Manager: Housing / Bestuurder: Behuising)
Mr / Mnr T Plaatjies (Senior Housing Officer / Senior Behuisingsbeampte)
Mr / Mnr C Titus (Committee Clerk / Komiteeklerk)
Ms / Me W Roode (Word Processor Operator / Woordverwerker Operateur)

1. OPENING AND WELCOME / OPENING EN VERWELKOMING

The Chairperson welcomed everyone present and requested the Senior Housing Officer to open the meeting with prayer.

Die Voorsitter heet almal teenwoordig welkom en versoek die Senior Behuisingsbeampte om die vergadering met gebed te open.

NOTED / AANGETEKEN

2. CONSIDERATION OF APPLICATION FOR LEAVE OF ABSENCE, IF ANY / OORWEGING VAN AANSOEKE OM VERLOF TOT AFWESIGHEID, INDIEN ENIGE (3/1/2/1)

Application for leave of absence from the meeting was received from Alderlady J. Phungula.

Apologies for absence from the meeting were received from the Municipal Manager and Manager: Administration.

Aansoek om verlof tot afwesigheid van die vergadering is ontvang vanaf Raadsdame J. Phungula.

Verskonings vir afwesigheid van die vergadering is ontvang vanaf die Munisipale Bestuurder en Bestuurder: Administrasie.

RESOLVED

(a) that the application for leave of absence from the meeting, received from Alderlady J. Phungula, be approved and accepted.

(b) that notice be taken of the apologies for absence from the meeting, received from the Municipal Manager and Manager: Administration, and same be accepted.

BESLUIT

(a) dat die aansoek om verlof tot afwesigheid van die vergadering, ontvang vanaf Raadsdame J. Phungula, goedgekeur en aanvaar word.

(b) dat kennis geneem word van die verskonings vir afwesigheid van die vergadering, ontvang vanaf die Munisipale Bestuurder en Bestuurder: Administrasie, en dat dit aanvaar word.

3. COMMITTEE FOR HOUSING MATTERS-in-COMMITTEE / KOMITEE VIR BEHUISINGSAANGELEENTHEDE-in-KOMITEE

MINUTES OF THE EXECUTIVE MAYORAL COMMITTEE MEETING OF WITZENBERG MUNICIPALITY, HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON THURSDAY, 23 JANUARY 2020 AT 08:30

PRESENT

Executive Mayoral Committee

Councillor BC Klaasen (Executive Mayor)
Alderman K Adams (Deputy Executive Mayor)
Councillor TE Abrahams
Councillor EM Sidego
Alderman HJ Smit
Alderman JJ Visagie

Councillors not on Executive Mayoral Committee

Alderman TT Godden (Speaker)
Councillor MD Jacobs (Chairperson: MPAC)

Officials

Mr D Nasson (Municipal Manager)
Mr J Barnard (Director: Technical Services)
Mr M Mpeluza (Director: Corporate Services)
Mr WP Mars (Acting Director: Finance)
Mr G Louw (Head: Internal Audit)
Mr A Hofmeester (IDP Manager)
Mr CG Wessels (Manager: Administration)
Mr C Titus (Committee Clerk)
Ms MJ Prins (Acting Principal Administrative Officer)

Other representatives

Mr J Conradie (Ceres Business Initiative)
Mr S de Wet
Mr F de Bruin

1. OPENING AND WELCOME

The Executive Mayor welcomed everyone present and requested Councillor MD Jacobs to open the meeting with prayer.

NOTED

2. CONSIDERATION OF APPLICATION FOR LEAVE OF ABSENCE, IF ANY (3/1/2/1)

An apology for absence from the meeting was received from the Acting Director: Finance.

RESOLVED

that notice be taken of the apology for absence from the meeting, received from the Acting Director: Finance, and same be accepted.

3. MINUTES

3.1 Approval of minutes (3/1/2/3)

The minutes of the Executive Mayoral Committee meeting, held on 4 December 2019, are attached as **annexure 3.1**.

RESOLVED

That the minutes of the Executive Mayoral Committee meeting, held on 4 December 2019, be approved and signed by the Executive Mayor.

3.2 Outstanding matters (3/3/2)

None

NOTED

4. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED BY EXECUTIVE MAYOR (9/1/1)

(a) The Executive Mayor wished everyone a prosperous 2020 and requested everyone's cooperation for the challenging year ahead, especially prior to the 2021 Local Government Elections.

(b) The Executive Mayor mentioned that a strategic session between the Executive Mayoral Committee and Senior Management will be held in the first week of February 2020.

(c) The Executive Mayor mentioned that further statements will follow after the proposed strategic session.

NOTED

5. ONDERHOUDE MET DELEGASIES

5.1 Versoek vir staanplekke vir smoushandelaars: Oopruimte: John Steyn Biblioteek, Ceres (17/18/R)

Mnre. S de Wet en F de Bruin woon die vergadering by en versoek dat staanplekke vir smoushandel op die oopruimte by die John Steyn Biblioteek oorweeg word. Die twee handelaars meld dat die ander plekke verder in die dorp onnet vertoon en dat daar etlike onwettige buitelandse handelaars daarby betrokke is.

Mnre. De Wet en De Bruin rig die versoek om smoushandel op 'n wettige wyse te beoefen, soos goedgekeur in terme van die relevante munisipale verordening en ook om dit netjies en ordelik te laat vertoon. Die huidige smoushandelstaanplekke is ook te klein om 'n netjiese gesig daaraan te gee en word versoek dat dubbele staanplekke langs mekaar oorweeg sal word.

Die Munisipale Bestuurder meld dat hy nie bewus was van die aangeleentheid en die versoek gerig aan die Uitvoerende Burgemeester nie, maar dat die betrokke ruimte geoormerk is vir smoushandel. Dit is verder belangrik dat die bepaalde verordeninge in dié verband nagekom moet word. Die Munisipale Bestuurder versoek dat Mnre. De Wet en De Bruin 'n afspraak met hom reël om die aangeleentheid te bespreek, aangesien dit net 'n administratiewe aangeleentheid is.

BESLUIT

(a) dat die Uitvoerende Burgemeesterskomitee kennis neem van die versoek vir staanplekke vir smoushandelaars op die oopruimte by die John Steyn Biblioteek, Ceres.

(b) dat die Munisipale Bestuurder die versoek supra (a) verder hanteer ten opsigte van die nakoming van die munisipale verordeninge asook administratiewe reëlings.

6. GEDELEGEERDE BEVOEGDHEDE / DELEGATED POWERS

None

NOTED

7. GERESERVEERDE BEVOEGDHEDE / RESERVED POWERS

7.1 Direktoraat Finansies / Directorate Finance

7.1.1 Draft Witzenberg Annual Report: 2018/2019 (5/14/2 & 9/1/1)

The following memorandum, dated 20 January 2020, was received from the Acting Director: Finance:

"Purpose

The purpose of this report is to table the draft annual report for 2018/2019 to Council.

Legislature framework

In terms of Section 127 (2) of the Municipal Finance Management Act (Act 56 of 2003), the Mayor of a municipality must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control.

Discussion

The draft annual report for 2018/2019 is attached as **annexure 7.1.1**."

RESOLVED

That the Executive Mayoral Committee recommends to Council:

(a) That cognisance be taken of the Draft Witzenberg Municipality Annual Report for 2018/2019.

(b) That a public participation process be followed as prescribed by law.

*(c) That the Municipal Public Accounts Committee compiles an oversight report on the Draft Annual Report as per its delegated powers, not later than **13 March 2020.***

7.1.2 Mid-year Budget Statement and Performance Assessment (Section 72) Report for period 1 July 2019 to 31 December 2019 (9/1/1 & 5/1/5/12)

The following memorandum, dated 20 January 2020, was received from the Acting Director: Finance:

"1. Purpose

The purpose of this report is to submit the mid-year budget and performance assessment for the period 1 July 2019 to 31 December 2019 to Council, for information.

2. Legislature framework

In terms of Section 72 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003):

'(1) The Accounting Officer of a municipality must by 25 January of each year:

(a) Assess the performance of the municipality during the first half of the financial year.

(b) Submit the report to the Mayor, National Treasury and Provincial Treasury.

The Mayor must, in terms of Section 54(1)(f) of the Act submit the report to the Council by 31 January of each year.

3. Discussion

The Mid-year report for the 2019/2020 financial year is attached as **annexure 7.1.2**."

RESOLVED

that the Executive Mayoral Committee takes cognisance of the Mid-year Budget Statement and Performance Assessment (Section 72) Report for 1 July 2019 to 31 December 2019 and recommends same to Council for information.

7.1.3 Quarterly Budget Statement [Section 52(d)] Report: 2nd Quarter of 2019/2020 (1 October 2019 until 31 December 2019)
(9/1/2/2)

The Quarterly Budget Statement [Section 52(d)] Report for the second quarter of 2019/2020 is attached as **annexure 7.1.3**.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

(a) that notice be taken of the Quarterly Budget Statement Report in terms of Section 52(d) for the period 1 October 2019 until 31 December 2019.

(b) that the report be referred to the Performance, Risk and Audit Committee and the Municipal Public Accounts Committee for their recommendations to Council.

7.2 Direktoraat Tegniese Dienste / Directorate Technical Services

7.2.1 Minutes of the meeting of Ceres Koekedouw Management Committee: 13 August 2019 (16/2/1/1/1)

Item 7.2 of the meeting of the Committee for Technical Services, held on 20 November 2019, refers.

The minutes of the meeting of Ceres Koekedouw Management Committee, held on 13 August 2019, is attached as **annexure 7.2.1**.

The Committee for Technical Services resolved on 20 November 2019 to recommend to the Executive Mayoral Committee and Council:

that Council considers and takes notice of the minutes of the Ceres Koekedouw Management Committee meeting, held on 13 August 2019.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that Council considers and takes notice of the minutes of the Ceres Koekedouw Management Committee meeting, held on 13 August 2019.

7.2.2 Terms of reference for a Recycling Forum for Witzenberg Municipality (17/3/2)

Item 7.3 of the meeting of the Committee for Technical Services, held on 20 November 2019, refers.

A memorandum from the Senior Superintendent: Solid Waste and Cleansing Services, dated 30 September 2019, is attached as **annexure 7.2.2**.

The Committee for Technical Services resolved on 20 November 2019 to recommend to the Executive Mayoral Committee and Council:

that the Terms of Reference for a Recycling Forum for Witzenberg Municipality be approved by Council.

The Municipal Manager mentioned that a delegation from the town Essen in Belgium, with whom Witzenberg Municipality has a twinning agreement, will be visiting Witzenberg Municipality from 5 February 2020 in respect of recycling. The idea of the municipality is to support the smaller recycling companies, and this is all in line with the proposed Executive Mayoral strategic session.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that the Terms of Reference for a Recycling Forum for Witzenberg Municipality be approved by Council.

7.2.3 Policy for Work and the Installation of Services in the Road Reserve (16/04/4/6)

Item 7.4 of the meeting of the Committee for Technical Services, held on 20 November 2019, refers.

The following documents are attached:

(a) Memorandum from the Manager: Streets and Storm Water, dated 4 November 2019: **Annexure 7.2.3(a)**.

(b) Policy for Work and the Installation of Services in the Road Reserve: **Annexure 7.2.3(b)**.

(c) Appendix A: List of Active Network Licensees in Witzenberg municipal area: **Annexure 7.2.3(c)**.

(d) Appendix B: Road works signing for urban streets: **Annexure 7.2.3(d)**.

(e) Appendix C: DCP Test Result Sheet: **Annexure 7.2.3(e)**.

(f) Appendix D: Occupational Health and Safety Specification for Construction Works Contracts: **Annexure 7.2.3(f)**.

(g) Form 1: Way leave Application Form, Form 1.1: Undertaking / Indemnity and Form 1.2: Certificate of Inspection and completion: **Annexure 7.2.3(g)**.

The Committee for Technical Services resolved on 20 November 2019 to recommend to the Executive Mayoral Committee and Council:

that the Policy for Work and the Installation of Services in the Road Reserve be workshopped by Council and after that be tabled to Council for adoption.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that the Policy for Work and the Installation of Services in the Road Reserve be workshopped by Council and after that be tabled to Council for adoption.

7.2.4 Proposed renting of a portion of erf 1, Prince Alfred's Hamlet to Mr Abraham van der Merwe (7/1/4/1)

The following items refer:

(a) Item 7.2 of the meeting of the Committee for Technical Services, held on 24 July 2019.
(b) Item 7.2.4 of the Executive Mayoral Committee meeting held on 24 October 2019.
(c) Item 8.2.4 of the Council meeting, held on 30 October 2019.
(d) Item 7.2.1 of the Executive Mayoral Committee meeting, held on 4 December 2019.

A memorandum from the Director: Technical Services, dated 3 June 2019, is attached as **annexure 7.2.4**.

The Committee for Technical Services resolved on 24 July 2019 to recommend to the Executive Mayoral Committee and Council

(a) that approximately 3 000 m² of erf 1, Prince Alfred's Hamlet be rented to Mr Abraham van der Merwe at a market related price as per the attached sketch plan.

(b) that the Municipal Manager be authorised to finalise and sign the agreement on behalf of Council.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that approximately 3 000 m² of erf 1, Prince Alfred's Hamlet be rented to Mr Abraham van der Merwe at a market related price as per the attached sketch plan.

(b) that the Municipal Manager be authorised to finalise and sign the agreement on behalf of Council.

The Executive Mayoral Committee resolved on 24 October 2019 to recommend to Council that the matter regarding the proposed renting of a portion of erf 1, Prince Alfred's Hamlet be held in abeyance until the next meeting.

Council unanimously resolved on 30 October 2019 that the matter regarding the proposed renting of a portion of erf 1, Prince Alfred's Hamlet to Mr Abraham van der Merwe, be held in abeyance until the next meeting.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that approximately 3 000 m² of erf 1, Prince Alfred's Hamlet be rented to Mr Abraham van der Merwe at a market related price as per the attached sketch plan.

(b) that the Municipal Manager be authorised to finalise and sign the agreement on behalf of Council.

The Executive Mayoral Committee resolved on 4 December 2019 that the matter regarding the proposed renting of a portion of erf 1, Prince Alfred's Hamlet be held in abeyance until the next meeting.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that approximately 3 000 m² of erf 1, Prince Alfred's Hamlet be rented to Mr Abraham van der Merwe at a market related price as per the attached sketch plan.

(b) that the Municipal Manager be authorised to finalise and sign the agreement on behalf of Council.

RESOLVED

that the item be removed from the agenda and that the normal Supply Chain Management process be followed with the application in respect of the proposed renting of a portion of erf 1, Prince Alfred's Hamlet.

7.3 Direktoraat Gemeenskapsdienste / Directorate Community Services

7.3.1 Proposed erf 2622 for Schoonvlei SMME Business HUB: Corner of Bank and Forel Streets, Bella Vista, Ceres (7/1/4/1)

Item 7.1 of the meeting of the Committee for Local Economic Development and Tourism, held on 20 November 2019, refers.

A memorandum from the Acting Manager: Socio-Economic Development, dated 4 November 2019, is attached as **annexure 7.3.1.**

The Committee for Local Economic Development and Tourism resolved on 20 November 2019 to recommend to the Executive Mayor and Council:

(a) that Council takes notice of the approved funding application from Witzenberg Municipality for the development of an SMME Small Business HUB in the Schoonvlei industrial area located in Bella Vista, Ceres.

(b) that Council considers to develop a Small Business HUB in Schoonvlei industrial area on erf 2622 on the corner of Bank and Forel Streets, Bella Vista, Ceres.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

(a) that Council takes notice of the approved funding application from Witzenberg Municipality for the development of an SMME Small Business HUB in the Schoonvlei industrial area located in Bella Vista, Ceres.

(b) that Council considers to develop a Small Business HUB in Schoonvlei industrial area on erf 2622 on the corner of Bank and Forel Streets, Bella Vista, Ceres.

7.3.2 Local Economic Development: Recommended names for Prince Alfred's Hamlet Business HUB units (7/1/4/1)

The following items refer:

(a) Item 6.4 of the meeting of the Committee for Local Economic Development and Tourism, held on 16 October 2019.

(b) Item 7.2 of the meeting of the Committee for Local Economic Development and Tourism, held on 19 November 2019.

The Committee resolved on 16 October 2019:

(a) that the Acting Manager: Socio-Economic Development engages with the applicants by modus of a presentation and explains the layout of the business hub.

(b) that the Acting Manager: Socio-Economic Development, after the presentation supra (a), submits the names of the applicants to the Committee for Local Economic Development and Tourism for consideration.

A memorandum from the Acting Manager: Socio-Economic Development, dated 5 November 2019, is attached as **annexure 7.3.2**.

The Committee for Local Economic Development and Tourism resolved on 19 November 2019 to recommend to the Executive Mayoral Committee and Council:

(a) that the following type of business be approved and allocated in a single unit:

(i) Hair salon
(ii) Honey pollination
(iii) Production of security doors (welding)
(iv) Photography and;
(v) Fruit and vegetables

(b) that the tyre repair works and selling of tyre products business be approved and allocated in a double unit.

(c) that the Municipal Manager be mandated to determine a lease amount for the leasing of the Prince Alfred's Hamlet Business HUBS.

(d) that the lease amount not be market related in order to ensure and assist that the businesses can be successful.

(e) that the Municipal Manager and Acting Manager: Socio-Economic Development evaluate the success of the businesses when in operation.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

(a) that the following type of business be approved and allocated in a single unit:

(i) Hair salon
(ii) Beehive manufacturer
(iii) Production of security doors (welding)
(iv) Photography and;
(v) Fruit and vegetables

(b) that the tyre repair works and selling of tyre products business be approved and allocated in a double unit.

(c) that the Municipal Manager be mandated to determine a lease amount for the leasing of the Prince Alfred's Hamlet Business HUBS.

(d) that the lease amount not be market related from date of contract signing for two years in order to ensure and assist that the businesses can be successful, after which the lease amount will be revisited.

(e) that the Municipal Manager and Acting Manager: Socio-Economic Development evaluate the success of the businesses when in operation.

(f) that the Committee for Local Economic Development and Tourism determine the criteria to evaluate the success of the businesses when in operation.

7.3.3 Witzenberg Municipality: Invasive Species Monitoring, Control and Eradication Plans for Prince Alfred's Hamlet and Op-die-Berg
(17/9/2)

Item 7.1 of the meeting of the Committee for Community Development, held on 21 November 2019, refers.

A memorandum from the Manager: Amenities and Environment, dated 24 October 2019, is attached as **annexure 7.3.3.**

The Committee for Community Development resolved on 21 November 2019 to recommend to the Executive Mayoral Committee and Council.

(a) that Messrs Aurecon Pty (Ltd) be invited to the next Council meeting to do a presentation regarding the final draft plans of the Prince Alfred's Hamlet and Op-die-Berg commonage.

(b) that the Invasive Species Monitoring, Control and Eradication Plans for Prince Alfred's Hamlet and Op-die-Berg commonage be approved.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

(a) that Messrs Aurecon Pty (Ltd) be invited to the next Council meeting to do a presentation regarding the final draft plans of the Prince Alfred's Hamlet and Op-die-Berg commonage.

(b) that the Invasive Species Monitoring, Control and Eradication Plans for Prince Alfred's Hamlet and Op-die-Berg commonage be approved.

7.4 Direktoraat Korporatiewe Dienste / Directorate Corporate Services

7.4.1 Council meeting program: February until December 2020 (3/1/2/3)

Item 8.4.3 of the Council meeting, held on 11 December 2019, refers.

Council unanimously resolved on 11 December 2019 that the Council meeting program for January until March 2020 be approved, but that the matter will be revisited at the next Council meeting.

The following memorandum, dated 20 January 2020, was received from the Manager: Administration:

"**1. Purpose**

To obtain the approval of the Executive Mayoral Committee as well as Council for the proposed Council meeting program for February until December 2020.

2. For decision

Council.

3. Executive summary

The Council meeting program and meeting schedule for February until December 2020 is attached as **annexure 7.4.1**. The program differs from that of 2019 in order to create more flexibility to hold meetings on dates and times suitable for all involved. It is recommended that the attached program for the period February until December 2020 be approved. The SALGA Provincial Working Group meeting dates for 2020 are included in the schedule. Council is requested to approve the meeting program for February until December 2020. The Council meeting program of the Witzenberg Municipality has been synchronised with the meeting dates of the Cape Winelands District Municipality and is now submitted to Council for approval.

4. Discussion

4.1 Background and discussion

In terms of Section 19 of the Local Government Municipal Systems Act (Act 32 of 2000) the Municipal Manager must give notice to the public in a manner determined by the Municipal Council of the time, dates and venues of every ordinary meeting of the Council and special or urgent meetings of the Council except when time constraints make this impossible.

The proposed Council meeting program for February until December 2020 provides the list of scheduled meetings of Council, the various Section 80 Committees, Municipal Public Accounts Committee (MPAC), Performance, Risk and Audit Committee (PRAC) and the Local Labour Forum (LLF) with the applicable time and date of the meetings.

Senior Management meetings are once again proposed to be held every Monday, Section 80 Committee meetings every second month and normally on the third Wednesday and Thursday of the month, but meetings of the Committee for Housing Matters on the last Thursday of the month, Council workshops on the day prior to the Council meeting and Council meetings on the last Wednesday of the month, depending on specific circumstances. Executive Mayoral Committee meetings will be scheduled as necessary and determined by the Municipal Manager and Executive Mayor.

4.2 Constitutional and policy implications

This program has no constitutional and policy implications for the municipality.

4.3 Environmental implications

This program has no environmental implications.

4.4 Financial implications

The monthly Council meetings are published in the local community newspaper, the cost of which is duly budgeted for.

4.5 Legal implications

In terms of Section 19 of the Local Government Municipals Systems Act (Act 32 of 2000) the Municipal Manager must give notice to the public in a manner determined by the Municipal Council of the time, date and venue of every ordinary meeting of the Council and special or urgent meetings of the Council except when time constraints make this impossible.

Council meetings are planned for every month except for April, June, September and November and this exceeds the minimum requirement of one meeting per quarter as prescribed.

All legislative and policy requirements are complied with."

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that the proposed council meeting program for February until December 2020 be approved.

8. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA

None

NOTED

9. FORMAL AND STATUTORY MATTERS

None

NOTED

10. ADJOURNMENT

The meeting adjourned at 09:30.

Approved on _____ with / without amendments.

_____
COUNCILLOR BC KLAASEN
EXECUTIVE MAYOR

MJ Prins

WITZENBERG MUNICIPALITY

DRAFT SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN

2020/2021

A Municipality that cares for the community, creating growth & opportunity.

INDEX

Introduction & Overview 3

Strategic Map 7

Financial Component

- Component 1 – Monthly Revenue by Source 8
- Component 2 – Monthly Operating Expenditure 9
- Component 3 – Monthly Capital Expenditure 10

Non-Financial Component

- Five Year Scorecard & Quarterly Projections 13

Budgetary alignment with IDP

- Budget per Key Performance Area 18
- Budget per Strategic Objective 19

Five Year Projected Capital Budget per Ward 19

INTRODUCTION AND OVERVIEW

1.1 PURPOSE OF THE REPORT

The purpose of this report is to provide an executive summary of the legislative framework that prescribes an SDBIP.

The 2020/21 Top Layer SDBIP attached to this report is hereby submitted for approval. It indicates the planned performance targets of Witzenberg Municipality for the period 1 July 2020 to 30 June 2021.

The Top Layer of the SDBIP is made up of the following components:

- One year detailed plan, with a three-year capital plan
- The necessary components includes:
  - Monthly projection of revenue to be collected for each Source *(Expected Revenue to be collected)*
  - Monthly projects of expenditure (operating and capital) and revenue for each vote *(S71 format)*
  - Quarterly projects of Services Delivery Targets and performance indicators for each vote. *(Non-financial measurable performance objectives in the form of targets and indicators. Level and standard of service being provided to the community)*
  - Detailed capital works plan broken down by ward over three year

1.2 LEGISLATIVE FRAMEWORK AND GENERAL INFORMATION PERTAINING TO THE SDBIP

The Municipal Finance Management Act No. 56 of 2003 (MFMA) and National Treasury MFMA Circular No. 13 requires that municipalities must prepare a service delivery budget implementation plan (SDBIP) indicating how the budget and the strategic objectives of Council will be implemented. The SDBIP is prepared in terms of Section 53(1)(c)(ii) of the Municipal Finance Management (MFMA), National Treasury MFMA Circular No. 13 and the Budgeting and Reporting Regulation.

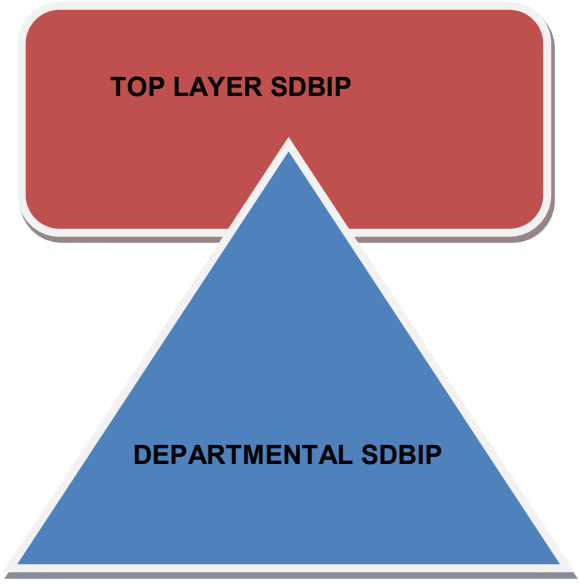
The SDBIP serves as a "contract" between the administration, council and community expressing the goals and objectives set by the council as quantifiable outcomes that can be implemented by the administration in the applicable financial year. It provides the link between the mayor, the council (executive) and the administration, and facilitates the process for holding management accountable for its performance. It is therefore a management, implementation and monitoring tool that will assist the mayor, councillors, municipal manager, senior managers and community to monitor the municipality's performance on a quarterly basis. The SDBIP will ensure that appropriate information is circulated internally and externally for purposes of monitoring the implementation of the budget,

the execution of projects, the performance of senior management and the achievement of the strategic objectives set by council.

The SDBIP sets in-year information, such as quarterly service delivery and monthly budget targets, and links each service delivery output to the budget of the municipality, thus providing credible management information and a detailed plan for how the municipality will provide such services with the inputs and financial resources that will be utilized. The SDBIP will determine the performance agreements of the municipal manager and senior managers, including the outputs and deadlines for which they will be held responsible. Expenditure information (for capital projects and services) per municipal ward is provided so that each output can be broken down per ward, where it is possible to support ward councillors to provide feedback to their communities on progress with service delivery.

As mentioned before, it is a vital monitoring tool for the mayor and council to monitor in-year performance of the municipal manager and for the municipal manager to monitor the performance of all managers in the municipality within the financial year. This enables the mayor and municipal manager to be pro-active and take remedial steps if necessary in the event of poor performance.

The SDBIP is a layered plan that consists of a top layer and a supporting layer namely the departmental SDBIP.



TOP LAYER SDBIP (MUNICIPAL SCORECARD)

Circular 13, as well as the municipal budget and reporting regulations prescribe the submission of a Top Layer SDBIP, which is focused on outcomes, to the Mayor with the budget. The Top Layer SDBIP contains the consolidated service delivery targets and in-year deadlines, and links such targets to top management. Only the Top Layer SDBIP will be made public and tabled before the council. The Top Layer SDBIP should also include per ward information, particularly for key expenditure items on capital projects and service delivery. This will enable each ward councillor and ward committee to oversee service delivery in their particular ward. The Top Layer SDBIP and its targets cannot be revised without notifying the council, and if changes is made in service delivery targets and performance indicators, this must be with the approval of the council, following approval of an adjustments budget (section

54(1)(c) of MFMA). Council approval is necessary to ensure that the mayor or municipal manager do not revise service delivery targets downwards in the event where there is poor performance.

The Top Layer of the SDBIP must be submitted for approval to the Mayor within 14 days after the approval of the budget. The Top Layer SDBIP must be approved by the Mayor within 28 days after the budget has been approved to ensure compliance with the above-mentioned legislation and published on the municipal website.

DEPARTMENTAL SDBIP

A detailed departmental SDBIP, which is focused on operational performance, will be prepared for each municipal department. This SDBIP provides more detail on each output for which top management is responsible. The Top Layer SDBIP is therefore the summary of all the departmental SDBIP's.

FACTORS CONSIDERED FOR THE COMPILATION OF THE TOP LAYER SDBIP

The IDP is considered as the 5-year strategic plan for the municipality and therefore provides an outline of Witzenberg Municipality's vision, mission, objectives and operational and service delivery indicators that are realistic and attainable.

The Top Layer SDBIP was drafted through a one on one consultation with the Municipal Manager and all the directors. After the completion of the draft Top Layer SDBIP, the Municipal Manager had one on one session's with his directors to finalise the Top Layer SDBIP. The following were considered during the development of the SDBIP:

- Alignment with the IDP, National KPA's, Municipal KPA's and IDP objectives
- Alignment with the budget
- Oversight Committee Report on the Annual Report of 2018/19
- Annual Report of 2018/19
- The risks identified by the Internal Auditor during the municipal risk analysis
- Areas to be addressed and root causes of the Auditor-General management letter COMAFS as well as the risks identified during the audit of the 2018/19 Annual Report
- Mid-Year Performance Report (Section 72) for 2019/20

SECTION 53(1)(C)(II) – SUBMISSION TO THE MAYOR

The top layer service delivery budget implementation plan, indicating how the budget and the strategic objectives of Council will be implemented, is herewith submitted 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 for the necessary approval.

Print Name D NASSON

Municipal Manager of Witzenberg Municipality

Signature _____

Date 2020/06/

SECTION 53(1)(C)(II) – APPROVAL BY THE MAYOR

The top layer service delivery budget implementation plan is herewith approved in terms of Section 53(1)(c)(ii) of the Municipal Finance Management Act (MFMA).

Print Name B Klaasen

Mayor of Witzenberg Municipality

Signature _____

Date 2020/06/

STRATEGIC MAP

WITZENBERG MUNICIPALITY: STRATEGIC MAP 2020/21					
Vision	**Mission**	**Municipal KPA**		**Pre-determined Objectives**	
A municipality that cares for its community, creating growth and opportunities.	The Witzenberg Municipality is committed to improve the quality of life of its community by: - Providing & maintaing affordable services - Promoting Social & Economic Development - The effective & efficient use of resources - Effective stakeholder & community participation.	1	Essential Services	1,1	Sustainable provision & maintenance of basic infrastructure
				1,2	Provide for the needs of informal settlements through improved services
		2	Governance	2,1	Support Institutional Transformation & Development
				2,2	Ensure financial viability.
				2,3	To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures.
		3	Communal Services	3,1	Provide & maintain facilities that make citizens feel at home.
		4	Socio-Economic Support Services	4,1	Support the poor & vulnerable through programmes & policy
				4,2	Create an enabling environment to attract investment & support local economy.

FINANCIAL COMPONENT

COMPONENT 1 – MONTHLY REVENUE BY SOURCE R'000

To be included after approval of 2020/21 budget

COMPONENT 2 – MONTHLY OPERATING EXPENDITURE BY VOTE R'000

To be included after approval of 2020/21 budget

COMPONENT 3 – MONTHLY CAPITAL EXPENDITURE

To be included after approval of 2020/21 budget

NON-FINANCIAL COMPONENT

KEY PERFORMANCE INDICATORS: QUARTERLY PROJECTIONS & 5 YEAR SCORECARD

KEY PERFORMANCE AREA: *ESSENTIAL SERVICES*

Strategic Objective: *1.1 Sustainable provision & maintenance of basic infrastructure*

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2018/19	Target 2020/21	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25	Definitions
TecDir1	Percentage expenditure on the preventative maintenance budget of the Technical Department	Technical	99.6%	98%	25%	50%	75%	98%	98%	99%	99%	99%	Percentage reflecting year to date spend /preventative maintenance budget votes of technical department. Preventative maintenance as defined according to mSCOA and excludes corrective maintenance.
TecDir3	% Expenditure on Capital Budget by Technical Directorate	Technical	98.3%	95%	10%	40%	60%	95%	96%	97%	97%	97%	Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget of the technical directorate. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end.
TecWat21	Percentage compliance with drinking water quality standards.	Technical	100%	98%	98%	98%	98%	98%	98%	98%	98%	98%	Measure of potable water sample pass rate according to the SANS 241 standard. Average of sample results. Only microbiological results of Escherichia Coli are considered in the measurement. Result should be less than 1 count per 100ml.
TecWat36	Percentage of valid water connection applications connected by reporting period end	Technical	Adjusted	95%	95%	95%	95%	95%	95%	96%	97%	97%	This indicator reflects the percentage of residential valid water connection applications (where down payment has been received) connected, where the applicant has access to the municipal water network. Proxy measure for National Key Performance Indicator.
TecSan22	Percentage of valid sanitation connection applications connected by reporting period end	Technical	Adjusted	95%	95%	95%	95%	95%	95%	96%	97%	97%	This indicator reflects the percentage of residential valid sewer connection applications (where down payment has been received) connected, where the applicant has access to the municipal sewer network. Proxy measure for National Key Performance Indicator.
TecEl60	Percentage of valid electricity connection applications connected by reporting period end. (excl subsidised housing)	Technical	Adjusted	95%	95%	95%	95%	95%	95%	96%	97%	97%	This indicator reflects the percentage of residential valid electricity connection applications (where down payment has been received) connected, where the applicant has access to the municipal electrical network. Proxy measure for National Key Performance Indicator.
TecRef46	Access to the weekly removal of residential solid waste in all seven Witzenberg towns according to a publicised programme.	Technical	Adjusted	7	7	7	7	7	7	7	7	7	The removal of solid household waste in all formal accessible residential areas on a weekly basis in all 7 formalised towns according to a publicised programme. National Key Performance Indicator. Proxy measure for National Key Performance Indicator.

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2018/19	Target 2020/21	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25	Definitions
TecWat20	Decrease unaccounted water losses.	Technical	17.7%	18%	18%	18%	18%	18%	18%	16%	16%	16%	Unaccounted-for water (UFW) is the difference between the quantity of water supplied to the municipality's network and the metered quantity of water used by the customers. UFW has two components: (a) physical losses due to leakage from pipes, and (b) administrative losses due to illegal connections and under registration of water meters. The reduction of UFW is a crucial step to improve the financial health and to save scarce water resources.
TecEl37	Decrease unaccounted electricity losses.	Technical	10.5%	10%	10%	10%	10%	10%	10%	10%	10%	10%	Unaccounted-for electricity (UFE) is the difference between the quantity of electricity supplied to the municipality's network and the metered quantity of electricity used by the customers. UFE has two components: (a) Technical losses due to ageing/inadequate networks, and (b) administrative or non-technical losses due to illegal connections and under registration of electricity meters. The reduction of UFE is a crucial step to improve the financial health.
TecRo7	Kilometres of roads upgraded & rehabilitated	Technical	7.3	4	0	1	2	4	3	4	4	4	This indicator measures the kilometres of new roads constructed, roads upgraded & rehabilitated and resurfaced.

Strategic Objective: 1.2 Provide for the needs of informal settlements through improved services

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2018/19	Target 2020/21	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25	Definitions
TecDir2	Number of subsidised serviced sites developed.	Technical	526	0	0	0	0	0	400	0	200	200	A housing opportunity is incremental access to and or delivery of one of the following Housing products: Incremental Housing which provides a serviced site with or without tenure. A serviced site is being defined as a demarcated site with access to water & sanitation services located adjacent to a road.
TecWat22	Provide basic services - number of established informal areas with sufficient communal water services points (taps).	Technical	3	3	3	3	3	3	3	3	2	2	This indicator reflects the number of established demarcated informal areas with sufficient communal water service points. Sufficient are being defined as all households with access to water points within 200 meters radius. Certain taps may however have been vandalised or removed after provision. Excluding areas that was illegally occupied and not part of the municipalities planning initiatives. Proxy for National KPI.
TecSan13	Provide basic services - number of established informal areas with sufficient communal sanitation services points (toilets).	Technical	3	3	3	3	3	3	3	3	2	2	This indicator reflects the number of established demarcated informal areas with sufficient communal sanitation service points. Sufficient are being defined as all households with access to toilets within 200 meters radius. Certain toilets may however have been vandalised or removed after provision. Excluding areas that was illegally occupied and not part of the municipalities planning initiatives. Proxy for National KPI.
TecRef31	Improve basic services - number of established informal settlements receiving a periodic area cleansing programme.	Technical	3	3	3	3	3	3	3	3	2	2	This indicator reflects the number of established demarcated informal areas that are serviced with a periodic area cleansing programme. Excluding areas that was illegally occupied and not part of the municipalities planning initiatives. Proxy for National KPI.
TecEl36	Percentage of houses in a subsidised housing project connected to the electrical network.	Technical	New	95%	95%	95%	95%	95%	95%	95%	95%	95%	This indicator reflects the percentage of houses in a subsidised housing project connected to the electrical network. Proxy for National KPI.

KEY PERFORMANCE AREA: GOVERNANCE

Strategic Objective: 2.1 Support Institutional Transformation & Development

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2018/19	Target 2020/21	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25	Definitions
CorpHR13	Percentage budget spent on implementation of Workplace Skills Plan.	Corporate	96%	96%	25%	50%	75%	96%	96%	96%	96%	96%	A Workplace Skills Plan is a document that outlines the planned education, training and development interventions for the organisation. Its purpose is to formally plan and allocate the budget for appropriate training interventions which will address the needs arising out of Local Governments' Skills Sector Plan, the municipality's strategic requirements as contained in the IDP and the individual departmental staffing strategies and individual employees' PDP's. The WSP shall also take into account the Employment Equity Plan, ensuring incorporation of relevant developmental equity interventions into the plan. Kpi measures percentage expenditure of vote allocated towards training needs as arise from WSP. Proxy for National KPI.
CorpHR12	Report on percentage of people from employment equity target groups employed in the three highest levels of management in the municipality.	Corporate	4	4 Reports	1	1	1	1	4 Reports	4 Reports	4 Reports	4 Reports	Quarterly reports on the percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan. Quarterly report submitted to Municipal Manager. National Key Performance Indicator.

Strategic Objective: 2.2 Financial Viability

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2018/19	Target 2020/21	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25	Definitions
FinFAdm10	Financial viability expressed as Debt-Coverage ratio	Finance	250.8	200	200	200	200	200	200	200	200	200	This indicator measures debt coverage as (total operating revenue – operating grants received) / debt service payments due within the year. This means the municipality is able to cover its debt service payments from operating revenue
FinFAdm9	Financial viability expressed as Cost-Coverage ratio	Finance	2.67	2,8	2,8	2,8	2,8	2,8	2,8	2,8	2,8	2,8	This indicator measures: (available cash + investments) / monthly fixed operating expenditure. This indicates that with the available cash the municipality is able to pay its fixed operating expenditure for certain amount of months. Proxy for National KPI.
FinFAdm11	Financial viability expressed outstanding service debtors	Finance	50%	42%	42%	42%	42%	42%	42%	42%	40%	40%	These indicator measure service debtors to revenue (total outstanding service debtors / revenue received for services). This means that a % of revenue in the SFP is still outstanding as at year end. Proxy for National KPI.
FinDir3	Achieve an unqualified opinion of the Auditor-General on annual financial statements of the previous year.	Finance	Unqualified	Unqualified			1		Unqualified	Unqualified	Unqualified	Unqualified	This indicator measures good governance and accounting practices and will be evaluated and considered by the Auditor General in determining his opinion. An unqualified audit opinion refers to the position where the auditor having completed his audit has no reservation as to the fairness of presentation of financial statements and their conformity with General Recognised Accounting Practices.
FinInc15	Increased revenue collection	Finance	94%	95%	95%	95%	95%	95%	95%	95%	95%	95%	This indicator reflects the percentage of revenue collected from service accounts delivered.
MM1	Percentage expenditure on the preventative maintenance budget of the whole of the municipality.	Municipal Manager	99.6%	98%	25%	50%	75%	98%	98%	99%	99%	99%	Percentage reflecting year to date spend /preventative maintenance budget votes for the whole of the municipality. Preventative maintenance as defined according to mSCOA and excludes corrective maintenance.
MM2	Percentage spend of capital budget for the whole of the municipality.	Municipal Manager	95.6%	95%	10%	40%	60%	95%	96%	97%	97%	97%	Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are

Strategic Objective: *2.3 To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures.*

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2018/19	Target 2020/21	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25	Definitions
MMIDP9	Number of IDP community engagements held.	Municipal Manager	14	14		7		14	14	14	14	14	Bi-annual community engagements as per IDP Process Plan held in each of the 7 towns.
ComSoc49	Number of meetings with inter-governmental partners.	Community	13	12	3	6	9	12	12	12	12	12	Number of Inter-Governmental meetings attended.

KEY PERFORMANCE AREA: *COMMUNAL SERVICES*

Strategic Objective: *3.1 Provide & maintain facilities that make citizens feel at home.*

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2018/19	Target 2020/21	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25	Definitions
ComAm34	Report on annual customer satisfaction survey on community facilities.	Community	1	1 Report		1			1 Report	1 Report	1 Report	1 Report	Analysis report of a community survey on community perception and satisfaction in respect of the access to and maintenance of certain community facilities.
ComDir1	Percentage expenditure on the preventative maintenance budget of the Community Department.	Community	99%	98%	25%	50%	75%	98%	98%	99%	99%	99%	Percentage reflecting year to date spend /preventative maintenance budget votes for the Community Department. Preventative maintenance as defined according to mSCOA and excludes corrective maintenance.
ComDir2	% Expenditure on Capital Budget by Community Directorate	Community	63.7%	95%	10%	40%	60%	95%	96%	97%	97%	97%	Percentage reflecting year to date spend / Total capital budget less any contingent liabilities relating to the capital budget of the community directorate. The total capital budget is the council approved adjusted budget at the time of the measurement. Contingent liabilities are only identified at the year end.

KEY PERFORMANCE AREA: SOCIO-ECONOMIC SUPPORT

Strategic Objective: 4.1 Support the poor & vulnerable through programmes & policy

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2018/19	Target 2020/21	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25	Definitions
ComSoc41	Number of account holders subsidised through the municipality's Indigent Policy	Community	3701	4500	4500	4500	4500	4500	4500	4400	4300	4300	Refers to the number of account holders subsidised through the municipality's Indigent Policy as at the end of reporting period.
ComLed8	The number of jobs created through municipality's local economic development initiatives including capital projects.	Community	397	400	100	200	300	400	410	410	420	420	This indicator measures the number of work opportunities created through the expanded Public Works Programme (EPWP) and contracts for temporary workers and temporary workers employed through contractors on projects. Proxy for National KPI.
ComSoc 42	Number of engagements with target groups with the implementation of social development programmes.	Community	25	20	5	10	15	20	20	20	20	20	The indicator refers to the number of engagements with target groups for the implementation social developmental programmes and /or initiatives .
ComHS14	Number of housing opportunities provided per year.	Community	30	0	0	0	0	0	0	200	100	100	A housing opportunity is incremental access to and or delivery of one of the following Housing products: Practically completed Subsidy Housing which provides a minimum 40m² house.
ComHS15	Number of Rental Stock transferred	Community	40	40	10	20	30	40	45	50	50	50	Number of rental stock transferred to approved beneficiaries, using established criteria. Rental stock is being defined as subsidised houses constructed before 1994 (scheme houses) and leased by the municipality to identified and approved beneficiaries.

Strategic Objective: 4.2 Create an enabling environment to attract investment & support local economy.

Ref	Key Performance Indicator	Reporting Directorate	Baseline 2018/19	Target 2020/21	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Target 2021/22	Target 2022/23	Target 2023/24	Target 2024/25	Definitions
ComSoc41	Number of account holders subsidised through the municipality's Indigent Policy	Community	3701	4500	4500	4500	4500	4500	4500	4400	4300	4300	Refers to the number of account holders subsidised through the municipality's Indigent Policy as at the end of reporting period.
ComLed8	The number of jobs created through municipality's local economic development initiatives including capital projects.	Community	397	400	100	200	300	400	410	410	420	420	This indicator measures the number of work opportunities created through the expanded Public Works Programme (EPWP) and contracts for temporary workers and temporary workers employed through contractors on projects. Proxy for National KPI.
ComSoc 42	Number of engagements with target groups with the implementation of social development programmes.	Community	25	20	5	10	15	20	20	20	20	20	The indicator refers to the number of engagements with target groups for the implementation social developmental programmes and /or initiatives .
ComHS14	Number of housing opportunities provided per year.	Community	30	0	0	0	0	0	0	200	100	100	A housing opportunity is incremental access to and or delivery of one of the following Housing products: Practically completed Subsidy Housing which provides a minimum 40m² house.
ComHS15	Number of Rental Stock transferred	Community	40	40	10	20	30	40	45	50	50	50	Number of rental stock transferred to approved beneficiaries, using established criteria. Rental stock is being defined as subsidised houses constructed before 1994 (scheme houses) and leased by the municipality to identified and approved beneficiaries.

BUDGETARY ALIGNMENT WITH IDP

BUDGET PER KEY PERFORMANCE AREA

To be included after approval of 2020/21 budget

BUDGET PER STRATEGIC OBJECTIVE

To be included after approval of 2020/21 budget

FIVE YEAR PROJECTED CAPITAL EXPENDITURE PER WARD

To be included after approval of 2020/21 budget

2018/19

WITZENBERG MUNICIPALITY: ANNUAL REPORT

WITZENBERG MUNICIPALITY

2018/19

CHAPTER 1: MAYOR'S FORWARD & EXECUTIVE SUMMARY 7

COMPONENT A: EXECUTIVE MAYOR'S FORWARD 8
COMPONENT B: EXECUTIVE SUMMARY 10
1.1 MUNICIPAL MANAGER'S OVERVIEW 10
1.2 MUNICIPAL FUNCTIONS, POPULATION & ENVIRONMENTAL OVERVIEW 12
1.2.1 Vision & Mission 12
1.2.2 Demographic Information 12
1.2.3 Socio-Economy Summary 14
1.2.4 Population 16
1.2.5 Households 17
1.2.6 Key Economic Activities 17
1.2.7 Municipal Challenges 18
1.3 SERVICE DELIVERY OVERVIEW 19
1.3.1 Basic Services Delivery Highlights 20
1.3.2 Basic Services Delivery Challenges 20
1.3.3 Proportion of urban households with access to basic services 21
1.4 FINANCIAL HEALTH OVERVIEW 21
1.4.1 Financial viability highlights 21
1.4.2 Financial viability challenges 21
1.4.3 National Key Performance Indicators – Financial Viability (ratio's) 21
1.4.4 Financial Overview 22
1.4.5 Operating ratio's as a percentage of operating expenditure 22
1.4.6 Total Capital Expenditure 22
1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW 23
1.5.1 Municipal transformation and organisational development highlights 23
1.5.2 Municipal transformation and organisational development challenges 23
1.6 AUDITOR-GENERAL REPORT 24
1.6.1 Audited outcomes 24
1.7 STATUTORY ANNUAL REPORT PROCESS 24

CHAPTER 2: GOVERNANCE 25

COMPONENT A: POLITICAL & ADMINISTRATIVE GOVERNANCE 26
2.1 POLITICAL GOVERNANCE STRUCTURE 26
2.2 ADMINISTRATIVE GOVERNANCE STRUCTURE 30
COMPONENT B: INTERGOVERNMENTAL RELATIONS 31
2.3 INTERGOVERNMENTAL RELATIONS 31
COMPONENT C: PUBLIC ACOUNTABILITY & PARTICIPATION 33
2.4 PUBLIC MEETINGS 33
2.5 IDP PARTICIPATION & ALIGNMENT 35
COMPONENT D: CORPORATE GOVERNANCE 36
2.6 RISK MANAGEMENT 36
2.7 ANTI-CORRUPTION & FRAUD 36
2.7.1 Developed strategies 36
2.7.2 Implementation of strategies 37
2.8 PERFORMANCE, RISK & AUDIT COMMITTEE 37

2.9 INTERNAL AUDITING 38
2.10 BY-LAWS 40
2.11 SUPPLY CHAIN MANAGEMENT 40
2.11.4 Logistics management 43
2.11.5 Disposal management 43
2.11.6 Performance management 44
2.12 WEBSITE 44
2.13 COMMUNICATION & PUBLIC SATISFACTION 45
2.13.1 Communication strategy 46
2.13.2 Communication and query/complaint management 47
2.13.3 Communication and municipal marketing 47
2.13.4 Communication and international relations 47
2.13.5 Communication and investor relations 47
2.13.6 Emergency and disaster communication 48
2.13.7 Financial communication 48
2.13.8 Electronic communication 48
2.13.9 Interpersonal communication 48
2.13.10 Media communication 48
2.13.11 Communication and legislation 48
2.13.12 Visual communication 48
2.13.13 Communication challenges 49
2.13.14 Communication milestones 49

CHAPTER 3: SERVICE DELIVERY PERFORMANCE 50

3.1 OVERVIEW OF PERFORMANCE WITHIN THE ORGANISATION 50
COMPONENT A: BASIC SERVICES 63
3.2 WATER SERVICES 63
3.3 WASTE WATER SERVICES (SANITATION) 67
3.4 ELECTRICITY 70
3.5 WASTE MANAGEMENT (COLLECTION, DISPOSAL, RECYCLING & CLEANING) 73
3.6 HOUSING 76
3.7 FREE BASIC SERVICES & INDIGENT SUPPORT 79
COMPONENT B: ROAD TRANSPORT 83
3.8 ROAD SERVICES 83
3.8.3 Challenges 84
3.8.4 Service delivery levels: New roads & maintenance of existing roads 85
3.8.5 Service Delivery Indicators: Road Services 85
3.8.6 Employees: Roads & Storm water 86
3.8.7 Capital Expenditure: Roads & Storm water 86
3.9 WASTE WATER (STORM WATER DRAINAGE) 87
3.9.1 Introduction 87
3.9.2 Highlights 87
3.9.3 Challenges 87
3.9.4 Service Delivery Levels: Infrastructure & cost of construction/maintenance 87
COMPONENT C: PLANNING & DEVELOPMENT 89
3.10 PLANNING 89

3.11 LOCAL ECONOMIC DEVELOPMENT 92
3.12 TOURISM 95
COMPONENT D: COMMUNITY & SOCIAL SERVICES 98
3.13 LIBRARIES & COMMUNITY FACILITIES 98
3.14 CEMETERIES 99
3.15 CHILD CARE, AGED CARE & SOCIAL PROGRAMMES 99
The Day for the Aged that is held annually in recognition of our Senior Citizens. 103
3.16 COMMUNITY SERVICES: OTHER 103
COMPONENT E: ENVIRONMENTAL PROTECTION 105
3.17 POLLUTION CONTROL 105
3.18 PARKS, PUBLIC OPEN SPACES & RIVER MANAGEMENT 105
COMPONENT F: SECURITY & SAFETY 107
3.19 TRAFFIC & VEHICLE LICENSING 107
3.20 FIRE SERVICES 108
3.21 OTHER (DISASTER MANAGEMENT, ANIMAL CONTROL &, CONTROL OF PUBLIC NUISANCES 109
COMPONENT G: SPORT & RECREATION 110
3.22 SPORT & RECREATION 110
COMPONENT H: CORPORATE POLICY OFFICES & OTHER SERVICES 112
3.23 FINANCIAL SERVICES 112
3.24 HUMAN RESOURCE SERVICES 114
3.25 INFORMATION & COMMUNICATION TECHNOLOGY (ICT) SERVICES 116
3.26 INTERNAL AUDIT & RISK MANAGEMENT 117
3.27 LEGAL SERVICES 118
3.28 STRATEGIC SUPPORT: OTHER 118
3.28.1 Capital Expenditure – Strategic Support: Other 118

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE 119

4.1 INTRODUCTION TO THE MUNICIPAL WORKFORCE 119
4.1.1 Employment Equity 119
4.1.2 Vacancy Rate 121
4.1.3 Employee Turnover Rate 122
4.2 MANAGING THE MUNICIPAL WORKFORCE 122
4.2.1 Injuries on duty 122
4.2.2 Sick Leave 123
4.2.3 HR Policies and Plans 123
4.3 CAPACITATING THE MUNICIPAL WORKFORCE 124
4.3.1 Skills Matrix 124
4.3.2 Skills Development – Training Provided 125
4.3.3 Skills Development – Budget Allocation 126
4.3.4 Employee Performance Rewards 126
4.4 MANAGING THE MUNICIPAL WORKFORCE EXPENDITURE 127
4.4.1 Personnel Expenditure 127
4.5 MFMA COMPETENCIES 128

CHAPTER 5 – FINANCIAL PERFORMANCE 130

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE 131
5.1 FINANCIAL SUMMARY 131
5.2 FINANCIAL PERFORMANCE PER MUNICIPAL FUNCTION 134
5.3 GRANTS 136
5.3.1 Grant Performance 136
5.3.2 Level of Reliance on Grants & Subsidies 138
5.4 ASSET MANAGEMENT 139
5.4.1 Treatment of the Three Largest Assets 139
5.4.2 Repairs and Maintenance 141
5.5 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS 141
5.5.1 Liquidity Ratio 141
5.5.2 IDP Regulation Financial Viability Indicators 142
5.5.3 Creditors Management 144
5.5.4 Borrowing Management 144
5.5.5 Employee costs 145
5.5.6 Repairs & Maintenance 145
COMPONENT B: SPENDING AGAINST CAPITAL BUDGET 146
5.6 CAPITAL EXPENDITURE 146
5.7 SOURCES OF FINANCE 146
5.8 CAPITAL SPENDING ON FIVE LARGETS PROJECTS 147
5.9 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS OVERVIEW 148
5.9.1 Service Backlogs 148
5.9.2 Municipal Infrastructure Grant (MIG) 150
COMPONENT C: CASHFLOW MANAGEMENT AND INVESTMENTS 151
5.10 CASH FLOW 151
5.11 GROSS OUTSTANDING DEBTORS PER SERVICE 152
5.12 TOTAL DEBTORS AGE ANALYSIS 152
5.13 BORROWINGS AND INVESTMENT 153
5.13.1 Actual Borrowings 153
5.13.2 Municipal Investments 154
COMPONENT D: OTHER FINANCIAL MATTERS 155
5.14 SUPPLY CHAIN MANAGEMENT 155
5.15 GRAP COMPLIANCE 155

CHAPTER 6 – AUDITOR-GENERAL AUDIT FINDINGS 156

COMPONENT A: AUDITOR-GENERAL OPINION 2018/19 157
6.1 AUDITOR-GENERAL REPORTS 2017/18 157
6.2 AUDITOR-GENERAL REPORTS 2018/19 157
LIST OF ABBREVIATIONS 158
APPENDICES 159

APPENDICES

APPENDIX A COUNCILLORS; COMMITTE ALLOCATION AND COUNCIL ATTENDANCE
APPENDIX B COMMITTEES AND COMMITTEE PURPOSES
APPENDIX C THIRD TIER ADMINISTRATIVE STRUCTURE
APPENDIX D FUNCTIONS OF MUNICIPALITY / ENTITY

APPENDIX E WARD REPORTING
APPENDIX F WARD INFORMATION
APPENDIX G RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2018/19
APPENDIX H LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS
APPENDIX I MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE
APPENDIX J DISCLOSURES OF FINANCIAL INTERESTS
APPENDIX K REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE
APPENDIX L CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG
APPENDIX M CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES
APPENDIX N CAPITAL PROGRAMME BY PROJECT 2018/19
APPENDIX O CAPITAL PROGRAMME BY PROJECT BY WARD 2018/19
APPENDIX P SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS
APPENDIX Q SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION
APPENDIX R DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY
APPENDIX S DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

VOLUME II: ANNUAL FINANCIAL STATEMENTS

AUDITOR-GENERAL REPORT

PERFORMANCE, RISK & AUDIT COMMITTEE REPORT

CHAPTER 1: MAYOR'S FORWARD & EXECUTIVE SUMMARY

COMPONENT A: EXECUTIVE MAYOR'S FORWARD

"Witzenberg Municipality - A municipality that cares for its community, creating growth and opportunity"

This Annual Report, in my respectful opinion, presents a fair assessment of the activities and state of affairs of the Municipality for the 2018/19 financial year. I want to express my sincere gratitude to the Speaker, Deputy Executive Mayor, members of the Executive Mayoral Committee, Chairperson of MPAC and all Councillors for their concerted effort to make Witzenberg a better place and commitment to serve our community and different constituencies to the best of their ability. We have achieved our seventh consecutive clean audit from the Auditor General of South Africa. The report however highlights the material impairments of receivables from exchange and non-exchange transactions to the value of R167.7 Million. The recoverability of municipal debt remains a major concern for Council and a special task team was appointed to make recommendations to Council for the recovery of same. The water situation in Tulbagh is still gloomy and mostly as a result of the Department of Water Affairs inability to sign off on the project despite the Gazetting and approval by National Treasury of the funding of the construction of a new dam over a three year period. Despite the challenges the Municipality remains committed to the provision of quality water to all its citizens on the same standard and conditions, and for which it has received many accolades, for the years to come. The Municipality have embarked on the review of its Spatial Development Framework and we are excited to adopt the new Spatial Framework in May 2020. The framework will set out the vision for the Witzenberg area for the next number of years and will hopefully also give impetus to new economic developments within our area. The framework will also take into account the strategic goals of the Western Cape Province as well as other strategic policies of both National and Provincial Departments.

We have continued to align our budget with our four key performance areas and objectives as set out in our IDP namely:

- Essential Services.
  - Sustainable provision & maintenance of basic services
  - Provide for the needs of informal settlements through improved services

- Governance
  - Support institutional transformation & development
  - Financial viability
  - To maintain & strengthen relations with international- and inter-governmental partners as well as the local community through the creation of participative structures.

- Communal Services
  - Provide and maintain facilities that make citizens feel at home

- Socio-Economic Support Services
  - Support the poor and vulnerable through programmes and policy
  - Create an enabling environment to attract investment and support to the local economy.

The relationship with both the Business and Agri-sector is still strong and will continue to grow within the next couple of years. The formal Business sector through CBI is still committed to support Small Businesses from the previously disadvantaged community and will continue with the Entrepreneur Development programme. The Witzenberg

Municipality remains very much dependent on the Agri industry and will continue to find means of broadening our income stream.

Twinning Agreement between Essen and Witzenberg Municipality

The Municipality will continue to strengthen its relationship with the Essen Gemeente Belgium. The focus area of the Twinning Agreement remains Environmental Management and Youth Development.

Extended Public Works Programme

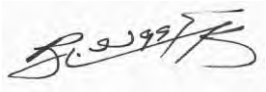
The Witzenberg Municipality is still the beneficiary of a grant to roll out an EPW Project. The Projects are mostly focusing on environmental management and has contributed tremendously to the cleanliness of our towns. A substantial number of unemployed were given employment which we believe also had an impact on our Indigent database.

Green Energy

The Municipality is still focused on implementing projects that will focus on Green Energy. The Municipality has adopted an Energy Policy that will stimulate further development and projects in the Green Energy and Economic Development field.

Conclusion

In conclusion, Witzenberg Municipality faces the future with optimism. I would like to take this opportunity to thank and acknowledge all for their commitment, focus and perseverance to develop our home into a flourishing hub for tourism, business development and agricultural expansion. It gives me great pride to serve Witzenberg as Executive Mayor and I welcome the challenges to come as I know that we will overcome them together.



BARNITO KLAASEN
EXECUTIVE MAYOR WITZENBERG

COMPONENT B: EXECUTIVE SUMMARY

1.1 Municipal Manager's Overview

Report of the Accounting Officer (Municipal Manager) in terms of Section 121 of the Local Government: Municipal Finance Management Act No 56 of 2003 (the MFMA).

Mr. David Nasson, Municipal Manager

The Municipal Finance Management Act (herein referred to as the MFMA) requires the Accounting Officer to do an assessment of any arrears on municipal taxes and service charges as well as the municipality's performance against the measurable performance objects referred to in Section 17 (3)b of the said Act. The latter assessment is dealt with in Chapter 5.1 of the Annual Report.

1.1.1 Arrears Assessment

The Auditor General of South Africa has, in its report on the 2018/2019 financial statements of the Municipal Council, emphasised the material impairment of R131.5 Million on receivables from exchange transactions. As required by the MFMA my assessment of the arrears on municipal taxes and service charges as at 30 June 2019 is as set out below:

- the gross outstanding service debtors in total increased with 19.97% in relation to the 2017/2018 financial year.
- the leading contributors to the outstanding debt are water at 38.06% and sanitation and refuse at 37.78%.
- the effective implementation of the Credit Control Policy in areas where Eskom is a supplier of electricity is playing a major role in the escalation of the service debtors. Council has approved that prepaid water meters be installed in these areas which will assist in the recouping of the service charges.
- the majority of households are working in the Agri sector which has been adversely affected by drought.
- the Municipality will continue to exercise all legal avenues to collect its outstanding debt.
- concerted efforts are therefore being made, inter alia through capacitating our own debt collection to recover debts older than 90 days which constitutes 69.95% of total outstanding debt.

Credit control measures are progressively tightened up, e.g. service provider to perform disconnection on defaulters.

1.1.2 Revenue Collection

The municipality's performance for revenue collection increased from at 94.2% in 2017/18 to 94.8% in the 2018/2019 financial year. We are mindful that the Municipality's financial sustainability is dependent on its ability to optimally collect the budgeted revenue. Public participation is being done on installation of water management devices and the disconnection of illegal electricity meters.

1.1.3 Material losses / Impairments

Electricity

There was a increase in the electricity losses including technical and non-technical losses. The total loss for the financial year was 10.51% compared to the loss of 9.85% in the previous financial year. The electricity losses are mainly the result of ageing infrastructure and theft of electricity in certain areas within the Municipality. The upgrade of the electrical infrastructure will continue in the new financial year which will hopefully lead to a further decrease in electricity losses.

As part of Councils on-going programme to cut down on energy losses the following corrective measures will be undertaken:

- conducting an audit of all meters in Municipal area
- replacing conventional pre-paid meters with split meters
- updating GIS data to monitor electrical distribution
- regular special operations to clamp down on electricity theft.
- setting of competitive feed in tariffs to encourage bulk consumers to feed electricity into our municipal grid for re-sale

Water

The calculated water loss is 17.73%. This is lower than the 17.88% that was recorded in the 2017/2018 financial year. The technical department is robust and vigorously busy improving the effectiveness of water provision by:

- installing water meters at unmetered communal taps
- replacing and repairing bulk meters
- installing data loggers at strategic sites
- collecting and calculating monthly data
- replacing badly leaking/eroded pipes on a program within certain areas.

1.1.4 Incidents of Theft / Fraud / Gross Negligence

No incidents of fraud or gross negligence were reported.

1.1.5 General and Closing Comments

The maintenance of municipal infrastructure remains a major challenge for the municipality. The poor state of our roads, in some of our municipal, and our inability to rehabilitate same is still a major concern. The economic challenges of our Municipal financial resources and effective management of municipal labour will be crucial for Council to overcome the tough economic challenges. I would further like to take this opportunity to thank our Executive Mayor and Political leadership as well as our Directors and other colleagues for their continuous hard work and effort to lift the bar of Good Governance and Service Delivery.

D NASSON
MUNICIPAL MANAGER

1.2 Municipal Functions, Population & Environmental Overview

This report addresses the performance of Witzenberg Municipality, Western Cape, with respect to their core legislative obligations. Local Government has an obligation to create the participatory framework that defines and enhances the relationships between elected leaders and communities. This requires that the Council of the municipality provides regular and predictable reporting concerning performance programmes and the general state of affairs in their locality.

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

1.2.1 Vision & Mission

Our Vision

A municipality that cares for its community, creating growth and opportunities.

Our Mission:

Witzenberg Municipality is committed to improve the quality of life for the community by:

- Providing and maintaining affordable services.
- Promoting social and economic development
- The effective and efficient use of available resources
- Effective stakeholder and community participation

Value System:

- Driven by the aspirations of our community, we will respect and uphold the Constitution of the Republic of South Africa.
- We commit ourselves to the Code of Conduct for Councillors and Officials in terms of the Municipal Systems Act.
- We commit ourselves to the principles of sound financial management.

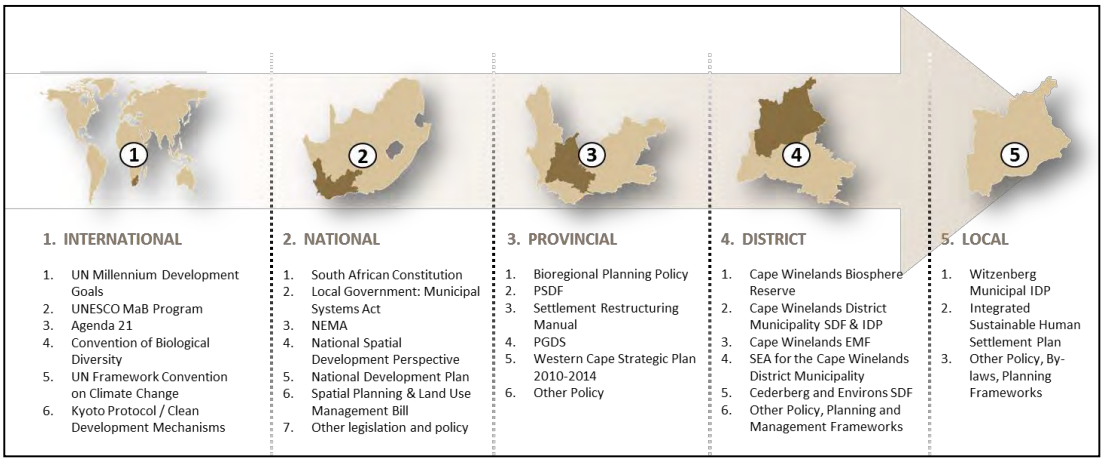
1.2.2 Demographic Information

Witzenberg Local Municipality (LM) was founded in 2000 and is classified as a Category B municipality and is responsible for basic service provision in the demarcated municipal area that includes the towns of Ceres, Tulbagh, Prince Alfred's Hamlet, Wolseley and Op-die-Berg. The rural areas within the municipal boundary are Ceres Valley, Koue Bokkeveld, Agter-Witzenberg, Ceres/Tankwa Karoo and the northern portion of Breede River Valley (Land van Waveren).

Municipal geographical information:

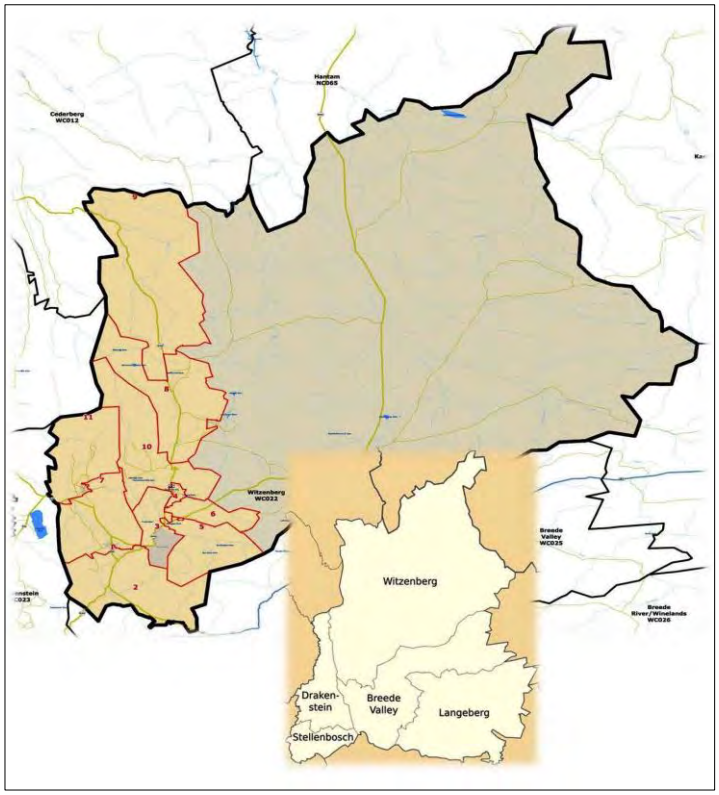
The climate in Witzenberg is known for hot and dry weather during summer. Winds are seasonal and generally North-westerly or South-easterly. The average annual rainfall in Ceres is about 1 088 mm and the average temperature ranges from 2.4°C to 29.9°C.

Located in the picturesque and fertile Breede Valley, Witzenberg is renowned for export quality fruit and wine products. The region is also well-known for producing other agronomical products such as olives and grain, and meat products such as beef and pork. Horse and cattle stud farms are also found within the municipal area.



Witzenberg Municipality in geographical context.

Witzenberg LM comprises an area of 10 753 km², and is situated about 150 kilometres North-East of Cape Town. The region is surrounded by three mountain ranges: the Obiqua Mountains to the west, the Winterhoek Mountains to the north and the Witzenberg range to the east. These mountain ranges often receive significant winter snowfall. Witzenberg's natural surroundings are characterized by endemic fauna and flora, forest wilderness and include the catchment areas of three river systems.



Location of Witzenberg Municipality in the Cape Winelands District.

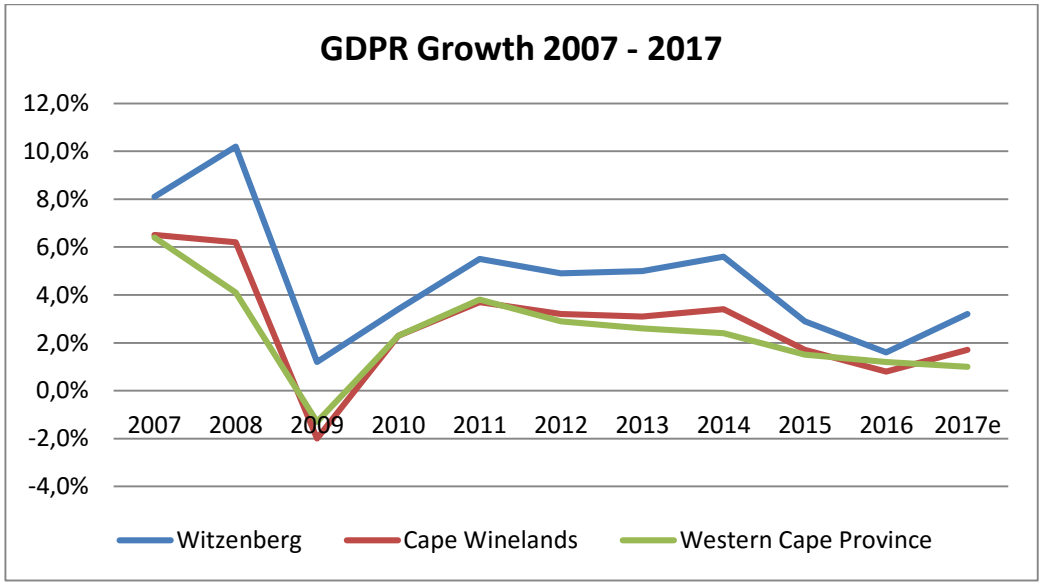
From a spatial perspective, some of the challenges facing the various areas of the municipality are:

- Op-die-Berg and the Koue Bokkeveld: Limited space for human settlement expansion due to bio-physical conditions and the competition for land for various social and agricultural needs.
- Prince Alfred Hamlet: A low overall density of development, with definite bio-physical constraints to expansion such as the need to protect biodiversity resources.
- Ceres: Main administrative centre with largest industrial developments. Low density development with limited opportunities for diversification.
- N'Duli: The scarcity of land to address social needs, and conflict with surrounding agricultural uses.

- Wolseley: Situated alongside major road- and rail transport corridors with the main focus on industrial development. Located on a watershed complicates the provision of services, and the wetland area is unsuitable for development.
- Tulbagh: Historical town with focus on tourism development and heritage conservation.
- Bella Vista: High density development with under-provision of formal business opportunities.

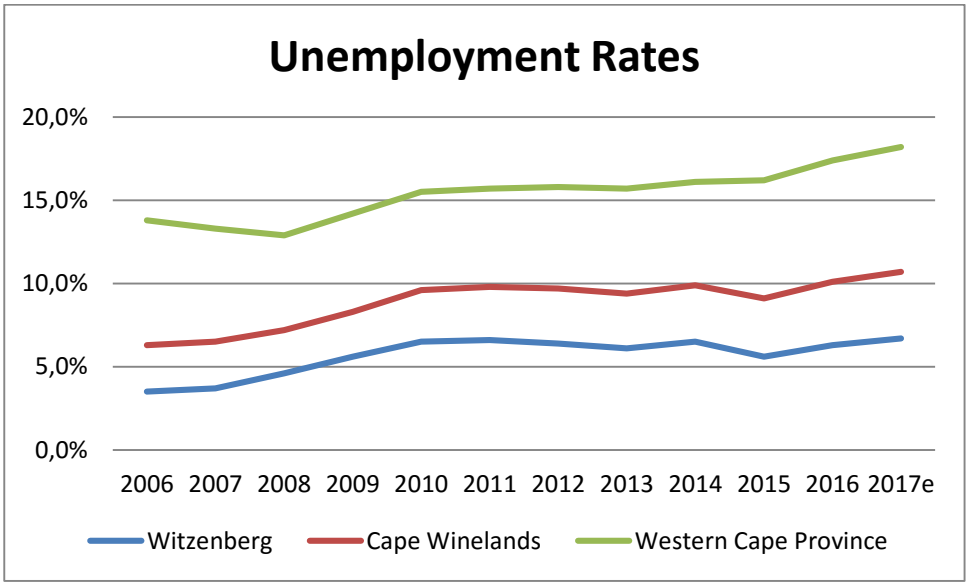
1.2.3 Socio-Economy Summary

Economic growth in the Witzenberg municipal area has been relatively volatile due to its small base and reliance on the agriculture sector which is influenced by national trends and climatic conditions, especially the drought period 2014 to 2017. It is estimated that the economy grew by 3.2 per cent in 2017, which follows the low growth of 1.6 per cent in 2016. The estimated growth in 2017 is mainly due to the boost from the agriculture sector. Despite the local drought, national conditions for this sector were very positive (17.7 per cent) (Quantec Research, 2018), which also influenced sectors on a local level.



Source: Quantec Research, 2018 (e denotes estimate)

Unemployment in the Witzenberg municipal area gradually increased to 6.5 per cent in 2010 and hovered around the 6.0 per cent mark up to 2014, before dipping to 5.6 per cent in 2015 and regressing thereafter to peak at 6.7 per cent in 2017. Notwithstanding the uptick, the Witzenberg unemployment rate in 2017 remains considerably lower than the average for the District and the Province. The local agricultural sector is however highly seasonal with the result that unemployment increases drastically during off-season periods.



Source: Quantec Research, 2018 (e denotes estimate)

Income Inequality (Gini coefficient): The National Development Plan has set a target of reducing income inequality in South Africa from a Gini coefficient of 0.7 in 2010 to 0.6 by 2030. Income inequality has been on the increase in Witzenberg between 2012 and 2017 and currently stands at 0.59.

HDI (Human Development Index): The United Nations uses the Human Development Index (HDI)1 to assess the relative level of socio-economic development in countries. Indicators that measure human development are education, housing, access to basic services and health. Per capita income is the average income. It is income per head of the population per year. Per Capita Income might not be the income of every individual in the state. Life expectancy and Infant Mortality Rate are other important criteria for measuring development. There has been an increase in the HDI in Witzenberg from 0.66 in 2016 to 0.67 in 2017. The HDI shows an overall increase in the Cape Winelands and the whole of the Western Cape from 2008 to 2017.

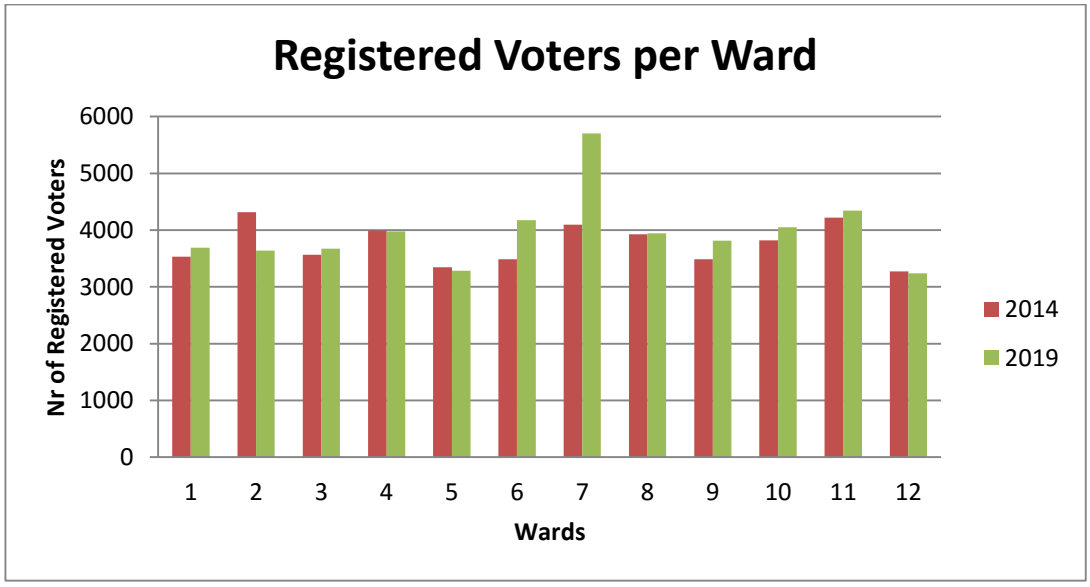
Wards:

The municipality is currently structured into the following 12 wards:

Ward	Areas	Registered Voters 2014	Registered Voters 2019
1	N'Duli - Polo Cross & Primary School	3529	3688
2	Wolseley - WF Loots, Petra, Bothashalt, La Plaisante	4318	3637
3	Ceres - Primary School, Stadsaal, Fairfield School	3564	3671
4	Prince Alfred's Hamlet - Town Hall, Bella Vista High School, Ceres Aartappels	3994	3976
5	Ceres Vallei Church Hall, Achtertuin Primary school	3347	3282
6	Bella Vista - URC Hall & Community Hall	3484	4177
7	Tulbagh - Community Hall. Wolseley - Primary & Secondary School	4098	5700
8	Op-die-Berg, Koue Bokkeveld - Môrester, Bronaar, Rocklands.	3925	3943
9	Tandfontein, Wydekloof, Voorsorg, Kromfontein	3488	3812

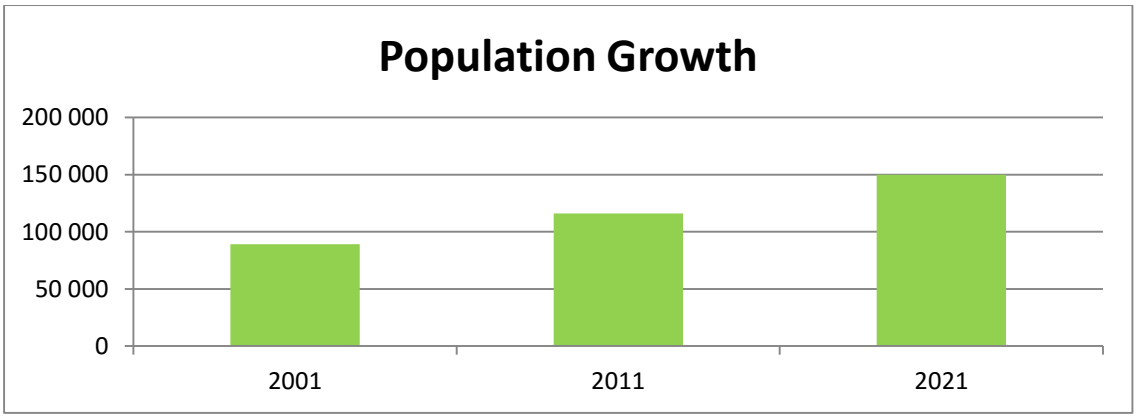
Ward	Areas	Registered Voters 2014	Registered Voters 2019
10	Phase 4 Hamlet, Agter Witzenberg, Koelfontein.	3818	4053
11	Tulbagh - Town Hall & werkestoor, De Agen, Twee Jonge Gezellen.	4222	4346
12	N'Duli - Polo Cross & Primary School	3270	3237
TOTAL Registered Voters		45 057	47 522

Note: In 2014 the norm to determine the size of a ward was 3755 registered voters with a 15% maximum (4318) and minimum (3265).



1.2.4 Population

According to the Department of Social Development's 2018 projections, Witzenberg currently has a population of 140 124, rendering it the second smallest municipal area within the Cape Winelands District. This total is estimated to increase to 160 021 by 2024 which equates to a 2.2 per cent growth rate. The estimated population growth rate of Witzenberg is slightly below the estimated population growth of the Cape Winelands at 2.4 per cent. *(Source: Witzenberg 2018 Socio-economic Profile SEP-LG)*



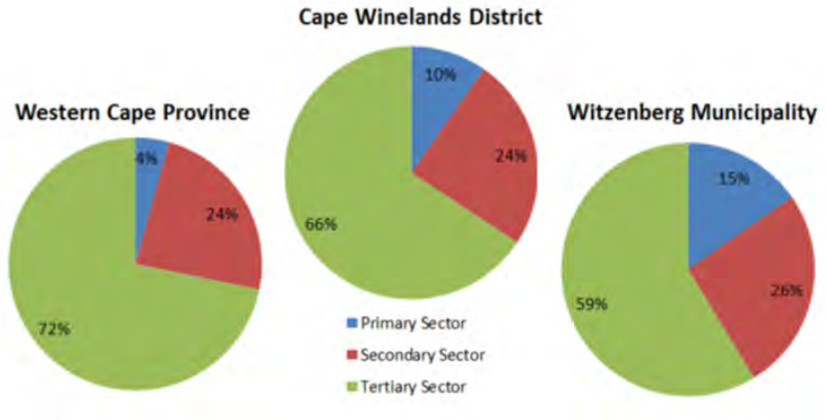
1.2.5 Households

There are 35 976 households in the municipality, with an average household size of 3.6 persons per household. (Socio-Economic Profile 2017)

1.2.6 Key Economic Activities

Witzenberg have a larger primary sector relative to their economy due to the agricultural dominance and therefore have a smaller tertiary sector. Municipal areas with a higher degree of urbanisation and therefore larger towns that serve as service centres for the broader areas, such as Drakenstein and Stellenbosch, have larger tertiary sectors, and larger economies.

The secondary sector forms an important component of any local economy, as it utilises inputs from the primary industry to generate new products and add additional value to raw material – thus creating an opportunity to attract new investment and create jobs. This sector is mainly driven by the manufacturing sector. Witzenberg with the support of the Department of Rural Development has invested significantly especially with regards to the upgrading of roads in the Skoonvlei Industrial Area. The Skoonvlei area has been identified as as Agri-Hub as part of the National AgriParks Concept and has since attract numerous secondary sector initiatives such as packaging facilities and cold storage.



In 2019 the BEAR production facility was opened in Wolseley by Lotus Bakeries. The facility produces BEAR Nibbles which are natural snacks made from pure fruit. Witzenberg Municipality made land available for the factory and supported through the upgrading of linked infrastructure.

BEAR Production Facility in Wolseley

The largest economic sectors in the Witzenberg economy in 2016 included the wholesale and retail trade, catering and accommodation sector (17.4 per cent); the finance, insurance, real estate and business services sector (15.9 per cent); and the agriculture (15.2 per cent). Collectively, these sectors contributed R4.0 billion to the Witzenberg economy (48.5 per cent) in 2016, emphasising the importance of these sectors locally and the impact of the sectoral performance on the overall stability of the Witzenberg municipal area economy.

1.2.7 Municipal Challenges

The following general challenges are experienced by the municipality:

Challenges	Actions to address
Bulk electricity supply from Eskom. The recent growth in the local agro-economy has resulted in the expansion of agro-processing industries in the rural and built environment. Our notified maximum demand limits by Eskom is under pressure and cannot be increased due to the under-capacity of the bulk supply infrastructure managed by them. This has restricted further economic expansion which can only be addressed with the bulk supply infrastructure.	Various deliberations have taken place between the municipality, Eskom, local business and the agricultural sector to address the issue. Discussions with various government departments are underway to obtain funding to upgrade the Eskom bulk infrastructure on a short term basis to address this need up until the upgrade completion in 2021. The Environmental Impact Assessment has been approved and the indication is that upgrades will commence towards the second quarter of 2020.
Waste Management. The operating of the municipal landfill sites and overall management of waste has become a major challenge due to drastically increased maintenance cost of the sites, vandalism, theft and public ignorance on the by-laws. The delay in the establishment of a regional waste site at Worcester also contributes to the uncertainty of strategy to be followed in terms of investment into the current sites or towards a material recovery facility aligned with the regional site. Legal challenges and public ignorance with regards to existing landfill sites contributes to this challenge..	The municipality has started with the implementation of a long-term strategy for waste management in the municipal area. A MIG application has been submitted for the establishment of a material recovery facility and waste transfer stations and will be included in the 2019/20 municipal budget and onwards.
Drought and water sources. The Witzenberg area has experienced a severe drought during 2015/16 to 2017/18 and was declared a disaster area by National- and Western Cape Government. Severe water restrictions were implemented by Council. The limited storage capacity in Tulbagh escalated the problem.	Funding has been secured from DWS for the construction of the raw water dam at Tulbagh. The service provider has been appointed and they are currently busy with designs and tender documentation. The construction will commence during 2019/20.
The requirement for the upgrade of R46 between Ceres & Nduli (which is a provincial road) might delay further implementation of the Vredebes housing project which caters for 2900 subsidised residential plots.	Establishment of steering committee to unlock resources and stumbling blocks with Vredebes
Maintenance and upgrading of municipal roads. The condition of bituminous pavements (roads) has drastically decreased over the past couple of years in certain areas, due to historically poor construction practices and insufficient funding for road maintenance. The existing backlog amounts to R 80 million, with 36% of these roads located in Tulbagh in a poor to very poor structural condition. Many of these roads have deteriorated to the point that they need to be rebuilt	Continued funding through municipal budget.
Debt collection on municipal rates and taxes. The outstanding debt has increased rapidly over the past few years in certain towns due to the inability to implement the debt collection policy. This is especially evident in towns where Eskom supply electricity and the policy cannot be implemented. In certain areas, public hostility has reached fever-pitch and officials are at risk when investigating illegal connections and meter tampering. This is causing a culture of non-payment and apathy towards financial obligations.	The municipality has budgeted for the implementation of water management devices that will limit water flow to supplement the Debt Collection Policy. Water use for humanitarian purposes will still be available, but excessive water usage and non-payment will be addressed.
Maintenance and upgrading of electrical network. The condition of electrical network has drastically decreased over the past couple of years in certain areas, mainly in the older towns. The	Continued funding through municipal budget is essential.

Challenges	Actions to address
existing backlog amounts to R 221 million. The old network has the effect that unplanned interruptions occur, which leaves customers without electrical supply for some unannounced periods.	

The maintenance of the electrical network remains a major challenge especially with regards to illegal connections which result in unplanned interruptions as networks becomes overloaded.

1.3 Service Delivery Overview

The investment in municipal infrastructure has been historically influenced by existing backlogs and this is a consideration for the sustainable service delivery for new developments as well as general upgrading and maintenance. The developmental potential of urban areas plays a major role in guiding infrastructure investment to ensure sustainable service delivery to human settlements. Basic services that include water, sanitation, electricity, refuse, roads and storm water and should be a major focus area for infrastructure budgeting and investment.

Our previous and current investment into services has been well-supported with funding from the Department of Energy (INEP), COGTA (MIG), the Department of Human Settlements (funding for bulk services), Department of Rural development (with regards to infrastructure investment to the AgriPark) and inherent municipal funding.

In terms of bulk services, the following challenges are prominent;

Bulk electrical supply: Eskom cannot supply any additional bulk electricity to Ceres, Tulbagh and Wolseley. We are already exceeding our Notified Maximum Demand in these towns and Eskom can only upgrade their bulk network by 2022. All new developments in Witzenberg are now jeopardised, as Eskom cannot supply additional bulk electrical supply. This is having a major impact on the growth of the economy and intervention at National level is required. In the meantime Eskom increased our NMD at Ceres Power Station with 1,7MVA and we installed our capacitor banks at Bon Chretien Substation which assisted in decreasing max demand by 1.5MVA. We are however still running on the limits of our NMD and are future penalties to Eskom not excluded.

The drought is having a severe impact on all towns, especially Tulbagh. A new raw water storage dam needs to be constructed at Tulbagh to alleviate the problem. Funding to the tune of R29M has been secured and construction will commence during 2020.

Upgrade of bulk roads and storm water, electricity, sewerage and water mains for the new Vredebes development are well underway. These services will ensure sustainable capacity for the development and should be completed within the next 3 years. Upgrade of the new roads, storm water, electrical bulk provision, water and sanitation networks, however remain underfunded and should be capacitated through budget allocation and investment.

1.3.1 Basic Services Delivery Highlights

Highlight	Description
Vredebes internal electrical network and LED streetlights.	Completion of electrical network and supply to 322 stands
Infrastructure & upgrades	Replacement of various sewer networks within Witzenberg. Replacement of various water networks within Witzenberg.
Security upgrades at pump stations & WWTW	Security fencing erected at various pump stations and WWTW.
Vredebes Phase F2 Internal Civil Services	Completed internal civil services to 627 RDP erven at Vredebes.
Vredebes, Ceres: New Access Collector, Storm water & Sidewalks Ph2	Class 3 road from intersection with TR22/2 up the access to Phase 2 of the Vredebes development; Sidewalks on both sides of the road; Associated storm water along the proposed road.
Tulbagh - Station avenue	Reconstruction of Station avenue in Tulbagh

1.3.2 Basic Services Delivery Challenges

Service Area	Challenge	Actions to address
Water	Severe drought	Implemented water restrictions, obtained grant funding for various drought interventions and obtained funding for the construction of a raw water dam at Tulbagh
Technical Services	Budget	Limited budget for infrastructure refurbishment, upgrade and replacement of vehicles and out-dated equipment.
Electricity	Eskom unable to increase Notified Maximum Demand	Regular interactions with Eskom to speed up their bulk upgrades. Renewable energy policy approved by Council to assist with the demand shortage. Eskom completed their EIA process for the bulk upgrades, construction start date is planned for second quarter of 2019/20.
Solid Waste	Continuous court actions by adjacent owner of the Tulbagh Landfill Site	Variation license amendments submitted to DEADP to obtain height increase for additional volume to increase the storage capacity at Tulbagh landfill, however adjacent owner is continuously appealing these decisions in court, which limits our storage space, as the Worcester Regional Site is not forthcoming.
Town Planning & Building Control	Land Use Control	• 74 (58%) of House Shops in Witzenberg operate without approval • Overriding reason is the shop owner is not property owner (immigrants) • Serving of notices are not properly done (law enforcement). • Council does not have a demolition team, equipment & suitable vehicles especially to remove structures/containers.

1.3.3 Proportion of urban households with access to basic services

The table below indicates the number of urban households with access to a minimum level of basic services:

Description	2015/16	2016/17	2017/18	2018/19
Electricity - service connections	12 730	12 893	12 543	12 878
Water - available within 200m from dwelling	14 301	14 329	14 242	14 593
Sanitation - Households with at least VIP service	14 380	14 380	14 558	15 714
Waste collection - kerbside collection once a week	13 871	14 057	14 292	14 259

Note: Decrease in 2017/18 figures due to counting of structures in informal areas in previous year and not households.

1.4 Financial Health Overview

1.4.1 Financial viability highlights

Highlight	Description
Debt coverage ratio 147,6	The number of times debt payments can be accommodated within operating revenue. This represents the ease with which debt payments can be accommodated by the municipality
Cost coverage ratio 2.7 months	It explains how many months' expenditure can be covered by cash and other cash equivalents available to the municipality

1.4.2 Financial viability challenges

Challenge	Action to address
Service debtors to revenue 57%	A Revenue Enhancement Strategy will be implemented during the new financial year. . The 2019/20 budget provides for the installation of water management devices which aims to reduce outstanding debt.

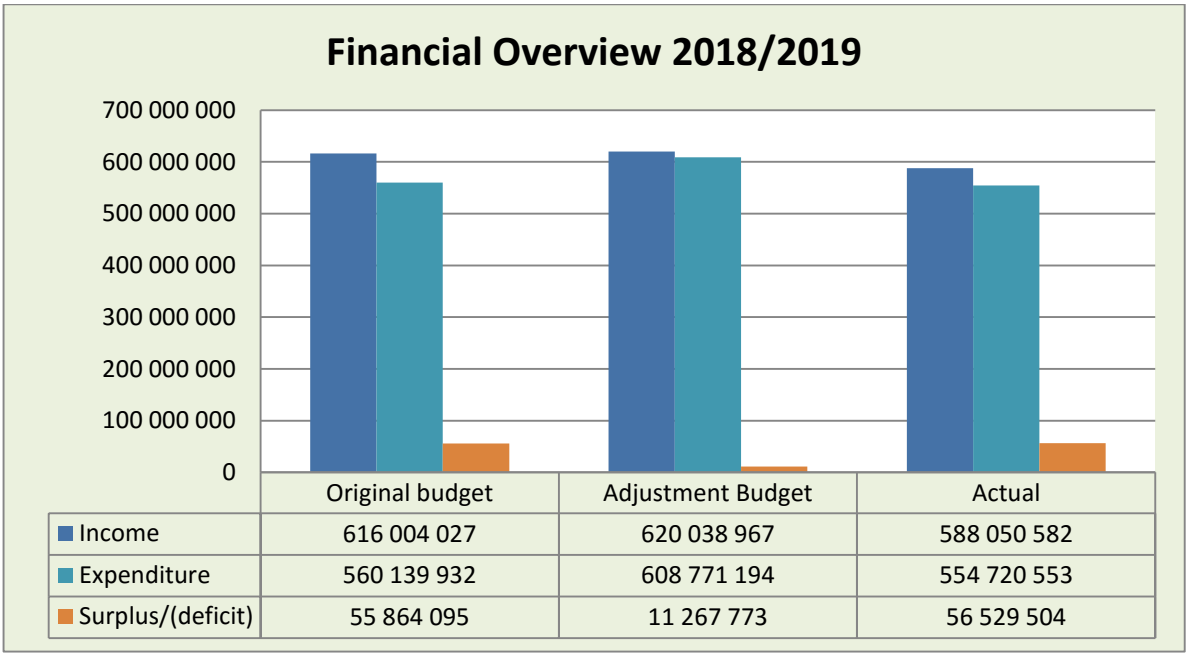
1.4.3 National Key Performance Indicators – Financial Viability (ratio's)

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

KPA & Indicator	2016/17	2017/18	2018/19	Comments
Debt coverage (Total operating revenue - operating grants received: debt service payments due within the year)	39.7 : 1	90.2 : 1	147,6 : 1	This indicator is to determine if the municipality generates sufficient cash to cover outstanding debtors, the higher the ratio, the better
Service debtors to revenue – (Total outstanding service debtors: revenue received for services)	0.54 : 1	0.49 : 1	0.57 : 1	This is the percentage that outstanding debtors are of annual revenue, the lower, the better
Cost coverage (Available cash+ investments: Monthly fixed operating expenditure)	2.4 : 1	2.97 : 1	2.7 : 1	This is the percentage that cash on hands will be able to cover monthly expenditure, the higher, the better

1.4.4 Financial Overview

Details	Original budget	Adjustment Budget	Actual
	R	R	R
Income	**616 004 027**	**620 038 967**	**588 050 582**
Grants	166 999 843	168 884 479	159 378 571
Taxes Levies and tariffs	386 534 422	386 534 421	375 078 614
Other	62 469 762	64 620 067	53 593 397
***Less* Expenditure**	**560 139 932**	**608 771 194**	**554 720 553**
Gains/(Losses)			**23 199 475**
Net surplus/(deficit)	**55 864 095**	**11 267 773**	**56 529 504**

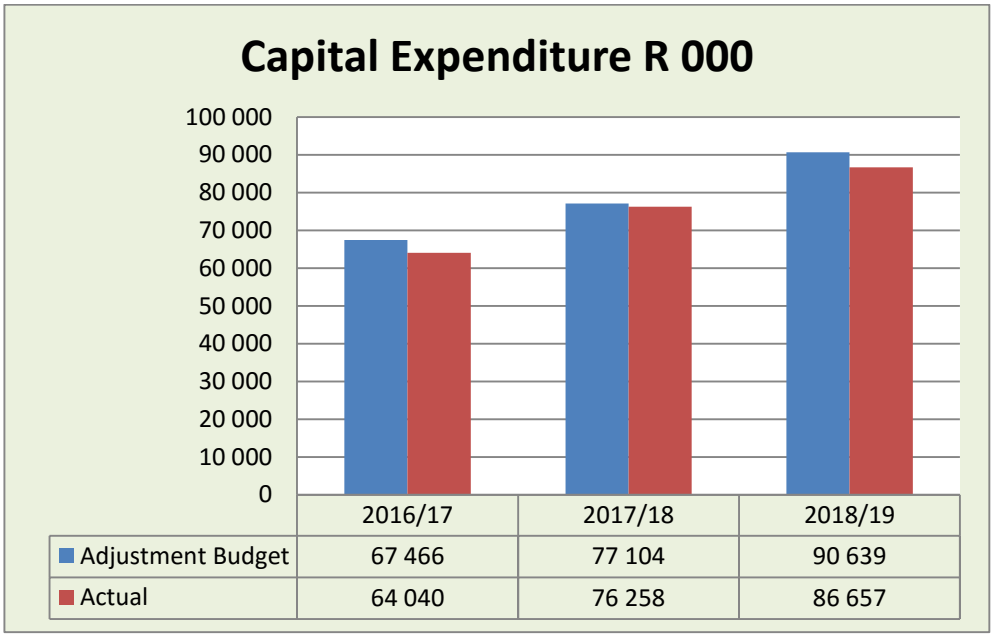


1.4.5 Operating ratio's as a percentage of operating expenditure

Detail	Expected norm	2016/17 Actual	2017/18 Actual	2018/19 Actual	Variance 2018/19 from norm
Employee Cost	30%	26%	29%	30,02%	-0,02
Repairs & Maintenance	20%	4%	4%	3,03%	16,97
Finance charges & depreciation	10%	8%	8%	8,34%	1,66

1.4.6 Total Capital Expenditure

Detail	2016/17	2017/18	2018/19
	R'000		
Original Budget	62 922	52 768	81 321
Adjustment Budget	67 466	77 104	90 639
Actual	64 040	76 258	86 657
Percentage Expenditure	94,9%	98,9%	95,6%



1.5 Organisational Development Overview

1.5.1 Municipal transformation and organisational development highlights

Highlight	Description
Embarking on TASK process. Review of all job descriptions.	Various positions and departments have been evaluated and audited
Realisation of public participation with all relevant wards	Five (5) channels of communication between the municipality and communities
Creation of awareness on Corruption and Fraud Policy	Communication of whistle blower process on a quarterly basis to the community and to personnel
Skilling, capacitating and building of essential personnel	Minimum competency realisation for all key staff and continuous capacity building for strategic personnel

1.5.2 Municipal transformation and organisational development challenges

Challenge	Actions to address
Gap in filling employment equity targeted groups in managerial positions	Specify the recruitments to the targeted in terms of the Employment Equity Plan segment
Low salary (remuneration) equals to lack of attraction of specialized skills	Embarking on salary scale reviews (TASK)
Limited capital budget	Requiring financial support for auxiliary functions from supporting organs of state

1.6 Auditor-General Report

1.6.1 Audited outcomes

The table below detail the audit outcomes for the past sic financial years:

Year	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Status	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified

1.7 Statutory Annual Report Process

No	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise the 4th quarter Report for previous financial year	
4	Municipal entities submit draft annual reports to MM	
5	Submit draft Annual Performance Report including consolidated annual financial statements to Internal Audit and Auditor-General	August
6	Audit/Performance committee considers draft Annual Performance Report of municipality and entities (where relevant)	
7	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	September
8	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	October
9	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September - October
10	Municipalities receive and start to address the Auditor General's comments	November
11	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	December
12	Audited Annual Report is made public and representation is invited	
13	Oversight Committee assesses Annual Report	January
14	Council adopts Oversight report	
15	Oversight report is made public	
16	Oversight report is submitted to relevant provincial councils	
17	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	March

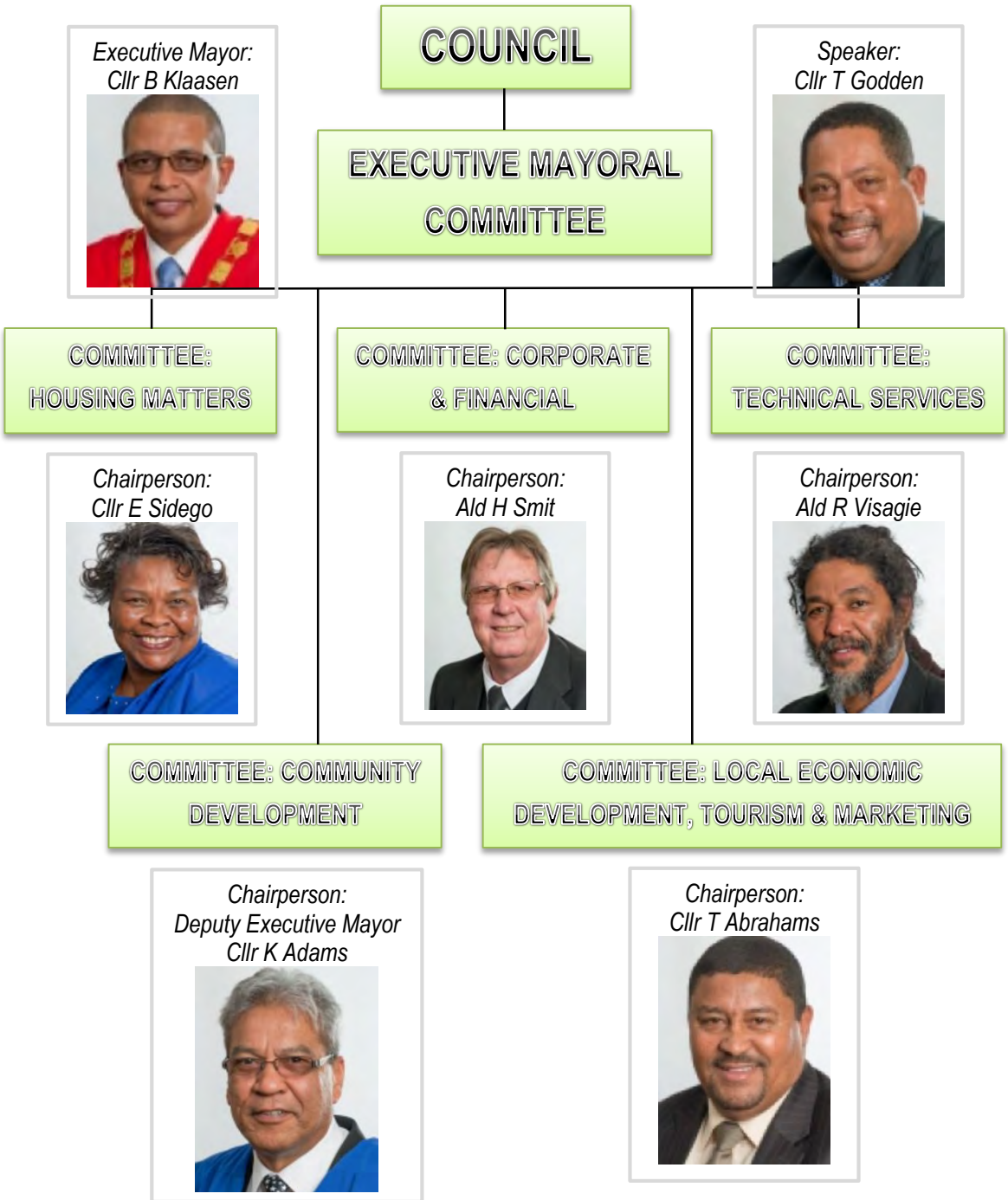
CHAPTER 2: GOVERNANCE

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

COMPONENT A: POLITICAL & ADMINISTRATIVE GOVERNANCE

2.1 Political Governance Structure

The Council performs both legislative and executive functions. It focuses on legislative, oversight and participatory roles, and has delegated its executive function to the Executive Mayor and the Mayoral Committee. Its primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as policy makers, councillors are also actively involved with community work and various social programmes in the municipal area.



2.1.1 Council

The Witzenberg municipal council consist of 23 Councillors of which 12 are Ward Councillors and 11 Proportional Councillors.

Below is a table that categorises councillors within their specific political parties and wards:

Name of Councillor / Alderman	Capacity	Political Party	Ward representing or proportional
TE Abrahams	Mayco Member 03/08/2016-	DA	Proportional
K Adams	Alderman: Deputy Executive Mayor 03/08/2016-	DA	Ward 6
P Daniels	Councillor 03/08/2016-	DA	Ward 7
TT Godden	Alderman: Speaker 03/08/2016-	Cope	Proportional
P Heradien	Councillor 03/08/2016-	ICOSA	Proportional
SJ Hugo	Councillor 03/08/2016 - 04/12/2018	ANC	Ward 9
DM Jacobs	Councillor 03/08/2016-	EFF	Proportional
D Kinnear	Councillor 03/08/2016-	DA	Proportional
BC Klaasen	Executive Mayor 03/08/2016-	DA	Proportional
GG Laban	Councillor 03/08/2016-	Witzenberg Aksie	Proportional
C Lottering	Councillor 03/08/2016-	DA	Ward 2
M Mdala	Councillor 03/08/2016-	ANC	Ward 12
TP Mgoboza	Councillor 03/08/2016-	ANC	Ward 10
ZS Mzauziwa	Councillor 03/08/2016-	DA	Proportional
MJ Ndaba	Councillor 05/12/2018-	ANC	Ward 9
N Phatsoane	Councillor 03/08/2016-	ANC	Ward 1
JT Phungula	Alderlady 03/08/2016-	ANC	Proportional
JW Schuurman	Alderman 03/08/2016 -	ANC	Proportional
EM Sidego	Mayco Member 03/08/2016-	DA	Ward 11
RJ Simpson	Councillor 03/08/2016-	ANC	Proportional
HJ Smit	Alderman Mayco Member 03/08/2016-	DA	Ward 5
D Swart	Councillor 03/08/2016-	DA	Ward 3
HF Visagie	Councillor 03/08/2016-	ANC	Ward 8
JJ Visagie	Alderman Mayco Member 03/08/2016-	DA	Ward 4

Below is a table which indicates the number of items submitted to Council and meeting attendance for the 2018/19 financial year:

Council Meeting dates	Number of items submitted	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
25 July 2018	45	91%	50%
23 August 2018	5	70%	85%
31 October 2018	52	83%	75%
6 December 2018	17	70%	43%
8 January 2018	2	96%	100%
23 January 2019	15	74%	67%
27 February 2019	23	78%	100%
26 March 2019	12	83%	75%
30 May 2019	28	78%	60%

Appendix A: List of Councillors, Committee allocations & attendance of Council Meetings

2.1.2 Executive Mayoral Committee

The Executive Mayor of the Municipality, Councillor BC Klaasen, assisted by the Mayoral Committee, heads the executive arm of the Municipality. The Executive Mayor is at the centre of the system of governance, since executive powers are vested in him to manage the day-to-day affairs. This means that he has an overarching strategic and political responsibility. The key element of the executive model is that executive power is vested in the Executive Mayor, delegated by the Council, as well as the legislative powers assigned to these parties. Although accountable for the strategic direction and performance of the Municipality, the Executive Mayor operates in collaboration with the Mayoral Committee.

Name of member	Capacity
Mayco Member Alderman H Smit 17/08/2016-	Chairperson: Committee for Corporate and Financial Services
Mayco Member Alderman JJ Visagie 17/08/2016-	Chairperson: Committee for Technical Services
Mayco Member Councillor TE Abrahams 17/08/2016-	Chairperson: Committee for Local Economic Development, Tourism and Marketing
Mayco Member Deputy Executive Mayor Alderman K Adams 17/08/2016 -	Chairperson: Committee for Community Development
Mayco Member E Sidego 17/08/2016 -	Chairperson: Committee for Housing Matters

2.1.3 Portfolio Committees

In terms of section 80 of the Municipal Structures Act 1998, if a Council has an executive committee; it may appoint, in terms of Section 79, committees of councillors to assist the executive committee or Executive Mayor. Section 80 committees are permanent committees that specialise in a specific functional area of the municipality and may in some instances make decisions on specific functional issues. They advise the executive committee on policy matters and make recommendations to Council.The table below indicates the dates of the Committee meetings and the number of reports submitted to Council for the 2018 / 2019 financial year:

Committee	Chairperson	Number of minutes submitted to Council	Meeting Date
Committee for Housing Matters	Councillor E Sidego 03/08/2016-	9	6 September 2018 11 October 2018 1 November 2018 8 November 2018 11 December 2018 7 February 2019 16 May 2019 5 June 2019 13 June 2019
Committee for Community Development	Alderman K Adams 03/08/2016-	2	20 September 2018 14 February 2019
Committee for Corporate and Financial Services	Alderman H Smit 03/08/2016-	3	20 September 2018 18 October 2018 19 February 2019
Committee for Technical Services	Alderman J Visagie 03/08/2016-	3	19 September 2018 19 February 2019 22 May 2019
Committee for Local Economic Development, Tourism and Marketing	Councillor T Abrahams 03/08/2016-	2	19 September 2018 20 February 2019

Appendix B: Committees & Committee purposes

2.1.4 Municipal Public Accounts Committee (MPAC)

An Audit Committee has been established that includes Risk- & Performance functionality and is referred to as the Performance-, Risk & Audit Committee (PRAC). A Municipal Public Accounts Committee as an oversight committee has been established compromising from non-executive councillors with the specific purpose of providing Council with comments and recommendations on the Annual Report. The report from the MPAC on the Annual Report for 2018/19 will be provided as an attachment to this report.

Council appointed the Chairperson and members of the MPAC at a Council meeting held on 16 January 2017.

The members of the MPAC are as follows:

Position	Councillor	Political Party
Chairperson	Clr DM Jacobs	EFF
Member	Clr P Heradien	ICOSA
	Ald JW Schuurman	ANC
	Clr GG Laban	Witzenberg Aksie
	Clr C Lottering	DA

Councillor DM Jacobs: Chairperson of MPAC

2.2 *Administrative Governance Structure*

The Municipal Manager is the Accounting Officer of the municipality. He is the head of the administration and primarily has to serve as chief custodian of service delivery and implementation of political priorities. He is assisted by his directorship, which constitutes the management team below:

		KEY AREAS
MUNICIPAL MANAGER ✓ *Performance Agreement Signed*	*D Nasson* 	*Head of administration* *Integrated Development Planning* *Internal Audit* *Legal Services* *Performance & Risk* *Strategic Planning*
DIRECTOR: CORPORATE SERVICES ✓ *Performance Agreement Signed*	*M Mpeluza* 	*Human Resources* *Archives* *Administration* *Traffic* *Law Enforcement* *Communication* *Marketing* *Information Technology*
DIRECTOR: TECHNICAL SERVICES ✓ *Performance Agreement Signed*	*J Barnard* 	*Water & Sanitation* *Roads & Storm water* *Waste Removal & Cleansing* *Town Planning* *Building Control* *Electricity* *Fleet Management*
DIRECTOR: FINANCIAL SERVICES	*Vacant*	*Budget Office* *Financial Administration* *Payroll* *Income: Rates & Taxes* *Supply Chain Management* *Expenditure* *Assets & Valuations*
DIRECTOR: COMMUNITY SERVICES	*Vacant*	*Facilities & Amenities* *Human Settlements (Housing)* *Social Development* *Local Economic Development* *Fire & Disaster Management* *Resorts & Swimming Pools* *Libraries & Environment*

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3 Intergovernmental Relations

In terms of the Constitution of South Africa, all spheres of government and all organs of state within each sphere must co-operate with one another, in mutual trust and good faith, fostering friendly relations. They must assist and support one another, inform and consult one another on matters of common interest, coordinate their actions, adhering to agreed procedures and avoid legal proceedings against one another.

2.3.1 Intergovernmental Structures

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

Name of Structure	Members	Outcomes of Engagements/Topics Discussed
Municipals Managers Forum	SALGA, neighbouring municipality's MMs	District based initiatives
SALGA Working Groups	SALGA, Neighbouring municipality's Technical Directors and experts	Municipal wide information sharing
IDP Managers Forum	Department of Local Government (DPLG), All municipalities in the Western Cape (WC), IDP Managers	Provincial wide information sharing
LED Managers Forum	Cape Winelands Regional LED Forum	Sharing information and best practises on Economic Development, Providing report back of projects implemented, lobbying of support for programmes and projects
WMO Forum	DEADP, All municipalities in the Western Cape (waste management officers), and experts	Municipal wide information sharing with all 3 spheres of government.
Strategic Integrated Municipal Engagement (SIME)	All provincial sector departments, all municipalities in the Western Cape	Provincial, District & local based planning.
Technical Integrated Municipal Engagement (TIME)	All provincial sector departments, all municipalities in the Western Cape	Provincial, District & local based planning.
Ministerial Technical Committee	Provincial Government and Municipal Managers	Provincial programmes and initiatives aligned with municipal performance
Ministerial Mayoral Committee	Provincial Government and Mayors	Provincial programmes and initiatives aligned with municipal performance
District Public Participation and Communication Forum (DPPCOM)	All municipalities in the Cape Winelands District Municipality, DPLG, IDP Manager, local stakeholders for National Government Departments	District wide information sharing
Provincial Public Participation and Communication Forum (PPPCOM)	DPLG, GCIS, all municipalities in the WC, IDP Manager	Provincial wide information sharing
Provincial CommTech	DPLG, GCIS, all communication officials from municipalities in the WC, National Government Departments	Discussion, trend monitoring, training and workshops concerning government communication and technology
SALGA National Communicators Forum	DPLG, GCIS, all communication officials from municipalities in the WC, National Government Departments	Nationwide information sharing and calibration with the strategic focus of the NDP
Internal Audit Forum	All municipal Chief Audit Executive of the province	National, District and Municipal wide information sharing
Risk Management Forum	All municipal Chief Risk Officers of the province	National, District and Municipal wide information sharing

2.3.2 Joint projects and functions with sector departments

All the functions of government are divided between the different spheres namely National, Provincial and Local. The municipality therefore shares their area and community with other spheres of government as well as their various sector departments. This means that the municipality has to work closely with national and provincial departments to ensure the effective implementation of various projects and functions. The table below provides detail of such projects and functions:

Name of Project/ Function	Expected Outcome/s of the Project	Sector Department/s involved	Contribution of Sector Department
Intergovernmental Steering Committee Meeting	Reducing poverty in the 3 poverty nodes	DRDLR, Agriculture department, Education, Social development, Public Works, CoS	• Mobilising resources • Implementing projects to reduce poverty • Sharing information
Small Town Regeneration Program	Revitalization of towns through creating an enabling environment & infrastructure for economic growth	SALGA Provincial & National, COGTA, Social Development, Education, Business, NGO's	• Establish Town Steering Committees in Ceres, Wolseley and Tulbagh • Town Steering committees drafting and implementing Community base projects to reduce unemployment and build social cohesion. • Forcing strong partnerships with IGR partners

COMPONENT C: PUBLIC ACOUNTABILITY & PARTICIPATION

MSA section 51(b) requires a municipality to establish and organize its administration to facilitate a culture of accountability amongst its staff. Section 16(1) states that a municipality must develop a system of municipal governance that compliments formal representative governance with a system of participatory governance. Section 18(1) requires a municipality to supply its community with information concerning municipal governance, management and development.

A Municipal Public Accounts Committee has been established. The internal audit function is capitated with three qualified auditors, employed on a permanent basis, one trainee and one intern. The audit function reports functionally to the Performance Risk and Audit Committee and administratively to the Municipal Manager. The capacity of the Performance, Risk and Audit Committee has been increased with the appointment of qualified and specialized members. A representative from the business sector is also invited to participate in Mayoral Committee meetings. Such participation is required in terms of:

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

2.4 Public Meetings

Apart from bi-annual community meetings & jamborees held in each town, the municipality also communicates through monthly newsletters, loud-hailing, distribution of pamphlets, text messages and public service announcements via community radio.

Nature and purpose of the meeting	Date of events	Number of participating Municipal Councillors	Number of participating municipal administrators	Number of community members attended
IDP & Budget Public Meetings and Municipal Service Delivery Jamborees				
IDP Review Public Participation	Ward 2 & 7 Wolseley -06/11/2018	5	27	237
	Ward 7 & 11 Tulbagh -07 /11/2018	4	41	203
	Ward 4 & 10 P A Hamlet -08/11/2018	5	40	320
	Ward 1 & 12 N'Duli - 13/11/2018	4	34	220
	Ward 4 & 6 Bella Vista - 14/11/2018	4	45	208
	Ward 3 & 5 Ceres - 15/11 /2018	5	40	106
	Ward 8 &9 Op-Die-Berg - 20/11/2018	1	30	94
IDP & Budget Public meetings				
IDP Review Public Participation	Ward 4 & 6 Bella Vista - 08/04/2019	4	8	59
	Ward 1 & 12 N'Duli - 09/04/2019	5	8	19
	Ward 7 & 11 Tulbagh - 10/04/2019	4	10	57
	Ward 3 & 5 Ceres - 15/04 /2019	6	8	9
	Business & Agriculture - 16/04/2019	4	5	14
	Ward Committees - 16/04/2019	7	7	73
	Ward 8 &9 Op-Die-Berg - 17/04/2019	3	5	21

2.4.1 Labour Forum

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

Name of representative	Capacity	Meeting dates
H Smit	Chairperson	
B Klaasen	Executive Mayor	
E Sidego	Mayco Member	
K Adams	Deputy Mayor	
D Nasson	Municipal Manager	
H Kritzinger (ended 31 December 2018)	Director Finance	
A Raubenheimer (from January 2019	Acting Director Finance	
Vacant	Director Community Services	
M Mpeluza	Director Corporate Services	
J Barnard	Director Technical Services	
I Swartbooi	Senior Manager Human Resources	
M. Arendse-Smith	Acting Head: Human Resources	
W Davids	Senior HR Officer: Training & Development	26/09/2018
O Msutu	Senior HR Officer: Health & Safety	29/10/2018
C Titus	Committee Officer	06/02/2019
A Christians	IMATU Secretary	
J Noble	IMATU	
D Boer	IMATU	
Loyiso Ntanjana	IMATU Deputy Chairperson	
M Pieterse	IMATU	
S Joseph	IMATU Chairperson	
K Ntanjana	SAMWU Acting Chairperson	
C Appolis	SAMWU Deputy Chairperson	
A Morkel	SAMWU Secretary	
L Silver	SAMWU Full-time shopsteward	
R Frans	SAMWU	
J Goedeman	SAMWU	

2.4.2 Ward Committees

The purpose of a ward committee is:

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

Ward committees need to be elected by the community they serve. A ward committee may not have more than 10 members and women should be well represented in the membership contingent. The ward councillor serves on the ward committee and acts as the chairperson. Although ward committees have no formal powers, they act as an advisory body to the ward councilor, which enables them to make specific submissions directly to the Council. These committees play a pivotal role in the development and annual revision of the IDP of the area.

The ward committees support the ward councillor who receives reports on development, participate in development planning processes, and facilitate wider community participation. To this end, the municipality constantly strives to ensure that all ward committees function optimally with community information provision; convening of meetings; ward planning; service delivery; IDP formulation and performance feedback to communities.

Appendix E: Ward Committee Governance & Functionality

Appendix F: Ward Committee Performance per Ward

2.5 IDP Participation & Alignment

Refer to item 2.4 for IDP participation meetings.

Refer to items 3.1.4, 3.1.5 & 3.1.6 for IDP alignment.

Municipal Key Performance Area	Strategic Objective	
Essential Services	1.1	Sustainable provision and maintenance of basic infrastructure
	1.2	Provide for the needs of informal settlements through improved services
Governance	2.1	Support institutional transformation and development
	2.2	Ensure financial viability
	2.3	To maintain and strengthen relations with international- and inter-governmental partners as well as the local community through the creation of participative structures.
Communal Services	3.1	Provide and maintain facilities that make citizens feel at home
Socio-Economic Support Services	4.1	Support the poor and vulnerable through programmes & policy
	4.2	Create an enabling environment to attract investment and support to the local economy.

Strategic Alignment between IDP & Service Delivery & Budget Implementation Plan

COMPONENT D: CORPORATE GOVERNANCE

Corporate governance is the set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also encompasses the relationships amongst the various stakeholders involved and the strategic goals governing the institution.

2.6 Risk Management

Section 62(1)(c)(i) of the MFMA states that: "… The accounting officer of the municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control."

Witzenberg Municipality is committed to the optimal management of risk in order to protect our core public service values, achieve our vision, objectives and deliver on our core business functions.
In the course of conducting our daily business operations, we are exposed to a variety of risks. These risks include operational and other material risks which require comprehensive controls and on-going oversight to be properly managed.

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

The top 10 inherent strategic risks of Witzenberg Municipality are:

- Taxi violence
- Inability to provide landfill facility in Witzenberg municipal area
- Major unplanned not disaster related interruptions to service deliver
- Growth in informal settlements
- Eskom's inability to provide increased electricity supply to the municipal area
- Inability to provide bulk water storage capacity to the Tulbagh area
- Illegal invasion and occupation of municipal land
- Poor growth in revenue base
- Un-recoverability of outstanding receivables
- Drought

2.7 Anti-Corruption & Fraud

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

The municipality's Audit Committee (Performance, Risk & Audit Committee) recommendations for 2018/19 are set out in **Appendix G.**

2.7.1 Developed strategies

Name of strategy	Developed Yes/No	Date Adopted/Reviewed
Anti-Fraud and Corruption Strategy	Yes	July 2017

Name of strategy	Developed Yes/No	Date Adopted/Reviewed
Fraud and Corruption prevention policy and response plan	Yes	July 2017

2.7.2 Implementation of strategies

Strategies to implement	Key Risk Areas	Key measures to curb corruption and fraud
Fraud Prevention Policy	Supply Chain Management	Roll-out of Anti-Fraud and Corruption Policy to internal stakeholders through presentations and internal newsletters
Ethics Awareness Programme	Possible loss of income at traffic due to inactive follow-up on traffic violations	Roll-out of Anti-Fraud and Corruption Policy to external stake holders through outreach programmes
Outreach programme on fighting fraud and corruption	Lack of awareness of fraud amongst staff	Investigation of fraud and corruption cases
Whistle blowing through the National Fraud Hotline	Possible misuse of policy to disclose sensitive information	Monitoring recommendations with regards to disciplinary, criminal and recovery actions. Effective delegation systems
To ensure that all employees and councillors in service of the Witzenberg Municipality has declared all interest/ownership/directorship.	Avoid doing business with employees in service of the municipality who does not declare that they are in service of the municipality	Use Trans Union in order to identify all employees that have interest/ownership/ directorship in companies
Regular update of the fraud risk register	Detection and prevention of fraud in the municipality	Monitoring key controls to alleviate fraud and corruption

2.8 Performance, Risk & Audit Committee

Section 166(2) of the MFMA states that an audit committee is an independent advisory body which must –
(a) advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to –

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

Section 14(2)(c) of the Local Government Municipal Planning and Performance Management Regulations (R796 dated 24 August 2001) states that a municipality may utilize any Audit Committee established in terms of other applicable legislation as the Performance Audit Committee of the said municipality.

The Public Sector Risk Management framework states that the committee should review and recommend for approval the:

- risk management policy;
- risk management strategy;
- risk management implementation plan; and
- risk appetite

2.8.1 Functions of the Performance, Risk & Audit Committee

Council noted its Performance, Risk and Audit Committee charter on 31 October 2018.
In order to fulfil its role, the Committee advise the Municipal Council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to:

- Internal financial control and internal audits;
- Risk management;
- Accounting policies;
- The adequacy, reliability and accuracy of financial reporting and information;
- Performance management;
- Effective governance;
- Compliance with the MFMA, Division of Revenue Act (DoRA) and any other applicable legislation;
- Performance evaluation; and
- Any other issues referred to it by the municipality.

2.8.2 Members of the Performance, Risk & Audit Committee

Name of representative	Capacity	Meeting dates						
		17/08/2018	21/09/2018	26/10/2018	23/11/2018	08/02/2019	08/03/2019	17/05/2019
Mr J. George	Chairperson	✓	✓	✓	✓	✓	✓	✓
Mr J. Basson Appointed for second term w.e.f. 1 August 2018	Member	✓	✓	✓	✓	✓	✓	✓
Mr. T. Lesihla Appointed for second term w.e.f. 1 August 2018	Member		✓	✓	✓		✓	✓
Mr F. Redelinghuys	Member	✓	✓	✓	✓	✓	✓	✓
Ms C. Fagan Appointed w.e.f. 1 August 2018	Member	✓	✓	✓	✓	✓	✓	

2.8.3 Performance, Risk & Audit Committee (PRAC) recommendations

Appendix G: Audit Committee Recommendations

2.9 Internal Auditing

An annual risk assessment update was performed during April/June 2018 and all relevant risks were populated into the Witzenberg risk register. Updates were performed on a continuous basis. This risk assessment forms the basis to review the 2018/19 Risk Based Audit Plan.

The results of the 3-year strategic internal audit plan are included below:

Audit Activity	2016/17	2017/18	2018/19
Statutory Internal Audits			
DORA compliance	√	√	√
Performance Management System (quarterly)	√	√	√
Risk based audits			
AGSA Key controls	√	√	Performed by AGSA

Audit Activity	2016/17	2017/18	2018/19
Follow up internal Audit findings	√	√	√
Operation Clean Audit	√	√	√
Risk based audits			
Income & Debtors			√
Supply Chain Management			√
Human Resources (Including Leave and Training)	√		
Asset Management	√	√	
Inventory			√
Maintenance Management		√	
Project & Contract Management		√	
Indigent Management	√		
IT – General controls	√		
Cash Handling			√
Fleet Management		√	
Traffic Services			√
Disaster Management & Business continuity		√	
Overtime	√		
Debt Collection and Credit Control	√		
Time and attendance		√	
Property valuations	√		

Annual Audit Plan

The Audit Plan for 2017/18 was implemented and the table below provides detail on audits completed:

Audit Activity	Estimated hours	Quarter	Status
Statutory Audits			
DORA compliance	200	3	Completed
Performance Management System	1300	All	Completed
Follow up audit work			
Follow up Internal Audit Findings	400	All	Completed
Management Audit Action Plan	150	All	Completed
Risk based audits			
Human Resources	500	-	Work in Progress
Supply Chain Management	350	3	Re-planned for 2019/2020
Cash Handling	500	4	Work in Progress
Traffic Services	50		Re-planned for 2021
AD-Hoc audits			

Audit Activity	Estimated hours	Quarter	Status
Year-end stock count	100	4	Performed by AGSA
Other			
MSCOA	100	-	Continuous
Legislative/Advisory/Committees	416	All	Completed
IA Quality Assessment	200	-	Work in Progress
Compliance system	100	All	Completed
Risk Management	400	All	Completed

2.10 By-Laws

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

Policies developed/ revised	Date adopted	Public Participation conducted prior to adoption of policy (Yes/No)	Date of Publication
House Shop By-Law	25 Julie 2018	Yes	14 September 2018.

2.11 Supply Chain Management

2.11.1 Competitive bids in excess of R 200 000

Bid Committee meetings

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

Bid Specification Committee	Bid Evaluation Committee	Bid Adjudication Committee
42	55	36

Attendance of members of the Bid Specification Committee, are as follows:

Member	Percentage attendance (%)
Manager Income / Deputy Director Finance / Manager Financial Administration (Chairperson)	100
Manager Supply Chain	100
Relevant technical expert responsible for a function	100

Attendance of members of the Bid Evaluation Committee, are as follows:

Member	Percentage attendance (%)
Manager Income / Deputy Director Finance / Manager Financial Administration (Chairperson)	100
Manager Supply Chain	100
Relevant technical expert responsible for a function	100

Attendance of members of the Bid Adjudication Committee, are as follows:

Member	Percentage attendance (%)
Director Financial Services (Chairperson) / Deputy Director Finance	100

Member	Percentage attendance (%)
Director Technical Services	87,5
Director Community Services	62,5
Director Corporate Services	75
Manager Supply Chain/Deputy Director: Finance	100

Note: The percentages as indicated above include the attendance of those officials acting in the position of a Bid Committee Member.

Awards made by the Bid Adjudication Committee
The Bid Adjudication Committee awarded 34 bids of an estimated value of R 49 777 930

The five highest bids awarded by the Bid Adjudication Committee, are as follows:

Bid number	Title of bid	Directorate and section	Successful Bidder	Value of bid awarded R
08/2/16/08	Electrification of low cost houses in Vredebes, Ceres	Technical – Electricity	Adenco Construction (PTY) Ltd	5 650 097.06
08/2/15/92	Supply and delivery of disposable bags for refuse removal	Stores / Technical – Solid Waste	Memotek Trading CC	4 116 840.00
08/2/16/68	Shortterm Insurance	Financial Services	Silver Lake Trading 305 (PTY) Ltd t/a Opulentia Financial Services	3 771 666.00
08/2/16/02	Supply and delivery of bricks, pavers and readymix concrete Cluster 1: Concrete brick & pavers"	Technical – Streets & Storm Water	SCB Tansport (PTY) Ltd	2 780 310.00
08/2/15/85	Hiring of plant and equipment for the Witzenberg municipal area: Cluster 1 Hiring of Tipper Trucks	Technical – Streets & Storm Water	JC Services	2 714 937.50

Awards made by the Accounting Officer
In terms of paragraph 5(2)(a) of Council's Supply Chain Management Policy, only the Accounting Officer may award a bid which is in excess of R10 million. The power to make such an award may not be sub-delegated by the Accounting Officer.

The following bid was awarded by the Accounting Officer during the 2018/19 financial year:

Bid number	Title of bid	Directorate and section	Successful Bidder	Value of bid awarded R
08/2/16/57	Provision of security services	Corporate – Administration	Mafoko Security Patrol (PTY) Ltd	30 000 000.00
08/2/16/38	Resealing of existing streets in Witzenberg municipal area	Technical – Street & Storm Water	Actophambili Roads (PTY) Ltd	20 000 000.00
08/2/15/78	The Supply, maintenance of digital speed cameras and the administration of the back office	Corporate – Traffic Services	TMT Services & Supplies (PTY) Ltd t/a Traffic Management Technologies	10 000 000.00

Awards made by the Bid Adjudication Committee
No bid was awarded by the Bid Adjudication Committee in terms of paragraph 45 (2) of the Supply Chain Management Policy and paragraph 37 (2) of the Supply Chain Regulations.

Appeals lodged by aggrieved bidders

The following appeals were lodged by aggrieved bidders on awards made in terms of section 62(1) of the Municipal Systems Act (Act 32 of 2000):

Bid number	Bid title	Date of appeal	Appellant	Reason for appeal	Dismissal	Dealt by
08/2/15/80	Reconstruction and repair of storm damaged properties at Pine Forest resort	14 Nov 2018	Williams Loodgieters	Reason for non-compliance	Appeal was dismissed 29 April 2019	Accounting Officer
08/2/15/91	Professional engineering services for Witzenberg municipality	06 Nov 2018	RHDHV	Reason for non-compliance	Appeal is being dealt with by the Accounting Officer	Accounting Officer
		06 Nov 2018	EOH Industrial Technologies (Pty) Ltd	Calculation of cluster points		
		08 Nov 2018	Bigen Africa Services (PTY) Ltd	Reason for non-compliance		

Awards made to enterprises within the Witzenberg municipal area

The following table details the value of competitive bids awarded to enterprises within the Witzenberg Municipal Area during the 2018/19 financial year:

Number of contracts awarded to enterprises within the Witzenberg municipal area	Percentage of contracts awarded to enterprises within the Witzenberg municipal area (%)	Value of contracts awarded to enterprises within the Witzenberg municipal area R	Percentage of contract value awarded to enterprises within the Witzenberg municipal area (%)
9	26.47	14 317 493.33	22.72

2.11.2 Formal written price quotations between R 30 000 and R 200 000

Awards made to enterprises within the Witzenberg municipal area

A total of 18 formal written price quotations amounting to R 1 756 773 were awarded.

The following table details the value of formal written price quotations awarded to enterprises within the Witzenberg municipal area during the 2018/19 financial year:

Number of contracts awarded to enterprises within the Witzenberg municipal area	Percentage of contracts awarded to enterprises within the Witzenberg municipal area (%)	Value of contracts awarded to enterprises within the Witzenberg municipal area R	Percentage of contract value awarded to enterprises within the Witzenberg municipal area (%)
4	22.22	399 096.00	33.72

2.11.3 Deviation from normal procurement processes

Paragraph 44 of Council's Supply Chain Management Policy allows the Accounting Officer to dispense with the official procurement process. Deviations amounting to R 11 122 188.47 were approved by the Accounting Officer. The following table provides a summary of deviations approved on an annual and monthly basis respectively:

Type of deviation	Number of deviations	Value of deviations R	Percentage of total deviations value (%)
Single supplier	59	1 553 446.72	13.97
Impossible	0	0.00	0.00
Impractical	92	8 947 680.43	80.45
Emergency	36	621 061.32	5.58

This amount shows a decrease of R 1 540 444.47 compared to the previous year's figure of R 9 581 744.

2.11.4 Logistics management

The system of logistics management must ensure the following:

- the monitoring of spending patterns on types or classes of goods and services incorporating, where practical, the coding of items to ensure that each item has a unique number;
- the setting of inventory levels that includes minimum and maximum levels and lead times wherever goods are placed in stock;
- the placing of manual or electronic orders for all acquisitions other than those from petty cash;
- before payment is approved, certification by the responsible officer that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract;
- appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased;
- regular checking to ensure that all assets including official vehicles are properly managed, appropriately maintained and only used for official purposes; and
- monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services.

Each stock item at the municipal stores, Drommedaris Street, is coded and listed on the financial system. Monthly monitoring of patterns of issues and receipts are performed by the Storekeeper. Inventory levels are set at the start of each financial year. These levels are set for normal operations. In the event that special projects are being launched by departments, such information is not communicated timely to the Stores section in order to gear them to order stock in excess of the normal levels. Internal controls are in place to ensure that goods and service that are received, are certified by the responsible person, which is in line with the general conditions of contract. Regular checks are performed to determine the condition. Quarterly stock counts are performed so that surpluses, deficits, damaged and redundant stock items are identified and reported to Council. As at 30 June 2019, the value of the stock at the municipal stores is calculated at R 11 692 259, with a satisfactory stock turnover rate of 1.23. For the 2018/19 financial year, a total of R 2 243.60 was accounted for as damaged and deficit inventory. Surplus items amounted to R 52.14.

2.11.5 Disposal management

The system of disposal management must ensure the following:

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

- All fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property is reviewed annually;
- Where assets are traded in for other assets, the highest possible trade-in price is negotiated; and
- In the case of the free disposal of computer equipment, the Provincial Department of Education is first approached to indicate within 30 days whether any of the local schools require this equipment.

We are complying with section 14 of the MFMA which deals with the disposal of capital assets.

No disposals took place during the 2018-2019 financial year.

2.11.6 Performance management

The SCM policy requires that an internal monitoring system be established and implemented in order to determine, on the basis of retrospective analysis, whether the SCM processes were followed and whether the objectives of the SCM policy were achieved.

Monitoring of internal processes is an on-going process. Procedure manuals for various SCM processes has been updated and are awaiting approval for implementation. Monthly reporting concerning appeals received by aggrieved bidders is also done to measure the performance of the bid specification and bid evaluation committees.

The Accounting Officer has appointed the Internal Auditor as the independent observer to attend bid committee meetings. This further enhances transparency with regard to our bid committee system and compliance to all relevant legislation.

No companies were listed as restricted suppliers during the 2018/19 financial year.

2.12 Website

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

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

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

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

Description of information and/or document	Yes/No
Municipal contact details (Section 14 of the Promotion of Access to Information Act)	
Full Council details	Yes
Contact details of the Municipal Manager	Yes
Contact details of the CFO	Yes
Physical address of the Municipality	Yes
Postal address of the Municipality	Yes
Financial Information (Sections 53, 75, 79 and 81(1) of the MFMA)	
Draft Budget 2017/18	Yes
Adjusted Budget 2017/18	Yes

Description of information and/or document	Yes/No
Asset Management Policy	Yes
Customer Care, Credit control and Debt collection Policy	Yes
Indigent Policy	Yes
Funds and Reserves Policy	Yes
Investment and Cash Management Policy	Yes
Rates Policy	Yes
Supply Chain Management Policy	Yes
Tariff Policy	Yes
Veriment Policy	Yes
Petty Cash Policy	Yes
Long Term Financial Policy	Yes
Borrowing Policy	Yes
SDBIP 2017/18	Yes
Integrated Development Plan and Public Participation (Section 25(4)(b) of the MSA and Section 21(1)(b) of the MFMA)	
Reviewed IDP for 2017/18	Yes
IDP Process Plan for 2017/18	Yes
Supply Chain Management (Sections 14(2), 33, 37 and75(1)(e)and(f) and 120(6)(b)of the MFMA and Section 18(a) of the National SCM Regulation)	
List of capital assets that have been disposed	Yes
Long Term borrowing contracts	Yes
Reports (Sections 52(d), 71, 72 and75(1)(c) and 129(3) of the MFMA)	
Annual Report of 2016/17	Yes
Oversight reports	Yes
Mid-year budget and performance assessment	Yes
Quarterly Reports	Yes
Monthly Budget Statement	Yes
Performance Management (Section 75(1)(d) of the MFMA)	
Performance Agreements for employees appointed as per S57 of Municipal Systems Act	Yes
Assurance Functions (Sections 62(1), 165 and 166 of the MFMA)	
Audit Committee charter	Yes
Risk Management Policy	Yes

2.13 Communication & Public Satisfaction

Local government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa Act 1996 and other statutory enactments all impose an obligation on local government communicators and require high levels of transparency, accountability, openness, participatory democracy and direct communication with the communities to improve the lives of all. Good customer care is of fundamental importance to government organisations due to their constant interaction with members of the public. All local government entities strive to uphold the following Constitutional ideals towards the development of acceptable policy and legislative framework regarding service delivery in public service:

- Promoting and maintaining high standards of professional ethics;
- Providing service impartially, fairly, equitably and without bias;
- Utilising resources efficiently and effectively;
- Responding to people's needs; the citizens are encouraged to participate in policy-making; and
- Rendering an accountable, transparent, and development-oriented public administration.

These ideals are achieved through always adhering to the 8 principles of Batho Pele:

Consultation
Consultation is done through various tools is a powerful tool that enriches and shapes government policies such as the Integrated Development Plans (IDPs) and its implementation in Local Government sphere.
Setting service standards
This principle reinforces the need for benchmarks to constantly measure the extent to which citizens are satisfied with the service or products they receive from departments. It also plays a critical role in the development of service delivery improvement plans to ensure a better life for all South Africans. Citizens should be involved in the development of service standards.
Increasing access
One of the primary aims of Batho Pele is to provide a framework for making decisions about delivering public services to the many South Africans who do not have access to them. Batho Pele also aims to rectify the inequalities in the distribution of existing services.
Ensuring courtesy
This goes beyond a polite smile, 'please' and 'thank you'. It requires service providers to empathize with the citizens and treat them with as much consideration and respect, as they would like for themselves.
Providing information
As a requirement, available information about services should be at the point of delivery, but for residents who are located far from the point of delivery, other arrangements will be needed.
Openness and transparency
A key aspect of openness and transparency is that the public should know more about the way national, provincial and local government institutions operate, how well they utilise the resources they consume, and who is in charge.
Redress
This principle emphasises a need to identify quickly and accurately when services are falling below the promised standard and to have procedures in place to remedy the situation. Public servants are encouraged to welcome complaints as an opportunity to improve service, and to deal with complaints so that weaknesses can be remedied quickly for the good of the citizen.
Value for money
Many improvements that the public would like to see often require no additional resources and can sometimes even reduce costs. Failure to give a member of the public a simple, satisfactory explanation to an enquiry may for example, result in an incorrectly completed application form, which will cost time to rectify.

2.13.1 Communication strategy

The Witzenberg Municipality Communication Strategy 2013/2017 illustrates the views of local residents regarding communication and perceptions of the municipality. Many views expressed display dissatisfaction levels with aspects related to elements beyond the scope of local government, for example access to housing, employment opportunities, education and healthcare. However, local government acts as the conduit to expedite issues of this nature to the correct government entities as well as support and invest in various programmes aimed at skills development, youth development, social development and short term temporary employment. Levels of literacy, understanding of language, public apathy, level of education, knowledge of government processes and access to communication tools can also affect how the public formulates perceptions of local government and can potentially hamper how they communicate and assimilate communication, especially within rural environs. A successful communication strategy therefore links local demographics to the municipality's action plan and influences budgetary expenditure according to the needs of the public. The Communication strategy is up for review.

Below is a communication checklist of the compliance to the communication requirements:

Communication activities	Yes/No
Communication unit	Yes

Communication activities	Yes/No
Communication strategy	Yes
Communication Policy	Part of the Strategy
Media communication	Yes
Public participation and ward committees	Yes
Online communication	Yes
Customer satisfaction surveys	Yes
Functional complaint management systems	Yes
Newsletters distributed at least quarterly	Yes

2.13.2 Communication and query/complaint management

Witzenberg Municipality runs a 24 hour control centre that provides assistance to the public, 7 days a week, 365 days a year. The control centre offers the dual function of escalating service delivery queries to the correct departments such as water and sewerage, electrical, streets and storm water, as well as escalates emergency service queries to police, ambulance, fire, traffic. They also perform the function of informing senior management and Council concerning high priority incidents such as shack fires, housing issues, motor vehicle accidents, obstructions and health hazards. This ensures that decisions regarding expenditure and overtime can be executed and monitored. Complaints are also received via fax, email, website, and letters and this communication is routed to the correct sections and personnel to address. Speedy turnaround times and feedback towards clients ensure that they are not disgruntled and have a realistic expectation of when the service will be delivered, its delivery method and how the query will be resolved. This greatly aids in educating the public on how the municipality conducts its operations, how to use the municipality to address issues as well as creating public support. Failure to validate complaints and communicate the reasons for service interruptions can result in discord and protest.

2.13.3 Communication and municipal marketing

The cornerstone of municipal marketing is the quality of service which includes speed of initial response, workmanship of service rendered, duration of address before resolution, feedback to the complainant, professional closure/finishing of the problem addressed. Branding is associated with all types of municipal marketing (logos, uniforms, public engagement, etc.) and as illustrated in the Communication Strategy (2013-2017), the public do not have a negative perception of services rendered by the municipality, but neither do they have a positive perception of the municipality. Thus, marketing efforts will focus upon logo placement on all infrastructure, creation of printed collateral, monthly newsletters, social media engagement, media statements, corporate gifting, etc. The overarching theme projected with communication is to offer the public easy access to services, information, personnel and complaint resolution.

2.13.4 Communication and international relations

Witzenberg Municipality is open towards establishing mutually beneficial partnerships with international organisations and municipalities aimed at skills development, knowledge sharing, local economic empowerment and job creation. The municipality regularly conducts meetings with visiting international delegations to discuss aspects of operations and best practice models. Some of these engagements have resulted in twinning agreements offering developmental support to our vulnerable communities.

2.13.5 Communication and investor relations

Witzenberg Municipality consistently markets it service delivery levels and infrastructure in a bid to attract investors to the area through the promotion of its facilities, management, political stability, water and air quality, natural environment and unskilled and semi-skilled labour force.

2.13.6 Emergency and disaster communication

In the event of an emergency or disaster being declared by the District, Witzenberg Municipality is able to provide communication support through mechanisms of communications relay to line functions within its competence, able to source landscape and geographical mapping of the area in question, gather inputs from visceral line functions and services, perform communication reports to monitor the situation, act as spokesperson, manage and support media relations, drafting articles/statements and providing photographic evidence of the situation if so required.

2.13.7 Financial communication

Witzenberg Municipality engages frequently with the public regarding its expenditure on projects, financial legislation, anti-fraud and corruption mechanisms, the bid and tender processes, through social media and printed collateral. The aim of financial communication is to create transparency regarding our expenditure and asset management. As a municipality our ultimate goal is to comply and, where possible, to exceed the audit standards set forth for local government and maintain our clean audit status. Due to the regulatory nature of financial management, Witzenberg Municipality aims to make this information freely available for the public to access as well as make use of language calibration to ensure that the information disseminated is simple and easily assimilated. Use of graphics and household comparisons are frequently used to illustrate technical information.

2.13.8 Electronic communication

Social media is a cost effective resource used to convey information and is an effective method of relaying municipal communication as many residents are in possession of a cell phone. However, this mode of communication is labour intensive and does not have great penetration in our rural environs due to limited connectivity and access to mobile data/wifi. We also make use of text message communication to residents to convey urgent updates concerning power outages, water interruptions, road closures, dangerous weather conditions, municipal jamborees, etc. Witzenberg Municipality also uploads Council information, minutes of meetings and tender information onto our corporate website.

2.13.9 Interpersonal communication

Witzenberg Municipality conducts internal communication with employees to promote and convey our organisational policies and procedures to staff through internal newsletters. This newsletter covers employee related information concerning long service awards, retirement, information regarding their salary structures and benefits, births, marriages, deaths, sporting achievements, training and educational accolades, health and safety, anti-fraud strategies and whistle blowing. The communication aimed at employees, carries a monthly theme concerning employee wellness to promote better health management and personal welfare. It is also a platform for senior management to engage with employees and relay important information.

2.13.10 Media communication

Witzenberg Municipality creates, promotes and liaises with local and regional media regarding project and programme launches, milestones, municipal issues, local events. We also respond to media queries and requests for statements. All external communication is approved by the Municipal Manager as per his delegation; however, he may appoint spokespersons within the organisation at his discretion.

2.13.11 Communication and legislation

Witzenberg Municipality liaises with the public regarding decisions by Council and Portfolio Committees with impact upon local regulations and by-law generation. The municipality often engages with the public for initial commentary and feedback to aid the municipality with their decision-making on issues highlighted by the public. The municipality also performs official communication to residents and businesses concerning contravention of established by-laws and regulations. The municipality always strives to be open, consistent and transparent regarding legal issues and aims to engage with the parties involved to ensure clarity, mutual understanding and respect of heritage, cultural and religious beliefs, as long as it does not infringe upon the rights of other residents.

2.13.12 Visual communication

Witzenberg Municipality is in the process of developing policies to manage our visual usage and corporate identity. Visual communication is pivotal to our Communication Strategy as a large sector of our demography have poor

literacy levels and relies upon visual communication to understand municipal messages. Visual communication is performed through the use of correspondence, branding, photographs, marketing collateral, videos, industrial theatre, animation and events. Municipal vehicles are branded with decal which identifies them as official conveyances and inspires trust with residents that the work being administered by employees or the information being disseminated by employees is accurate and reliable. It is for this reason that 'loud hailing' is an effective communication practice to relay urgent notifications to the public in the Witzenberg district.

2.13.13 Communication challenges

The Witzenberg Municipality communicates regularly with its target public, but faces financial challenges which hamper the following areas of our communication initiatives:

- Branding of assets, employees and infrastructure
- Limited brand collateral available
- Inability to perform outsourced media scanning
- Development of our intranet
- Poor network coverage due to the topography
- Limited to no free Wi-Fi access
- Access to better technology for our communication systems, brand development, feedback mechanisms and reporting
- No access to communication or perception-specific research regarding language usage and message penetration
- Neglect or exclude small pockets of the community which are located in remote, rural environs

Local government is frequently criticised on their lack of communication and engagement with the community, but although our municipality faces adversity, Witzenberg Municipality is successful in our good governance as we progress each year in this field, due to prioritising the needs of all our residents; commercial, residential, rural and informal. Our communities are vocal and hold the municipality accountable for our performance and our areas for improvement in our departments. The reputation of the municipality is that we are approachable and accessible to the public and this is largely as a result of our frequent interaction with the public, addressing issues raised by the public, admitting fault, limitation where relevant and building a trust relationship with the public based upon reliability and quality services.

2.13.14 Communication milestones

Witzenberg Municipality strive to continuously communicate municipal related information and news to the Witzenberg community in order to promote the Witzenberg Municipality brand, positively influence perceptions of service delivery, as well as the level of satisfaction with services, rating of communication, suggestions for improvement and utilise the most effective communication channel/s. The 2013-2017 Communication Strategy is currently under review.

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

3.1 Overview of Performance within the Organisation

3.1.1 Introduction

Performance management is prescribed by Chapter 6 of the MSA and the Municipal Planning and Performance Management Regulations, 2001. Regulation 7(1) of the aforementioned regulation states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the responsibilities of the different role players." This framework, inter alia, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance. The municipality adopted a Performance Management Framework that was approved by Council on 13 December 2012. A revision was accepted by Council on 25 July 2018.

The Top Layer SDBIP for 2018/19 was approved by the Mayor on 5 June 2018. Revisions to the SDBIP Top Layer targets was approved by Council on 27 February 2019 and the Adjusted Top Layer SDBIP approved by the Mayor on 1 March 2019. Below are the considerations in the development of the Top Layer SDBIP:

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

Other additional information with regards to performance:

- Functions of the municipality **Appendix D**
- Performance of entities & service providers **Appendix I**
- Service delivery performance at word level **Appendix F**

3.1.2 Organisational Performance

The organisational performance is monitored and evaluated via the SDBIP. An operating procedure for the management and implementation of the SDBIP has been developed. The operating procedure was work-shopped with the relevant KPI owners and senior management. The procedures can be summarised as follows:

- The Performance Administrator informs the relevant KPI owners, senior management and departmental secretaries of the closure date to submit actuals achieved for the preceding month. By the 10th of each month KPI owners must submit their actuals achieved performance information or evidence to the Manager: Projects & Performance. If a specific target was not reached, reasons with corrective measures must be provided.
- The Performance Administrator captures the result on an excel spreadsheet which is updated on a monthly basis after the closure date.
- Within 10 working days after the closure date, the Performance Administrator generate a report from excel and distribute via email to Senior Management for discussion at Senior Management- and Directorate Meetings.
- Results on the Top Layer SDBIP Key Performance Indicators are submitted to the CFO for inclusion in the quarterly Section 52D report that is tabled at Council.
- The quarterly performance report as included in the Quarterly Budget Statement (Section 52d Report), was tabled at Council as follows:
    - 1st Quarterly Budget Statement 31 October 2018
    - 2nd Quarter Budget Statement 23 January 2019

- Section 72 Midyear report 23 January 2019
- 3rd Quarterly Budget Statement 30 May 2019
- 4th Quarterly Budget Statement 31 July 2019

3.1.3 Individual Performance

The Municipal Systems Act, 2000 (Act 32 of 2000) prescribes that the municipality must enter into performance based agreements with the Section 57-employees and that performance agreements must be reviewed annually. This process and the format are further regulated by Regulation 805 (August 2006). The performance agreements for the 2017/18 financial year were signed on 28 July 2017, as prescribed.

The appraisal of the actual performance in terms of the signed agreements, takes place twice per annum as regulated. The mid-year performance of 2017/18 took place on 26 March 2018 and the final evaluation of the 2017/18 financial year will take place after the auditing of the 2017/18 Annual Performance Report and Annual Financial Statements.

The appraisals were done by an evaluation panel as indicated in the signed performance agreements and in terms of Regulation 805. The panel included the following people:

- Executive Mayor
- Portfolio Chairperson
- Chairperson of the Performance, Risk and Audit Committee
- Municipal Manager
- Manager: Human Resources
- Mr. A Paulse, Municipal Manager of Oudtshoorn Municipality, took part in the review of the Municipal Manager

3.1.4 The Integrated Development Plan and the Budget

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

The table below provides an analysis of the budget allocation and expenditure per Municipal Key Performance Area (Operational expenditure excludes internal transfers):

Municipal Key Performance Area	Adjusted Capital Budget	Actual Capital Expenditure for 2018/19	Operational Budget (Opex)	Actual Operating Expenditure for 2018/19
	R'000	R'000	R'000	R'000
Essential Services	82 281	80 912	384 928	362 375
Governance	2 031	1 714	126 762	105 823
Communal Services	6 327	4 031	89 148	79 118
Socio-Economic Support Services	0	0	7 933	7 404
Total	**90 639**	**86 657**	**608 771**	**554 721**

3.1.5 Strategic Alignment

Municipal Key Performance Area	Strategic Objective	
Essential Services	1.1	Sustainable provision and maintenance of basic infrastructure
	1.2	Provide for the needs of informal settlements through improved services
Governance	2.1	Support institutional transformation and development
	2.2	Ensure financial viability
	2.3	To maintain and strengthen relations with international- and inter-governmental partners as well as the local community through the creation of participative structures.
Communal Services	3.1	Provide and maintain facilities that make citizens feel at home
Socio-Economic Support Services	4.1	Support the poor and vulnerable through programmes & policy
	4.2	Create an enabling environment to attract investment and support to the local economy.

3.1.6 Key Performance Indicators in approved 2018/19 Top Layer SDBIP per Strategic Objective

1.1) Sustainable provision and maintenance of basic infrastructure

Ref	KPI	Unit of Measurement	Wards	Target/Actual for 2017/18	Target for 2018/19				
					Q1	Q2	Q3	Q4	Annual
TecDir1	% Expenditure on Maintenance Budget by Technical Directorate	Percentage of budget spent.	All	99% /99,8%	25%	50%	75%	99%	99%
TecDir3	% Expenditure on Capital Budget by Technical Directorate	Percentage of budget spent.	All	96%/98%	10%	40%	60%	96%	96%
TecWat21	Percentage compliance with drinking water quality standards.	Percentage compliance.	All	98%/100%	98%	98%	98%	98%	98%
FinInc17	Number of outstanding valid applications for water services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	All	<1%/0%	<1%	<1%	<1%	<1%	<1%
FinInc18	Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	All	<1%/0%	<1%	<1%	<1%	<1%	<1%
FinInc19	Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	All	<1%/0%	<1%	<1%	<1%	<1%	<1%
FinInc20	Number of outstanding valid applications for refuse collection services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	All	<1%/0%	<1%	<1%	<1%	<1%	<1%
TecWat20	Decrease unaccounted water losses.	Percentage water losses.	All	18%/17,9%	18%	18%	18%	18%	18%
TecEl37	Decrease unaccounted electricity losses.	Percentage electricity losses.	All	10%/9,9%	10%	10%	10%	10%	10%
TecRo7	Kilometres of roads upgraded & rehabilitated	Kilometres of roads	All	3 / 4,4	0	1	2	3	3

1.2) Provide for the needs of informal settlements through improved services

Ref	KPI	Unit of Measurement	Wards	Target/Actual for 2017/18	Target for 2018/19				
					Q1	Q2	Q3	Q4	Annual
TecDir2	Number of subsidised serviced sites developed.	Number of serviced plots.	All	100/101	100	200	300	529	529
TecWat22	Provide basic services - number of informal areas with sufficient communal water services points (taps).	Number of informal areas.	All	3/3	3	3	3	3	3
TecSan13	Provide basic services - number of informal areas with sufficient communal sanitation services points (toilets).	Number of informal areas.	All	3/3	3	3	3	3	3
TecRef31	Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area-cleaning service.	Number of informal areas.	All	3/3	3	3	3	3	3
TecEl36	Percentage of houses in a subsidised housing project connected to the electrical network.	Percentage of completed subsidised houses connected	All	200/189				95%	95%

2.1) Support institutional transformation and development

Ref	KPI	Unit of Measurement	Wards	Target/Actual for 2017/18	Target for 2018/19				
					Q1	Q2	Q3	Q4	Annual
CorpHR13	Percentage budget spent on implementation of Workplace Skills Plan.	Percentage of budget spent.	All	96%/98,8%	25%	50%	75%	96%	96%
CorpHR12	Report on percentage of people from employment equity target groups employed in the three highest levels of management in the municipality	Quarterly report	All	4/4	1	1	1	1	4

2.2) Ensure financial viability

Ref	KPI	Unit of Measurement	Wards	Target/Actual for 2017/18	Target for 2018/19				
					Q1	Q2	Q3	Q4	Annual
FinFAdm10	Financial viability expressed as Debt-Coverage ratio	Ratio	All	90/90	90	90	90	90	90
FinFAdm9	Financial viability expressed as Cost-Coverage ratio	Ratio	All	2,8/2,97	2.8	2.8	2.8	2.8	2.8
FinFAdm11	Financial viability expressed outstanding service debtors	Ratio	All	44%/49%	44%	44%	44%	44%	44%
FinDir3	Opinion of the Auditor-General on annual financial statements of the previous year.	Opinion of AG - unqualified	All	1/1	0	0	1	0	1
FinIn15	Increased revenue collection	Percentage revenue collected.	All	95%/94%	94%	94%	94%	94%	94%

Ref	KPI	Unit of Measurement	Wards	Target/Actual for 2017/18	Target for 2018/19				
					Q1	Q2	Q3	Q4	Annual
MM1	Percentage of budget spent on maintenance.	Percentage of budget spent.	All	98%/99,7%	25%	50%	75%	99%	99%
MM2	Percentage spent of capital budget.	Percentage of budget spent.	All	96%/96,4%	10%	40%	60%	96%	96%

2.3) To maintain and strengthen relations with international- and inter-governmental partners as well as the local community through the creation of participative structures.

Ref	KPI	Unit of Measurement	Wards	Target/Actual for 2017/18	Target for 2018/19				
					Q1	Q2	Q3	Q4	Annual
MMIDP9	Number of IDP community meetings held.	Number of meetings held.	All	14/14	0	7	0	7	14
ComSoc49	Number of meetings with inter-governmental partners.	Number of meetings held.	All	12/13	3	6	9	12	12

3.1) Provide and maintain facilities that make citizens feel at home

Ref	KPI	Unit of Measurement	Wards	Target/Actual for 2017/18	Target for 2018/19				
					Q1	Q2	Q3	Q4	Annual
ComAm34	Report on annual customer satisfaction survey on community facilities.	1 Report	All	1/1		1			1
ComDir1	% Expenditure on Maintenance Budget by Community Directorate	Percentage of budget spent.	All	99%/99,7%	25%	50%	75%	99%	99%
ComDir2	% Expenditure on Capital Budget by Community Directorate	Percentage of budget spent.	All	96%/97%	10%	40%	60%	96%	96%

4.1) Support the poor and vulnerable through programmes and policy

Ref	KPI	Unit of Measurement	Wards	Target/Actual for 2017/18	Target for 2018/19				
					Q1	Q2	Q3	Q4	Annual
ComSoc41	Number of account holders subsidised through the municipality's indigent Policy	Number of account holders.	All	3000/2373	2750	2750	4000	4000	4000
ComLed8	The number of jobs created through municipality's local economic development initiatives including capital projects.	Number of jobs created.	All	390/403	100	200	300	390	390
ComSoc 42	Number of social development programmes implemented	Number of programmes.	All	20/36	5	10	15	20	20
ComHS14	Number of housing opportunities provided per year.	Number of top structures.	All	107/107	0	0	0	30	30
ComHS15	Number of Rental Stock transferred	Number of properties transferred.	All	60/39	10	20	30	40	40

4.2) Create an enabling environment to attract investment and support to the local economy.

Ref	KPI	Unit of Measurement	Wards	Target/Actual for 2017/18	Target for 2018/19				
					Q1	Q2	Q3	Q4	Annual
MMProp21	Quarterly report on the alienation of municipal properties to support economic growth.	Quarterly Reports	All	1/1	1	1	1	1	4
ComLed4	Quarterly report on the implementation of strategies and planned actions as identified in the Witzenberg LED Strategy	Quarterly Reports	All	1/1	1	1	1	1	4

3.1.7 5 Year Corporate Scorecard: Development & Service Delivery Priorities

Municipal KPA	Pre-determined objectives	Ref	Key Performance Indicator	Base-line 2017/18	Target 2018/19	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
Essential Services	Sustainable provision & maintenance of basic infrastructure	TecDir1	% Expenditure on Maintenance Budget by Technical Directorate	99,8%	99%	99%	99%	99%	99%
		TecDir3	% Expenditure on Capital Budget by Technical Directorate	98%	96%	96%	96%	97%	97%
		TecWat21	Percentage compliance with drinking water quality standards.	100%	98%	98%	98%	98%	98%
		FinInc17	Number of outstanding valid applications for water services expressed as a % of total number of billings for the service.	0%	<1%	<1%	<1%	<1%	<1%
		FinInc18	Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service.	0%	<1%	<1%	<1%	<1%	<1%
		FinInc19	Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the service.	0%	<1%	<1%	<1%	<1%	<1%
		FinInc20	Number of outstanding valid applications for refuse collection services expressed as a % of total number of billings for the service.	0%	<1%	<1%	<1%	<1%	<1%
		TecWat20	Decrease unaccounted water losses.	17,9%	18%	18%	18%	16%	16%

Municipal KPA	Pre-determined objectives	Ref	Key Performance Indicator	Base-line 2017/18	Target 2018/19	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
		TecEl37	Decrease unaccounted electricity losses.	9,9%	10%	10%	10%	10%	10%
		TecRo7	Kilometres of roads upgraded & rehabilitated	4,4	3	3	3	4	4
	Provide for the needs of informal settlements through improved services	TecDir2	Number of subsidised serviced sites developed.	101	400	0	100	0	200
		TecWat22	Provide basic services - number of informal areas with sufficient communal water services points (taps).	3	3	3	3	2	2
		TecSan13	Provide basic services - number of informal areas with sufficient communal sanitation services points (toilets).	3	3	3	3	2	2
		TecRef31	Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area-cleaning service.	3	3	3	3	2	2
		TecEl36	Percentage of houses in a subsidised housing project connected to the electrical network.	189	100	100	100	100	100
Governance	Support Institutional Transformation & Development	CorpHR13	Percentage budget spent on implementation of Workplace Skills Plan.	98,8%	96%	96%	96%	96%	96%
		CorpHR12	Report on percentage of people from employment equity target groups employed in the three highest levels of management in the municipality.	4 reports	4 reports	4 reports	4 reports	4 reports	4 reports
	Ensure financial viability.	FinFAdm10	Financial viability expressed as Debt-Coverage ratio	90,2	90	90	90	90	90
		FinFAdm9	Financial viability expressed as Cost-Coverage ratio	2,97	2.8	2.8	2.8	2.8	2.8
		FinFAdm11	Financial viability expressed outstanding service debtors	49%	44%	42%	42%	42%	40%
		FinDir3	Opinion of the Auditor-General on annual financial statements of the previous year.	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified
		FinIn15	Increased revenue collection	94%	96%	96%	96%	97%	97%

Municipal KPA	Pre-determined objectives	Ref	Key Performance Indicator	Base-line 2017/18	Target 2018/19	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
		MM1	Percentage of budget spent on maintenance.	99,7%	99%	99%	99%	99%	99%
		MM2	Percentage spent of capital budget.	96%	96%	96%	96%	97%	97%
	To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative	MMIDP9	Number of IDP community meetings held.	14	14	14	14	14	14
		ComSoc 49	Number of meetings with inter-governmental partners.	13	12	12	12	12	12
Communal Services	Provide & maintain facilities that make citizens feel at home.	ComAm 34	Report on annual customer satisfaction survey on community facilities.	1 report	1 report	1 report	1 report	1 report	1 report
		ComDir1	% Expenditure on Maintenance Budget by Community Directorate	99,7%	98%	99%	99%	99%	99%
		ComDir2	% Expenditure on Capital Budget by Community Directorate	97%	96%	96%	96%	97%	97%
Socio-Economic Support Services	Support the poor & vulnerable through programmes & policy	ComSoc 41	Number of account holders subsidised through the municipality's indigent Policy	2 373	2 750	2 700	2 700	2 500	2 500
		ComLed 8	The number of jobs created through municipality's local economic development initiatives including capital projects.	403	390	400	400	400	420
		ComSoc 42	Number of social development programmes implemented	36	20	20	20	20	20
		ComHS 14	Number of housing opportunities provided per year.	107	100	100	100	100	100
		ComHS 15	Number of Rental Stock transferred	39	50	60	60	70	70
	Create an enabling environment to attract investment & support local economy.	MMProp 21	Quarterly report on the alienation of municipal properties to support economic growth.	1	4 reports	4 reports	4 reports	4 reports	4 reports
		ComLed 4	Quarterly report on the implementation of strategies and planned actions as identified in the Witzenberg LED Strategy	1	4 reports	4 reports	4 reports	4 reports	4 reports

3.1.8 Strategic Performance (Top Layer SDBIP) for 2018/19

Strategic performance of the municipality is measured in terms of the municipality's performance on its key performance indicators (KPI) set in the Top Layer SDBIP.

Actual strategic performance (Top Layer) and corrective measures that will be implemented

1.1) Sustainable provision and maintenance of basic infrastructure

Ref	KPI	Unit of Measurement	Wards	Target/Actual performance of 2017/18	Target for 2018/19	Overall actual performance for 2018/19
TecDir1	% Expenditure on Maintenance Budget by Technical Directorate	Percentage of budget spent.	All	99% /99,8%	99%	99.6%
TecDir3	% Expenditure on Capital Budget by Technical Directorate	Percentage of budget spent.	All	96%/98%	96%	98,3%
TecWat21	Percentage compliance with drinking water quality standards.	Percentage compliance.	All	98%/100%	98%	100%
FinInc17	Number of outstanding valid applications for water services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	All	<1%/0%	<1%	0%
FinInc18	Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	All	<1%/0%	<1%	0%
FinInc19	Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	All	<1%/0%	<1%	0%
FinInc20	Number of outstanding valid applications for refuse collection services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	All	<1%/0%	<1%	0%
TecWat20	Decrease unaccounted water losses.	Percentage water losses.	All	18%/17,9%	18%	17,7%
TecEl37	Decrease unaccounted electricity losses.	Percentage electricity losses.	All	10%/9,9%	10%	10,5%
Reason for under-performance: Increase can be attributed mainly to the theft of electricity in the informal areas of Witzenberg.						
Corrective measures: Addressed in terms of the "Illegal Connection Strategy" that is in the process of being implemented.						
TecRo7	Kilometres of roads upgraded & rehabilitated	Kilometres of roads	All	3 / 4,4	3	7,3
Currently Witzenberg Municipality make use of an outdated Pavement Management system to indicate road resurfacing priorities. The update of the PMS is still on process. During the year, with the help of inspections, it came to the attention that certain road sections required immediate resealing due to their poor condition. The municipality undertook an in-house slurry surfacing project to address these issues, and this being the reason the target was over achieved.						

1.2) Provide for the needs of informal settlements through improved services

Ref	KPI	Unit of Measurement	Wards	Target/Actual performance of 2017/18	Target for 2018/19	Overall actual performance for 2018/19
TecDir2	Number of subsidised serviced sites developed.	Number of serviced plots.	All	100/101	529	526
Reason for under-performance: The total number of serviced sites in the project was reduced due to adverse geotechnical conditions in some areas. Original project approval was for 635 sites that have been reduced to 627 sites due to adverse geotechnical conditions. Of the 627 sites, 101 sites were completed in 2017/18, with the result of 526 sites in 2018/19.						

Ref	KPI	Unit of Measurement	Wards	Target/Actual performance of 2017/18	Target for 2018/19	Overall actual performance for 2018/19
Corrective measures: The decrease in number of serviced sites was only implemented after the February 2019 adjustment budget and the indicator target could therefore not be aligned. An addendum will be provided by the Department of Human Settlements to the existing project approval indicating that the project sites have been reduced.						
Note: Key Performance Indicator was adjusted as per Section 54(1)(c) of the MFMA and approved by Council as per item 8.1.2 of meeting held on 27/02/2019. Motivation: The target relates to the construction of serviced sites at the Vredebes subsidised housing development Phase F1 (Project 3199.03). Project approval from the Department of Human Settlements was received on 25/01/2018 with resolution nr 18/03. The project of 635 sites is being implemented over two financial years. In 2017/18, 101 sites were reported to be completed. The target is there for adjusted to less than the remainder of the approved sites as the possibility exists that some sites may not be developed due to geotechnical constraints. The new target is however an increase to the existing target.						
TecWat22	Provide basic services - number of informal areas with sufficient communal water services points (taps).	Number of informal areas.	All	3/3	3	3
Note: The indicator measures the availability of water within 200m in the three informal areas located in Nduli, Tulbagh & Wolseley. A land invasion took place at Pine Valley, Wolseley where 228 (436 current) illegal informal structures were erected and occupied. The construction of serviced sites in the area were planned for over the long term as all planning and funding for the next 3 years is focused on the Vredebes development at Ceres. These 228 (436 current) structures were therefor not included in the result above.						
TecSan13	Provide basic services - number of informal areas with sufficient communal sanitation services points (toilets).	Number of informal areas.	All	3/3	3	3
Note: The indicator measures the availability of water within 200m in the three informal areas located in Nduli, Tulbagh & Wolseley. A land invasion took place at Pine Valley, Wolseley where 228 (436 current) illegal informal structures were erected and occupied. The construction of serviced sites in the area were planned for over the long term as all planning and funding for the next 3 years is focused on the Vredebes development at Ceres. These 228 (436 current) structures were therefor not included in the result above.						
TecRef31	Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area-cleaning service.	Number of informal areas.	All	3/3	3	3
TecEl36	Percentage of houses in a subsidised housing project connected to the electrical network.	Percentage of subsidised houses connected.	All	200/189	95%	No applications received
No valid connection applications was received by 30 June 2019, therefor, no connections were done. Note: Key Performance Indicator was adjusted as per Section 54(1)(c) of the MFMA and approved by Council as per item 8.1.2 of meeting held on 27/02/2019. Motivation: The reason for the change is that the relevant department for the KPI is dependent on the Housing Department & Contractor to submit to them valid applications where electrical connections can be done. Various delays such as construction period and/or handover to beneficiaries cannot be managed by the electrical department. The KPI is therefore changed to a percentage of valid applications that should be connected.						

2.1) Support Institutional transformation and development

Ref	KPI	Unit of Measurement	Wards	Target/Actual performance of 2017/18	Target for 2018/19	Overall actual performance for 2018/19
CorpHR13	Percentage budget spent on implementation of Workplace Skills Plan.	Percentage of budget spent.	All	96%/98,8%	96%	96%
CorpHR12	Report on percentage of people from employment equity target groups employed in the three highest levels of management in the municipality.	Nr of reports	All	4/4	4	4

2.2) Ensure financial viability

Ref	KPI	Unit of Measurement	Wards	Target/Actual performance of 2017/18	Target for 2018/19	Overall actual performance for 2018/19
FinFAdm10	Financial viability expressed as Debt-Coverage ratio	Ratio	All	90/90.2	90	250.8
Provide reason for extreme over achievement of target: Debt Service Payments due is low due the low outstanding amount in terms of Borrowings. Redemption of loans in previous financial years and no new borrowings taken up.						
FinFAdm9	Financial viability expressed as Cost-Coverage ratio	Ratio	All	2.8/2.97	2.8	2.67
Reason for under-performance: Decrease in cash from R 97 506 000(2017-18) to R94 242 000 (2018-19) and an increase in monthly fixed cost from R32 754 000 (2017-18) to R 35 267 000 (2018-19) has resulted in an deterioration of the ratio in 2018-19.						
Corrective measures: Fixed cost consists of Employee Related cost, Remuneration of councillors, finance charges, bulk purchases and contracted services. The only elements that can be managed to a certain extent is overtime expenditure (Employee Related Cost) and consultant services (Contracted Services). The municipality could only strive to manage overtime that is not related emergencies. In the long term, the municipality can only strive to capacitate in-house employees through training to ensure that less consultancy services are utilised.						
FinFAdm11	Financial viability expressed outstanding service debtors	Ratio	All	44%/49%	44%	50%
Reason for under-performance: The majority of outstanding debt is in respect of prescribed debt and debt of indigent households.						
Corrective measures: Improve Credit Control & Debt Collection Mechanisms & the Implementation of Marketing strategies i.e. Jamborees, Bulk SMS's & Consumer Web Portal roll-out. Data Cleansing required in terms Indigent Register. Collectability of Long outstanding debt must be investigated, i.e. prescribed debt						
FinDir3	Opinion of the Auditor-General on annual financial statements of the previous year.	Opinion of AG - unqualified	All	Unqualified	Unqualified	Unqualified
FinInc15	Increased revenue collection	Percentage revenue collected.	All	95%/94%	94%	94%
MM1	Percentage of budget spent on overall maintenance.	Percentage of budget spent.	All	99%/99,7%	99%	99.6%
MM2	Percentage spent of overall capital budget.	Percentage of budget spent.	All	96%/96%	96%	95,6%
Reason for under-performance: The overall under spending of 0,4% from the 96% target relates mainly to KPI ComDir2 (expenditure on Community Services Capital Budget) & KPI TecDir2 (Development of serviced sites). The project budget for the serviced sites will be decreased to the value of the serviced sites that could not be developed.						
Corrective measures: Refer to comments under ComDir2: Own funding to be retained as a saving. The decrease in number of serviced sites was only implemented after the February 2019 adjustment budget and the indicator target could therefore not be aligned. An addendum will be provided by the Department of Human Settlements to the existing project approval indicating that the project sites have been reduced.						

2.3) To maintain and strengthen relations with international- and inter-governmental partners as well as the local community through the creation of participative structures.

Ref	KPI	Unit of Measurement	Wards	Target/Actual performance of 2017/18	Target for 2018/19	Overall actual performance for 2018/19
MMIDP9	Number of IDP community meetings held.	Number of meetings held.	All	14/14	14	14
Note: The result of 14 include jamborees that was held in the 7 towns during November 2018. IDP meetings for Prince Alfred's Hamlet and Wolseley were advertised but cancelled due to poor attendance.						
ComSoc49	Number of meetings with inter-governmental partners.	Number of meetings held.	All	12/13	12	13

3.1) Provide and maintain facilities that make citizens feel at home

Ref	KPI	Unit of Measurement	Wards	Target/Actual performance of 2017/18	Target for 2018/19	Overall actual performance for 2018/19
ComAm34	Report on annual customer satisfaction survey on community facilities.	Report on survey	All	1/1	1	1
ComDir1	% Expenditure on Maintenance Budget by Community Directorate	Percentage of budget spent.	All	99%/99,7%	99%	99%
ComDir2	% Expenditure on Capital Budget by Community Directorate	Percentage of budget spent.	All	96%/97%	96%	63,7%
Reason for under-performance: Projects such as "Aircons Town Hall" (R 500 000) & "Purchase of land for Stray Animal Pound" (R 1 098 000) was not implemented due to increased uneconomical costs.						
Corrective measures: Own funding to be retained as a saving.						

4.1) Support the poor and vulnerable through programmes and policy

Ref	KPI	Unit of Measurement	Wards	Target/Actual performance of 2017/18	Target for 2018/19	Overall actual performance for 2018/19
ComSoc41	Number of account holders subsidised through the municipality's indigent Policy	Number of account holders.	All	3000/2373	4500	3701
Note: Key Performance Indicator was adjusted as per Section 54(1)(c) of the MFMA and approved by Council as per item 8.1.2 of meeting held on 27/02/2019. Motivation: The Indigent Policy that was adjusted by Council in May 2018 had the result that there was a major increase in the number of beneficiaries. The KPI measures the number of actual beneficiaries against a set target of expected beneficiaries. If the actual are less than the target is viewed as positive as it indicates an increase in the financial health of the community as less people have to rely on the Indigent Subsidy. The target are therefore increased to 4 500 as a result of the expected increase of beneficiaries by year-end due to the change in policy.						
ComLed8	The number of jobs created through municipality's local economic development initiatives including capital projects.	Number of jobs created.	All	390/403	390	397
ComSoc 42	Number of social development programmes implemented	Number of programmes.	All	20/36	20	25
ComHS14	Number of housing opportunities provided per year.	Number of top structures.	All	107/107	30	30
Note: Key Performance Indicator was adjusted as per Section 54(1)(c) of the MFMA and approved by Council as per item 8.1.2 of meeting held on 27/02/2019. Motivation: The implementation of the project for the construction of top structures at Vredebes relates. Project nr 3199.02 for 600 houses was approved by the Department of Human Settlements on 11/05/2018. The construction of the houses will be phased over a couple of years. The delay in the implementation of the project relates mainly to the approval of housing typologies by Council as the project included different housing typologies such as walk-ups & semi-attached to adhere to densification principles. After various technical meetings between Council, the community & the Department of Human Settlements, the layout was approved 8/01/2019 and construction started in February 2019. The target for completed houses by end of June 2019 is therefore reduced to 30.						
ComHS15	Number of Rental Stock transferred	Number of properties transferred.	All	60/39	40	40
Note: Key Performance Indicator was adjusted as per Section 54(1)(c) of the MFMA and approved by Council as per item 8.1.2 of meeting held on 27/02/2019. Motivation: The target for end of December was 20 properties to be transferred with 19 actual achieved. It is however extremely difficult to get the cooperation of beneficiaries for the signing of contracts and agreements for payment of outstanding debts to obtain rate clearance certificates. The Housing & Finance departments have started with door-to-door campaigns to increase awareness and persuade beneficiaries to sign. It is however foreseen that the original target of 50 will not be achieved under the existing challenges and are therefore reduced to 40.						

4.2) Create an enabling environment to attract investment and support to the local economy.

Ref	KPI	Unit of Measurement	Wards	Target/Actual performance of 2017/18	Target for 2018/19	Overall actual performance for 2018/19
MMProp21	Quarterly report on the alienation of municipal properties to support economic growth.	4 Quarterly Reports	All	1/1	4	4
ComLed4	Quarterly report on the implementation of strategies and planned actions as identified in the Witzenberg LED Strategy	4 Quarterly Reports	All	1/1	4	4

COMPONENT A: BASIC SERVICES

3.2 Water Services

3.2.1 Introduction

All the towns in the Witzenberg municipal area are equipped with independent water services with their own resources, distribution systems and treatment works.

Ceres

The main water source for Ceres is the Koekedouw Dam. Six boreholes serve as a backup source of supply. Water quality from the Koekedouw is good and it is only chlorinated before distribution. Two reservoirs (3 and 5 Ml) serve as storage reservoirs to the 114km distribution network, with 4 supply zones (Bella Vista, N'Duli, Ceres main supply zone and Ceres central PRV zone). The network includes 2 X 2 Ml service reservoirs, a booster pump station to the pressure tower (500kl) at Bella Vista, as well as a 750 kl service reservoir, 4.5Ml reservoir and booster pump station at N'Duli. Three additional boreholes were drilled in Ceres and the Koekedouw borehole equipped.

The Ceres Koekedouw has overflowed for the 1st time in a 4 year drought period during September 2018

Tulbagh

Currently, Klein Berg, Moordenaarskloof and Tierkloof serve as the main sources of water supply to Tulbagh. Construction of the Kleinberg pipeline has been completed to provide an additional supply of 1.2 x 10⁶m3/annum from the Klein Berg River. The project will also include a storage dam with a capacity of approximately 1 200 000 m3. Funding applications has been approved by the Department of Water and Sanitation (DWS) for the construction of the dam. All

the water is stored in a 570 Ml raw water dam at present. Two reservoirs (800 kl and 1 Ml) serve as a clear water storage reservoir to the 29km distribution network, with 2 pressure zones. The network includes a booster pump station to the pressure tower (500 kl). A new reservoir for extra storage capacity is planned for construction at a later stage.

Wolseley

Wolseley receives its water supply from the Tierhokkloof weir. No storage facility exists and the dependency on the Tierhokkloof River as a sustainable supply without storage has been identified as a critical risk in water provision for growth in Wolseley. Purification consists of pressure filters and chlorination. The Ceres Road Reservoir (680 kl) and the newly constructed 6 Ml Wolseley Reservoir serves as a storage reservoir to the 44km distribution network, with two pressure zones. The network includes a 4.5 Ml services reservoir (Stamper Street Reservoir), which has been resealed to prevent losses, and a booster pump station. An additional pump station with a capacity of 58 l/s was completed during 2010/11 to enable the transfer of "lei" water during periods of low flow, from the Artois Canal to this reservoir. The project also allows for treatment at the reservoir.

Prince Alfred's Hamlet

Prince Alfred's Hamlet has four water sources. They consist of the Wabooms River Weir, a fountain, 1 borehole and a supply line from the Koekedouw Dam. Due to the quality of the raw water, only chlorination is required. Four 500 kl reservoirs serve as storage reservoirs to the 32km distribution network, with only 1 pressure zone.

Op-die-Berg

Op-die-Berg has three water sources, a fountain and 2 boreholes. Due to the quality of the water, only chlorination is required. A 50kl, 60kl and 500kl reservoir serve as storage reservoirs to the 6km distribution network, with only 1 pressure zone. The new storage reservoir is planned for Op-die-Berg to ensure adequate storage capacity, as well as meeting the peak demands of the town.

All drinking water systems located in the towns within Witzenberg have attained Blue Drop status and have also scored nationally in the top ten rankings.

3.2.2 Highlights

Highlights	Description
Upgrading & replacement of infrastructure	Upgrading of bulk supply pipelines. Replacement of various pipe networks and valves. Meter replacement program. Security upgrades at Prince Alfred's Hamlet reservoirs Water Demand Study to minimise Un-accounted water losses

3.2.3 Challenges

Challenges	Description
Personnel shortage	Number of vacant positions
Budget	Limited budget for infrastructure refurbishment, upgrade and replacement of vehicles and out-dated equipment.
Vandalism	Vandalism at various water reservoirs and pump-stations

3.2.4 Water Service Delivery Levels

Total use of water by sector (cubic meters)

Year	All	Unaccountable water losses	Percentage losses
	Cubic meters		
2014/15	7 079 144	1 463 304	20.7%
2015/16	6 088 276	962 345	16%
2016/17	6 508 218	1 259 772	19.36%
2017/18	5 835 602	1 090 102	17.9%
2018/19	6 408 893	1 136 219	17,7%

Water losses decreased from 17.9% in the 2017/18 to 17.7% in the 2018/19 financial year and this volume remains within the target set for the financial year. Management processes are, however, on-going to reduce the rate of water losses even further.

The table below specifies the different water service delivery levels per household for the financial years 2016/17, 2017/18 and 2018/19: Note that the "piped water inside dwelling" figure constitutes the number of accounts and is not a true reflection of the number of households. Other figures represent households. These figures exclude rural areas.

Description	2016/17	2017/18	2018/19
	Actual	Actual	Actual
Household			
***Water:* (above minimum level)**			
Piped water inside dwelling (accounts)	12 016	12 246	12 347
Piped water inside yard (but not in dwelling) (accounts)			
Using public tap (within 200m from dwelling) (households)	2 226	1 714	2 531
Other water supply (within 200m)	0	0	0
Minimum Service Level and Above Sub-total	**14 242**	**13 960**	**14 878**
Minimum Service Level and Above Percentage	**100%**	**98.4%**	**97%**
***Water:* (below minimum level)**			
Using public tap (more than 200m from dwelling)	0	**228	**436
Other water supply (more than 200m from dwelling	0	0	0
No water supply	0	0	0
Below Minimum Service Level Sub-total	**0**	**228**	**436**
Below Minimum Service Level Percentage	**0%**	**1.6%**	**2;9%**
Total number of households (formal and informal)	**14 329**	**14 188**	**15 314**

**Formal households calculated based on accounts issued (excluding informal households which is actual households)*

***The number of informal households below the minimum level are located adjacent Pine Valley, Wolseley, and was the result of an illegal land invasion. Growth of the settlement continuous without any control. The construction of serviced sites in the area were planned for over the long term as all planning and funding for the next 3 years is focused on the Vredebes development at Ceres.*

3.2.5 Service Delivery Indicators: Water Services

Ref	Strategic Objective	KPI	Unit of Measurement	Target/Actual performance of 2017/18	Overall Performance 2018/19		
					Target	Actual	R
TecWat21	Sustainable provision & maintenance of basic infrastructure	Percentage compliance with drinking water quality standards	Percentage compliance	98%/100%	98%	100%	
FinInc17		Number of outstanding valid applications for water services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	<1%/0%	<1%	0%	
TecWat20		Decrease unaccounted water losses	Percentage water losses	18%/18%	18%	17,7%	
TecWat22	Provide for the needs of informal settlements through improved services	Provide basic services - number of informal areas with sufficient communal water services points (taps)	Number of informal areas	3/3	3	3	
Note: The indicator measures the availability of water within 200m in the three informal areas located in Nduli, Tulbagh & Wolseley. A land invasion took place at Pine Valley, Wolseley where 228 (436 current) illegal informal structures were erected and occupied. The construction of serviced sites in the area were planned for over the long term as all planning and funding for the next 3 years is focused on the Vredebes development at Ceres. These 228 (436 current) structures were therefor not included in the result above.							

3.2.6 Employees: Water & Sanitation Services

Employees: Water & Sanitation Services			
Job Level	2017/18	2018/19	
	Employees	Employees	Vacancies (fulltime equivalents)
	No.	No.	No.
0 – 3	32	17	3
4 – 6	1	20	5
7 – 9	17	2	0
10 - 12	1	6	1
13 - 15	2	1	0
Total	**59**	**46**	**9**
Employees and Posts numbers are as at 30 June.			

3.2.7 Capital Expenditure: Water Services

Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget	Total Project Value
	R				
Vredebes Housing Internal	4 635 515	7 000 000	7 000 000	0%	8 300 000
Security Upgrades	450 000	710 538	710 538	0%	710 538
Tulbagh Dam	8 260 870	2 500 000	2 499 997	0%	27 000 000
Infrastructure Management System	300 000	526 519	526 519	0%	526 519
Grey Water System		500 000	456 600	(8,8%)	456 000
Network water pipes & valves	1 000 000	1 201 200	1 199 601	0%	1 199 601
Total all	**14 646 385**	**12 428 257**	**12 393 255**	**0%**	

Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate). Only major projects included above.

3.3 Waste Water Services (Sanitation)

3.3.1 Introduction

Ceres

Sewerage and industrial effluent is collected from consumers via a sewerage system which is treated at the Ceres Wastewater Treatment Plant. The Plant services the areas of Ceres, N'Duli, Bella Vista and Prince Alfred's Hamlet. The sewerage system includes 9 booster pump stations. A portion of the treated effluent is used for irrigation on communal land, sport fields and the golf course.

Tulbagh

Sewerage is collected from consumers via a sewerage system and treated at the Tulbagh Waste Water Treatment Plant. The sewerage system includes 3 booster pump stations. Treated effluent is partially discharged to a river, under an existing licence and the rest is used for irrigation in Church Street and local sport fields.

Wolseley

Sewerage is collected from consumers via a sewerage system and treated at the Wolseley Waste Water Treatment Plant. The sewerage system includes 6 booster pump stations. Mechanical upgrades to the plant to ensure that the plant performs at an optimum level and to ensure compliance with national standards

Prince Alfred's Hamlet

A significant volume of sewerage generated at Prince Alfred's Hamlet is pumped for treatment to the Waste Water Treatment Works (WWTW) in Ceres. Three pump stations are used for this purpose. A number of erven still use private septic tank systems to deal with the sewerage. These septic tanks are emptied by the municipality on request.

Op-Die-Berg

75% of the consumers are connected to a sewerage network and treated at the WWTW. The rest are managed through private septic tanks. Septic tanks are emptied by the municipality on request. Upgrades to the WWTW have been completed in order to ensure adequate capacity, as well as efficient and effective treatment of the waste water.

All the towns within Witzenberg have attained Green Drop status and have also scored nationally within in the top ten rankings.

3.3.2 Highlights

Highlights	Description
New Infrastructure & upgrades	Replacement of various sewer networks within Witzenberg. Vredebes Sewer Mechanical upgrades to the Wolseley WWTW to ensure that the plant performs at an optimum level and to ensure compliance with national standards Security Upgrades at various sewer pump stations. Purchasing of additional aerators. Purchasing of additional sewer pumps. Grey water study as part of water conservation and demand management. Cleaning of Tulbagh WWTW Final dam

3.3.3 Challenges

Challenges	Description
Personnel shortage	Number of vacant positions
Budget	Limited budget for infrastructure refurbishment, upgrade and replacement of vehicles and out-dated equipment.
Vandalism	Vandalism challenges at various sewer pump stations and WWTW's

3.3.4 Waste Water (Sanitation) Service Delivery Levels

The table below specifies the different sanitation service delivery levels per households for the financial years 2016/17, 2017/18 and 2018/19.

Note that the "flushed toilet" figure constitutes the number of accounts and is not a true reflection of the number of households. Other figures represent households. These figures exclude rural areas.

Description	2016/17	2017/18	2018/19
	Actual	Actual	Actual
Household			
***Sanitation:* (above minimum level)**			
Flush toilet (connected to sewerage) (accounts)	11 537	11 544	12 697
Flush toilet (with septic tank) (nr. of erven)	717	717	717
Chemical toilet (only indicate nr of toilets, not included in calculation)	71	58	28
Pit toilet (ventilated)	0	0	0
Other toilet provisions (above minimum service level) (households – informal areas)	2 226	1 714	2 531
Minimum Service Level and Above Sub-total	**14 558**	**13 975**	**15 945**

Description	2016/17	2017/18	2018/19
	Actual	Actual	Actual
Household			
Minimum Service Level and Above Percentage	**100%**	**98.4%%**	**97,3%**
***Sanitation:* (below minimum level)**			
Bucket toilet	0	0	0
Other toilet provisions (below minimum service level)	0	0	0
No toilet provisions	0	228	436
Below Minimum Service Level Sub-total	**0**	**228**	**436**
Below Minimum Service Level Percentage	**0%**	**1.6%**	**2,6%**
Total number of households (formal and informal)	**14 558**	**14 203**	**16 381**
**Formal households calculated based on accounts issued (including serviced sites but excluding informal households which is actual households)*			
***The number of informal households below the minimum level are located adjacent Pine Valley, Wolseley, and was the result of an illegal land invasion. Growth of the settlement continuous without any control. The construction of serviced sites in the area were planned for over the long term as all planning and funding for the next 3 years is focused on the Vredebes development at Ceres.*			

3.3.5 Service Delivery Indicators: Waste Water (Sanitation)

Ref	Strategic Objective	KPI	Unit of Measurement	Target/Actual performance of 2017/18	Overall Performance 2018/19		
					Target	Actual	R
FinInc18	Sustainable provision & maintenance of basic infrastructure	Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	<1%/0%	<1%	0%	
TecSan13	Provide for the needs of informal settlements through improved services	Provide basic services - number of informal areas with sufficient communal sanitation services points (toilets)	Number of informal areas	3/3	3	3	
Note: The indicator measures the availability of toilets within 200m in the three informal areas located in Nduli, Tulbagh & Wolseley. A land invasion took place at Pine Valley, Wolseley where 228 (436 current) illegal informal structures were erected and occupied. The construction of serviced sites in the area were planned for over the long term as all planning and funding for the next 3 years is focused on the Vredebes development at Ceres. These 228 (436 current) structures were therefor not included in the result above.							

3.3.6 Capital Expenditure: Waste Water (Sanitation)

Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget	Total Project Value
	R				
Refurbish WWTW	600 000	725 000	724 995	0%	724 995
Security Upgrades	450 000	843 810	843 810	0%	843 810
Sewer pumps replacement	200 000	273 800	273 798	0%	273 798

Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget	Total Project Value
	R				
Aerator replacement programme	750 000	625 000	625 000	0%	625 000
Network: Sewer pipe & Valve Replacement	1 000 000	1 029 000	1 025 616	0%	1 025 616
Vredebes Housing Internal	4 635 515	7 000 000	7 000 000	0%	8 300 000
Total all	**7 635 515**	**10 496 610**	**10 493 219**	**0%**	
Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate). Only major projects included above.					

3.4 Electricity

3.4.1 Introduction

The National Energy Regulator (NERSA) was established to be the custodian and enforcer of the National Electricity Regulatory Framework. NERSA provides the framework for licenses, power generation, transmission, distribution and trading in South Africa.

The upgrading and provision of bulk infrastructure is mainly guided by the implementation of low-cost and private developments and industry.

All erven within the boundaries of Witzenberg Municipality has access to electricity. ESKOM supplies electricity to Op-die-Berg, Prince Alfred Hamlet and the rural areas inclusive of the adjacent low cost housing. The municipality has a license to reticulate electricity to all other developed areas. NERSA has however recently embarked on an AoS (Area of Supply) GIS confirmation project, the guidelines of which were never discussed with Municipalities. Because Witzenberg is of the opinion that the proposed NERSA process is potentially detrimental to the Municipality, Council has decided to not support the process. A letter of objection was sent to NERSA, but since there was no response the matter has been forwarded to SALGA for intervention.

All qualifying and identified indigent households receive free basic water and electricity as per national government policy. However, servicing informal settlements with electricity is a continuous struggle.

The Electricity Master Plan for Ceres, Wolseley and Tulbagh has recently been completed and is thus up-to-date. It also included a condition assessment of the major network components, information that will be considered critical when determining future budget requirements.

Local government plays an integral role in the provision of electricity. Section 153 of the Constitution, places the responsibility on municipalities to ensure the provision of services to communities in a sustainable manner for economic and social support.

3.4.2 Highlights

Highlights	Description
Council adopted Illegal Connection Strategy	Once the process of implementation is achieved it will result in both a safer community and reduction in losses
Electrical network – Vredebes	Completion of 322 connections to the RDP housing project

Highlights	Description
Upgrading of Nduli network (Additional transformers [mini-sub] and feeders)	Reduction of nuisance tripping
Upgrading of Vos street - streetlights	Improved safety of the roads and community
Refurbishment of section of Eselfontein overhead line	Improved reliability of the network in the area
New Large consumer established in Wolseley	Food processing plant – 500kVA mini-sub supply
Application for Increase of NMD (Notified Maximum Demand)	Applied for Eskom increased our NMD at Tulbagh and Wolseley for 1MVA and 0,7MVA respectively, which helps at the short term to supply in the high demand for electricity.

3.4.3 Challenges

Challenges	Description
Eskom unable to increase Notified Maximum Demand	Regular interactions with Eskom to speed up their bulk upgrades. Renewable energy policy approved by Council to assist with the demand shortage. Eskom commenced with their EIA process for the bulk upgrades to take place.
Availability of vehicles	An aging fleet results in some vehicles spending extended periods in the workshop. Spares availability and reliability is an added extenuating challenge
Filling of vacant posts	Some posts remain vacant for extended periods before filling, but this is currently being addressed
Aging Electrical Network	Much of the existing electrical network exceeds its useful life and is even considered hazardous to operate in some instances. The new Master plan will assist in identifying the hazardous equipment.
Recapitalization of the Electrical Network	Available funding to replace aging equipment is always a challenge within the Municipal environment, but with heightened awareness, this will be addressed
Network protection settings	Settings and protection grading needs serious attention as unnecessary outages are being experienced at the moment

Major Towns	Notified Maximum Demand (NMD)	Maximum Demand Growth (NMD)	Maximum Demand Peak (NMD)
Ceres	36,5MVA (Additional 5 MVA applied for May 2019)	+2.9	36.33 MVA
Wolseley	4.5 (Additional 0,7 MVA applied for)	+0.1	4.43 MVA
Tulbagh	4.5 (Additional 1 MVA received May 2019)	+0.96	4.03 MVA

The energy losses for the 2017/18 financial year were 9,85%. The losses increased to 10,5% in 2018/19, with illegal connections the major contributing factor for the increase.. Management processes are, however, on-going to reduce the rate of losses.

3.4.4 Electricity Service Delivery Levels

Description	2016/17	2017/18	2018/19
	Actual	Actual	Actual
Household			
***Energy:* (above minimum level)**			
Electricity (at least minimum service level - accounts)	2 366	1 831	2 353
Electricity - prepaid (minimum service level)	10 177	10 419	10 525
Minimum Service Level and Above Sub-total	**12 543**	**12 250**	**12 878**
Minimum Service Level and Above Percentage	**100%**	**100%**	**100%**

Description	2016/17	2017/18	2018/19
	Actual	Actual	Actual
Household			
***Energy:* (below minimum level)**			
Electricity (< minimum service level)	0	0	0
Electricity - prepaid (< min. service level)	0	0	0
Other energy sources	0	0	0
Below Minimum Service Level Sub-total	**0**	**0**	**0**
Below Minimum Service Level Percentage	**0%**	**0%**	**0%**
Total number of households (formal and informal)	**12 543**	**12 250**	**12 878**
**The below minimum service level cannot be determined as the number of pre-paid meters installed in informal areas is unknown. Therefor it cannot be determined the number of households in informal areas without electricity. Dept. of Energy does not fund these connections if households are not on a formalised plot.*			

3.4.5 Electricity Service Delivery Indicators

Ref	Strategic Objective	KPI	Unit of Measurement	Target/Actual performance of 2017/18	Overall Performance 2018/19		
					Target	Actual	R
FinInc19	Sustainable provision & maintenance of basic infrastructure	Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	<1%/0%	<1%	0%	
TecEl37		Decrease unaccounted electricity losses	Percentage electricity losses	10%/10%	10%	10,5%	
Reason for under-performance: Increase can be attributed mainly to the theft of electricity in the informal areas of Witzenberg.							
Corrective measures: Addressed in terms of the "Illegal Connection Strategy" that is in the process of being implemented.							
TecEl36	Provide for the needs of informal settlements through improved services	Percentage of houses in a subsidised housing project connected to the electrical network.	Percentage of completed subsidised houses connected	200/189	95%	No application received	
Note: Key Performance Indicator was adjusted as per Section 54(1)(c) of the MFMA and approved by Council as per item 8.1.2 of meeting held on 27/02/2019. Motivation: The reason for the change is that the relevant department for the KPI is dependent on the Housing Department & Contractor to submit to them valid applications where electrical connections can be done. Various delays such as construction period and/or handover to beneficiaries cannot be managed by the electrical department. The KPI is therefore changed to a percentage of valid applications that should be connected.							

3.4.6 Electricity Service: Employees

Employees: Electricity Services			
Job Level	2017/18	2018/19	
	Employees	Employees	Vacancies (fulltime equivalents)
	No.	No.	No.
0 – 3	17	16	1
4 - 6	2	3	1
7 - 9	2	6	0
10 - 12	9	9	0
13 - 15	0	0	0
16 - 18	2	2	0
Total	**32**	**36**	**2**
Employees and Posts numbers are as at 30 June.			

3.4.6 Electricity Service: Capital Expenditure

Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget	Total Project Value
	R				
MV Substation Equipment	1 500 000	800 000	796 947	0%	796 947
Upgrade of LV Network Cables	1 400 000	1 450 000	1 362 702	(6%)	1 362 702
MV Network Equipment	1 000 000	2 480 000	2 411 158	(3%)	2 411 158
Upgrade of MV Cables	1 400 000	570 000	566 572	0%	566 572
Upgrade of Streetlights	350 000	537 000	535 336	0%	535 336
Electrical Network Housing Project	4 347 826	4 347 826	4 135 777	(5%)	4 135 777
Vredebes Streetlights	1 536 522	852 092	852 091	0%	1 536 522
Vredebes Streetlights		708 741	708 333	0%	708 333
Total all	**11 534 348**	**11 745 659**	**11 368 916**	**(3%)**	
Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate). Only major projects included above.					

3.5 Waste Management (Collection, Disposal, Recycling & Cleaning)

3.5.1 Introduction

The Witzenberg Integrated Waste Management Plan is a statutory requirement of the New National Environmental Management: Waste Act 2008 (Act No. 59 of 2008) which came into effect on 1 July 2009. This Act aims to transform waste management collection and disposal to a sustainable practice focusing on waste avoidance and environmental

sustainability. The primary objective of IWM planning is to integrate and optimize waste management, in order to maximise efficiency and to minimise the associated environmental impact, financial cost and to improve the quality of life of all residents within Witzenberg Municipality. Witzenberg conducts refuse removal through curb-side collection on a weekly basis to address 100% of the domestic waste generated. A standard collection plan was implemented where collection in each town takes place on separate days.

Witzenberg also employed temporary employees from local communities to perform cleaning services in the streets, open spaces and around waste removal skips. A service is rendered to formal and informal settlements that include:

- A black bag and green bag system
- Public awareness and education
- Waste disposal (landfill sites)
- Cleansing of streets and public toilets in Central Business Districts and skips (garden refuse)

The current waste management system in the municipality is fairly successful in the collection and disposal of municipal solid waste, however, limited effort is made to reduce the generation of waste within the municipal area.

The economic feasibility of waste recovery through recycling and composting should be carefully investigated, to reduce the relatively small amounts of waste generated by the population. The existing private recycling enterprise is successful only because it sources materials that have been separated at source and is therefore uncontaminated with wet waste.

The analyses of the current waste management system have shown the following:

- all formal, urban residential erven are receiving a weekly door-to-door waste collection service
- all collected municipal waste is disposed at the municipality's engineered and licensed waste disposal sites near Tulbagh and Prince Alfred Hamlet for building and green waste.
- no significant waste recovery is performed, except for private enterprises and recycling bins in Tulbagh, Wolseley and Ceres.
- no significant waste avoidance is conducted
- a Solid Waste Management Master Plan has been completed.

Witzenberg Municipality currently operates three landfills. The Tulbagh landfill site is licensed as a GSB- site and receives waste from all towns in Witzenberg. The Prince Alfred Hamlet site is licensed as a GCB- operated by a private contractor appointed by the municipality for building and garden refuse. The Op-Die-Berg site is licenced as a G;C;B + and receives only green bags from Op Die Berg.

3.5.2 Highlights

Highlights	Description
New Compactor truck procured	Service all areas with collecting households refuse.
Appoint Waste Ambassadors in all wards	Do awareness and education from door to door around recycling and composting.
External audits scores.	Tulbagh site score 89% and Op Die Berg site 86% on permit conditions.
Wheelie bin system implemented at all businesses in Witzenberg	2 type of bins at businesses with 240 l and 770l.

3.5.3 Challenges

Challenges	Description
Waste recovery facilities (drop-offs or transfer station- Ceres) in planning phase	Separation of waste for recycling & composting

Challenges	Description
Regional Landfill Site in Worcester (Waste licence issued) – appeal.	Investigation into the costs for required infrastructure and tipping fee at gate.
Non-compliance of landfill sites	Rehabilitation of landfill sites –budget of R72m

3.5.4 Waste Management - Service Delivery Levels

The table below indicates the different waste management (refuse collections, waste disposal, street cleaning and recycling) service delivery standards of the municipality:

Description	2016/17	2017/18	2018/19
	Actual	Actual	Actual
Household			
***Refuse removal:* (above minimum level)**			
Removed at least once a week (accounts and informal households)	14 292	13 981	14 259
Minimum Service Level and Above Sub-total	**14 292**	**13 981**	**14 259**
Minimum Service Level and Above Percentage	**100%**	**100%**	**100%**
***Refuse removal:* (below minimum level)**			
Removed less frequently than once a week	0	0	0
Using communal refuse dump	0	0	0
Using own refuse dump	0	0	0
Other rubbish disposal	0	0	0
No rubbish disposal	0	0	0
Below Minimum Service Level Sub-total	**0**	**0**	**0**
Below Minimum Service Level Percentage	**0%**	**0%**	**0%**
Total number of households (formal and informal)	**14 292**	**13 981**	**14 259**

3.5.5 Waste Management - Service Delivery Indicators

Ref	Strategic Objective	KPI	Unit of Measurement	Target/Actual performance of 2017/18	Overall Performance 2018/19		
					Target	Actual	R
FinInc20	Sustainable provision & maintenance of basic infrastructure	Number of outstanding valid applications for refuse collection services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	<1%/0%	<1%	0%	
TecRef31	Provide for the needs of informal settlements through improved services	Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area-cleaning service	Number of informal areas	3/3	3	3	

3.5.6 Waste Management - Employees

Employees: Waste Management Services			
Job Level	2017/18	2018/19	
	Employees	Employees	Vacancies (fulltime equivalents)
	No.	No.	No.
Contractual	6	0	0
0 – 3	59	62	10
4 – 6	2	4	1
7 – 9	12	2	2
10 - 12	1	1	0
13 - 15	0	0	0
Total	**80**	**69**	**13**
Employees and Posts numbers are as at 30 June.			

3.5.6 Waste Management – Capital Expenditure

Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget	Total Project Value
	R				
Vehicle Replacement	550 000	550 000	509 375	(7%)	509 375
New material recovery facility / drop off	621 180	621 180	621 180	0%	19 000 000
Op-Die-Berg Public Toilets	500 000	200 000	0	(100%)	1 200 000
Total all	**1 671 180**	**1 371 180**	**1 130 555**	**(17,5%)**	
Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate). Only major projects included above.					

3.6 Housing

3.6.1 Introduction

Phase F1, Vredebes, which consists of 635 serviced plots was completed at a total value of R 35m. The 1st Phase to construct houses in Vredebes has started and 30 houses were completed by end of June 2019. The 1st phase of houses consists of 600 top structures which will be implemented by constructing 200 houses per year.

3.6.2 Highlights

Highlights	Description
Vredebes Housing Project: Phase F1 – 635 serviced sites	Completion of 635 services sites at a total cost of R 35m
Vredebes Housing Project: Phase 1 – 600 Top Structures	Completion of 30 top structures as part of the 200 top structures planned annually

Highlights	Description
Approval of the UISP Project for 188 sites in N'duli	Planning money made available to the amount of R500 000 by DoHS. Layout for the project has been completed

The construction of the 1st phase of houses as Vredebes Housing development has commenced.

3.6.3 Challenges

Challenges	Description
Selling and renting of RDP houses	Beneficiaries are in desperate need for money and this is a way to generate an extra income. Sales are made illegally without houses being transferred which hampers the transfer processes because in some case the beneficiaries who received the subsidy are gone or deceased. No definite guidelines from the DoHS which must enforce the pre-emptive right
Transfer of rental stock	Outstanding debts of tenants to get rates clearance. Unforeseen documents needed by attorneys to expedite the registration process eg. registration of mother erven and lost original title deeds
Emergency housing for evictees (private and farm workers)	Emergency camp are planned as part of the Vredebes Housing Development, but no immediate solution available because of project funding for bulk infrastructure which will take ± 3 years to be completed depending on additional fund allocations
Immigration control in informal settlements. Increased illegal invasion of land in Wolseley and unfortunately we have no control because these structures are erected overnight and eviction through the court process costly and lengthy.	A response team need to be budgeted for and advertised via the tender process. Existing Community Committees needs to be co-operative. A "breakdown & monitoring team" consisting out of 8 temporary workers has been appointed to assist the housing officials and law enforcement with controlling illegalities in the informal. A budget has been approved (2018/19) to an amount of R1 million for the services of a response team.
GAP housing opportunities need to be increased because of household incomes rising on a yearly basis	The income band between R3 501 – R22 000 who is potential beneficiaries for GAP market do not qualify so easily for a bank loan although linked to the FLIPS subsidy because of their credit worthiness. The policy changed in 2018 to allow beneficiaries to make use of the pension funds as a warrantee to qualify for a bond or bank loan.
National Policy around persons younger than 40 years receiving houses/serviced sites	Although a National Policy, it is very difficult to implement specifically in informal areas. Policy however changed in 2016

Challenges	Description
	and the aged limit were lowered to 35 years, the challenge stays the same because of the limited opportunities.

3.6.4 Housing Service Delivery Levels

Financial Year	*Nr of households in formal dwellings	*% of households in formal dwellings	Households in informal settlements	Nr of people on housing waiting list	% Housing waiting list increase (decrease)
2014/15		86.7%	2 077	9 065	(3.75)%
2015/16			1 945	10 421	14.96%
2016/17	29 969	83.3%	2 200	10 736	3%
2017/18	27 295	86.8%	1 942	9 568	(10%)
2018/19	29 969	83.3%	2 967	9 546	0%

** Witzenberg Socio-Economic Profile (Western Cape Government) Including rural areas*

A summary of houses constructed and sites serviced under the subsidisation programme includes:

Financial year	Allocation (Budget)	Amount spent	% spent	Number of houses built	Number of sites serviced
	R'000	R'000			
2014/15 (Capital)	34 885	34 885	100%		470
2014/15 (Operational)	15 017	15 017	100%	42	
2015/16 (Capital)	28 930	27 449	94%		763
2015/16 (Operational)	0	0	0%	0	
2016/17 (Capital)	7 711	7 522	98%		0
2016/17 (Operational)	24 963	24 264	97%	200	
2017/18 (Capital)	7 155 472	7 155 472	100%		In process
2017/18 (Operational)	15 573 699	12 643 351	81%	107	
2018/19 (Capital)	26 163 613	26 163 613	100%		635
2018/19 (Operational)	12 098 000	12 098 000		30	

3.6.5 Service Delivery Indicators: Housing

Ref	Strategic Objective	KPI	Unit of Measurement	Target/Actual performance of 2017/18	Overall Performance 2018/19		
					Target	Actual	R
TecDir2	Provide for the needs of informal settlements through improved services	Number of subsidised serviced sites developed	Number of serviced plots	100/101	529	526	
Reason for under-performance: The total number of serviced sites in the project was reduced due to adverse geotechnical conditions in some areas.							
Corrective measures:							

Ref	Strategic Objective	KPI	Unit of Measurement	Target/Actual performance of 2017/18	Overall Performance 2018/19		
					Target	Actual	R
The decrease in number of serviced sites was only implemented after the February 2019 adjustment budget and the indicator target could there-for not be aligned. No Corrective measures are required.							
Note: Target was revised as per Section 54(1)(c) of the MFMA and approved by Council as per item 8.1.7 of meeting held on 27/02/2019. Motivation: The target relates to the construction of serviced sites at the Vredebes subsidised housing development Phase F1 (Project 3199.03). Project approval from the Department of Human Settlements was received on 25/01/2018 with resolution nr 18/03. The project of 635 sites is being implemented over two financial years. In 2017/18, 101 sites were reported to be completed. The target is there for adjusted to less than the remainder of the approved sites as the possibility exists that some sites may not be developed due to geotechnical constraints. The new target is however an increase to the existing target.							
ComHS14	Support the poor & vulnerable through programmes & policy	Number of housing opportunities provided per year	Number of top structures	107/107	30	30	
Note: Target was revised as per Section 54(1)(c) of the MFMA and approved by Council as per item 8.1.7 of meeting held on 27/02/2019. Motivation: The implementation of the project for the construction of top structures at Vredebes relates. Project nr 3199.02 for 600 houses was approved by the Department of Human Settlements on 11/05/2018. The construction of the houses will be phased over a couple of years. The delay in the implementation of the project relates mainly to the approval of housing typologies by Council as the project included different housing typologies such as walk-ups & semi-attached to adhere to densification principles. After various technical meetings between Council, the community & the Department of Human Settlements, the layout was approved 8/01/2019 and construction started in February 2019. The target for completed houses by end of June 2019 is therefore reduced to 30.							
ComHS15	Support the poor & vulnerable through programmes & policy	Number of Rental Stock transferred	Number of properties transferred	60/39	40	40	
Note: Target was revised as per Section 54(1)(c) of the MFMA and approved by Council as per item 8.1.7 of meeting held on 27/02/2019. Motivation: The target for end of December was 20 properties to be transferred with 19 actual achieved. It is however extremely difficult to get the cooperation of beneficiaries for the signing of contracts and agreements for payment of outstanding debts to obtain rate clearance certificates. The Housing & Finance departments have started with door-to-door campaigns to increase awareness and persuade beneficiaries to sign. It is however foreseen that the original target of 50 will not be achieved under the existing challenges and are therefore reduced to 40.							

3.6.6 Employees: Housing

Employees: Housing Management Services			
Job Level	2017/18	2018/19	
	Employees	Employees	Vacancies (fulltime equivalents)
	No.	No.	No.
Contractual	0	1	0
0 - 3	3	1	0
4 - 6	5	3	1
7 - 9	2	4	0
10 - 12	0	0	0
13 - 15	1	1	0
Total	**11**	**10**	**1**
Employees and Posts numbers are as at 30 June.			

3.7 Free Basic Services & Indigent Support

Witzenberg acknowledges that priority must be given to the basic needs of the community and that the social and economic development of the community is supported in an effort to provide access to the basic level of service in terms of the Constitution of South Africa, Section 151(1)(b) and 153(b).

Free basic services are provided to households with a combined monthly income of less than R3 000.

A household may apply with the relevant forms and once their application has been approved, they are entitled to free basic services for one year. If they still qualify after the year has lapsed, they need to complete the application process again.

The aim of the Indigent Policy is to ensure a sound and sustainable manner in which to provide affordable basic services to the poor through financial assistance within the legal framework of the powers and functions of the municipality. This is done in an effort to improve the standard of living and creating a prosperous municipality that is free from the scourge of poverty.

THE OBJECT OF THIS POLICY IS TO:

- Ensure a transparent, accountable and sustainable manner to assist the poor with access to basic services as defined in the policy;
- Ensure a sustainable manner to assist the poor with the burial costs, transfer duties and to change the municipal accounts in the cases of death, legal separation, divorce, etc. when necessary; and to
- Ensure that a fair portion of the equitable share, as provided by National Government, is spent as a contribution towards poverty alleviation.

THE QUALIFICATION CRITERIA FOR URBAN HOUSEHOLDS IN ORDER TO RECEIVE ASSISTANCE ARE AS FOLLOWS:

- The head of the household must be a South African citizen;
- The household, except in the case of rural households, must receive an account from Witzenberg Municipality;
- An application on the prescribed form must be duly completed and submitted, with the required information and signature;
- No member of the household may own a fixed property, other that the site on which the household resides; and
- The household's joint gross income may not exceed R3 000 per month.

THE QUALIFICATION CRITERIA FOR OLD AGE HOMES IN ORDER TO RECEIVE ASSISTANCE ARE AS FOLLOWS:

- More than 50% of the residents within the old age home must receive less than R3 000.00 per month.
- The qualification criteria for electricity consumers within Witzenberg Municipality, but who reside in areas where the municipality is not the supplier of electricity, is that their connection may not exceed 20 Amps.

BENEFITS:

- **Property rates**
  In terms of the Property Rates Act, Act 6 of 2004, Section 17(h) all residential sites are exempt from the first R15 000 of the market value on a property. As an additional subsidy, the municipality will increase this level subsidized to R120 000.
- **Electricity**
  A subsidy equal to the amount charged for the first 50 kWh consumed per month.
- **Water**
  A subsidy equal to the amount charged for the first 6 kilolitres consumption per month as well as 100% subsidy on the basic charge for water, where the municipality is the service provider.
- **Sanitation**
  A subsidy equal to 100% of the amount charged for the service per month where the municipality is the service provider.
- **Refuse removal**
  A subsidy equal to 100% of the amount charged for the service per month where the municipality is the service provider.

- **House rental**
  A subsidy equal to 100% of the amount charged in the case of municipal sub economical rental stock as house rental per month.
- **Burial costs**
  A subsidy equal to 100% of the amount charged for burial cost. The subsidy can be provided in terms of every deceased member of the household.
- **Transfer costs**
  A subsidy equal to 100% of the amount charged for transferring the municipal service accounts, as a result of death of the head of the household. In the event of separation or divorce, the person who is residing at this plot, qualifies for the subsidy on transfer costs. This household is also exempt from making a consumer deposit or to increase the existing deposit. A subsidy equal to 100% of the costs of an attorney to transfer the property into the spouse name. This subsidy is provided as a result of death of the head of the household, whilst approved as an indigent household and the current registration is not registered at the Deed's Office in the name of both parties. The appointment of the attorney is entirely the prerogative of the municipality.

3.7.1 Access to Free Basic Services

Free Basic Services To Low Income Households									
Year	Number of households								
	Total no. of HH	Households earning less than R 3 000 per month							
		Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse Removal	
		Access	%	Access	%	Access	%	Access	%
2015/16	14 085	4 614	33	4 614	33	4 614	33	4 614	33
2016/17	14 085	4 510	32	4 510	32	4 510	32	4 510	32
2017/18	14 391	4 591	32	4 591	32	4 591	32	4 591	32
2018/19	15 388	6 742	43	6 742	43	6 742	43	6 742	43

Rates						
Financial year	Indigent Households			Non-indigent households		
	No of HH	Exempt Valuation	Value R'000	No of HH	Exempt Valuation	Value R'000
2015/16	4 614	100 000	2 272	11 385	100 000	9 677
2016/17	4 510	100 000	2 573	11 304	100 000	9 677
2017/18	4 591	100 000	2 277	11 914	100 000	11 806
2018/19	6 742	120 000	3 600	12 875	120 000	12 746

Electricity									
Financial year	Indigent Households			Non-indigent households			Households in Eskom areas		
	No of HH	Unit per HH (kwh)	Value R'000	No of HH	Unit per HH (kwh)	Value R'000	No of HH	Unit per HH (kwh)	Value R'000
2015/16	2 673	50	1 518	10 228	0	0	1 618	50	919

Electricity									
Financial year	Indigent Households			Non-indigent households			Households in Eskom areas		
	No of HH	Unit per HH (kwh)	Value R'000	No of HH	Unit per HH (kwh)	Value R'000	No of HH	Unit per HH (kwh)	Value R'000
2016/17	2 565	50	1 526	10 493	0	0	1 458	50	828
2017/18	2 345	50	1 547	9 905	0	0	1 766	50	1 165
2018/19	3 697	50	2 606	9 626			1 851		

Water						
Financial year	Indigent Households			Non-indigent households		
	No of HH	Unit per HH (kl)	Value R'000	No of HH	Unit per HH (kl)	Value R'000
2015/16	4 614	6	5 510	9 444	0	0
2016/17	4 510	6	5 386	9 575	0	0
2017/18	4 591	6	8 263	9 901	0	0
2018/19	6 742	6	12 669	8 646		

Sanitation						
Financial year	Indigent Households			Non-indigent households		
	No of HH	R value per HH	Value R'000	No of HH	Unit per HH per month	Value R'000
2015/16	4 614	179.38	9 932	9 444	0	0
2016/17	4 510	190.14	10 290	9 575	0	0
2017/18	4 591	176.8	9 740	9 901	0	0
2018/19	6 742	187.41	15 162	8 646		

Refuse Removal						
Financial year	Indigent Households			Non-indigent households		
	No of HH	Service per HH per week	Value R'000	No of HH	Unit per HH per month	Value R'000
2015/16	4 614	1	10 936	9 444	0	0
2016/17	4 510	1	8 021	9 575	0	0
2017/18	4 591	1	7 591	9 901	0	0
2018/19	6 742	1	11 817	8 646		

COMPONENT B: ROAD TRANSPORT

This component includes roads and storm water management.

3.8 Road Services

3.8.1 Introduction

The Witzenberg Local Integrated Transport Plan (LITP) was prepared as part of the review of the Cape Winelands District Integrated Transport Plan (DITP) 2016- 2021.

As per Section 36 of the National Land Transport Act (Act 5 of 2009) all planning authorities must prepare an Integrated Transport Plan for their area for a five year period. These ITPs need to be overhauled every five years and updated annually. The Integrated Transport Plans for the Cape Winelands District have been prepared to meet the minimum requirements for preparing an Integrated Transport Plan as published by the Department of Transport. Witzenberg Municipality has been classified as a level 3 planning authority and is therefore required in terms of the National Land Transport Act to prepare a LITP.

Transport Status Quo

Witzenberg Municipality has a total population of approximately 115 000 persons with an economic growth rate of 2.64%. The primary economic activities which take place in the agricultural sector and are subject to seasonal changes. Witzenberg Municipality has a number of public transport services operating within municipal area. The most used mode of transportation is the minibus taxi. Other modes used in Witzenberg are rail, non-motorised transport and private vehicles. Witzenberg Municipality also experiences high volumes of freight transport travelling through the municipality. At present, the municipality has both formal and informal public transport facilities of which some formal facilities are currently not utilised by public transport operators. Witzenberg Municipality has three minibus taxi associations operating within the area; the Ceres Taxi Association, the Nduli Taxi Association and the Tulbagh Taxi Association.

The transport needs of Witzenberg are similar to those of its neighbouring municipalities. The primary issue in Witzenberg are that there is a limited public transport service during off peak periods, forcing people to wait for long periods of time before being able to travel. The safety of passengers and pedestrians as well as the affordability of taxi services are also issues impeding transportation. The municipal transport budget for Witzenberg indicates that there is approximately R8 million allocated toward transport related improvements. The budget mainly focuses on roads improvements in residential areas within the municipality.

Road network and traffic

The road network in Witzenberg Municipality consists of provincial roads, owned and managed by the provincial road authority, which is the PGWC. Apart from the provincial roads, which are also known as the rural road network, the upgrade and maintenance of the local street network is the responsibility of the local authority. Condition of the road surface indicated that 66% of the surfacing is in good or very good condition. The corresponding value for road structure is 79%. If road surface conditions deteriorate too much, the road structure will be adversely affected. Therefore, upkeep to protection of the structure through regular maintenance is very important. Fruit and vegetables are brought from various farms around Wolseley, from Op-die Berg and Tulbagh to the factory in Ceres to be packed. This creates an inflow of heavy vehicles to Ceres. From Wolseley and Tulbagh, heavy vehicles travel to Ceres via the Mitchell‘s Pass.

The Pass has a high quality surface, able to withstand high volumes of traffic. In contrast, the proclaimed road through Ceres is of a different standard and must accommodate the same high volume of heavy vehicles. In the urban streets of Ceres, special NMT signage restricts heavy vehicles from entering the urban areas. A Pavement Management System

(PMS) is used for maintaining the roads in the area through an assessment of the network based on methodical visual ratings of each pavement section. The priorities is divided into routine maintenance (e.g. patching), to normal maintenance (resurfacing) through to heavy rehabilitation (e.g. thick overlays and reconstruction). This is supported by visual inspections which are performed according to a schedule and data is recorded and prioritised for implementation. Limited and funding backlogs are the greatest challenge faced in maintaining the road network.

Roads Master Planning

Currently the Municipality does not have Roads masterplans. The Department of Local Government and the Development Bank of South Africa (DBSA) through a partnership agreement has granted planning support to the Municipality for the development of Roads Master Plans. The purpose of the Roads Master Plan is to compile an implementation strategy, with goals and objectives, which will be followed by a Business Plan detailing the objectives in such a way that clear direction is given to implementation of the recommendations on priority projects.

- The Master Plan will include the evaluation and analysis of existing documents, the determination of existing backlogs, current demands and capacity.
- It will include a funding model and a programme for the implementation of all the projects identified and prioritized.
- It will evaluate the long-term viability of existing infrastructure to cope with expansion and augmentation, and to identify new infrastructure required, and to propose time lines regarding when such infrastructure will be required.
- The assessments will address the primary and secondary networks, and the primary and secondary equipment needed to deliver a reliable, safe and affordable service to all existing and future consumers within the area.

3.8.2 Highlights

Highlights	Description
Vredebes, Ceres: New Access Collector, Storm water & Sidewalks Ph2	Class 3 road from intersection with TR22/2 up the access to Phase 1 of the Vredebes development; Sidewalks on both sides of the road; Associated storm water along the proposed road; 492 meters.
Vredebes Phase F1 Roads and Storm water	Internal road network with a total length of 4285 meters with associated storm water.
Reconstruction of Piet Retief Street, Tulbagh	Piet Retief street is flanked by numerous residential housing and some commercial buildings, as well as the Magistrates Court, SAPS and Tulbagh high School in the east. The length of road reconstructed was 598 meters from Waveren Street to Rossouw Street.
Traffic calming measures	Constructed 15 speed-humps in Witzenberg

3.8.3 Challenges

Challenges	Description
Funding backlogs on bituminous pavements	Pavement Management System 2010, all bituminous pavements, resealing and upgrading of roads backlogs amount to R52 million
Deteriorated Tulbagh roads	4.35km Deteriorated roads needs to be upgraded
Roads master plan	No roads master plans makes proper development planning difficult, also evaluation of new town planning applications
Upgrading needs on provincial roads, TR22/2 as a result of new developments	No funding or assistance from Department of Transport and Public Works
Upgrading needs for public transport infrastructure	No funding for proposals from Transport Assessment Plans

3.8.4 Service delivery levels: New roads & maintenance of existing roads

The following tables give an overview of the total kilometres of roads maintained and new roads tarred:

Tarred/paved roads:

Financial year	Total km tarred roads	Km of new tar & paved roads	Km existing tar roads re-tarred	Km of existing tar roads re-sheeted	Km tar roads maintained
2014/15	216.76	3.119	2.377	0.88	213.64
2015/16	222.43	5.67	8.22	0	216.76
2016/17	222.43	0	1.58	2.63	222.43
2017/18	222.66	0.235	1.00	0	222.26
2018/19	227.43	4.77	1.818	0.605	222.66

Gravel roads:

Financial year	Total km gravel roads	Km new gravel roads constructed	Km gravel roads upgraded to tar / block paving	Km gravel roads graded/maintained
2014/15	10.31	0	0.19	10.50
2015/16	10.50	0	0	10.50
2016/17	10.50	0	0	10.50
2017/18	10.50	0	0	10.50
2018/19	10.50	0	0	10.50

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

Financial year	New & Replacements	Resealed	Maintained
	R'000	R'000	R'000
2014/15	12 684	2 029	3 541
2015/16	6 121	5 753	5 780
2016/17	16 806	7 698	7 804
2017/18	8 102	3 109	8 007
2018/19	32 114	105	5 990

3.8.5 Service Delivery Indicators: Road Services

Ref	Strategic Objective	KPI	Unit of Measurement	Target/Actual performance of 2017/18	Overall Performance 2018/19		
					Target	Actual	R
TecRo7	Sustainable provision & maintenance of basic infrastructure	Kilometres of roads upgraded & rehabilitated	Kilometres of roads	3 / 4.4	3	7,3	
Currently Witzenberg Municipality make use of an out-dated Pavement Management system to indicate road resurfacing priorities. The update of the PMS is still on process. During the year, with the help of inspections, it came to the attention that certain road sections required immediate resealing due to their poor condition. The municipality undertook an in-house slurry surfacing project to address these issues, and this being the reason the target was over achieved							

3.8.6 Employees: Roads & Storm water

Employees: Roads & Storm water Services			
Job Level	2017/18	2018/19	
	Employees	Employees	Vacancies (fulltime equivalents)
	No.	No.	No.
Contractual	4	0	0
0 – 3	17	13	3
4 – 6	8	9	2
7 – 9	4	4	2
10 - 12	3	7	1
13 - 15	0	2	0
16 - 18	1	1	0
Total	**38**	**36**	**8**
Employees and Posts numbers are as at 30 June.			

3.8.7 Capital Expenditure: Roads & Storm water

Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget	Total Project Value
	R				
Vredebes Housing Internal Roads	5 406 079	8 163 613	8 163 613	0%	9 500 000
Rehabilitation Streets - Tulbagh	9 000 000	11 172 543	11 152 044	0%	12 500 000
Vredebes Access Collector Phase 1	9 130 434	10 360 611	10 360 611	0%	12 000 000
Vehicle replacement	1 000 000	1 000 000	991 000	(1%)	991 000
Upgrade Van Breda bridge	1 842 609	2 303 261	2 241 660	(2,7%)	24 000 000
Vredebes Housing Internal Storm water	2 648 866	4 000 000	4 000 000	0%	6 000 000
Vredebes Bulk storm water channel	8 034 782	8 088 039	8 088 003	0%	11 000 000
Network storm water	300 000	300 000	300 000	0%	300 000
Total all	**37 362 770**	**45 388 067**	**45 296 931**	**0%**	
Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate). Only major projects included above.					

3.9 Waste Water (Storm Water Drainage)

3.9.1 Introduction

Currently the Municipality only have Storm water masterplans for Prince Alfred's Hamlet and Tulbagh.

The Department of Local Government and the Development Bank of South Africa (DBSA) through a partnership agreement has granted planning support to the Municipality for the development Storm Water Master Plans for all areas.

The purpose of the Storm Water Master Plan is to compile an implementation strategy, with goals and objectives, which will be followed by a Business Plan detailing the objectives in such a way that clear direction is given to implementation of the recommendations on priority projects.

- The Master Plan will include the evaluation and analysis of existing documents, the determination of existing backlogs, current demands and capacity.
- It will include a funding model and a programme for the implementation of all the projects identified and prioritized.
- It will evaluate the long-term viability of existing infrastructure to cope with expansion and augmentation, and to identify new infrastructure required, and to propose time lines regarding when such infrastructure will be required.
- The assessments will address the primary and secondary networks, and the primary and secondary equipment needed to deliver a reliable, safe and affordable service to all existing and future consumers within the area.

The municipality also have maintenance plans for these areas through scheduled inspections and prioritisation for implementation. Cleaning of infrastructure is done in accordance with a scheduled programme.

3.9.2 Highlights

Highlights	Description
Development of Storm water Master Plans for all areas.	The Department of Local Government and the Development Bank of South Africa (DBSA) through a partnership agreement has granted planning support to the Municipality for the development Storm Water Master Plans for all areas

3.9.3 Challenges

Challenges	Description
Wolseley Montana Channel upgrade	No funding for portal culverts that has an enormous financial implication
Vandalism storm water drainage	Covers being stolen and sold at scrap metal yards.
Trees damage storm water pipes/sidewalks and roads	Trees with aggressive root systems
Storm water blockages	Manholes/catch pits being used as dirt dumping places

3.9.4 Service Delivery Levels: Infrastructure & cost of construction/maintenance

Storm water infrastructure

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

Financial year	Total km storm water measures	Km new storm water measures	Km storm water measures upgraded	Km storm water measures maintained
2014/15	139.00	0.97	0	138.03
2015/16	139.83	0.83	0	139.00
2016/17	139.83	0	0	139.83
2017/18	139.83	0	0	139.83
2018/19	139.83	4.95	0	139.83

Cost of construction maintenance:
The table below indicates the amount of money spend on storm water projects:

Financial year	Storm water measures	
	Capital	Maintained
	R'000	R'000
2014/15	3 626	1 227
2015/16	9 662	952
2016/17	0	1 359
2017/18	2 008	1 834
2018/19	11 350	1 532

COMPONENT C: PLANNING & DEVELOPMENT

Witzenberg Municipality does not have a single department that includes all strategic services. The LED section is managed by the Social & Economic Development section that is situated in the directorate for Community Services. The IDP, Internal Audit and Organisational Performance sections report to the Municipal Manager. Tourism and marketing are situated in the directorate for Corporate Services. Building control, town planning, spatial planning and GIS falls under the section Town Planning & Building Control situated in the directorate for Technical Services.

3.10 Planning

3.10.1 Introduction

In June 2017, the Witzenberg Spatial Development Framework (WSDF) was approved as part of the IDP in terms of section 34 of the MSA. The WSDF will guide the spatial form and structure of Witzenberg (the way in which we use the space available for urban growth) in the future. This 5 year plan will enable Witzenberg to manage new growth and change in its area, to ensure sustainability and equitability. The objectives of the WSDF are to:

- Give spatial effect to the provisions of the Witzenberg IDP and guide implementation of its anchor projects.
- Provide guidance to public and private infrastructure investment in the municipality, taking cognisance of the growth and development potential of the various settlements in the municipality.
- Spatially co-ordinate and direct the activities and resources of the municipality.
- Describing the existing and desired future spatial patterns that provide for integrated, efficient and sustainable settlements in the municipality.
- Guiding the investment of public resources (capital) through the following:
- Providing a credible context for public investments
- Promoting equitable development of areas that have lagged behind.
- Providing certainty to all stakeholders regarding spatial and socio-economic implications of future development in the municipality.
- Providing a basis for coordinated decision-making and policy-formulation regarding future land-use.

The table below sets out the main elements of Witzenberg planning strategies:

Strategy	Description
Industry	Enhance the use of Ceres as an agri-industrial hub and portal to the export markets situated in the City of Cape Town
Tourism	Promote development of tourism-related amenities and activities along the main routes through the Municipality
Major routes	Ensure the upkeep of the R43, R46, R303 and R355 as major economic transport routes and scenic routes
Land use management	Ensure that changes in land-use maintain the integrity, authenticity and accessibility of significant cultural landscapes. Contain urban sprawl and restrict urban development to within designated urban edge. Integrate low-cost housing within the urban area to combat urban sprawl and reduce negative visual impact on the cultural landscapes
Agriculture	Encourage local processing of farm products and the provision of local farm services to enhance the rural economy, increase the viability of agricultural production and reduce rural poverty
Social housing	Improve the quality of subsidised housing settlements through innovative urban planning and design. Such settlements should include areas suitable for informal and formal public activities such as streets, boulevards and squares should be created in well located highly accessible spaces in urban settlements

3.10.2 Highlights

Highlights	Description
Re-drafting of the SDF as core component of the IDP	In terms of the Systems Act SDF is a core component of the IDP and adheres to the same planning cycle as the IDP. Municipality adopted its '4th generation' IDP's that will span the 5 year period beginning on 1 July 2017 and ending on 30 June 2022. Certain changes in legislative and policy requirements necessitates that the SDF needs re-drafting. Process to re-draft the SDF initiated during April 2019 with envisaged completion date April 2020.

3.10.3 Synthesis of Key Spatial Challenges

- Biophysical Environment

  The fertile soils of the WM have given rise to the progressive agricultural sector that drives the municipality's economy. These agricultural land patterns are distributed between the settlements and found in the valleys. Options to expand the agricultural sector horizontally are limited by the mountain ranges that enclose the current agricultural landscapes.

  The integrity of the Cape Floristic Kingdom is threatened by fragmentation and degradation of the land. Upgrading of settlements and infrastructure are in an important consideration in to relieving pressure off of the natural vegetation that surrounds the sensitive environments. As such the use of centralised land plays an important role preventing urban expansion into the protected areas, and decreasing the erosion of agricultural and natural assets.

- Socio-Economic Environment

  The upgrading and extension of basic services for poorer citizens remains a priority. With the Department of Human Settlements plan to provide social housing, there is a need to link this roll out with the provision of bulk service infrastructure. Given the backlog in the maintenance of infrastructure and servicing existing residents, Witzenberg Municipality is challenged in meeting the current demand for services. With the infrastructure budget declining in future periods, an urban structure and form which minimizes municipal servicing and maintenance cost is critical. The dispersed settlement patterns have proven low mobility between the various towns, especially to Ceres.

  The growth of the informal economy and local economic development opportunities remain as the only means to ensure livelihoods to poorer citizens within the municipality. This is expected to continue with the economic sectors accommodating unskilled workers (especially those in the manufacturing and agriculture sectors) that show slow growth. The potential to enhance development nodes within town centres is limited by the dispersed provision and mono-functional use of social services and amenities.

  The approved and in progress development of Vredebes and settlement improvement in Nduli, will require spatial interventions to improve access to social facilities and employment opportunities.

  There is an increased need for a stimulation of economic opportunities. Land use and management requires an intervention that would welcome new businesses and/or industries to increase the revenue base of the municipality and to assist in reducing unemployment.

  Establishment of farming opportunities for existing small scale livestock farmers.

- Built Environment

  There is an increased need for improved transport linkages within the municipality, to strengthen the linkages between settlements. There is a need for pedestrian routes within the Ceres, Bella Vista and Nduli town cluster.

Bulk water infrastructure upgrades and improvement is required for the provision of future housing developments as per the Department of Human Settlements plan.

- Institutional Context

The municipal budget is relatively small considering the depth, range and variability of citizen needs, specifically in relation to the needs of poorer citizens. The municipality does not have the funds to fundamentally reverse backlogs or negative trends in shelter or infrastructure needs.

Significant partnering between the municipality and the private sector is required to address current needs, and in the restructuring of settlement patterns. This is especially the case in spatial linkages between Bella Vista and Ceres main town, and between Nduli and Ceres main town.

Sector planning remains fragmented, especially in relation to spatial and transport planning.

3.10.4 Service Delivery Statistics

Type of service	2015/16	2016/17	2017/18	2018/19
Town Planning and Building Control				
Building plan applications processed	282	574	279	455
Total surface (m^2)	55 624m²	74 386m²	42 818m²	58 318m²
Approximate value	R193 590 378	R 188 058 508	R 182 232 666	*R 3 232 931 532
New residential dwellings	21	318 (Due to subsidized housing project)	50	167
Residential extensions	94	96	77	87
New Business buildings	3	2	3	1
Business extensions	6	9	10	1
Rural applications	47	56	45	73
Land use applications processed	27	33	34	31

*Drastic increase due to submission of building plans for Paardekraal Windfarm to a value of R3b.

3.10.5 Employees: Town Planning & Building Control

Employees: Town Planning & Building Control			
Job Level	**2017/18**	**2018/19**	
	Employees	**Employees**	**Vacancies (fulltime equivalents)**
	No.	**No.**	**No.**
7 - 9	1	0	1
10 - 12	3	4	1
13 - 15	1	1	0
16 - 18	1	1	0
Total	**6**	**6**	**2**
Employees and Posts numbers are as at 30 June.			

3.11 Local Economic Development

The table below gives a brief description of all the achievements within Local Economic Development (LED) during the 2018/19 financial year:

Achievement/Highlight	Description
Council approved a five year lease agreement for a Honeybee co-operative	Assisted with application process of co-operative, which included co-operative training and facilitation of private sector partnership
Linked 22 smme`s with SEDA basic business training	Training comprised of the basics of entrepreneurship and the important aspects to consider in managing a business. The objective was to introduce the participants to the essential concepts and for them to apply these in their respective businesses.
Seven local entrepreneurs received seed fund from Cape Winelands municipality	The aim of the seed fund is to support local entrepreneurs to grow and develop by providing them with resources and a mentorship Program.
Arranged a SARS tax workshop for 22 SMME's	The following aspects were discussed: Different business registrations, Employees tax incentives, Small Business Corporation Incentive and Tax Clearance.
Linked four smme`s successfully on the Central Supplier Database	• To assist smme`s to be compliant with government procurement processes • Link smme`s with provincial and national tenders to enable them to have better access to government tenders
Successful SMME Indaba on 1 December 2018	Provided opportunity for 12 SMME's to exhibit their products at a Prince Alfred's Hamlet festival in Witzenberg. The SMME Indaba created a good platform for smme`s to market their businesses and to sell their products. Presentations from businesses were conducted to inspire the attendees regarding their business operations. A total of 214 people visited the SMME indaba tent.
Created opportunity for the community to sell products at stalls at Witzenberg Kersmark	Provided opportunity for 59 people to sell and trade at the annual Witzenberg Kersmark
Successful future scenario workshops that were done by the Centre of Excellence (in association with UCT)	The aim of the future scenario workshops is to contribute in regards to food security for Witzenberg. Attended by various private and public sector representatives
Successful quarterly Integrated Steering committee meetings	Local government and government departments have engagements to liaise and partner in projects
Linked 19 SMME's with basic business training facilitated by Seda	The following aspects were discussed: Basics of entrepreneurship, Setting up and managing your business, Challenges, Action plan
Fourteen local entrepreneurs completed the business learnership (New Venture creation) that was facilitated by Trioplus Development	A certificate ceremony was held on 17 April 2019 at the Ceres Town Hall and was attended by Witzenberg municipality, Trioplus Development, the participants and CBI. After-programme assistance were given for ongoing support.
Linked SMME's with Seda business consultations	Seda visited the area once a month to give business support to local entrepreneurs
Three entrepreneurs and two small farmers have been approved for seed fund	The Seedfund proposal information were distributed to SMME's in Witzenberg Municipality. The purpose of the funds is to grow and develop emerging small businesses
Arranged Supplier registration sessions 2019 with new and established entrepreneurs, as well as 5 youth of a Youth placement Programme	Provided supplier registration information to SMME's in order to successfuly register on the supplychain database in order to access opportunities with local government

Achievement/Highlight	Description
Implemented Business Process Assessment Project with DEDAT	The programme is about red tape reduction and how municipal services that have an effect on investment and business can be simplified and fine-tuned in order to attract investment, improve government to business interaction and improving business related service processes and legislation. Process analysis was conducted on Supplychain database registration & Building control process.
1 SMME that was linked with corporate funding opportunity was successful with application	Linked several SMME's with corporate funding programme; assisted with online application process. (SAB Tholoana Enterprise Programme)
Successful pilot for Witzenberg Pop-Up dining with the locals initiative at Ceres Half Marathon.	The concept is to present home-made traditional and cultural food, with a long table to be present to create a dining atmosphere. The event was branded during the Marathon in order for visitors to become aware of this initiative.
Assisted SMME's in applying online for funding applications	Arranged with local E-centre for SMME's to apply for funding via electronic platform. Included assistance given with the online application. This is conducted as soon as funding opportunities are available that entail electronic platform (web-based) applications.
Initiated construction of first Witzenberg SMME Hub in Prince Alfred's Hamlet	Entail development of 7 rental light industry business units for SMME's

The table below gives a brief description of all the challenges within Local Economic Development (LED) during the 2018/19 financial year:

Description	Actions to address
Insufficient office resources and unstable office location	Provision of a stable office environment and sufficient resources
Lack of sufficient funding for led projects	To make provision for sufficient funding to ensure sustainability of projects
Internal departments working in silos	Address the issue of effective communication and promote transversal LED

The LED Strategy along with the LED process plan is in the process of being implemented. Witzenberg Municipality has an established LED Forum comprising of a diverse membership from various sectors of society. The LED Strategy is built upon commitment to develop a climate in which economic development and economic growth can prosper. The LED Strategy for the next financial year (2018/19) has been reviewed and is ready to be implemented.

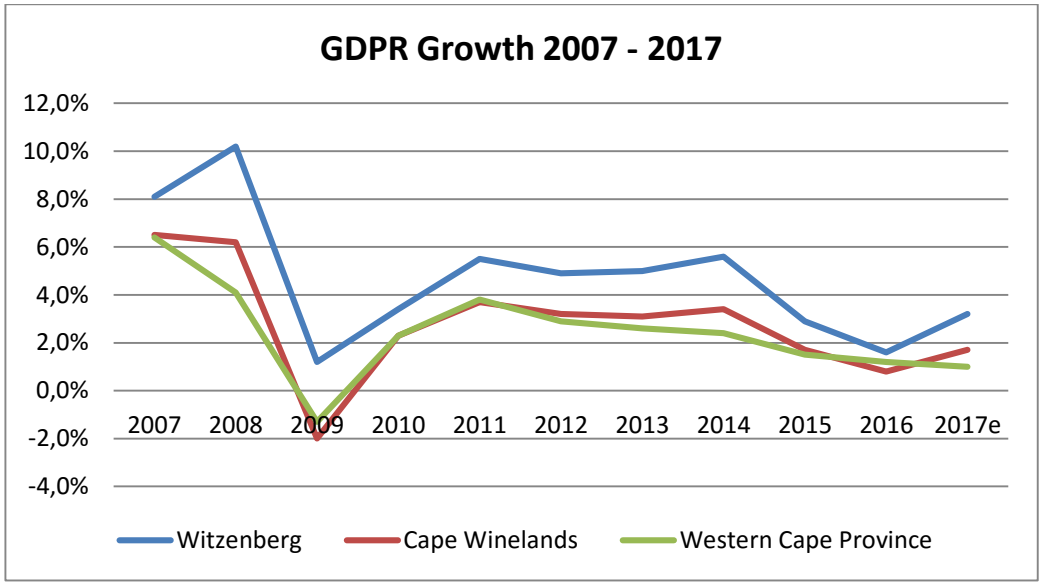
The LED Strategy identifies various issues and strategic areas for intervention such as (3 top service delivery priorities):

Strategic areas	Description
Creating an enabling business environment	Review the institutional framework
Addressing the key development challenges	Reviewing the LED Strategy
Creating sustainable job opportunities	Implementing skills development programmes and capacitating entrepreneurs with business skills. Assisting SMME's with access to private sector supply chain opportunities and financial support

3.11.1 Economic Activity

Economic growth in the Witzenberg municipal area has been relatively volatile due to its small base and reliance on the agriculture sector which is influenced by national trends and climatic conditions, especially the drought period 2014 to 2017. It is estimated that the economy grew by 3.2 per cent in 2017, which follows the low growth of 1.6 per cent in

2016. The estimated growth in 2017 is mainly due to the boost from the agriculture sector. Despite the local drought, national conditions for this sector were very positive (17.7 per cent) (Quantec Research, 2018), which also influenced sectors on a local level.



Source: Quantec Research, 2018 (e denotes estimate)

3.11.2 LED Initiatives

During 2018/19, 502 work opportunities were created via the Community Works Programme (CWP).

There are 4 different sectors that comprise the CWP projects in Witzenberg:

- social
- education
- local government
- environment

The projects within these sectors include:

- Early childhood development crèche assistance
- NGO support (which include: women group assistance, nutritional support, HIV support, disabled support)
- school support (which include: food scheme, site cleaning)
- street cleaning (which include river banks cleaning)

The CWP provide beneficiaries with nutrition and facilitate the training and the experience necessary for market entry, which includes:

- health and safety;
- waste management;
- food garden; and
- financial training

3.11.3 LED Statistics

Additional statistics on LED:

Type of service	2015/16	2016/17	2017/18	2018/19
Small businesses assisted	110	150	210	150
SMME's trained	150	170	175	70
Community members trained for tourism	0	39	18	7
Local artisans and crafters assisted	1	3	1	3

Job creation through the Extended Public Works Programme (EPWP) projects		
Details	**EPWP Projects**	**Jobs created through EPWP projects**
2014/15	35	351
2015/16	40	427
2016/17	32	398
2017/18	37	403
2018/19	34	397

3.11.4 Service Delivery Indicators: LED

Ref	Strategic Objective	KPI	Unit of Measurement	Target/Actual performance of 2017/18	Overall Performance 2017/18		
					Target	Actual	R
Com Led4	Create an enabling environment to attract investment & support local economy	Quarterly report on the implementation of strategies & planned actions as identified in the Witzenberg LED Strategy.	4 Quarterly reports	New	4 Reports	4 Reports	

3.12 Tourism

3.12.1 Aim & Function of the Tourism Sector

Witzenberg Municipality has a service level agreement with one local tourism entity operating in all five towns, which conduct marketing of the municipal area and local established businesses to draw investment and trade to the area. Local businesses join as members of the local tourism authorities to participate in the marketing initiative. Membership to this organisation holds businesses accountable to ethical norms and standards for the industry as well as to a code of conduct. Tourism aims to market Witzenberg Municipality as an affordable holiday destination with activities for the entire family. Tourism liaises with District, Provincial and National stakeholders to develop the brand through tourist attraction, awareness campaigns, road-shows, expos, events and festivals. Tourism also aims to train and skill local entrepreneurs to meet tourism-related demands and provide requisite services and products to promote local trade and economic development.

3.12.2 Training & Development

Tourism runs educational packages with schools, front of house staff and local stores to promote clientele service. Tourism also sources training courses in areas such as first aid, communication, administration and hospitality to help local businesses improve output and skill levels in collaboration with various stakeholders. With regards to a route development initiative by the Witzenberg Municipality, Tourism will provide marketing support to promote the route to ensure that areas of alternative and lifestyle tourism are expanded, to include rural, agricultural and township locations.

3.12.3 Destination Marketing

Tourism will continue producing tear off maps that are distributed to points of sale with high traffic thoroughfare, providing location and contact details of local tourist attractions. They have also produced and will continue updating a joint brochure called the Witzenberg Meander, covering activities across the municipality. Tourism bureaus for Wolseley, Ceres and Tulbagh have also created their own brochures with niche marketing of their towns and, with social media promotion through Facebook and website. For more details visit www.visitwitzenberg.co.za. Tourism has been successful in marketing the destination as an affordable and picturesque location for weddings, snow tourism, heritage tourism, agri-tourism, wine tourism, adventure tourism, cultural tourism, sports tourism and rural tourism to visitors within South Africa. Tourism also conducts on an ad hoc basis, educational visits to the areas to tourism authorities outside of our borders as well as journalists, media groups and bloggers to review and publicise our activities and services.

3.12.4 Tourism Awareness/events

Annual events taking place in the Witzenberg municipal region:

Annual Event	Date
Ramkiekie Farmer's Market – Soetes en Sop	21 July 2018
Wolseley MTB Challenge	11 August 2018
Michell's Pass Half Marathon	15 September 2018
Tulbagh Horse & Flower Show	26-29 September 2018
Tulbagh Arts Festival	28 September 2018
Eselfontein Outdoor Festival	12-14 October 2018
Gydo Christmas Light Festival	23-24 November 2018
Ceres Cherry Route Fair	24-25 November 2018
Hamlet Arts & Culture Festival	30 Nov – 1 Dec 2018
Witzenville Faire Tulbagh	7 December 2018
Witzenberg Christmas Market	December 2018
AfrikaBurn	29 April – 5 May 2019
Tulbagh Vintage & Vine Faire	25 May 2019
Christmas in Winter	22-23 June 2019

3.12.5 Challenges to Tourism

Witzenberg Municipality and Tourism do not have the autonomy, budget or infrastructure to roll-out Wi-Fi across the entire municipal area. Whilst some visitors seek out areas of limited coverage, most visitors have the expectation that Wi-Fi is easily accessible and is available free of charge. Not all local businesses are registered with Tourism and thus are not accountable to their code of conduct or service standards. Most establishments and services are not user-

friendly to travellers with special needs, i.e. sight impaired, mobility limited, speech impairment, communication specialists (sign language, isiXhosa, German, etc). Many establishments and services do not cater for multi-generational needs of visitors i.e. infants (cribs, feeding chairs, baby monitor, walking rings etc), teenagers (DSTV access, cell phone chargers, cellular airtime vouchers, video games and consoles), the aged (wheel chairs, zimmer frames, magnifying glasses, large print menus/bibles etc). Witzenberg Municipality does not have a formal tourism corridor through the township sectors of the municipal area. The financial support provided to Tourism contributes largely to the salaries of staffing and is thus is not fully focused on the areas of tourism development, promotion and destination marketing.

3.12.6 Opportunities for Tourism

A key action towards tourism growth and integration will be finalising the route development; aimed at job creation, social inclusion and strategic partnerships with tourism industry partners. This will formalize tourism corridors for travellers to experience a holistic tour of the region, ensuring a balance of revenue spend, exposure to rural and urban settings, demographic engagement and diversification of tourism involvement. This will further aid the municipality in realizing its aims towards social cohesion and poverty eradication. The themes projected for these routes will be heritage/culture/nature and agriculture/fruit/nature.

COMPONENT D: COMMUNITY & SOCIAL SERVICES

3.13 Libraries & Community Facilities

Libraries are managed by the section, Library Services, located in the directorate of Community Services. All towns have a library, with mini libraries at Op-die-Berg, Laastedrif and Agter Witzenberg.

3.13.1 Service Statistics - Libraries

Type of service	2016/17	2017/18	2018/19
Libraries			
Number of Libraries	9 and 2 mini libraries	9 and 2 mini libraries	9 and 3 mini libraries
Library members	25 440	26 764	29 158
Books circulated	208 476	213 167	313 145
Exhibitions held	231	252	251
Internet access points	34	34	40
New library service points or Wheelie Wagons	0	1	1
Children programmes	110	120	124
Visits by school groups	768	870	566
Community Facilities			
Number of Community Facilities – Community- and Town Halls	12	12	12

3.13.2 Employees – Libraries & Community Facilities

Employees: Libraries and Community facilities			
Job Level	**2017/18**	**2018/19**	
	Employees	**Employees**	**Vacancies (fulltime equivalents)**
	No.	**No.**	**No.**
Contractual	1	0	0
0 – 3	6	0	0
4 – 6	0	5	2
7 – 9	11	13	1
10 – 12	12	10	0
13 – 15	0	1	0
Total	**30**	**29**	**2**
Employees and Posts numbers are as at 30 June.			

3.14 Cemeteries

Cemeteries in all towns are managed by the municipality, except Op-die-Berg which is managed by a church. Ceres Cemetery and N'Duli Cemetery have reached full capacity. The cemetery at Bella Vista will cater for these two towns in future. Wolseley Cemetery has been extended. No crematoriums are managed.

3.14.1 Service Statistics - Cemeteries

Type of service	2016/17	2017/18	2018/19
Number of Cemeteries	4 open 2 closed	4 open 2 closed	4 open 2 closed
Number of private burials		520	576
Number of poor burials	48	27	25
Number of indigent burials	74	41	43
#Stats are for all towns			

3.14.2 Employees – Cemeteries

Employees: Cemeteries			
Job Level	**2017/18**	**2018/19**	
	Employees	**Employees**	**Vacancies (fulltime equivalents)**
	No.	**No.**	**No.**
Contractual	0	0	0
0 - 3	14	12	2
4 - 6	3	3	0
7 - 9	0	0	0
10 - 12	0	0	0
13 - 15	0	0	0
Total	**17**	**15**	**2**
Employees and Posts numbers are as at 30 June.			

3.15 Child Care, Aged Care & Social Programmes

The Socio Economic Unit is responsible for:

- the initiation and strengthening of early childhood development (ECD) programmes and support of the ECD Forum;
- capacity building of crèches;
- strengthening awareness programs regarding the aged abuse and access to indigent services;
- strengthening and support of youth development with the focus on job creation and skills development;
- strengthening and support of persons with disabilities through skills development; and
- support HIV/AIDS awareness

Christmas Market: Held annually and gives exposure to local talent and youth

3.15.1 Service Statistics: Child Care, Aged Care & Social Programmes

2017/18	2018/19
Soup kitchens established or supported	
8 soup kitchens was financially supported	No soup kitchens were financially supported
Initiatives to increase awareness on child abuse	
5 x Awareness and Prevention Programmes focusing on Child abuse; Child neglect and Child abduction, 3 x Holiday Programmes with activities and information about life skills relevant to these target group, 2x skills programmes with children, 2 x Holiday Programmes with children, 4x Puppet theatres and face-painting activities with relevant life -skills presented at crèches in the area	10 x child protection programmes focussing on child abuse, child neglect, child abductions and crimes against children, 2 x holiday programme with children focusing on the rights of children, 2 x programmes with children focusing on awareness regarding children with disabilities and promoting inclusivity at mainstream schools
Youngsters educated and empowered	
Provided +-1044 youth with youth related opportunity information across Witzenberg via the Youth Focal Points, +-2389 youth was exposed to youth programmes across Witzenberg Municipal areas, Train the Trainer Training, Entrepreneurship Training for youth x 3, Life skills Program: Sex Education x 6, domestic valance, Substance abuse awareness x6, 16 days of activism campaign, World Aids Day x4 door-to-door programmes, 5 Holiday Programmes, Matriculant Top Achievers Event, Substance Abuse Program x9, Motivational Programmes x15, Awareness: HIV&AIDS x4, Charity Event (hand-out of old clothes), Back to School Project, Career guidance (grade 10), First Aid Training, Safety Programme, Distribution of job opportunities information at youth in neighbourhoods, Awareness: Healthy life style x5,	Nation Building Training, Job Preparation Workshop for 5 youth, Health &safety accredited training for 4 youth, Herbicide application accredited training for 4 youth, Talent show x2, First Aid Training x2 (for 24 youth), Accredited Carpentry training for 5 youth, Hosted Cape Winelands Drama Festival, Job Placement Certificate Ceremony, WMF Golf day, Sexting Workshop, Informal Sport Day, Leadership Training for 42 youth, Life skills: Social awareness, Self-esteem x2, Job readiness x4, importance of obedience, Awareness on gangsterism, Life skills: Safe sex x4, Substance abuse x20, Mandela day x7, Afterschool program x9, Motivation session with school drop-outs x2, Choosing the right friends, Obstacle course, Peer pressure x11, Problem solving & decision making, Time management x2, HIV/AIDS x3, Behaviour problems x2,

Valentine's day youth event, Assisted with Indigent Campaigns, Life skills: Goals, self-esteem, anger management., Awareness: Water Crisis x2, Arts and craft Programmes x11, HIV/Aids Awareness, After school Program: Life Skills, Life Skills: Self Development, Arts and Craft program, Talent Show auditions, Road Safety Awareness, Career Guidance Programme, Life Skills: Sport Skills development at schools, Conflict Management, Assisted with Green Fingers Program, Humans' Rights Program, After school Program, Awareness: Crime prevention x5, Support Group: Caretakers of people with Disabilities (with APD), Afterschool Program x3, Drug Abuse awareness at neighbourhoods, Sport Program, Life skills programme: Starting your own garden, Life Skills programme: Peer Pressure, religion, chasing dreams, communicating skills, celebrating freedom day, my identity, Nation Building Training for youth focal point programme, Soft skills: Giving back (Social responsibility) and values, Attitude Guidance (mobile Style), Support Group: Emotional & physical activities with APD, After school program x2, Mobile style – Road Safety, Application Forms& Post Programme at –centre, Life skills: Peer pressure/ Bullying, Job preparation for Grade 12 learners, Agriculture training x3, Soft skills: Mothersday program, Soft skills: Reading program, Soft skills: Sportsday program, Soft skills: Health and Wellness x15, Educational Fieldtrip, Youth Focal Point celebration event, Youth day programme (dance competition), Anti-Crime (giving information to the community), APD – Disabled Support Group, Informal Rugby session (Health and Fitness week)	Challenges, Character building, What does the community mean to me, Goal setting x2, Relationship with parents, Stereotypes and gender roles, ATM safety, Importance of Education x3, Breaking cycles x2, Good coping skills' Relationships' Anger management' Study methods, Mothers, Awareness on Human trafficking, Child Protection Law, Dreams & time, Awareness on abuse, Chasing dreams, Morals & values, Who am I, Personal, family and community values, Communication barriers, Safety tips, FAS (Fetal Alcohol syndrome), School drop-outs, Team work x5, Cultural intelligence x2, Soft skills: Needle work x3, Celebrating women session, Research session about countries and animals, Heritage day programs x3, Fund raiser, Crime prevention programs x5, Information sessions x2, Cansa awareness, Social responsibility programs x7, Encourage reading sessions x3, Holiday programs x8, Arts and craft programs x7, Sport development programs x40, Basic computer skills x4, Motivational programs x14, Indigenous games x6, Health & safety programs x13, Awareness on Teenage pregnancy x9, Entrepreneurship day (school program), Career guidance sessions x3, 16 Days of activism programs x4, Awareness on TB x5, Community concert, Educational trip to the Museum, Road safety program x3, Youth intervention, Breast cancer & testicle cancer awareness, Back to school program, Recycling session x2, Valentine's day program x3, Save water program, Support group: young parents x3, Online course: Servant leadership, Drill practice, Recruitment for ABET (total of 17 youth), Provided +-2191 youth with youth related opportunity information across Witzenberg via the Youth Focal Points
Initiatives to increase awareness on disability	
3 x skills programmes with People with disabilities. The focus was be on hand skills; life skills and social skills, 3x Programmes aimed at supporting parents who have children with disabilities, 2x programme creating awareness regarding mental disabilities affecting the whole community	3 x Parent support programmes for parents/caregivers of children with special needs, 2x face painting and "poppekas" programmes for children with disabilities, 2x awareness programmes about prevention and treatment of mental disabilities, 5 x life skill and arts and crafts programmes with young people with disabilities
Initiatives to increase awareness on women	
1x Woman's day programme for Women with Disabilities, 7 x Awareness and Prevention Programmes – creating awareness regarding the different types of violence against women and children as well as Human Trafficking, Official Launch of the 16 days of Violence against women and children as well as programmes and door to door activities in the different towns, 4 x Women's day Celebration Programmes supported and facilitated.	2x Awareness programmes on breast cancer prevention and treatment, 8 x Awareness and prevention programmes- Gender Violence/Domestic Violence, 2x Programmes –Human Trafficking, 3x Women's day celebration programmes focusing on self-care and health issues that affects women, 2x awareness programmes- 16 Days of activism against violence against women and children
Initiatives to increase awareness on HIV/AIDS	
9 x HIV awareness programs in Witzenberg	9 x HIV awareness programs in Witzenberg, 1 x Workshop on HIV with relevant role-players
Initiatives to increase awareness on Early Childhood Development	
4 x Facilitating ECD quarterly forum meeting, 1 x Workshop on importance of reading, 1 x Training workshop for cooks of ECD centres in food preparation and hygiene, Site visits to ECD centres in municipal building, 1 x Educational trip for	4x ECD quarterly Forum meeting, 1 x Fire Safety workshop for ECD practitioners, 1x First Aid training for ECD practitioners, 1 x Workshop for cooks in food preparation and hygiene, 1 x Workshop in milestone development for 0-3 years for ECD

ECD learners to Kleinplasie, 1 x Workshop for ECD managers on by-laws of CWDM, 1 x Acknowledgement ceremony for ECD practitioners	practitioners, 1 x Awareness program on child safety and child trafficking, 1 x Workshop on stimulation for children 0-3years, Site visits to ECD centres in municipal buildings, 1 x Awareness program on water safety for ECD children, 1x Awareness program on emotional intelligence for parents of ECD children
Initiatives to increase awareness on substance abuse and high drug and alcohol related crimes	
3 x Awareness programs on Fetal Alcohol syndrome, 9 x Awareness program on substance abuse, 1 x Workshop on establishing and functioning of drug support group	6 x Awareness programs on Fetal Alcohol Syndrome, 6 x Awareness programs on substance abuse
Special events hosted	
Elderly lunch on 6 December	Elderly Lunch on 5 December 2019

3.15.2 Service Delivery Indicators: Child Care, Aged Care & Social Programmes

Ref	Strategic Objective	KPI	Unit of Measurement	Target/Actual performance of 2017/18	Overall Performance 2018/19		
					Target	Actual	R
ComSoc41	Support the poor & vulnerable through programmes & policy	Number of account holders subsidised through the municipality's indigent Policy	Number of account holders	3000/2373	4 500	3 701	
ComLed8		The number of jobs created through municipality's local economic development initiatives including capital projects	Number of jobs created	390/403	390	397	
ComSoc 42		Number of social development programmes implemented	Number of programmes	20/36	20	25	

The Day for the Aged that is held annually in recognition of our Senior Citizens.

3.15.3 Employees: Socio-Economic

Employees: Socio-Economic			
Job Level	2017/18	2018/19	
	Employees	Employees	Vacancies (fulltime equivalents)
	No.	No.	No.
4 – 6	5	5	0
7 – 9	1	1	0
10 – 12	4	4	0
13 – 16	0	0	1
Total	**10**	**10**	**1**
Employees and Posts numbers are as at 30 June.			

3.16 Community Services: Other

3.16.1 Capital Expenditure – Community Services: Other

Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget	Total Project Value
R					
Ceres Town Hall aircons		500 000	20 592	(96%)	

Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget	Total Project Value
			R		
Tulbagh Town Hall stage curtains		89 786	89 786	0%	89 786
Sportsground development		637 197	636 907	0%	636 907
Resurface netball courts		290 000	289 910	0%	289 910
Upgrade sport facilities		260 869	260 869	0%	260 869
Total all	**1 050 000**	**1 777 852**	**1 298 064**	**(27%)**	

Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate). Only major projects included above.

COMPONENT E: ENVIRONMENTAL PROTECTION

The section Facilities and Environment manages environmental protection which includes environmental education, aesthetics and wild animal management such as baboons, as well as the protection of fauna and flora. The department is in the process of developing an Environmental Management Plan.

3.17 Pollution Control

Environmental officers within the department are responsible for environmental and pollution control. The focus is mainly upon pollution, illegal dumping and the protection of fauna and flora. The municipality is part of the Regional Air Quality Forum and has an official appointed as an Air Quality Officer. The municipality places emphasis on education and training of the youth and school learners. The section is strives to ensure environmental conservation as well as compliance to legislation.

3.17.1 Service Statistics – Pollution Control

Type of service	2016/17	2017/18	2018/19
Pollution Control			
Number of environmental education initiatives held	7	10	9
Number of baboon damage incidents	0	0	0

3.18 Parks, Public Open Spaces & River Management

Parks management is responsible for the management and maintenance of parks in the municipal area. New parks are designed and developed by this section. The function also includes river maintenance and conservation of municipal nature areas. The municipality has more than 50 hectares of official parks and many more open spaces and areas that requires maintenance. Parks scheduled for cutting every 3 weeks. Rivers are maintained to prevent pollution and regular clearings of alien vegetation takes place.

3.18.1 Employees: Parks, Public open spaces & river management

Employees: Parks, public open spaces & river management			
Job Level	**2017/18**	**2018/19**	
	Employees	**Employees**	**Vacancies (fulltime equivalents)**
	No.	**No.**	**No.**
Contractual	10	9	1
0 - 3	37	36	1
4 - 6	12	13	0
7 - 9	3	3	1
10 - 12	1	1	0
13 - 15	0	0	0
Total	**64**	**66**	**3**
Employees and Posts numbers are as at 30 June.			

3.18.2 Capital Expenditure: Parks, Public open spaces & river management

Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget	Total Project Value
	R				
Cherry picker	500 000	1 480 280	1 470 000	0%	1 470 000
Brushcutters	100 000	93 300	93 214	0%	93 214
Total all	**600 000**	**1 573 580**	**1 563 214**	**0%**	

Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate). Only major projects included above.

COMPONENT F: SECURITY & SAFETY

This component includes: Traffic; Fire; Disaster Management, Licensing and control of animals, and Control of public nuisances, etc.

3.19 Traffic & Vehicle Licensing

Our top service delivery priorities are reducing the number of road deaths caused by accidents through traffic law enforcement, speed enforcement and road traffic safety education at schools and other institutions. Another priority is to improve service delivery at the Traffic Centre. This will be achieved through service excellence and through identification of shortcomings and addressing these through training initiatives.

3.19.1 Service Statistics – Traffic Services

Type of service	2015/16	2016/17	2017/18	2018/19
Number of road traffic accidents during the year	875	807	618	471
Number of by-law infringements attended	96	311	293	138
Number of Traffic officers in the field on an average day	8	9	6	10
Number of Traffic officers on duty on an average day	11	15	11	21
Animals impounded	0	0	0	0
Motor vehicle licenses processed	24 885	26 116	27 458	26 838
Learner driver licenses processed	2 794	2 449	2 445	2 270
Driver licenses processed	2 561	2 401	1 865	1 829
Driver licenses issued	906	684	686	581
Fines issued for traffic offenses	12 670	41 813	56 816	25 111
R-value of fines collected	2 365 320	3 268 504	4 448 590	2 429 886*
Operational call-outs/Complaints	471	409	528	763
Roadblocks held	29	10	13	24
Special Functions – Escorts	36	72	78	89
Awareness initiatives on public safety	6	18	21	10

*Note: Reason for decrease – appointment of service provider was delayed.

3.19.2 Employees – Traffic- & Law Enforcement Services

Employees: Traffic and Law Enforcement Services			
Job Level	2017/18	2018/19	
	Employees	Employees	Vacancies (fulltime equivalents)
	No.	No.	No.
Contractual	5	0	0
0 – 3	0	1	0
4 – 6	8	6	0
7 – 9	32	16	2
10 – 12	4	19	4
13 – 15	1	2	0

Employees: Traffic and Law Enforcement Services			
Job Level	2017/18	2018/19	
	Employees	Employees	Vacancies (fulltime equivalents)
	No.	No.	No.
Total	50	44	6
Employees and Posts numbers are as at 30 June.			

3.20 Fire Services

The Fire Services function is provided in conjunction with the Cape Winelands District Municipality. An agreement was reached where support from the District Municipality would be enlisted as and when required by Witzenberg Municipality. Witzenberg Municipality mainly attends to urban fires in built areas and the District Municipality attends to fires outside urban areas. Support does, however, take place as and when needed. Personnel capacity does hamper the delivery of proper services, but a satellite fire station was implemented in Tulbagh and Ceres to address this issue.

3.20.1 Service Statistics – Fire Services

Type of service	2016/17	2017/18	2018/19
Total fires attended in the year	616	669	712
Average turnout time - urban areas	10min	10min	10min
Average turnout time - rural areas	20min	20min	20min
Fire fighters in post at year end	8	10	14
Total fire appliances at year end	5	7	6
Total Operational call-outs	536	681	890*
Reservists and volunteers not trained	0	0	0
Awareness Initiatives on Fire Safety	100	98	74
EPWP Fire Fighters	0	0	16

*Increase due to additional drinking water provision on farms

3.20.2 Employees – Fire and Disaster Services

Employees: Fire and Disaster Services			
Job Level	2017/18	2018/19	
	Employees	Employees	Vacancies (fulltime equivalents)
	No.	No.	No.
Contractual	0	0	0
0 - 3	0	0	0
4 - 6	3	5	1
7 - 9	6	7	0
10 - 12	2	2	0
13 - 15	1	0	1
Total	12	14	2

Employees: Fire and Disaster Services			
Job Level	2017/18	2018/19	
	Employees	Employees	Vacancies (fulltime equivalents)
	No.	No.	No.
Employees and Posts numbers are as at 30 June.			

3.21 Other (Disaster Management, Animal Control &, Control of Public Nuisances

The Disaster Management function is developed and performed by the Manager: Disaster & Fire Services. The function is delivered in conjunction with the Cape Winelands District Municipality, Fire Services and Traffic Department. The municipality completed a Disaster Management Plan and which Council has approved for implementation. No serious disasters were experienced during the past year. Support is given to families in informal areas where fires have demolished structures. Support depends on the extremity of the situation, but includes temporary housing in community facilities and food parcels being distributed to support the displaced families.

The municipality does not enforce animal licensing at this stage. Animal control is, however, problematic as the municipality does not manage an animal pound and it is too expensive to impound animals in neighbouring towns which do manage pounds. At this stage, as a control measure, the municipality has appointed 10 animal monitors in the different areas. Monitors function on the basis of the EPWP programme. The function of these monitors is to ensure that the animals are not a problem to residents or a danger to road traffic. The biggest challenge is roaming cattle and horses. Several accidents were reported where cows and goats was involved in collisions with motor vehicles. The municipality is, however, looking at possible service level agreements with other institutions, as mentioned in Section 76(b) of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000). Animals have been already impounded in terms of Section 6(1)(e) of the Witzenberg Municipality, By-law Relating to Pounds, No 7404 of 19 June 2015, where a land owner on whose property the animals were trespassing, is authorised to impound these animals. Another challenge is the monitoring of animals during weekends and after hours during week days. Animal complaints average 4 per week and may vary depending on the situation. At this stage, meetings are being held with roaming animal owners and in some instances, compliance notices are served. The municipality is continuously looking at alternatives in combatting these challenges.

Public nuisances' are addressed by the Traffic Department. Complaints on nuisances received are documented and reported on in the Traffic Monthly Report.

COMPONENT G: SPORT & RECREATION

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

The municipality manages one resort, the Pine Forest Resort. This resort offers the following facilities for visitors and the local community:

- 97 accommodation units that can house 557 people with day braais.
- 21 normal camping sites and 280 sites for long-term rentals
- 1 recreation hall
- conference halls with seating of 30 and 80
- 1 Olympic size and 2 smaller for kids, swimming pools
- The recreation area includes a play park for kids, putt-putt, trampolines, table tennis, badminton and squash courts

The number of visitors for 2018/19 applicable to accommodation units and normal camping sites, amounted to R 4 537 863 (43 205 bed nights).

Besides the swimming pools in Pine Forest Resort, six more swimming pools are available to the local community in:

- Ceres (one)
- Tulbagh (one)
- Wolseley (one)
- Bella Vista (one)
- PA Hamlet (one)
- N'Duli (one)

According to ticket sales 1 970 adults and 35 468 kids visited the outside pools during 2018/19. (Revenue of R110 340 for the period November 2018 to April 2019).

All pools are maintained daily to ensure clean and safe pools for visitors.

3.22 Sport & Recreation

3.22.1 Service Delivery Indicators: Sport & Recreation

Ref	Strategic Objective	KPI	Unit of Measurement	Target/Actual performance of 2017/18	Overall Performance 2018/19		
					Target	Actual	R
ComAm34	Provide & maintain facilities that make citizens feel at home	Customer satisfaction survey - community facilities	Survey	1/1	1	1	

3.22.1 Employees: Sport & Recreation

Employees: Sport and recreation			
Job Level	2017/18	2018/19	
	Employees	Employees	Vacancies (fulltime equivalents)
	No.	No.	No.
Contractual	8	6	0

Employees: Sport and recreation			
Job Level	2017/18	2018/19	
	Employees	Employees	Vacancies (fulltime equivalents)
	No.	No.	No.
0 - 3	16	14	2
4 - 6	10	8	3
7 - 9	1	1	0
10 - 12	0	0	1
13 - 15	1	1	0
Total	**36**	**32**	**5**
Employees and Posts numbers are as at 30 June.			

Pine Valley Sportfield: An increase in vandalism especially at community facilities are of great concern and are the municipality in the process to expand on security and safety programmes.

COMPONENT H: CORPORATE POLICY OFFICES & OTHER SERVICES

3.23 Financial Services

An important factor considered by investors in relocating to an area is the ability of the authorities to demonstrate adequate provision of services, financial discipline, affordable tariffs, adherence to statutory requirements, timely preparation and production of financial statements, adherence to generally accepted accounting practices and unqualified audit reports.

Operational financing
Council's policy is to fund operating expenses from normal revenue streams with short term borrowing being used as a last resort for capital expenditure. It is expected that strong financial management including accurate cash forecasting will obviate the need to resort to short-term borrowings.

Working Capital
It is Council's intention to create sufficient cash reserves by way of good financial management including the setting aside of adequate provisions for working capital.

Revenue raising strategy
The guidance on how to improve the payment ratio of the area can be found in the Credit Control and Debt Collection Policy. This Policy highlights the procedures to be followed in the collection of all money owed to the Municipality.

Expenditure Management
To reduce expenditure on non-core functions, by considering Public Private Partnerships.

3.23.1 Service statistics – Financial Services

Debt Recovery						
Details of the types of account raised and recovered	2017/18			2018/19		
	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %
	R'000					
Property Rates	64,648	63,618	98,4%	69 859	68 279	98%
Electricity	215,396	215,628	100,1%	224 475	221 598	99%
Water	53,832	40,039	74,4%	41 390	32 205	78%
Sanitation	30,817	26,208	85,0%	28 369	23 990	85%
Refuse	28,035	21,112	75.3%	27 316	21 984	80%
Other	4,309	4,727	109.7%	1.440	1.345	93%
Total	**397,036**	**371,332**	**93.5%**	**391,410**	**368,057**	**94%**
The proportion of account value billed is calculated by taking the total value of the year's revenues collected against the bills raised in the year by the year's billed revenues						

3.23.2 Service Delivery Indicators – Financial Services

Ref	Strategic Objective	KPI	Unit of Measurement	Target/Actual performance of 2017/18	Overall Performance 2018/19		
					Target	Actual	R
FinInc17	Sustainable provision & maintenance of basic infrastructure	Number of outstanding valid applications for water services expressed as a % of total number of billings for the service	Percentage of outstanding applications	<1%/0%	<1%	0%	
FinInc18	Sustainable provision & maintenance of basic infrastructure	Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service	Percentage of outstanding applications	<1%/0%	<1%	0%	
FinInc19	Sustainable provision & maintenance of basic infrastructure	Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the service	Percentage of outstanding applications	<1%/0.0%	<1%	0%	
FinInc20	Sustainable provision & maintenance of basic infrastructure	Number of outstanding valid applications for refuse collection services expressed as a % of total number of billings for the service	Percentage of outstanding applications	<1%/0%	<1%	0%	
FinFAdm10	Ensure financial viability	Financial viability expressed as Debt-Coverage ratio	Ratio	90/90	90	250.8	
Debt Service Payments due is low due the low outstanding amount in terms Borrowings. Redemption of loans in in previous financial years and no new borrowings taken up.							
FinFAdm9	Ensure financial viability	Financial viability expressed as Cost-Coverage ratio	Ratio	2.8/2.97	2.8	2.67	
Reason for under-performance: Decrease in cash from R 97 506 000(2017-18) to R94 242 000 (2018-19) and an increase in monthly fixed cost from R32 754 000 (2017-18) to R 35 267 000 (2018-19) has resulted in an deterioration of the ratio in 2018-19.							
Corrective measures: Fixed cost consists of Employee Related cost, Remuneration of councillors, finance charges, bulk purchases and contracted services. The only elements that can be managed to a certain extent is overtime expenditure (Employee Related Cost) and consultant services (Contracted Services). The municipality could only strive to manage overtime that is not related emergencies. In the long term, the municipality can only strive to capacitate in-house employees through training to ensure that less consultancy services are utilised.							
FinFAdm11	Ensure financial viability	Financial viability expressed outstanding service debtors	Ratio	44%/49%	44%	50%	
Reason for under-performance: The majority of outstanding debt is in respect of prescribed debt and debt of indigent households.							
Corrective measures: Improve Credit Control & Debt Collection Mechanisms & the Implementation of Marketing strategies i.e. Jamborees, Bulk SMS's & Consumer Web Portal roll-out. Data Cleansing required in terms Indigent Register. Collectability of Long outstanding debt must be investigated, i.e. prescribed debt							
FinDir3	Ensure financial viability	Opinion of the Auditor-General on annual financial statements of the previous year	Opinion of AG	1/1	1	1	
FinInc15	Ensure financial viability	Increased revenue collection	Percentage revenue collected	95%/94%	94%	94%	

3.23.2 Employees – Financial Services

Employees: Financial Services			
Job Level	2017/18	2018/19	
	Employees	Employees	Vacancies (fulltime equivalents)
	No.	No.	No.
Contractual	16	5	0
0 - 3	0	0	0
4 - 6	26	28	4
7 - 9	5	7	1
10 - 12	2	6	0
13 - 15	2	2	2
16 - 18	1	3	0
Total	**56**	**51**	**2**
Employees and Posts numbers are as at 30 June.			

3.24 Human Resource Services

The section for Human Resources within Witzenberg Municipality incorporates the following disciplines:

- Recruitment and selection
- Leave administration
- Benefit administration
- Labour relations
- Training and development
- Health and safety performance management
- Work study administration

3.24.1 Service Statistics – Human Resources

Details	2015/16	2016/17	2017/18	2018/19
Number of HR policies reviewed	0	0	1	3
Number of total permanent employees	495	519	516	538
Number of total temporary employees	43	74	72	27
Number of total injuries (injury on duty cases)	52	70	62	87
Number of total approved annual leave days taken	11 203.75	10 243.5	11 575.25	12 112.75
Number of family responsibility leave days taken	525.5	462.75	470.25	542.50
Number of total Health and Safety Representatives	19	18	20	20

Details	2015/16	2016/17	2017/18	2018/19
Number of total First Aiders	20	38	39	56
Number of sick days leave taken	4 064.5	4 147.75	4 118	4 490.25*
Number of termination	31	39	1	3
Number of new employees appointed - permanent	29	74	47	41
Number of new employees appointed - Interns	2	1	2	2
Number of new employees appointed - Temporary	38	44	22	38
Number of total employees trained	271	328	195	284
Number of total female employees trained	71	131	56	79
Number of total male employees trained	200	197	139	205
Number of total learner ships enrolled	4	7	10	8
Number of total training courses rolled out	17	45	26	46

*Increase due to severe illness related to cancer, heart disease & TB.

3.24.2 Service Delivery Indicators – Human Resources

Ref	Strategic Objective	KPI	Unit of Measurement	Target/Actual performance of 2017/18	Overall Performance 2018/19		
					Target	Actual	R
CorpHR12	Support institutional transformation & development	Percentage of people from employment equity target groups employed in the three highest levels of management in	Nr of reports	4/4	4	4	
CorpHR13		Percentage budget spent on implementation of Workplace Skills Plan	Percentage of budget spent	96%/99%	96%	96%	

3.24.3 Employees – Human Resources

Employees: Human Resources			
Job Level	2017/18	2018/19	
	Employees	Employees	Vacancies (fulltime equivalents)
	No.	No.	No.
Contractual	2	0	0
0 - 3	0	0	0
4 - 6	1	0	0
7 - 9	2	1	0
10 – 12	4	4	1
13 – 15	1	1	0

Employees: Human Resources			
Job Level	2017/18	2018/19	
	Employees	Employees	Vacancies (fulltime equivalents)
	No.	No.	No.
16 – 18	1	1	0
Total	**11**	**7**	**1**
Employees and Posts numbers are as at 30 June.			

3.25 Information & Communication Technology (ICT) Services

The department's functions include:

- Management and maintenance of the IT infrastructure that includes hardware and software
- Update and maintenance of municipal website
- Upkeep and maintenance of LAN and WAN
- Administration of the electronic documents system (TRIM)
- Manage service providers for outsourced functions.

3.25.1 Service Statistics – ICT Services

Details	2015/16	2016/17	2017/18	2018/19
Desktop support	271	304	415	435
Network support	265	289	589	605
Network downtime experienced	4 hours	5 hours	8 hours	12 hours
Server downtime experienced (total for 15 servers)	30 hours	27 hours	62 hours	48 hours
File restores requested	33	51	94	128

3.25.2 Employees – ICT Services

Employees: ICT			
Job Level	2017/18	2018/19	
	Employees	Employees	Vacancies (fulltime equivalents)
	No.	No.	No.
Contractual	0	0	0
0 – 3	0	0	0
4 – 6	0	0	0
7 – 9	0	0	0
10 – 12	1	1	1
13 – 15	0	0	0
16 - 18	0	0	1
Total	**1**	**1**	**2**
Employees and Posts numbers are as at 30 June.			

3.26 Internal Audit & Risk Management

Witzenberg Municipality does not have a Risk Management sub-directorate. The responsibility for Risk Management and the duties of a Chief Risk Officer has been delegated to the Chief Financial Officer and Internal Audit. Internal Audit is assisting the Chief Risk Officer with the development of the risk management policy, strategy and implementation plan, facilitating identification and assessment of risks, and disseminating risk reports. Portfolio directors and risk owners are responsible to maintain controls, the implementation of action plans to mitigate risk and to improve controls.

The risk register of the municipality is reviewed and updated on a continuous basis and reassessed annually to form the basis for the compilation of the 3 year audit strategy and the annual Risk Based Audit Plan.

Internal Audit is an independent in-house function that performs internal audits based on the approved Risk Based Audit Plan and other statutory audits as required by the MFMA and MSA.

The Internal Audit function reports functionally to the Performance, Risk and Audit Committee and administratively to the Municipal Manager.

3.26.1 Service Statistics – Internal Audit

Details	2015/16	2016/17	2017/18	2018/19
Compilation of the Risk Based Audit and 3 year strategic plans	1	1	1	1
Internal Audits	19	17	18	14

3.26.2 Employees – Internal Audit

Employees: Internal Audit			
Job Level	2017/18	2018/19	
	Employees	Employees	Vacancies (fulltime equivalents)
	No.	No.	No.
Contractual	0	0	
Trainees	1	2	
0 - 3	0	0	0
4 - 6	0	0	0
7 - 9	0	0	0
10 - 12	1	1	0
13 - 15	1	1	0
16 - 18	1	1	0
Total	**4**	**5**	**0**
Employees and Posts numbers are as at 30 June.			

3.27 Legal Services

Legal Services manage the implementation, monitoring, evaluation and reporting sequences of outcomes associated with programmes designed to accomplish key service delivery objectives with respect to Legal Services. This is achieved through co-ordination of operations against departmental, statutory and audit guidelines to ensure that the service is managed and maintained in accordance with laid down quality standards, customer focused to ensure legal compliance and provide legal direction in ensuring effective and efficient service delivery.

The main objectives are as follows:

- To distribute all new legislation and proclamations to all Departments;
- To promulgate by-laws;
- To provide legal opinions and input on policies, agreements, legislation, bylaws and authorities; and
- Attend to on-going litigant matters within the legislative timeframes.

The highlights for the year under review were as follows:

- No big civil matters / claims against the municipality

The challenges for the year under review were as follows:

- Increase in illegal invasion of land, lengthy and expensive legal procedures;
- Proper funding and budget control to ensure that the department operate on both an optimum and efficient level;
- Increase in illegal house shops, lengthy and expensive legal procedures.

3.28 Strategic Support: Other

3.28.1 Capital Expenditure – Strategic Support: Other

Capital Projects	2018/19				
	Budget	Adjustment Budget	Actual Expenditure	Variance from adjustment budget	Total Project Value
	R				
Office Furniture – Witzenberg	30 000	260 000	212 034	(18%)	212 034
IT Equipment	350 000	600 000	583 122	(3%)	583 122
Signage & Billboards	80 000	156 919	103 310	(34%)	103 310
Total all	**460 000**	**1 016 919**	**898 466**	**(12%)**	

Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate).

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

4.1 INTRODUCTION TO THE MUNICIPAL WORKFORCE

Witzenberg Municipality currently employs **566** officials, (permanent + temporary employees), excluding councillors, who individually and collectively contribute to the achievement of the municipality's objectives. The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function.

4.1.1 Employment Equity

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

Employment Equity targets/actual

African			Coloured			Indian			White		
Target June	Actual June	Target reached	Target June	Actual June	Target reached	Target June	Actual June	Target reached	Target June	Actual June	Target reached
33%	27%	77%	49.6%	68%	71%	1%	0%	1%	16%	5%	33%

2018/19 EE targets/Actual by racial classification

Male			Female			Disability		
Target June	Actual June	Target reach	Target June	Actual June	Target reach	Target June	Actual June	Target reach
53.48%	68%	121.48%	50.56%	31.52%	82.08%	0	0	0

2018/19 EE targets/actual by gender classification

Employment Equity vs. Population

Description	African	Coloured	Indian	White	Total
Population numbers (WC Province)	1 912 547	2 840 404	60 761	915 053	5 728 765
% Population	**33.4%**	**49.6%**	**1.1%**	**15.9%**	**100%**
Number for positions filled	148	362	2	27	539
% for Positions filled	**27%**	**67%**	**0.4%**	**5.1%**	**100%**
Note: The total population numbers is based on projection done by Global Insight					

EE population 2018/19

Occupational Categories – Race

Below is a table that indicates the number of employees by race within the specific occupational categories (including the Councillors):

Posts filled									
Occupational	**Male**				**Female**				**Total**
Categories	**A**	**C**	**I**	**W**	**A**	**C**	**I**	**W**	
Legislators, senior officials and managers	3	23	0	9	5	5	0	2	**47**
Professionals	0	9	0	0	4	12	0	2	**27**
Technicians and associate professionals	2	20	0	1	1	6	0	0	**30**
Clerks	6	23	1	0	11	17	0	8	**66**
Service and sales workers	21	29	0	2	12	26	0	0	**90**
Craft and related trades workers	5	22	1	2	0	0	0	0	**30**
Plant and machine operators and assemblers	8	29	0	0	1	0	0	0	**38**
Elementary occupations	62	100	0	1	20	28	0	0	**211**
Total permanent	**107**	**255**	**2**	**15**	**54**	**94**	**0**	**12**	**539**
Non-permanent employees	9	22	0	0	4	13	1	1	50
Grand total	**116**	**277**	**2**	**15**	**58**	**107**	**1**	**13**	**589**

Occupational Levels - Race

The table below categorize the number of employees by race within the occupational levels (excluding 23 councillors)

Occupational	**Male**				**Female**				**Total**
Levels	**A**	**C**	**I**	**W**	**A**	**C**	**I**	**W**	
Top Management	0	1	0	0	0	0	0	0	**1**
Senior management	1	0	0	1	0		0	0	**2**
Professionally qualified and experienced specialists and mid- management	0	12	0	1	4	15	0	2	**34**
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	13	50	1	5	4	11	0	2	**86**
Semi-skilled and discretionary decision making	36	115	1	0	17	61	0	6	**236**
Unskilled and defined decision making	**48**	**76**	**0**	**2**	**25**	**29**	**0**	**0**	**180**
Total permanent	**98**	**254**	**2**	**9**	**50**	**116**	**0**	**10**	**539**
Non- permanent employees	3	8	0	0	3	12	0	1	27
Grand total	101	262	2	9	53	128	0	11	**566**

Departments - Race

The following table categorize the number of permanent employees by race within the different departments (excluding 23 councillors):

Department	Male				Female				Total
	A	C	I	W	A	C	I	W	
Office of the Municipal Manager	0	3	0	2	1	4	0	1	**11**
Corporate Services	17	30	0	1	3	35	0	1	**87**
Financial Services	1	19	1	1	7	24	0	5	**59**
Community Services	28	68	0	3	25	56	0	2	**182**
Technical Services	55	116	1	6	8	13	0	1	**200**
Total permanent	**101**	**236**	**2**	**13**	**44**	**132**	**0**	**10**	**539**

4.1.2 Vacancy Rate

The approved organogram for the municipality has **865** posts for the **2018/19** financial year. The actual positions filled are indicated in the tables below by post level and by functional level. Budgeted vacant posts were **60** vacant at the end of **2018/19,** resulting in a vacancy rate of **6.9%.**

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

PER POST LEVEL		
Post level	**Filled**	**Vacant Budgeted Positions**
MM & MSA section 57 & 56	3	2
Middle management	23	3
Professionals	34	3
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	81	15
Semi-skilled and discretionary decision making	212	13
Unskilled and defined decision making	186	24
Total	**539**	**60**
PER FUNCTIONAL LEVEL		
Functional area	**Filled**	**Vacant Budgeted Positions**
Office of the Municipal Manager	12	0
Corporate Services	59	8
Financial Services	56	5
Community Services	195	14
Technical Services	217	33
Total	**539**	**60**

The table below indicates the vacancies per Section 57 and 56 posts:

Salary Level	Number of Section 57 and 56 vacancies	Vacancy % (as a proportion of the total Section 57 and 56 posts)
Municipal Manager	0	**0**
Chief Financial Officer	1	**20%**

Salary Level	Number of Section 57 and 56 vacancies	Vacancy % (as a proportion of the total Section 57 and 56 posts)
Director: Corporate Services	0	**0**
Director: Community Services	1	**20%**
Director: Technical Services	0	**0**
Total	2	**40%**

4.1.3 Employee Turnover Rate

A high turnover may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organizational knowledge. Below is a table that shows the turnover rate within the municipality. The turnover rate shows a decrease from 4.8% in 2017/18 to 4.3% in 2018/19.

The table below indicates the employee turnover rate over the last three years:

Financial year	Total no appointments at the end of each Financial Year	New appointments (Permanent Appointments)	No Terminations during the year	Turnover Rate
2014/15	559	38	42	**7.5%**
2015/16	561	29	31	**5.5%**
2016/17	543	74	39	**7%**
2017/18	516	47	25	**4.8%**
2018/19	539	41	23	**4.3%**

4.2 MANAGING THE MUNICIPAL WORKFORCE

Managing the municipal workforce refers to analysing and coordinating employee behaviour.

4.2.1 Injuries on duty

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

The injury rate shows a increase for the 2018/19 financial year of 82 employees compared to 62 employees in the 2017/18 financial year.

Incidents are investigated to determine whether there was any negligence involved to ensure that it is an actual injury on duty.

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

Directorates	2016/17	2017/18	2018/19
Office of the Municipal Manager	0	0	1
Corporate Services	3	5	6
Financial Services	1	3	7
Community Services	28	23	30

Directorates	2016/17	2017/18	2018/19
Technical Services	38	31	44
Total	**70**	**62**	**88**

4.2.2 Sick Leave

The number of day's sick leave taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective action can be taken.

The total number of sick leave days that have been taken during the 2018/19 financial year shows a increase when compared with the 2017/18 financial year.

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

Department	2016/17	2017/18	2018/19
Office of the Municipal Manager	52.5	43.5	91.5
Corporate Services	428.75	560.5	619.25
Financial Services	356	305	330.5
Community Services	1 406	1545	1647.5
Technical Services	1 904.5	1664	1801.5
Total	**4 147.75**	**4118**	**4490.25**

4.2.3 HR Policies and Plans

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

The table below shows the HR policies and plans that are approved and that still needs to be developed:

Approved policies	
Name of policy	**Date approved**
Attendance and Punctuality	4 August 2010
Employment Practice	4 August 2010
Employment Equity	4 August 2010
Employees under the Influence of Intoxicating Substances	4 August 2010
Legal Aid Policy	4 August 2010
Relocation Policy	4 August 2010
HIV/Aids Policy	4 August 2010
Internal Bursary	4 August 2010
Occupational Health And Safety	4 August 2010
Incapacity due to Poor Work Performance	4 August 2010
Sexual Harassment Policy	4 August 2010
Incapacity: Due to Ill Health/Injury Policy	4 August 2010
Private Work and Declaration of Interests	4 August 2010
Overtime Policy	31 May 2012
Proposed Scares Skills Policy	31 May 2012

Approved policies	
Name of policy	**Date approved**
Employee Assistance Policy	31 May 2012
Employment Policy	29 February 2012
Remuneration Policy	To be developed
Training and Development Policy	developed
Personnel Protective Equipment Policy	developed
Time and Attendance Policy	5 December 2017
Fraud & Corruption Prevention & Response Policy	26 July 2017
Fraud & Corruption Prevention Strategy	26 July 2017
Leave Policy	To be approved
Retirement Policy	To be approved
Mayoral Bursary Policy	To be approved

4.3 CAPACITATING THE MUNICIPAL WORKFORCE

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

4.3.1 Skills Matrix

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

Management level	Gender	Number of employees identified for training at start of the year	Number of Employees that received training
MM and S57	Female	0	0
	Male	0	0
Legislators, senior officials and managers	Female	3	3
	Male	4	5
Professionals	Female	3	11
	Male	2	5
Associate professionals and Technicians	Female	4	4
	Male	20	22
Clerks	Female	10	33
	Male	14	9
Service and sales workers	Female	8	9
	Male	27	32
Craft and related trade workers	Female	0	0
	Male	16	23
	Female	0	0

Management level	Gender	Number of employees identified for training at start of the year	Number of Employees that received training
Plant and machine operators and assemblers	Male	25	25
Elementary occupations	Female	29	19
	Male	128	84
Sub total	**Female**	**58**	**79**
	Male	**236**	**205**
Total		**294**	**284**

4.3.2 Skills Development – Training Provided

The Skills Development Act (1998) and the Municipal Systems Act, (2000), require employers to supply employees with the necessary training in order to develop its human resource capacity. Section 55(1)(f) states that as head of administration the Municipal Manager is responsible for the management, utilization and training of staff.

Occupational categories	Gender	Number of employees as at the beginning of the financial year	Training provided within the reporting period						
			Learner ships		Skills programmes & other short courses		Total		
			Actual	Target	Actual	Target	Actual	Target	% achieved
MM and S57	Female	0	0	0	0	0	0	0	100
	Male	4	0	0	0	0	0	0	100
Legislators, senior officials and managers	Female	12	0	2	3	3	3	5	60
	Male	30	0	1	5	2	5	3	166
Professionals	Female	19	1	1	10	1	11	2	550
	Male	9	0	0	5	3	5	3	60
Technicians and associate professionals	Female	7	0	1	4	3	4	4	100
	Male	23	11	13	11	7	22	20	110
Clerks	Female	63	3	1	30	8	33	9	366
	Male	28	1	4	8	11	9	15	60
Service and sales workers	Female	29	0	0	9	8	9	8	112
	Male	39	0	0	32	27	32	27	118
Craft and related trade workers	Female	0	0	0	0	0	0	0	100
	Male	29	0	0	23	16	23	16	143
Plant and machine operators and assemblers	Female	1	0	0	0	0	0	0	100
	Male	40	16	5	9	20	25	25	100
Elementary occupations	Female	57	5	5	14	24	19	29	65
	Male	196	18	31	66	97	84	128	65
Sub total	**Female**	**188**	9	10	70	47	79	57	138
	Male	**398**	46	54	159	183	205	237	86

Occupational categories	Gender	Number of employees as at the beginning of the financial year	Training provided within the reporting period						
			Learner ships		Skills programmes & other short courses		Total		
			Actual	Target	Actual	Target	Actual	Target	% achieved
Total		**586**	**55**	64	229	230	284	294	96

4.3.3 Skills Development – Budget Allocation

The table below indicates that a total amount of R 1 000 000.00 were allocated to the workplace skills plan and that 96.44% of the total amount was spent in the 2018/19 financial year:

Year	Total workplace skills plan budget	Total Allocated	Total Spend	% Spend
2017/18	R 1 225 000	R 565 883	R 565 9125.53	98.8%
2018/19	R 1 000 000.00	R 1 000 000.00	R 964 411.82	96.44%

4.3.4 Employee Performance Rewards

In accordance with regulation 32, a performance bonus, based on affordability, may be paid to an employee, after -

- The annual report for the financial year under review has been tabled and adopted by the municipal council;
- an evaluation of performance in accordance with the provisions of regulation 23; and
- approval of such evaluation by the municipal council as a reward for outstanding performance.
- The evaluation of the performance of Section 57 managers forms the basis for rewarding outstanding performance.

The table below shows the total number of Section 57 employees that received performance rewards during the 2018/19 financial year.

Race	Gender	Number of beneficiaries	Total number of employees received performance rewards	% Employees received performance rewards
African	Female	0	0	**0%**
	Male	1	1	**100%**
Asian	Female	0	0	**0%**
	Male	0	0	**0%**
Coloured	Female	1	1	**0%**
	Male	1	1	**100%**
White	Female	0	0	**0%**
	Male	2	2	**100%**
Disability	Female	0	0	**0%**
	Male	0	0	**0%**
Total		**5**	**5**	**100%**

4.4 MANAGING THE MUNICIPAL WORKFORCE EXPENDITURE

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

4.4.1 Personnel Expenditure

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

Financial year	Total Expenditure salary and allowances	Total Operating Expenditure	Percentage
	R'000	R'000	%
2015/16	120 121	451 210	26.6
2016/17	132 456	455 063	29.1
2017/18	157 404	563 945	27.9
2018/19	175110	502367	34.86

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

Financial year	2017/18	2018/19		
Description	Actual	Original Budget	Adjusted Budget	Actual
	R'000	R'000	R'000	R'000
Councillors (Political Office Bearers plus Other)				
Allowance	7 006	7213	7213	7242
Pension Contributions	1 018	1063	1063	1049
Medical Aid Contributions	137	212	212	184
Motor vehicle allowance	0	692	692	0
Cell phone allowance	934	1023	1023	931
Housing allowance	73	455	455	52
Other benefits or allowances	1	50	50	0
In-kind benefits	0	0	0	0
Sub Total - Councillors	**9 170**	**10 709**	**10 709**	**9459**
% increase/ (decrease)	**3.3%**	**17%**	**17%**	**3%**
Senior Managers of the Municipality				
Salary	4 112	3594	3294	3011
Pension Contributions	534	718	718	179
Medical Aid Contributions	104	127	127	67
Motor vehicle allowance	0	993	993	812
Cell phone allowance	26	67	67	26
Housing allowance	0	145	145	0
Performance Bonus	642	840	840	568

Financial year	2017/18	2018/19		
Description	Actual	Original Budget	Adjusted Budget	Actual
	R'000	R'000	R'000	R'000
Other benefits or allowances	1 576	130	110	162
In-kind benefits				
Sub Total - Senior Managers of Municipality	**6 993**	**6614**	**6294**	**4825**
% increase/ (decrease)	**6.6%**	**-5%**	**-10%**	**-31%**
Other Municipal Staff				
Basic Salaries and Wages	91 894	108 292	102 237	100 053
Pension Contributions	13 253	15 480	15 480	14 759
Medical Aid Contributions	6 648	17 888	17 888	18 354
Motor vehicle allowance	0	4099	4129	4580
Cell phone allowance	497	378	378	488
Housing allowance	1 446	1541	1541	1448
Overtime	10 227	8200	8425	11 166
Other benefits or allowances	21 503	17 371	17 354	19 437
Sub Total - Other Municipal Staff	**150 411**	**17 251**	**167 432**	**170 285**
% increase/ (decrease)	**18.9%**	**15%**	**11%**	**13%**
Total Municipality	**157 404**	**190 573**	**184 434**	**184 568**
% increase/ (decrease)	**18.3%**	**21%**	**17%**	**17%**

4.5 MFMA COMPETENCIES

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

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

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

Financial Competency Development: Progress Report				
Description	**Total number of officials employed by municipality (Regulation 14(4)(a) and (c))**	**Competency assessments completed (Regulation 14(4)(b) and (d))**	**Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))**	**Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))**
Financial Officials				
Accounting Officer	1	1	1	1
Chief Financial Officer	0	0	0	0
Senior Managers	2	2	2	2
Any other financial officials	4	4	4	4
Supply Chain Management Officials				
Heads of supply chain management units	0	0	0	0
Total	**7**	**7**	**7**	**7**

CHAPTER 5 – FINANCIAL PERFORMANCE

Municipal financial offices at Wolseley

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

The Statement of financial performance provides an overview of the financial performance of the municipality and focuses on the financial health of the municipality.

5.1 FINANCIAL SUMMARY

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

Financial Summary — R' 000

Description	2017/18	2018/19			2018/19 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
	AA	AH	AG	AF		
Financial Performance						
Property rates	63 835	70 128	68 317	69 879	(0,35)	2,29
Service charges	306 170	316 407	318 218	305 199	(3,54)	(4,09)
Investment revenue	8 122	8 194	8 194	8 551	4,35	4,35
Transfers recognised - operational	94 207	135 381	115 971	105 201	(22,29)	(9,29)
Other own revenue	59 490	54 275	56 426	67 909	25,12	20,35
Total Revenue (excluding capital transfers and contributions)	**531 824**	**584 385**	**567 125**	**556 740**	**(4,73)**	**(1,83)**
Employee costs	153 240	174 040	170 402	166 502	(4,33)	(2,29)
Remuneration of councillors	9 170	10 709	10 709	9 458	(11,69)	(11,69)
Depreciation & asset impairment	29 217	43 032	44 165	30 415	(29,32)	(31,13)
Finance charges	15 676	11 020	16 002	15 847	43,79	(0,97)
Materials and bulk purchases	179 705	197 541	197 541	188 783	(4,43)	(4,43)
Transfers and grants	14 160	14 407	14 163	10 019	(30,46)	(29,26)
Other expenditure	118 762	109 391	155 789	133 365	21,92	(14,39)
Total Expenditure	519 931	560 140	608 771	554 388	(1,03)	(8,93)
Surplus/(Deficit)	11 893	24 245	(41 646)	2 352	(90,30)	(105,65)
Transfers recognised - capital	34 481	31 619	52 914	54 177	71,34	2,39
Contributions recognised - capital &	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	46 374	55 864	11 268	56 530	1,19	401,69
associate					–	–
Surplus/(Deficit) for the year	46 374	55 864	11 268	56 530	1,19	401,69
Capital expenditure & funds sources						
Capital expenditure						
Transfers recognised - capital	34 472	44 892	55 488	60 951	35,77	9,85
Public contributions & donations					–	–
Borrowing		2 500	–	–	(100,00)	–
Internally generated funds	29 384	33 929	35 151	25 706	(24,24)	(26,87)
Total sources of capital funds	63 855	81 321	90 639	86 657	6,56	(4,39)

R' 000

Description	2017/18	2018/19			2018/19 Variance	
	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Financial position						
Total current assets	182 524	128 678	131 864	183 674	42,74	39,29
Total non current assets	903 070	868 750	868 062	965 334	11,12	11,21
Total current liabilities	82 068	55 551	58 049	91 452	64,63	57,54
Total non current liabilities	158 016	159 348	159 348	155 516	(2,40)	(2,40)
Community wealth/Equity	845 510	782 529	782 529	902 040	15,27	15,27
Cash flows						
Net cash from (used) operating	84 032	69 050	68 362	81 900	18,61	19,80
Net cash from (used) investing	(60 065)	(69 728)	(69 040)	(83 389)	19,59	20,78
Net cash from (used) financing	(2 795)	(9 736)	(9 736)	(1 745)	(82,07)	(82,07)
Cash/cash equivalents at the year e	97 506	52 699	52 699	94 272	78,89	78,89
Cash backing/surplus reconciliation						
Cash and investments available	97 506	52 699	55 885	94 272	78,89	68,69
Application of cash and investments	178 499	(12 003)	(12 878)	183 187	(1 626,18)	(1 522,46)
Balance - surplus (shortfall)	(80 993)	64 702	68 763	(88 916)	(237,42)	(229,31)
Asset management						
Asset register summary (WDV)	854 456	892 745	900 930	918 262	2,86	1,92
Depreciation & asset impairment	29 217	43 032	44 165	30 415	(29,32)	(31,13)
Renewal of Existing Assets	4 011	5 073	7 753	7 132	40,61	(8,00)
Repairs and Maintenance	–	18 740	18 742	16 787	(10,42)	(10,43)
Free services						
Cost of Free Basic Services provide	23 593	34 439	35 935	34 828	1,13	(3,08)
Revenue cost of free services provi	28 123	38 222	38 222	37 754	(1,22)	(1,22)
Households below minimum service level						
Water:	Nil	Nil	Nil	Nil	Nil	Nil
Sanitation/sewerage:	Nil	Nil	Nil	Nil	Nil	Nil
Energy:	Nil	Nil	Nil	Nil	Nil	Nil
Refuse:	Nil	Nil	Nil	Nil	Nil	Nil

Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A1

T5.1.1

Statements of Revenue Collection Performance by vote and by source **Appendix K**

The table below shows a summary of performance against budgets:

Financial Year	Revenue excluding capital transfers				Operating expenditure			
	Budget	Actual	Diff.	%	Budget	Actual	Diff.	%
	(R'000)				(R'000)			
2017/18	519 934	531 824	11 890	2,29	557 033	526 272	30 762	5,52
2018/19	567 125	556 740	(10 385)	(1,83)	608 771	554 388	54 384	8,93

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

Financial Performance of Operational Services

R '000

Description	2017/18	2018/19			2018/19 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
	AA	AH	AG	AF		
Operating Cost						
Water	28 107	29 221	36 717	37 704	(29,03)	(2,69)
Waste Water (Sanitation)	24 256	24 408	30 297	29 316	(20,11)	3,24
Electricity	199 670	223 698	220 993	205 463	8,15	7,03
Waste Management	40 605	34 614	44 515	44 634	(28,95)	(0,27)
Housing	16 477	19 186	18 785	12 954	32,48	31,04
Component A: sub-total	309 115	331 127	351 306	330 072	0,32	6,04
Waste Water (Stormwater Drainage)	6 062	5 621	5 462	6 491	(15,49)	(18,86)
Roads	21 304	25 071	26 427	24 140	3,71	8,65
Transport					–	–
Component B: sub-total	27 366	30 691	31 888	30 632	0,19	3,94
Planning					–	–
Local Economic Development					–	–
Component B: sub-total					–	–
Planning	1 141	1 189	1 366	1 494	(25,61)	(9,34)
Local Economic Development	1 921	2 215	2 563	1 570	29,15	38,76
Component B: sub-total	3 061	3 405	3 929	3 064	10,02	22,03
Planning (Strategic & Regulatory)	16 830	19 032	18 969	17 932	5,78	5,47
Enviromental Proctection	1 320	1 747	2 716	649	62,85	76,12
Health	–	–	–	–	–	–
Security and Safety	38 982	33 291	32 899	31 630	4,99	3,86
Sport and Recreation	23 335	29 121	28 456	24 885	14,55	12,55
Corporate Policy Offices and Other	106 263	111 726	138 606	115 525	(3,40)	16,65
Component D: sub-total	186 729	194 917	221 647	190 621	2,20	14,00
Total Expenditure for the year	**526 272**	**560 140**	**608 771**	**554 388**	**1,03**	**8,93**

In this table operational income (but not levies or tarrifs) is offset agaist operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

T5.1.2

The bulk of the municipality's expenditure is spent on basic service delivery functions such as electricity, water, waste water management and waste management.

5.2 FINANCIAL PERFORMANCE PER MUNICIPAL FUNCTION

The tables below show the financial performance according to municipal functions:

Vote Description	2017/18	2018/19			2018/19 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjust-ments Budget
	(R'000)			(%)		
Executive and Council						
Total Operational Revenue	–	–	–	–	–	–
Expenditure:						
Employees	(6 028)	(6 604)	(6 591)	(6 472)	2,00	1,81
Repairs and Maintenance	(0)	(14)	(11)	(2)	88,37	85,12
Other	(14 873)	(18 862)	(17 517)	(15 707)	16,73	10,33
Total Operational Expenditure	(20 902)	(25 479)	(24 119)	(22 180)	12,95	8,04
Net Operational (Service) Expenditure	(20 902)	(25 479)	(24 119)	(22 180)	12,95	8,04
Budget and Treasury Office						
Total Operational Revenue	83 511	89 434	88 829	86 082	3,75	3,09
Expenditure:						
Employees	(16 955)	(29 009)	(21 520)	(19 369)	33,23	9,99
Repairs and Maintenance	(26)	(46)	(155)	(51)	(9,28)	67,23
Other	(12 463)	(18 121)	(23 288)	(16 943)	6,50	27,25
Total Operational Expenditure	(29 444)	(47 177)	(44 962)	(36 363)	22,92	19,13
Net Operational (Service) Expenditure	54 067	42 258	43 867	49 719	(17,66)	(13,34)
Corporate Services						
Total Operational Revenue	755	1 416	1 516	1 057	25,38	30,30
Expenditure:						
Employees	(20 868)	(20 026)	(24 124)	(19 474)	2,76	19,27
Repairs and Maintenance	(372)	(1 014)	(717)	(515)	49,27	28,27
Other	(19 633)	(22 445)	(28 811)	(23 328)	(3,93)	19,03
Total Operational Expenditure	(40 873)	(43 486)	(53 653)	(43 317)	0,39	19,27
Net Operational (Service) Expenditure	(40 118)	(42 069)	(52 137)	(42 260)	(0,45)	18,94
Community and Social Services						
Total Operational Revenue	81 107	98 876	97 158	96 746	2,15	0,42
Expenditure:						
Employees	(21 368)	(22 723)	(22 653)	(21 804)	4,04	3,75
Repairs and Maintenance	(494)	(643)	(502)	(327)	49,15	34,78
Other	(4 117)	(6 066)	(5 921)	(3 077)	49,28	48,04
Total Operational Expenditure					–	–
Net Operational (Service) Expenditure	81 107	98 876	97 158	96 746	2,15	0,42
Sport and Recreation						
Total Operational Revenue	7 600	9 300	9 261	6 962	25,15	24,83
Expenditure:						
Employees	(14 507)	(18 030)	(18 055)	(16 066)	10,89	11,01
Repairs and Maintenance	(571)	(608)	(721)	(567)	6,64	21,24
Other	(8 613)	(10 484)	(9 681)	(8 627)	17,71	10,89
Total Operational Expenditure	(23 691)	(29 121)	(28 456)	(25 261)	13,26	11,23
Net Operational (Service) Expenditure	(16 092)	(19 821)	(19 195)	(18 299)	7,68	4,67
Public Safety						
Total Operational Revenue	28 309	21 294	21 294	18 238	14,36	14,36
Expenditure:						
Employees	(16 923)	(15 506)	(16 710)	(20 923)	(34,94)	(25,22)
Repairs and Maintenance	(637)	(645)	(675)	(261)	59,52	61,32
Other	(24 855)	(7 995)	(19 447)	(14 220)	(77,87)	26,88
Total Operational Expenditure	(42 415)	(24 145)	(36 832)	(35 404)	(46,63)	3,88
Net Operational (Service) Expenditure	(14 107)	(2 851)	(15 537)	(17 167)	(502,23)	(10,49)

Vote Description	2017/18	2018/19			2018/19 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjust-ments Budget
	(R'000)			(%)		
Housing						
Total Operational Revenue	13 006	33 612	13 394	9 049	73,08	32,44
Expenditure:						
Employees	(2 888)	(3 156)	(3 156)	(3 022)	4,23	4,23
Repairs and Maintenance	(175)	(200)	(212)	(130)	34,73	38,43
Other	(13 414)	(15 831)	(15 418)	(9 801)	38,09	36,43
Total Operational Expenditure	(16 477)	(19 186)	(18 785)	(12 954)	32,48	31,04
Net Operational (Service) Expenditure	(3 471)	14 425	(5 391)	(3 905)	127,07	27,56
Health						
Total Operational Revenue	–	–	–	–	–	–
Expenditure:						
Employees	–	–	–	–	–	–
Repairs and Maintenance	–	–	–	–	–	–
Other	–	–	–	–	–	–
Total Operational Expenditure	–	–	–	–	–	–
Net Operational (Service) Expenditure	–	–	–	–	–	–
Planning and Development						
Total Operational Revenue	1 004	2 380	2 138	1 191	49,95	44,27
Expenditure:						
Employees	(4 503)	(5 127)	(4 599)	(4 936)	3,74	(7,33)
Repairs and Maintenance	–	–	–	–	–	–
Other	(621)	(962)	(1 163)	(700)	27,27	39,80
Total Operational Expenditure	(5 124)	(6 090)	(5 762)		100,00	100,00
Net Operational (Service) Expenditure	(4 120)	(3 710)	(3 624)	1 191	132,11	132,87
Road Transport						
Total Operational Revenue	4 189	19 871	27 050	19 952	(0,41)	26,24
Expenditure:						
Employees	(4 747)	(5 361)	(4 988)	(5 900)	(10,05)	(18,28)
Repairs and Maintenance	(7 105)	(6 020)	(7 228)	(7 012)	(16,49)	2,99
Other	(9 487)	(13 690)	(14 210)	(11 228)	17,98	20,99
Total Operational Expenditure	(21 339)	(25 071)	(26 427)	(24 140)	3,71	8,65
Net Operational (Service) Expenditure	(17 149)	(5 200)	623	(4 188)	19,46	771,98
Environmental Protection						
Total Operational Revenue	2	12	1 192	88	(628,90)	92,64
Expenditure:						
Employees	(1 084)	(1 350)	(1 378)	(967)	28,39	29,84
Repairs and Maintenance	–	–	–	–	–	–
Other	(235)	(396)	(1 338)	318	180,33	123,78
Total Operational Expenditure	(1 320)	(1 747)	(2 716)	(649)	62,85	76,12
Net Operational (Service) Expenditure	(1 318)	(1 734)	(1 525)	(561)	67,65	63,20
Electricity						
Total Operational Revenue	211 203	241 812	241 402	227 520	5,91	5,75
Expenditure:						
Employees	(10 250)	(11 986)	(11 810)	(11 646)	2,83	1,39
Repairs and Maintenance	(1 567)	(3 030)	(1 628)	(1 487)	50,93	8,67
Other	(187 853)	(208 499)	(207 554)	(192 330)	7,75	7,34
Total Operational Expenditure	(199 670)	(223 515)	(220 993)	(205 463)	8,08	7,03
Net Operational (Service) Expenditure	11 534	18 297	20 409	22 056	(20,55)	(8,07)
Water						
Total Operational Revenue	67 545	52 679	54 716	49 654	5,74	9,25
Expenditure:						
Employees	(6 531)	(7 275)	(6 996)	(7 016)	3,56	(0,27)
Repairs and Maintenance	(2 878)	(2 663)	(1 708)	(1 592)	40,22	6,82
Other	(18 707)	(14 680)	(28 013)	(29 096)	(98,21)	(3,87)
Total Operational Expenditure	(28 116)	(24 617)	(36 717)	(37 704)	(53,16)	(2,69)
Net Operational (Service) Expenditure	39 430	28 062	17 999	11 950	57,41	33,60

Vote Description	2017/18	2018/19			2018/19 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjust-ments Budget
	(R'000)				(%)	
Waste Water Management						
Total Operational Revenue	42 108	22 674	38 353	46 166	(103,61)	(20,37)
Expenditure:						
Employees	(11 345)	(10 618)	(10 618)	(12 812)	(20,66)	(20,66)
Repairs and Maintenance	(3 159)	(3 345)	(4 566)	(4 242)	(26,81)	7,08
Other	(14 439)	(13 252)	(18 976)	(17 321)	(30,71)	8,72
Total Operational Expenditure	(28 943)	(27 215)	(34 160)	(34 376)	(26,31)	(0,63)
Net Operational (Service) Expenditure	13 165	(4 541)	4 192	11 790	359,65	(181,23)
Waste Management						
Total Operational Revenue	25 965	22 643	23 736	25 347	(11,94)	(6,79)
Expenditure:						
Employees	(15 242)	(17 269)	(17 203)	(16 093)	6,81	6,45
Repairs and Maintenance	(536)	(512)	(620)	(601)	(17,53)	3,02
Other	(26 202)	(16 079)	(28 290)	(29 372)	(82,67)	(3,82)
Total Operational Expenditure	(41 980)	(33 859)	(46 113)	(46 066)	(36,05)	0,10
Net Operational (Service) Expenditure	(16 014)	(11 217)	(22 377)	(20 719)	(84,72)	7,41

5.3 GRANTS

5.3.1 Grant Performance

The table below indicates the projects implemented under MIG funding for the past 3 years:

Project Name	Budget (VAT Excl) '000			Comments
	2016/17	2017/18	2018/19	
Vredebes Bulk Water Supply	6 997	6 796		Provisdion of bulk & external services for the Vredebes subsidised housing project.
Vredebes Bulk Sanitation	2 018	6 674		
Vredebes Access Collector	3 252	2 272	10 360	
Vredebes Bulk Storm Water	270		8 088	
Vredebes Streetlights			708	
Vredebes Busroutes	77			
Bella Vista Bulk Water Supply	5 168	4 191		Project Completed
Bella Vista Bulk Sanitation	1 378			
Bella Vista Bulk Storm Water	1 547			
Streetlights for Housing Projects	909			
Project Management Unit	216	11		

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

Grant Performance							R' 000
Description	2016/17	2017/18	2018/19			2018/19 Variance	
	Actual	Actual	Original Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
National Government:	**–**	**73 043**	**88 231**	**87 752**	**87 481**	**0,85**	**0,31**
Equitable share		70 412	84 602	84 602	84 602	–	–
Municipal Systems Improvement		–	–	–	–	–	–
Department of Water Affairs		–	–	–	–	–	–
Regional Bulk Infrastructure Grant		–	–	–	–	–	–
Other transfers/grants [insert description]		–	–	–	–	–	–
Finance Management Grant		1 139	1 550	1 400	860	44,53	38,59
Transformation Funds		–	–	–	–	–	–
Municipal Infrastructure Grant		–	531	–	–	100,00	–
Housing		–	–	–	–	–	–
INEP		–	–	–	–	–	–
Rural Development		–	–	–	–	–	–
Expanded Public Works		1 493	1 548	1 750	2 019	(30,47)	(15,39)
Neighbourhood Development Plan		–	–	–	–	–	–
Provincial Government:	**–**	**21 164**	**46 862**	**24 036**	**17 720**	**62,19**	**26,28**
Regional Socio-economic Projec		1	2 000	–	0	99,99	–
Housing		12 643	32 839	12 621	8 771	73,29	30,50
Regional Social Economic Project		–	–	–	–	–	–
Sports and Recreation		–	–	–	–	–	–
Municipal Infrastructure Support		–	–	–	–	–	–
Library Services		8 050	9 342	8 882	8 942	4,28	(0,68)
CDW		110	148	–	6	95,64	–
Mainroads		120	1 843	1 843	–	100,00	100,00
Draught Relief		–	–	–	–	–	–
Municipal Infrastructure Support Grant		–	–	–	–	–	–
Finance Management Support Grant		240	360	360	0	99,98	99,98
MSCOA Grant		–	330	330	–	100,00	100,00
Multipurpose Centre		–	–	–	–	–	–
District Municipality:	**–**	**–**	**–**	**600**	**–**	**–**	**100,00**
Water & Sanitation Informal Area		–	–	500	–	–	100,00
Housing Consumer Education Training		–	–	–	–	–	–
Sport and Recreation		–	–	–	–	–	–
Tourism		–	–	100	–	–	100,00
Solid Waste		–	–	–	–	–	–
Other grant providers:	**–**	**295**	**288**	**3 583**	**575**	**(99,59)**	**83,95**
Belgium & China		295	288	1 083	575	(99,59)	46,90
Table Mountain Fund		–	–	700	–	–	100,00
Development Bank of South Africa		–	–	1 800	–	–	100,00
Total Operating Transfers and Grants	**–**	**94 503**	**135 381**	**115 971**	**105 776**	**21,87**	**8,79**

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

T5.3.1

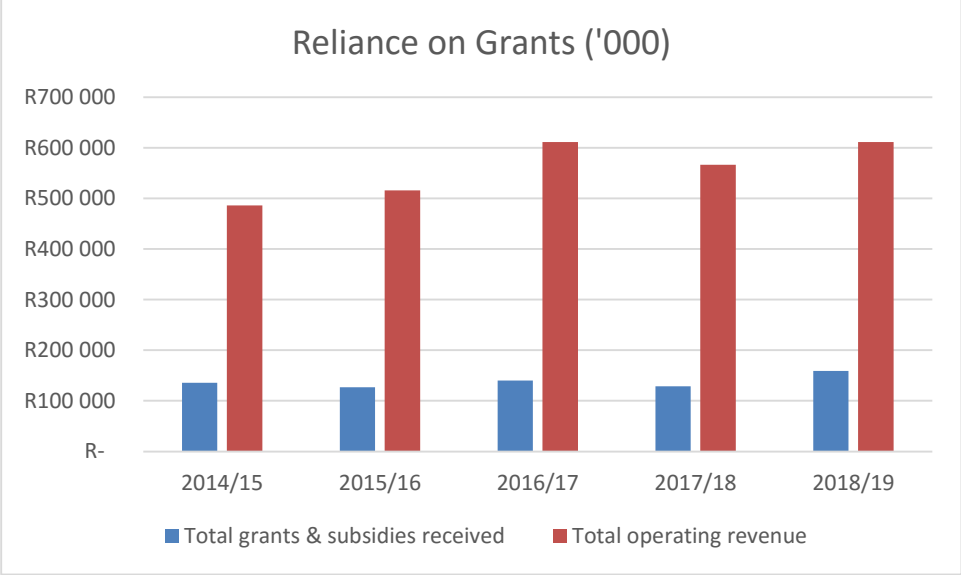
The table below indicates the projects implemented under Human Settlements funding for the past 3 years:

Project Name	Budget (VAT Excl) '000			Comments
	2016/17	2017/18	2018/19	
Vredebes 627 serviced sites		7 155	26 163	Project completed
Vredebes top structures			8 248	In Progress
Vredebes Bulk Sanitation	5 606	2 708		Project completed
Vredebes Bulk Water		4 305		Project completed
Nduli Planning	260			
Bella Vista Bulk (Serviced sites)	2 089			Project Completed
Bella Vista Bulk (308 units)	23 813	12 464		Project Completed

5.3.2 Level of Reliance on Grants & Subsidies

Financial year	Total grants and subsidies received	Total Operating Revenue	Percentage
	(R'000)		(%)
2017/18	128 689	566 305	22,72%
2018/19	159 379	610 917	26,09%

The following graph indicates the municipality's reliance on grants for the last four financial years



Witzenberg Municipality is reliant on grants. Without the grants the Municipality would not have been in a position to upgrade infrastructure.

5.4 ASSET MANAGEMENT

The responsibility for asset management lies with both finance and the different functional/departmental managers. The Finance section is responsible for the record keeping and reporting on the assets, whereas the functional managers are responsible for the physical safeguarding of assets, the maintenance, acquisition and disposal of assets.

It is of utmost importance that these two functional areas communicate on a regular basis regarding all movement of assets. Especially in respect of the annual assets count, where information regarding the existence, condition and useful lives regarding assets is reviewed and reported on.

The implementation of GRAP (accounting standard for municipalities) remains a challenge to the Municipality due to the cost and time factors.

5.4.1 Treatment of the Three Largest Assets

Asset 1		
Name	A - Vredebes Housing	
Description		
Asset Type	Infrastructure	
Key Staff Involved	Relevant Line manager, Project Management, Budget Office & Supply Chain Management	
Staff Responsibilities	Line Manager identify the need for the project and sets out the specifications required for SCM. Project Manager manage the implementation of the project, sets the Cash flow for the project and reports on a monthly basis on the stage of completion/performance of the project. Budget Office identifies the available Capital Funds and see to it that the project is approved and placed on the Capital Budget. Supply Chain,with the support of the Line Manager & Project Manager, draft the required Tender Docurement and see to it that the procuremt procedures and regulations are complied with in obtaining the necessary goods and services.	
Asset Value	2017/18	2018/19
Capital Implications	**R 49 970 046**	
Future Purpose of Asset	New Housing Development in Vredebes	
Describe Key Issues		
Policies in Place to Manage Asset	Delegations & Asset Management Policy	

Asset 2		
Name	B -Rehabilitation - Streets Tulbagh	
Description		
Asset Type	Infrastructure	
Key Staff Involved	Relevant Line manager, Project Management, Budget Office & Supply Chain Management	
Staff Responsibilities	Line Manager identify the need for the project and sets out the specifications required for SCM. Project Manager manage the implementation of the project, sets the Cash flow for the project and reports on a monthly basis on the stage of completion/performance of the project. Budget Office identifies the available Capital Funds and see to it that the project is approved and placed on the Capital Budget. Supply Chain,with the support of the Line Manager & Project Manager, draft the required Tender Docurement and see to it that the procuremt procedures and regulations are complied with in obtaining the necessary goods and services.	
Asset Value	2017/18	2018/19
Capital Implications	**R 11 152 044**	
Future Purpose of Asset	Improved Road Infrastrucutre	
Describe Key Issues		
Policies in Place to Manage Asset	Delegations & Asset Management Policy	

Asset 3		
Name	C - Tulbagh Dam	
Description		
Asset Type	Infrastructure	
Key Staff Involved	Relevant Line manager, Project Management, Budget Office & Supply Chain Management	
Staff Responsibilities	Line Manager identify the need for the project and sets out the specifications required for SCM. Project Manager manage the implementation of the project, sets the Cash flow for the project and reports on a monthly basis on the stage of completion/performance of the project. Budget Office identifies the available Capital Funds and see to it that the project is approved and placed on the Capital Budget. Supply Chain,with the support of the Line Manager & Project Manager, draft the required Tender Docurement and see to it that the procuremt procedures and regulations are complied with in obtaining the necessary goods and services.	
Asset Value	2017/18	2018/19
Capital Implications	**R 2 529 177**	
Future Purpose of Asset	Improved Water Infrastructure	
Describe Key Issues		
Policies in Place to Manage Asset	Delegations & Asset Management Policy	

5.4.2 Repairs and Maintenance

Repair and Maintenance Expenditure: 2018/19 R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	18 740	18 742	16 787	10,42
				T5.3.4

The future expenditure on repairs and maintenance needs to be expanded to ensure that assets are maintained in a condition that is conducive for service delivery.

5.5 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

5.5.1 Liquidity Ratio

Description	Basis of calculation	2016/2017	2017/2018	2018/2019
		Audited outcome	Audited outcome	Pre-audit outcome
Current Ratio	Current Assets/Current Liabilities	1,85	2,22	2,01
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1,67	2,17	1,96
Liquidity Ratio	Monetary Assets/Current Liabilities	1,11	1,19	1,03

Current Ratio:

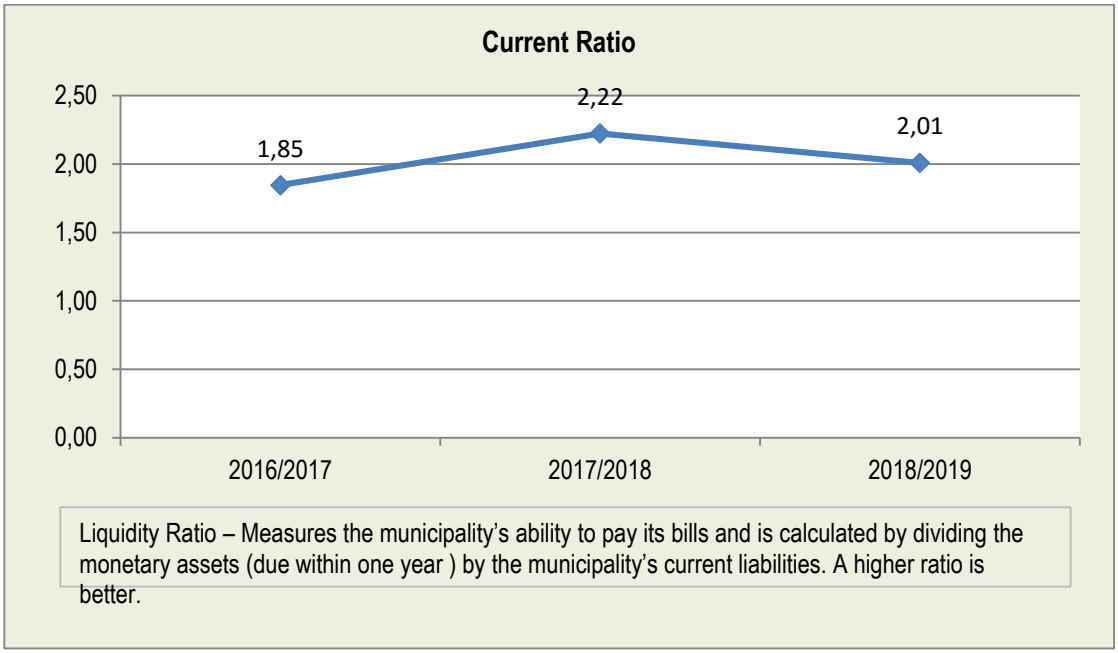
Financial year	Net current assets	Net current liabilities	Ratio
	(R)		
2016/2017	160 758	87 086	1,85
2017/2018	182 524	82 068	2,22
2018/2019	183 674	91 452	2,01

Current Ratio adjusted for aged debtors:

Financial year	Net current assets	Net current liabilities	Ratio
	(R)		
2016/2017	145 704	87 086	1,67
2017/2018	178 235	82 068	2,17
2018/2019	179 385	91 452	1,96

Liquidity Ratio:

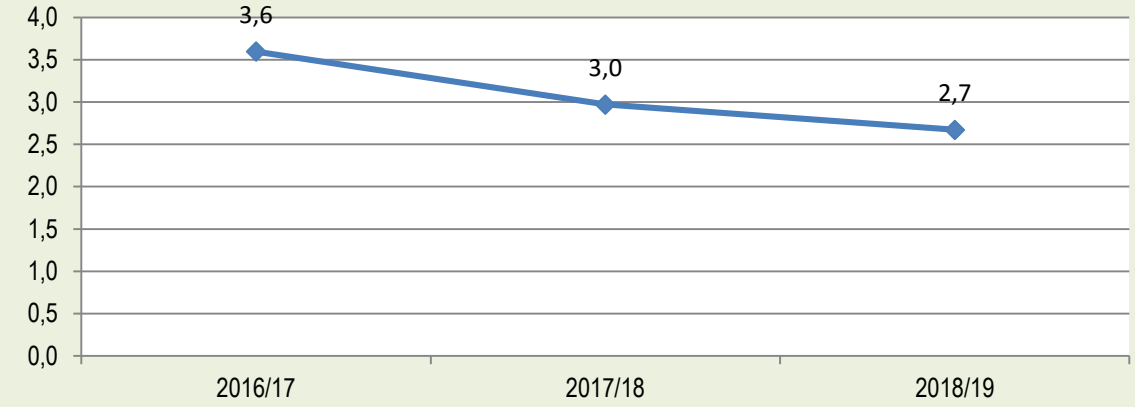
Financial year	Monetary Assets	Net current liabilities	Ratio
	(R)		
2016/2017	97 040	87 086	1,11
2017/2018	97 506	82 068	1,19
2018/2019	94 272	91 452	1,03



The current ratio and the current ratio adjusted for aged debt are the same as the debtors per the statement of financial performance and have already been impaired (reduced with the doubtful debt).

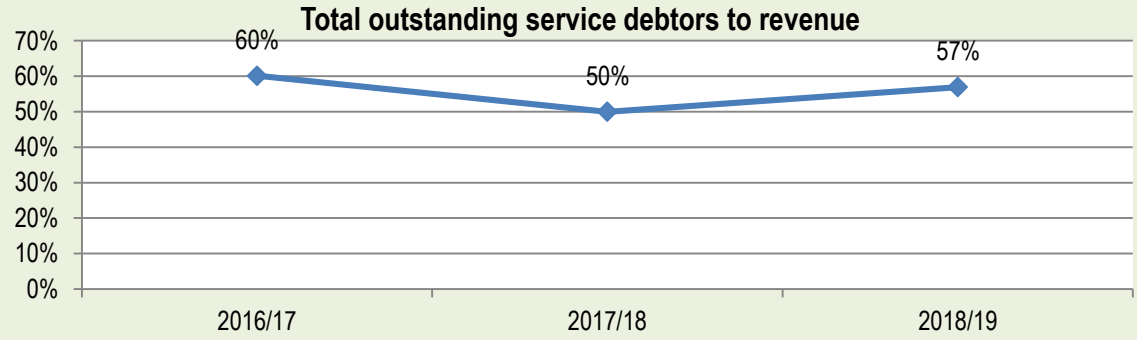
5.5.2 IDP Regulation Financial Viability Indicators

Description	Basis of calculation	2016/17	2017/18	2018/19
		Audited outcome	Audited outcome	Pre-audit outcome
Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	3,6	3,0	2,7
Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	28,8	114,6	147,6
O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	60%	50%	57%

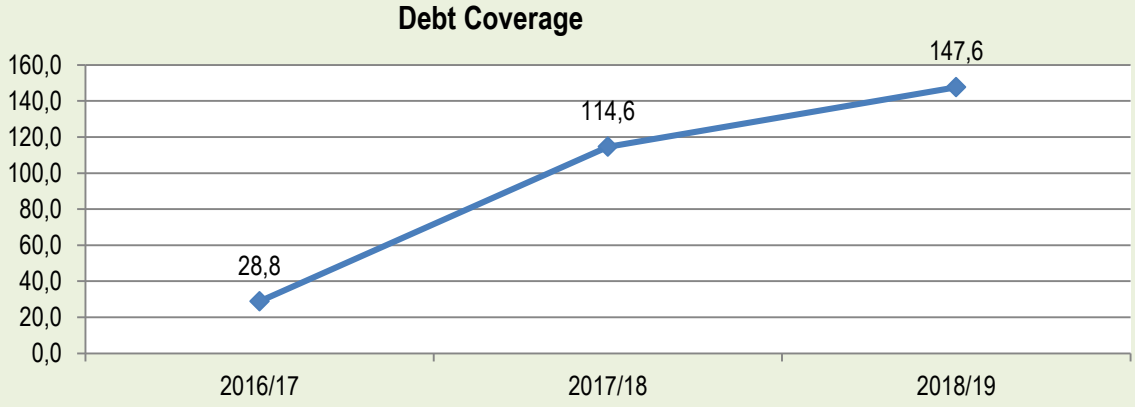


Cost Coverage– It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants and is calculated

Data used from MBRR SA8



Total Outstanding Service Debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower

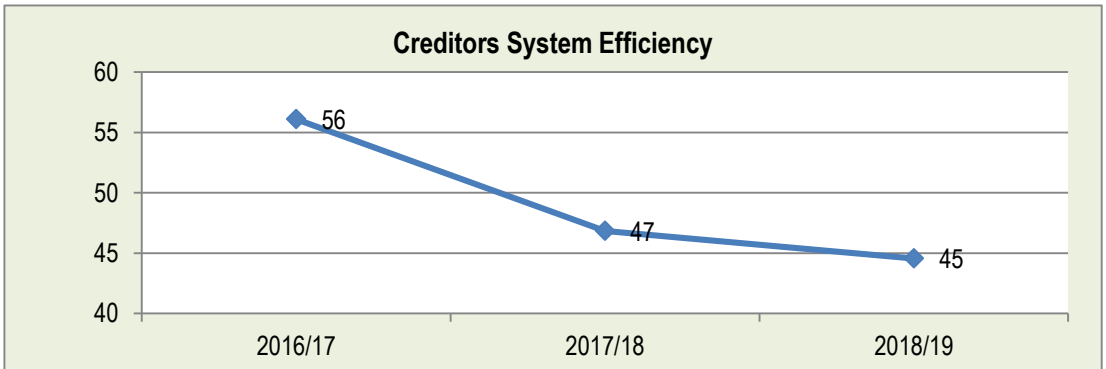


Debt Coverage– The number of times debt payments can be accomodated within Operating revenue (excluding grants) . This in turn represents the ease with which debt payments can be accomodated by the municipality

5.5.3 Creditors Management

Description	Basis of calculation	2016/17	2017/18	2018/19
		Audited outcome	Audited outcome	Pre-audit outcome
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA' s 65(e))	56	47	45

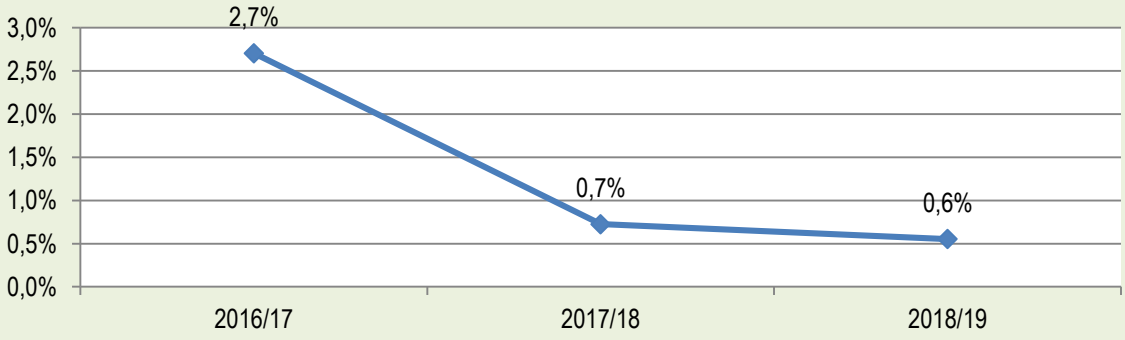
The following graph indicates the percentage of all creditors paid within terms:



Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases multiplied by 365.

5.5.4 Borrowing Management

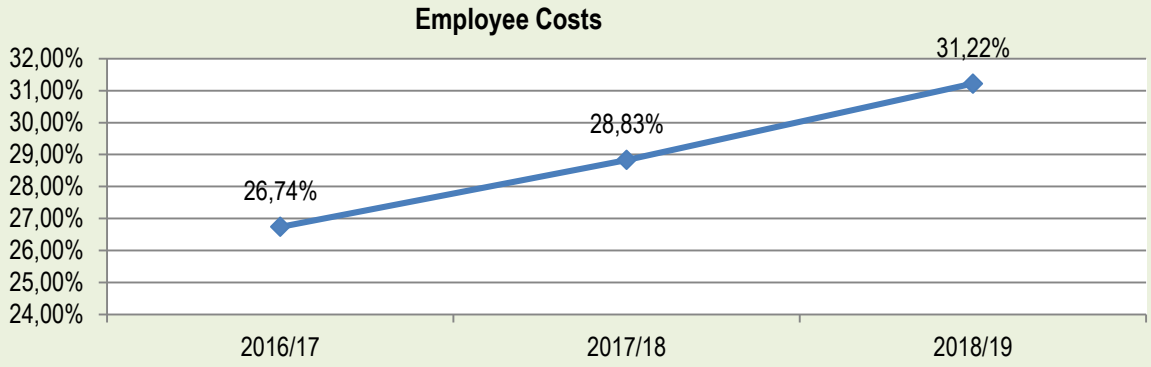
Description	Basis of calculation	2016/17	2017/18	2018/19
		Audited outcome	Audited outcome	Pre-audit outcome
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	2,7%	0,7%	0,6%



Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

5.5.5 Employee costs

Description	Basis of calculation	2016/17	2017/18	2018/19
		Audited outcome	Audited outcome	Pre-audit outcome
Employee costs	Employee costs/(Total Revenue - capital revenue)	26,74%	28,83%	31,22%

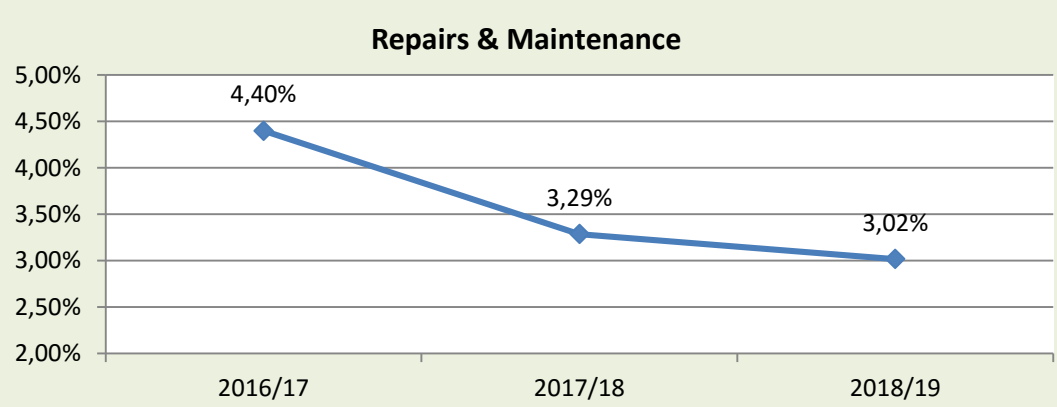


Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

5.5.6 Repairs & Maintenance

Description	Basis of calculation	2016/17	2017/18	2018/19
		Audited outcome	Audited outcome	Pre-audit outcome
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	4,40%	3,29%	3,02%

The expenditure on repairs and maintenance are below the required standard. The financial position of the municipality must improve to make more funds available for this very important expense item.



Repairs and Maintenance – This represents the propotion of operating expenditure spent and is calculated by dividing the total repairs and maintenace expenditure by total revenue excluding capital revenue. The municipalities internal cost spend on repairs and maintenance are clasified per nature and is not included in the amount of repairs and maintenance.

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.6 CAPITAL EXPENDITURE

R million	Original Budget	Adjustment Budget	Un-audited Full Year Total	Original Budget variance	Adjusted Budget Variance
Capital Expenditure	81 321	90 639	86 657	-6,6%	4,4%
Operating Expenditure	560 140	608 771	554 388	1,0%	8,9%
Total expenditure	641 461	699 410	641 044	0,1%	8,3%

5.7 SOURCES OF FINANCE

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

Capital Expenditure - Funding Sources to 2018/19							R' 000
			2018/19				
Details		Actual 2017/18	Original Budget (OB)	Adjustment Budget (AB)	Actual	OB to AB Variance (%)	Actual to OB Variance (%)
Source of finance							
	External loans	–	2 500	–	–	100,00	–
	Public contributions and donations	–	–	–	–	–	–
	Grants and subsidies	34 472	44 892	55 488	60 951	(35,77)	(9,85)
	Other	29 384	33 929	35 151	25 706	24,24	26,87
Total		63 855	81 321	90 639	86 657	**-6,56%**	**4,39%**
Percentage of finance							
	External loans	0,0%	3,1%	0,0%	0,0%	100,0%	
	Public contributions and donations	0,0%	0,0%	0,0%	0,0%		
	Grants and subsidies	54,0%	55,2%	61,2%	70,3%	-27,4%	-14,9%
	Other	46,0%	41,7%	38,8%	29,7%	28,9%	23,5%
Capital expenditure							
er M	Water and sanitation	16 820	47 526	37 751	37 300	21,52%	1,19%
	Electricity	–	2 350	4 742	7 162	-204,77%	-51,03%
	Housing	359	200	359	359	-79,50%	0,00%
er	Roads and storm water	9 266	20 880	11 109	11 000	47,32%	0,98%
	Other	37 411	10 365	36 678	30 836	-197,49%	15,93%
Total		63 855	81 321	90 639	86 657	**-6,56%**	**4,39%**
Percentage of expenditure							
	Water and sanitation	26,3%	58,4%	41,6%	43,0%		
	Electricity	0,0%	2,9%	5,2%	8,3%		
	Housing	0,6%	0,2%	0,4%	0,4%		
	Roads and storm water	14,5%	25,7%	12,3%	12,7%		
	Other	58,6%	12,7%	40,5%	35,6%		

T5.6.1

5.8 CAPITAL SPENDING ON FIVE LARGETS PROJECTS

Projects with the highest capital expenditure in 2018/19:

Capital Expenditure of 5 largest projects* R' 000					
Name of Project	Current Year: 2018/19			Variance Current Year: 2018/19	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
A - Vredebes Housing	40 376	50 521	49 970	-24%	-25%
B -Rehabilitation - Streets Tulbagh	9 000	11 173	11 152	-24%	-24%
C - Tulbagh Dam	8 261	2 530	2 529	69%	69%
D- Electrification of MV & LV Network	5 300	5 300	5 009	5%	0%
E - Upgrade of Van Breda Bridge	1 843	2 303	2 242	-22%	-25%
** Projects with the highest capital expenditure in Year 1*					

Name of Project - A	A - Vredebes Housing
Objective of Project	The Provision of Housing & Basic Services
Delays	
Future Challenges	The Cost of Planned & Unplanned Repairs & Maintenance to ensure the standard of service is maintained
Anticipated citizen benefits	Improved Basic Services and Quality Of Life

Name of Project - B	B -Rehabilitation - Streets Tulbagh
Objective of Project	The Provision of Basic Road Services
Delays	
Future Challenges	The Cost of Planned & Unplanned Repairs & Maintenance to ensure the standard of service is maintained
Anticipated citizen benefits	Improved Basic Services and Quality Of Life

Name of Project - C	C - Tulbagh Dam
Objective of Project	The Provision of Basic Water Services
Delays	
Future Challenges	The Cost of Planned & Unplanned Repairs & Maintenance to ensure the standard of service is maintained
Anticipated citizen benefits	Improved Basic Services and Quality Of Life

Name of Project - D	D- Electrification of MV & LV Network
Objective of Project	The Provision of Basic Electrical Services
Delays	
Future Challenges	The Cost of Planned & Unplanned Repairs & Maintenance to ensure the standard of service is maintained
Anticipated citizen benefits	Improved Basic Services and Quality Of Life

Name of Project - E	E - Upgrade of Van Breda Bridge
Objective of Project	The Provision of Basic Road Services
Delays	
Future Challenges	The Cost of Planned & Unplanned Repairs & Maintenance to ensure the standard of service is maintained
Anticipated citizen benefits	Improved Basic Services and Quality Of Life

5.9 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS OVERVIEW

All the residents in the urban areas have access to minimum basic services. Some areas still need to be upgraded to waterborne sewerage systems. Housing delivery is still a challenge, although it is a function of the Provincial Government. Service delivery to informal areas needs to be improved, serviced plots might be the only solution.

5.9.1 Service Backlogs

Service Backlogs as at 30 June 2019				Households (HHs)
	*Service level above minimun standard		**Service level below minimun standard	
	No. HHs	% HHs	No. HHs	% HHs
Water	12343	100%	0	0%
Sanitation	12697	100%	0	0%
Electricity	12810	100%	0	0%
Waste management	13151	100%	0	0%
Housing	14322	88%	1945	12%
*% HHs are the service above/below minimum starndard as a proportion of total HHs. 'Housing' refrs to * formal and ** informal settlements.*				T5.8.2

Schools & clinics with access to basic services **Appendix P**

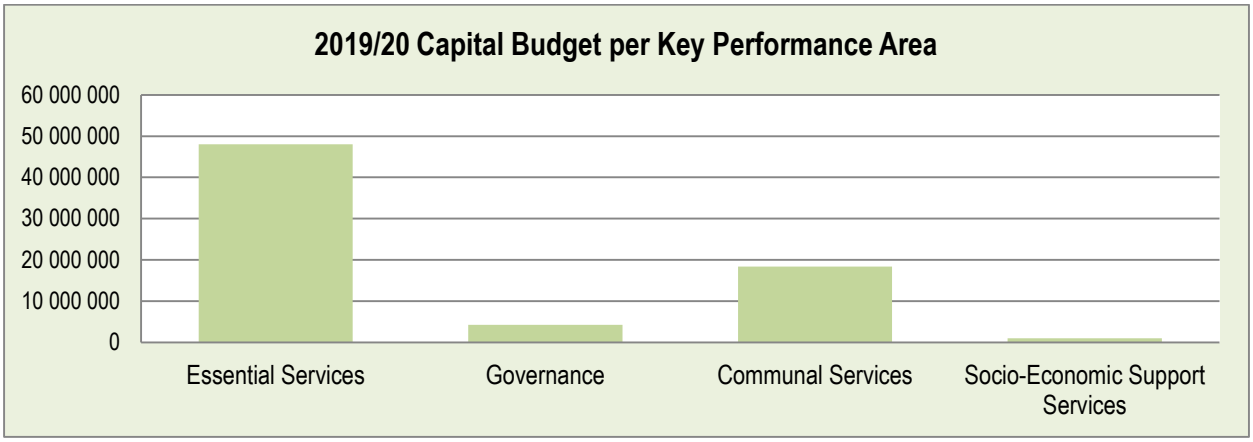
Schools & clinics with access to basic services where other spheres of government are responsible for the provision **Appendix Q**

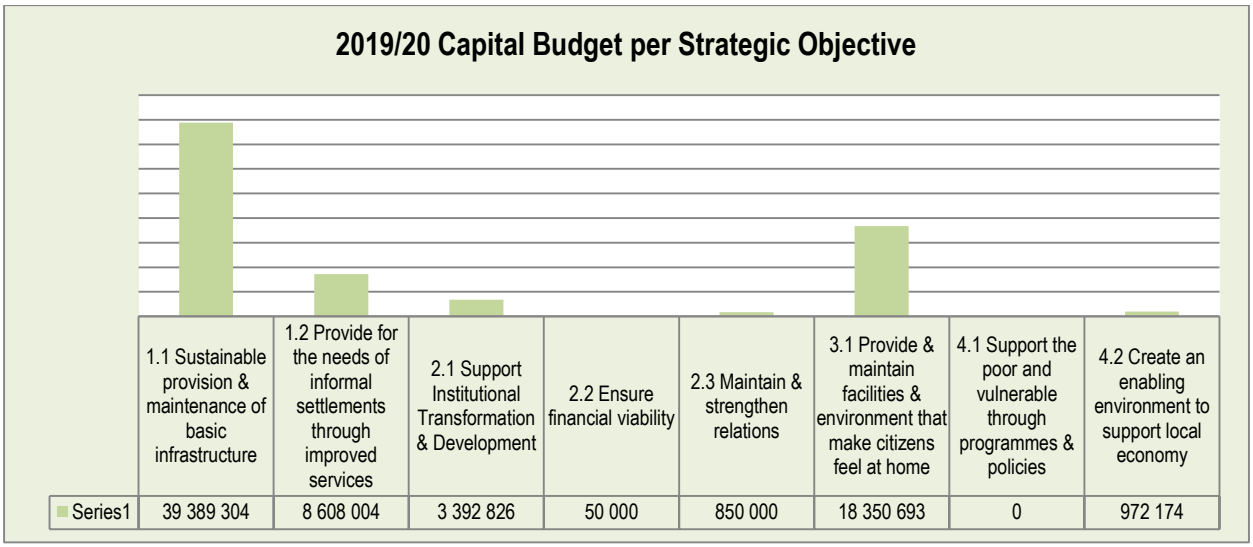
CAPITAL INVESTMENT FRAMEWORK

The Capital Budget for the 2019/20, 2020/21 and 2021/22 financial years are dominated by projects linked to the implementation of social housing projects. Major projects mainly include the upgrade of bulk infrastructure to support these developments, internal network infrastructure of the developments as well as other network upgrading such as the upgrading of certain roads in Tulbagh that have been in a state of severe deterioration for the past couple of years.

Witzenberg will further continue with the upgrading of existing infrastructure and facilities and will also start with the implementation of a Material Recovery Facility as part of a new waste strategy in the second year.

In terms of the Witzenberg Strategic Map, the bulk of the funding is allocated to the key performance area of Essential Services with the strategic objectives related to the provision of services and upgrading of informal settlements receiving the majority of capital funding as indicated in the graphs below:





Detailed three-year Capital Budget

New works & renewal programme	**Appendix M**
Full programme of full capital projects	**Appendix N**
Alignment of projects to Wards	**Appendix O**

5.9.2 Municipal Infrastructure Grant (MIG)

Municipal Infrastructure Grant (MIG)* Expenditure 2018/19 on Service backlogs						
						R' 000
Details	**Budget**	**Adjust-ments Budget**	**Actual**	**Variance**		**Major conditions applied by donor (continue below if necessary)**
				Budget	**Adjust-ments Budget**	
Infrastructure - Road transport	17 165	18 449	18 449	**6,96%**	**0,00%**	
Roads, Pavements & Bridges	9 130	10 361	10 361	11,87%	0,00%	
Storm water	8 035	8 088	8 088	0,66%	0,00%	
Infrastructure - Electricity	1 537	709	708	**-116,92%**	**-0,06%**	
Generation	–	–	–			
Transmission & Reticulation	–	–	–			
Street Lighting	1 537	709	708	-116,92%	-0,06%	
Infrastructure - Water	**–**	**–**	**–**			
Dams & Reservoirs	–	–	–			
Water purification	–	–	–			
Reticulation	–	–	–			
Infrastructure - Sanitation	**–**	**–**	**–**			
Reticulation	–	–	–			
Sewerage purification	–	–	–			
Infrastructure - Other	–	–	–			
Waste Management	–	–	–			
Transportation	–	–	–			
Gas	–	–	–			
Other Specify:	**20**	**–**	**–**			
Sport Facilities Wolseley	–	–	–			
Pine Valle Hall	–	–	–			
Project Management Equipment	20	–	–			
Operating Expenditure	–	–	–			
Total	**18 722**	**19 157**	**19 157**	**2,27%**	**0,00%**	

** 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.*

T5.8.3

COMPONENT C: CASHFLOW MANAGEMENT AND INVESTMENTS

Cash flow budgeting and management is of the utmost importance to ensure sufficient cash to meet obligations.

5.10 CASH FLOW

Cash Flow Outcomes				R'000
Description	2017/18	Current Year: 2018/19		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	371 832	370 536	405 658	364 853
Government - operating	94 207	97 846	115 971	105 201
Government - capital	38 699	63 230	59 830	58 274
Interest	19 166	13 112	10 430	19 096
Payments				
Suppliers and employees	(438 872)	(938)	(1 095)	(464 873)
Finance charges	(1 000)	(587)	(14 394)	(651)
Transfers and Grants	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	**84 032**	**543 199**	**576 398**	**81 900**
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	–	–	–	–
Decrease (Increase) in non-current debtors	–	–	–	–
Payments				
Capital assets	(60 065)	(81 321)	(90 639)	(83 389)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(60 065)**	**(81 321)**	**(90 639)**	**(83 389)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–			–
Borrowing long term/refinancing				
Increase (decrease) in consumer deposits	1 023	–	–	731
Payments				
Repayment of borrowing	(3 818)	–	3 000	(2 477)
NET CASH FROM/(USED) FINANCING ACTIVITIES	**(2 795)**	**–**	**3 000**	**(1 745)**
NET INCREASE/ (DECREASE) IN CASH HELD	**21 173**	**461 878**	**488 759**	**(3 234)**
Cash/cash equivalents at the year begin:	76 333	97 506	97 506	97 506
Cash/cash equivalents at the year end:	**97 506**	**559 384**	**586 265**	**94 272**
Source: MBRR SA7				T5.9.1

5.11 GROSS OUTSTANDING DEBTORS PER SERVICE

Financial year	Rates	Trading services (Electricity and Water)	Economic services (Sanitation and Refuse)	Housing rentals	Other	Total
	(R'000)					
2017/18	23 957	92 869	54 825	1 199	3 804	176 654
2018/19	26 671	107 726	69 199	1 526	4 737	209 859
Difference	2 714	14 857	14 374	327	933	33 205
% growth year on year	**11%**	**16%**	**26%**	**27%**	**25%**	**19%**

Note: Figures excludes provision for bad debt

5.12 TOTAL DEBTORS AGE ANALYSIS

Financial year	Less than 30 days	Between 30-60 days	Between 60-90 days	More than 90 days	Total
	R'000	R'000	R'000	R'000	R'000
2017/18	47 169	5 090	3 806	120 589	176 654
2018/19	48 353	7 281	3 655	150 570	209 859
Difference	1 184	2 191	(151)	29 980	33 205
% growth year on year	**3%**	**43%**	**-4%**	**25%**	**19%**

Note: Figures excludes provision for bad debt

The Auditor-General of South Africa has, in its report on the 2018/2019 financial statements of the Municipal Council, has emphasised the municipality has provided for an impairment of R131,6 million (2017-18: R101,4 million) on receivables from exchange transactions and for impairment of receivables from non-exchange transactions of R36,1 million (2017-18: R47 million).

The gross outstanding service debtors in total increased with 19% in relation to the 2017/2018 financial year. The main contributing factor for the increase is the due to the increase in indigent households

The leading contributors to the outstanding debt are water, sanitation and refuse.

The effective implementation of the Credit Control Policy in areas where Eskom is a supplier of electricity is playing a major role in the escalation of the service debtors. Council has approved that prepaid water meters be installed in these areas which will assist in the recouping of the service charges. Council is also investigating the possibility of implementing an Revenue Enhancement Strategy

The majority of households are working in the Agricultural sector of which a major portion thereof is seasonal workers. This has a direct impact on the ability of consumers to pay for municipal services

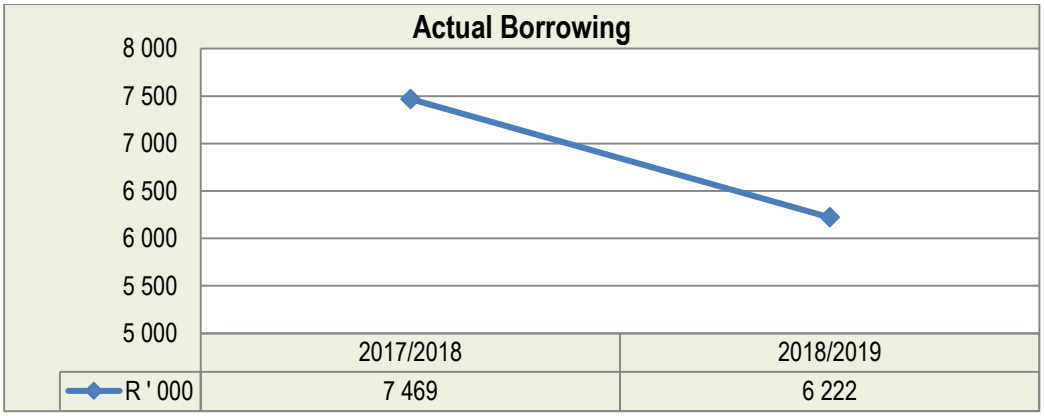
Concerted efforts are being made to recover debts older than 90 days,

5.13 BORROWINGS AND INVESTMENT

5.13.1 Actual Borrowings

Instrument	2017/2018	2018/2019
	R'000	
Long(Term Loans (annuity/reducing balance)	7 469	6 222
Long(Term Loans (non(annuity)	0	0
Local registered stock	0	0
Instalment Credit	0	0
Financial Leases	0	0
PPP liabilities	0	0
Finance Granted By Cap Equipment Supplier	0	0
Marketable Bonds	0	0
Non(Marketable Bonds	0	0
Bankers Acceptances	0	0
Financial derivatives	0	0
Other Securities	0	0
Municipality Total	**7 469**	**6 222**

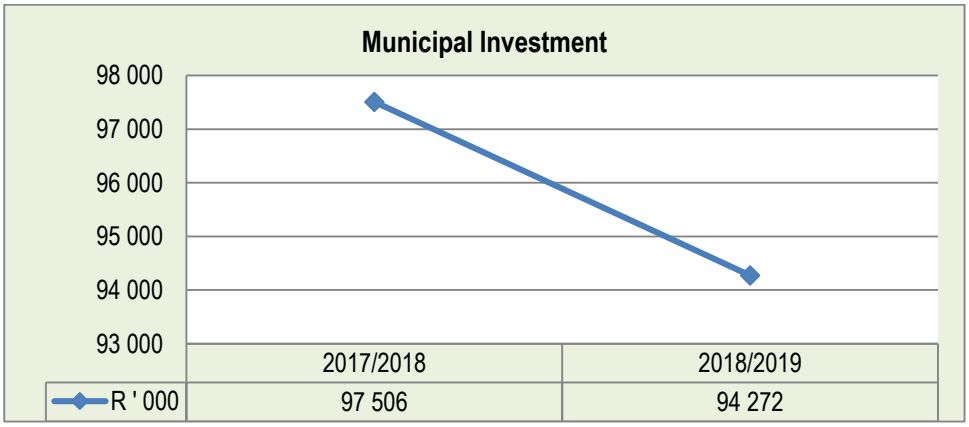
The following graph shows the municipal actual borrowings for the past two years:



5.13.2 Municipal Investments

Investment type	2017/2018	2018/2019
	R'000	R'000
Securities (National Government	-	-
Listed Corporate Bonds	-	-
Deposits (Bank	97 506	94 272
Deposits (Public Investment Commissioners	-	-
Deposits (Corporation for Public Deposits	-	-
Bankers Acceptance Certificates	-	-
Negotiable Certificates of Deposit (Banks	-	-
Guaranteed Endowment Policies (sinking)	-	-
Repurchase Agreements (Banks	-	-
Municipal Bonds	-	-
Other	-	-
Municipality Total	**97 506**	**94 272**

Witzenberg Municipality needs to increase the available investments in order to be financially more viable. This can only be achieved if the payment for rates and taxes improve.



COMPONENT D: OTHER FINANCIAL MATTERS

5.14 SUPPLY CHAIN MANAGEMENT

Witzenberg Municipality implemented policies and practices in compliance with the guidelines stipulated by the SCM Regulations 2005. No councillors are members of any committees handling supply chain processes.

5.15 GRAP COMPLIANCE

GRAP is the acronym for Generally Recognized Accounting Practice and it provides the accounting standards by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders.

CHAPTER 6 – AUDITOR-GENERAL AUDIT FINDINGS

COMPONENT A: AUDITOR-GENERAL OPINION 2018/19

6.1 AUDITOR-GENERAL REPORTS 2017/18

Auditor-General Report on Financial Performance 2017/18	
Status of the audit report:	**Unqualified**
Issue raised	**Corrective step implemented**
Emphasis of matter:	
Material impairments	
As disclosed in notes 3 to the financial statements, the municipality has provided for an impairment of R101 ,4 million (2016-17: R129,4 million) on receivables from exchange transactions.	Water management devices were procured and will be installed to help consumers to manage their water consumption.
As disclosed in note 4 to the financial statements, the municipality has provided for impairment of receivables from non-exchange transactions amounting to R68 million (2016-17: R53,5 million).	The bulk of the outstanding receivables from non-exchange transactions are in respect of traffic fines. A report must be submitted to Council to consider the write off of irrecoverable fines.
Restatement of corresponding figures	
As disclosed in note 37 to the financial statements, the corresponding figures for 30 June 2017 have been restated as a result of the municipal standard charts of account (mSCOA) implementation and errors discovered during 2017-18 in the financial statements of the municipality for the year ended 30 June 2018.	None

6.2 AUDITOR-GENERAL REPORTS 2018/19

Auditor-General Report on Financial Performance 2018/19	
Status of the audit report:	**Unqualified**
Issue raised	**Corrective step implemented**
Emphasis of matter:	
Material impairments	
As disclosed in note 3 to the financial statements, the municipality has provided for an impairment of R131,6 million (2017-18: R101,4 million) on receivables from exchange transactions	Water management devices were procured and will be installed to help consumers to manage their water consumption.
As disclosed in note 4 to the financial statements, the municipality has provided for impairment of receivables from non-exchange transactions of R36,1 million (2017-18: R47 million).	The bulk of the outstanding receivables from non-exchange transactions are in respect of traffic fines and property rates. Fines is the bulk of the outstanding not recovered will be written off in terms of communication from National Prosecution Authority. Stringent collection processes needs to be implemented for the recovery of property rates.
Restatement of corresponding figures	
As disclosed in note 37 to the financial statements, the corresponding figures for 30 June 2018 have been restated as a result of errors discovered during 2018-19 in the financial statements of the municipality for the year ended 30 June 2019	None

LIST OF ABBREVIATIONS

AG	Auditor-General	**MMC**	Member of the Mayoral Committee
CAPEX	Capital Expenditure	**MIG**	Municipal Infrastructure Grant
CBP	Community Based Planning	**MM**	Municipal Manager
CFO	Chief Financial Officer	**MRF**	Material Recovery Facilities
DPLG	Department of Provincial and Local Government	**MSA**	Municipal Systems Act No. 32 of 2000
DWA	Department of Water Affairs	**MTECH**	Medium Term Expenditure Committee
EE	Employment Equity	**NGO**	Non-governmental organisation
GAMAP	Generally Accepted Municipal Accounting Practice	**NT**	National Treasury
GRAP	Generally Recognised Accounting Practice	**OPEX**	Operating expenditure
HR	Human Resources	**PMS**	Performance Management System
IDP	Integrated Development Plan	**PPP**	Public Private Partnership
IFRS	International Financial Reporting Standards	**PT**	Provincial Treasury
IMFO	Institute for Municipal Finance Officers	**SALGA**	South African Local Government Organisation
KPA	Key Performance Area	**SAMDI**	South African Management Development Institute
KPI	Key Performance Indicator	**SCM**	Supply Chain Management
LED	Local Economic Development	**SDBIP**	Service Delivery and Budget Implementation Plan
MAYCO	Executive Mayoral Committee	**SDF**	Spatial Development Framework
MFMA	Municipal Finance Management Act (Act No. 56 of 2003)		

APPENDICES

APPENDIX A: Councillors; Committee Allocation and Council Attendance

See also Chapter 2.1.1 of Annual Report

Name of Councillor / Alderman	Capacity	Committee	% Attendance of Council Meetings 2018/19
TE Abrahams	Mayco Member / Councillor	Local Economic Development, Tourism and Marketing	100%
K Adams	Deputy Executive Mayor / Alderman	Community Development	89%
P Daniels	Councillor	Community Development	89%
TT Godden	Speaker / Alderman		100%
P Heradien	Councillor	Local Economic Development, Tourism and Marketing	56%
SJ Hugo	Councillor (01/07/2018 – 28/08/2018)	Corporate and Financial Services	0%
DM Jacobs	Councillor	Technical Services	100%
D Kinnear	Councillor	Corporate and Financial Services	100%
BC Klaasen	Executive Mayor / Councillor		89%
GG Laban	Councillor	Community Development	89%
C Lottering	Councillor	Local Economic Development, Tourism and Marketing	89%
M Mdala	Councillor	Technical Services	56%
TP Mgoboza	Councillor	Corporate and Financial Services	89%
ZS Mzauziwa-Mdishwa	Councillor	Housing Matters	89%
MJ Ndaba	Councillor (05/12/2018 – 30/06/2019)	Corporate and Financial Services	33%
N Phatsoane	Councillor	Community Development	89%
JT Phungula	Alderlady	Housing Matters	67%
JW Schuurman	Alderman	Corporate and Financial Services	55%
EM Sidego	Mayco Member / Councillor	Housing Matters	100%
RJ Simpson	Councillor	Technical Services	67%
HJ Smit	Mayco Member / Alderman	Corporate and Financial Services	89%
D Swart	Councillor	Technical Services	78%
HF Visagie	Councillor	Local Economic Development, Tourism and Marketing	44%
JJ Visagie	Mayco Member / Alderman	Technical Services	89%

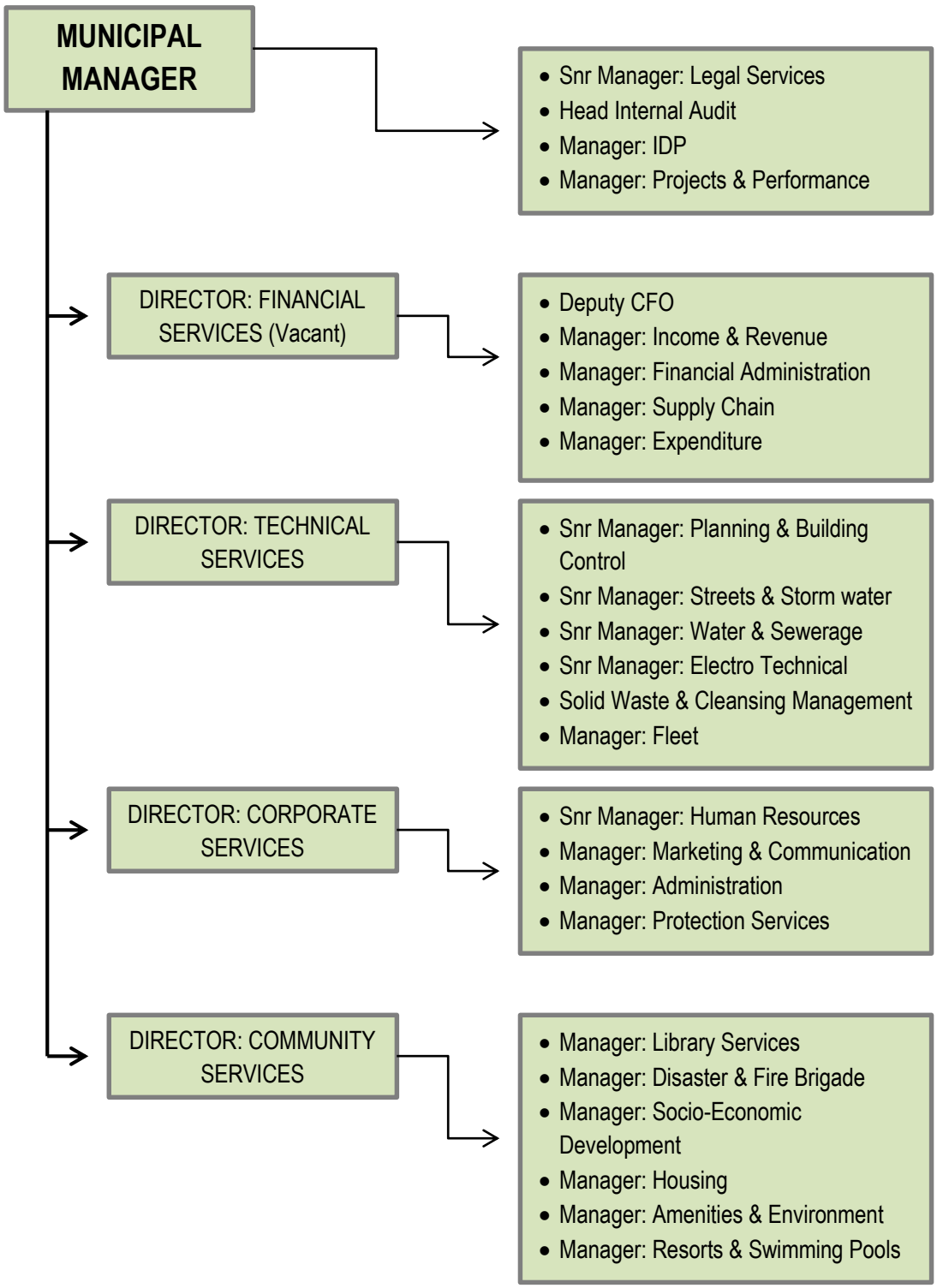
Council Meeting dates	Number of items submitted	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
25 July 2018	45	91%	50%
23 August 2018	5	70%	85%
31 October 2018	52	83%	75%
6 December 2018	17	70%	43%
8 January 2019	2	96%	100%
23 January 2019	15	74%	67%
27 February 2019	23	78%	100%
26 March 2019	12	83%	75%
30 May 2019	28	78%	60%

APPENDIX B: Committees & Committee Purposes

See also Chapter 2.1.1 of Annual Report

Name of Committee	Purpose
Corporate and Financial Services	Administrative & Financial Support Services Traffic (finances) Information Technology IDP & Public Participation Labour Relations Human Resources Budget, Insurance, Assets & Valuations Supply Chain Management Internal Audit Property Management Performance Management Archives Industrial Development
Housing Matters	Housing Management Needs determination Community Participation (Housing) Placement & Allocation Project Management (Housing) Lease & Subsidy Administration Illegal Occupancy & Squatter Control
Local Economic Development, Tourism & Marketing	Local Economic Development Marketing Communication Tourism Museums
Technical Services	Cleansing & Solid Waste Expanded Public Works & Infrastructure Electricity Mechanical Services Civil Services Water & Sanitation Roads & Storm Water Project Management Town Planning & Land Use Building Control
Community Development	Protection Services Traffic Fire Fighting Disaster Management Social Services Child Care Facilities Elderly Support Community Safety Youth Development Night Shelter Stray Animal Management Law Enforcement Library Services Municipal Facilities & Community Halls Parks & Sport Facilities Cemeteries Resorts & Swimming Pools Non-Governmental Organisations Socio-Economic Development Environmental Management Public Transport

APPENDIX C: Third Tier Administrative Structure



APPENDIX D: Functions of the Municipality

The municipal functional areas are as indicated below:

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

Municipal Function	Municipal Function: Yes / No
Noise pollution	Yes
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

APPENDIX E: Ward Committee Governance & Functionality

Ward committee members are paid a monthly stipend and transport is provided, where necessary. This stipend is to aid ward committee members with attend meetings and functions where public participation, through the ward committee system, is required.

Venues have been established for the ward meetings and support personnel. The Community Liaison Officers and Community Development Workers are available for support, if necessary. Refreshments are provided at the ward committee meetings.

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

Ward Number	Committee established: Yes / No	Number of reports submitted to the Speakers/IDP Office	Number meetings held during the year	Committee functioning effectively: Yes / No
1	Yes	6	9	Yes
2	Yes	6	10	Yes
3	Yes	8	9	Yes
4	Yes	4	9	Yes
5	Yes	4	6	Yes
6	Yes	6	8	Yes
7	Yes	5	9	Yes
8	Yes	8	12	Yes
9	Yes	3	5	Yes
10	Yes	6	10	Yes
11	Yes	5	10	Yes
12	Yes	4	8	Yes

The table below provides information on each ward with regards to representatives and the capacity representing:

Ward 1: N'Duli (Polo Cross Hall)

Name of representative	Capacity representing	Number meetings held during the year
Sipho Mdange	Sport & Culture	9
Cynthia Davids	Health & Social	
Raymond Stuurman	Safety	
Andile Gili	Youth	
Mandisa Hinana	Education	
Kenneth Mbangula	Business Community	
Noxolo Mbali	Women	

Name of representative	Capacity representing	Number meetings held during the year
Thubalakhe Mhlakwapalwa	Churches	
Johannes Busakwe	Civics & Taxes	
Lungisile Kondlo	Disabled& Elderly	

Ward 2: Wolseley (Montana Library)

Name of representative	Capacity representing	Number meetings held during the year
	Safety	10
Audrey Longman	Education	
Lucille Classen	Health & Social	
Elizabeth Van Rooyen	Disability & Eldery	
Annemien Bezuidenhout	Civics & Taxes	
Elizabeth Wynand	Women	
Katrina Van Rensburg	Business Community	
Cornelia Moses	Youth	
Adan Maarman	Sport & Culture	
Brian Albertus	Churches	

Ward 3: Ceres (Rietvallei Library)

Name of representative	Capacity representing	Number meetings held during the year
Adriaan Williams	Business Community	9
Mark Mentoor	Health & Social	
Marinda Mankapan	Women	
Hendrik Titus	Churches	
Lorencia Jacobs	Safety	
Mariaan Van Rooi	Youth	
Elizabeth Velensky	Disabled & Elderly	
Saartjie Franse	Sport & Culture	
Amanda Whitebooi	Education	
Ronald Ross	Civics & Taxes	

Ward 4: Prince Alfred's Hamlet (Kliprug Community Hall)

Name of representative	Capacity representing	Number meetings held during the year
Alma Goosen	Business Community	9
David Mentoor	Civics & Taxes	
Johan Jacobs	Youth	
Jane Haas	Women	
	Safety	
Anneline Smit	Churches	
Jerome Barends	Sport & Culture	
Moses Davids	Health & Social	
Jacobus de Wee	Disabled & Elderly	
Le-Marco Smit	Education	

Ward 5: Ceres (John Steyn Library)

Name of representative	Capacity representing	Number meetings held during the year
Hyno Baartman	Health & Social	6
Amelia Abrahams	Disabled & Elderly	
Angeline Wildschut	Youth	
Marius Koopman	Civics & Taxes	
Rudolf Nel	Sport & Culture	
Fiona Hardneck	Churches	
Sylvia Cupido	Women	
Jonathan Nel	Safety	
Ronnie Philander	Education	
Alistair Nasson	Business & Community	

Ward 6: Bella Vista (Bella Vista Library)

Name of representative	Capacity representing	Number meetings held during the year
Frederika Koopman	Youth	8
Joey Jantjies	Churches	
Melanie Bé	Disabled & Elderly	
Sara Krotz	Sport & Culture	
Chantel Pietersen	Health & Social	

Name of representative	Capacity representing	Number meetings held during the year
Johannes Crotz	Safety	
Oelsen Seroot	Business & Community	
Sylvia Minnaar	Women	
Letichia Crotz	Education	
Alwyn Fransman	Civics & Taxes	

Ward 7: Wolseley (Montana Library)

Name of representative	Capacity representing	Number meetings held during the year
Deborah Hlongwana	Churches	
Magdalena Julius	Business Community	
Jacquelina Fortuin	Youth	
Edward Nchephe	Safety	
Kenneth Carelse	Sport & Culture	
Paulina Basson	Health & Social	9
Anne Swarts	Women	
Lambertus Johnson	Civics &Taxes	
Piet Klink	Disable &Elderly	
	Education	

Ward 8: Op -Die-Berg (Op-die-Berg Aksent Office)

Name of representative	Capacity representing	Number meetings held during the year
Brendon Maqhina	Disable & Elderly	
Lena Pieters	Sport & Culture	
Ayanda Teni	Business Community	
Magrieta Baardman	Women	
Elzaan Ruiters	Youth	
Legina Baleni	Churches	12
Albertus Nel	Safety	
Chriszelda Mars	Health & Social	
Gert Jantjies	Education	
Johannes Fransman	Civic & taxis	

Ward 9: Op-die-Berg

Name of representative	Capacity representing	Number meetings held during the year
Francic Mackenzie	Churches	5
Carlo Galant	Health &Social	
Ndelelo Shweni	Disabled & Elderly	
Annie Jansen	Women	
Tom Persens	Education	
Jika Bongiswa	Civics & Taxes	
Mzwandile Phuphuma	Safety	
Aneline Arries	Youth	
	Business Community	
Chrisjan Fortuin	Sport & Culture	

Ward 10: PA Hamlet (Council Chambers)

Name of representative	Capacity representing	Number meetings held during the year
	Youth	10
	Women	
Sophia De Bruin	Health & Social	
Juliana Appollis	Civics & Taxes	
Clive Young	Education	
Berend Skippers	Sport &Culture	
Bruce Salvester	Business Community	
Jacob Faro	Churches	
Leonard Baardman	Safety	
Clara Swarts	Disable &Elderly	

Ward 11: Tulbagh (Council Chamber)

Name of representative	Capacity representing	Number meetings held during the year
Sittimio Louw	Education	10
Jonathan Fransman	Sport & Culture	
Gerald Davids	Sport & Culture	
Rosina Jooste	Churches	

Name of representative	Capacity representing	Number meetings held during the year
Raymond Malapo	Women	
Ann Myburgh	Disabled & Elderly	
Daniel Thomas	Civics &Taxes	
Nceba Nyosana	Youth	
Theo Lombaard	Business Community	
Sittimio Louw	Safety	

Ward 12: N'Duli (Community Hall)

Name of representative	Capacity representing	Number meetings held during the year
Zingiswa Senoamali	Education	8
Mncedisi Gili	Disabled &Elderly	
Jevon Lukas	Churches	
Thembakazi Ncaphayi	Health & Social	
Kholekile Mrwetyana	Business Community	
Humphry Ndwanya	Safety	
Namhla Mdala	Sport & Culture	
N Ruth Yisa	Women	
Siyabonga Gaba	Civics & Taxes	
Bulelwa Mzwakali	Youth	

Ward Number	Committee established: Yes / No	Number of reports submitted to the Speakers/IDP Office	Number meetings held during the year	Committee functioning effectively: Yes / No
1	Yes	6	9	Yes
2	Yes	6	10	Yes
3	Yes	8	9	Yes
4	Yes	4	9	Yes
5	Yes	4	6	Yes
6	Yes	6	8	Yes
7	Yes	5	9	Yes
8	Yes	8	12	Yes
9	Yes	3	5	Yes

Ward Number	Committee established: Yes / No	Number of reports submitted to the Speakers/IDP Office	Number meetings held during the year	Committee functioning effectively: Yes / No
10	Yes	6	10	Yes
11	Yes	5	10	Yes
12	Yes	4	8	Yes

APPENDIX F: Service delivery performance at Ward level

Basic service provision per ward/town (within urban edge).

Wards	Town	Nr. of Accounts				*Informal Households	Housing Waiting List
		Water	Sanitation	Electricity	Refuse		
1,12	*Nduli*	1 119	1 126	1 745	1 113	1 096	1 524
3,5	*Ceres*	2 381	2 734	3 332	3 079		2 256
4,6	*Bella Vista*	2 554	2 579	2 533	2 568		
4,10	*Hamlet*	1 374	1 342	ESKOM	1 331		1 152
9	*Op-Die-Berg*	543	475	ESKOM	520		820
7,11	*Tulbagh*	1 826	1 835	2 244	1 920	812	1 031
2,7	*Wolseley*	2 550	2 606	2 750	2 620	1 059	1 343
TOTALS		12 347	12 697	12 604	13 151	2 967	9 546

*Informal Households – nr of households in informal areas (excluding backyarders)

Top four service delivery priorities per ward/town.

Wards	Town	Priority Name & Detail	Progress During 2018/19
1,12	Nduli	Sewer network needs to be improved	Periodic maintenance. Overload will decrease with re-establishment of informal settlement.
		Sports grounds needs to be restored/ upgraded	On-going vandalism & theft prohibits restoration
		Electrical theft needs to be clamped down	Illegal connections remain high priority to be addressed through newly developed Illegal electricity connection & theft strategy
		Provide street/security lights in unsafe areas	Periodic maintenance.
3,5	Ceres	Weekends the Town Main Roads have too much traffic	Spatial Development Plan in progress
		Housing need	635 Serviced sites completed & top structures being developed at Vredebes
		Rotational skip removal	New Waste Management Policy
		Playgrounds	Borehole for park irrigation
4,6	Bella Vista	Gang activity becoming a problem	Increasing law enforcement & coordination with SAPS
		Vandalizing of Municipal property	Increasing law enforcement & coordination with SAPS
		Business hub/mini CBD for Bella Vista	Discussions with Rural Development for funding
		Clamp down on illegal dumping of refuse.	New Waste Management Policy
4,10	Hamlet	Animal control in all areas	Increased law-enforcement
		Business hub/mini CBD for Kliprug area	Spatial Development Plan in progress
		Xhosa medium school for PA Hamlet area	Conveyed to Provincial Government
		Housing need	Development at Vredebes
9	Op-Die-Berg	The location of public ablutions facilities in the CBD area	New ablutions budgeted for in 2019/20
		More municipal services to be rendered at Op Die Berg offices	New office opened at Nuykintaba Hall
		Illegal shebeens need to be closed	Continued law enforcement & inspections
		Speed calming still a problem	Increased law enforcement
7,11	Tulbagh	More ablution facilities needed in Chris Hani area, and ASLA Camp	Upgrade of Informal Settlements project underway for Chris Hani
		Informal households utilising storm water as a means to dump their grey water & waste water,	Formal housing to be included in housing pipeline to alleviate problem.

		which contaminates river. Storm water network in Tulbagh needs to be maintained regularly	
		Sewerage network in Chris Hani area needs to be maintained regularly	Periodic maintenance
		Speed calming needed along main street walkway routs	Increased law-enforcement
2,7	Wolseley	Taxi rank placements to be investigated	Spatial Development Plan in progress
		Public bathroom facilities in the CBD	Spatial Development Plan in progress
		Back yard dwellers still a problem, housing need	Housing project planned for 2020/21
		Illegal shebeens need to be closed	Continued law enforcement and inspections

APPENDIX G: Audit Committee recommendations

Date of the PRAC meetings	Committee recommendations during 2018/19	Recommendations adopted (enter Yes) If not adopted (provide explanation)
21 Sep 18	That the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council that notice be taken of the Annual Risk Assessment Report and same be accepted.	Yes
21 Sep 18	That the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council that notice be taken of the Section 71 monthly reports of the Directorate Finance for April, May and June 2018 and same be accepted.	Yes
21 Sep 18	That the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council that notice be taken of the Section 71 monthly reports of the Directorate Finance for July and August 2018 and same be accepted.	Yes
21 Sep 18	That the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council that notice be taken of the Internal Audit Overtime Report and same be accepted.	Yes
21 Sep 18	That the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council that notice be taken of the Quarterly Section 52(d) report of the Executive Mayor on the implementation of the budget and state of affairs of the municipality for the third quarter of 2017/2018 and same be accepted.	Yes
21 Sep 18	That the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council that notice be taken of the Quarterly Budget Statement [Section 52(d)] report for the fourth quarter of 2017/2018 and same be accepted.	Yes
21 Sep 18	That the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council that notice be taken of the annual review of the Internal Audit Charter for the period 1 July 2018 until 30 June 2019 and same be accepted.	Yes
21 Sep 18	That the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council that notice be taken of the annual review of the Performance, Risk and Audit Committee Charter for 2018/2019 and same be accepted.	Yes
21 Sep 18	That the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council that notice be taken of the Internal Audit Report in respect of the year-end stock count for 2018 and same be accepted.	Yes
21 Sep 18	That the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council that notice be taken of the PRAC Performance evaluations for 2017/2018 and same be accepted.	Yes
21 Sep 18	That the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council that notice be taken of the Internal Audit Report in respect of the Compliance with Division of Revenue Act, 2017 (DORA) and same be accepted.	Yes
26 Oct 18	That the Performance, Risk and Audit Committee takes notice of the Fraud and Corruption Prevention Strategy and accepts same.	Yes

Date of the PRAC meetings	Committee recommendations during 2018/19	Recommendations adopted (enter Yes) If not adopted (provide explanation)
26 Oct 18	that the Performance, Risk and Audit Committee takes notice of the Fraud and Corruption Prevention Policy and Response Plan and same be accepted.	Yes
26 Oct 18	that the Performance, Risk and Audit Committee takes notice of the Whistle Blowing Policy and same be accepted.	Yes
26 Oct 18	That the Performance, Risk and Audit Committee to recommend to the Executive Mayoral Committee and Council that the Section 71 monthly report of the Directorate Finance for September 2018 be approved and accepted	Yes
26 Oct 18	That the Performance, Risk and Audit Committee takes notice of the Internal Audit Report in respect of Disaster Management Compliance and same be accepted.	Yes
26 Oct 18	That the Performance, Risk and Audit Committee takes notice of the Internal Audit Methodology, Supervision and Quality Control review and same be accepted.	Yes
26 Oct 18	That the Performance, Risk and Audit Committee takes notice of the Status of implementation report on the Internal Audit Risk Based Audit Plan (RBAP) for the first quarter of 2018/2019 and same be accepted.	Yes
11 Nov 18	To recommend to the Executive Mayoral Committee and Council that notice be taken of the AGSA Audit Report for 2017/2018 and same be accepted	Yes
11 Nov 18	That the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council: that the Section 71 monthly report of the Directorate Finance for October 2018 be noted and accepted.	Yes
11 Nov 18	that the Performance, Risk and Audit Committee finalise the Performance, Risk and Audit Committee report and submit the signed report to the Municipal Manager for attachment to the final Annual Report 2017/2018	Yes
08 Feb 19	To recommend to the Executive Mayoral Committee and Council that notice be taken of the Section 71 Monthly Budget Statement Reports for November and December 2018 and same be approved and accepted.	Yes
08 Feb 19	The Performance, Risk and Audit Committee advised that Council look at the matter of debt on a regular basis and reassess the situation and recommend to Executive Mayoral Committee and Council that the Performance, Risk and Audit Committee takes notice of Council's ad hoc committee on finance and advises that Council look on a regular basis at the matter of debt and reassess the situation.	Yes
17 May 19	That the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council that notice be taken of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for January, February and March 2019 and, after consideration, same be approved and accepted.	Yes
17 May 19	That the Performance, Risk and Audit Committee recommends to the Executive Mayoral Committee and Council that notice be taken of the Quarterly Budget Statement [Section 52(d)] Report for the Third Quarter of 2018/2019 (1 January until 31 March 2019) and, after consideration, same be approved and accepted.	Yes

Audit Committee recommendations on Fraud & Financial Misconduct for 2018/19

Minutes: Performance, Risk & Audit Committee Meeting, 17 May 2019, Item 4.3

"The Performance, Risk and Audit Committee resolved on 8 February 2019 that matters of fraud be a standing item on the PRAC agenda.

The PRAC Charter states that the Performance, Risk and Audit Committee must:

1. Gain thorough understanding of the risk management policy, risk management strategy, risk management implementation plan, and fraud risk management policy of the institution to enable them to add value to the risk management process when making recommendations to improve the process;
2. Review the process implemented by Management in respect of fraud prevention and ensures that all fraud related incidents have been followed up appropriately.

The Audit Committee Annual Report guideline suggests reporting the following:

The municipality has adopted aggressive anti-corruption measures to curb the frequency and magnitude of fraud and corruption.
The audit committee considered the quarterly reports from the forensic investigations unit of the municipality on the investigations conducted, the nature of the incidents and the outcomes of the investigations.
Based on the above-mentioned it is recommend that the Performance, Risk and Audit Committee consider the following to be added to the PRAC agenda (In-committee):

Heading: Fraud and financial misconduct

In terms of the PRAC Charter the committee must:
Gain thorough understanding of the risk management policy, risk management strategy, risk management implementation plan, and fraud risk management policy of the institution to enable them to add value to the risk management process when making recommendations to improve the process;
Review the process implemented by Management in respect of fraud prevention and ensures that all fraud related incidents have been followed up appropriately.

The following related information is for consideration:

- HR register for case types fraud/theft and financial misconduct.
- Finance registers on Irregular, Fruitless and Wasteful expenditure ("None" will be reported if no cases were registered).
- Fraud Risk register (Risk and control).

The Performance, Risk and Audit Committee oversight and review over the anti-fraud policies will also take place under this heading.

- The Performance, Risk and Audit Committee requested that the Fraud and Risk registers be kept as separate and standing items on the agenda.
- That the municipality does not have a forensic investigations unit, but if needed, that the matter will be outsourced.
- That all theft matters be reported in the HR register.
- That matters of financial misconduct be regarded as much more serious.
- That fraud and financial misconduct be added to the PRAC agendas as a standing item with two sub-items, i.e HR register and
- Financial misconduct

RESOLVED

(a) that the Fraud and Risk registers be kept as two separate and standing items on the agenda.
(b) that the item on fraud will have two sub-items, namely:
(i) HR register and
(ii) Financial misconduct
(c) that the Performance, Risk and Audit Committee, after consideration, takes notice of the resolutions register and same be accepted.

APPENDIX H: Long Term Contracts and Public Private Partnerships

Only one long term contract for the provision of banking services as awarded to First National Bank under Bid nr. 08/2/15/23. No Public Private Partnership was entered to by end of June 2018/19.

APPENDIX I: Service delivery performance of entities & service providers

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

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

During the year under review, the municipality did not appoint any service providers who provided municipal services to or for the benefit of the local community on behalf of the municipality and thus, this report contains no information in this regard. All other contract appointments are regularly monitored in terms of Section 51(3) of the Supply Chain Management Policy which stipulates that vendor performance must be monitored as follows:

- Each project manager shall monitor the supplier's compliance and performance to the set of specifications.
- If the supplier fails to perform in accordance with the specification requirements, the project manager must report such failure to the supplier in writing immediately upon becoming aware of such non-compliance for them to correct the situation.

The above information will be kept and made available for future evaluation purposes, contract negotiations and regular feedback to vendors.

If vendors fail to deliver in terms of paragraph 23(1)(a) of the General conditions of the contract, the municipality reserves the right to make use of remedies at its disposal in terms of applicable law.

APPENDIX J: Disclosure on Financial Interests

Schedule 1, Section 7 as well as Schedule 2, Section 5A of the Municipal Systems Act states that when a councillor is elected or appointed or a person appointed in terms of section 56 or a municipal manager, he or she must within 60 days declare in writing to the municipal manager or the chairperson of the municipal council the following financial interests held:

- shares and securities in any company;
- membership of any close corporation;
- interest in any trust;
- directorships;
- partnerships;
- other financial interests in any business undertaking
- employment and remuneration;
- interest in property;
- pension; and
- subsidies, grants and sponsorships by any organisation.

Any change in the nature or detail of the financial interests of any councillor or official must be declared in writing to the municipal manager or to the chairperson of the municipal council annually. The municipal Council must determine which of the financial interests referred in the above-mentioned list must be made public, whilst balancing the need for confidentiality and disclosure in the public interest.

The following table lists the disclosure of financial interests of the administrative and strategic role players of the municipality which were deemed to be disclosed for public interest:

Disclosures of Financial Interests		
2018/2019		
Name	**Description of Financial interests***	
Executive Mayor		
Cllr BC Klaasens	Shares and securities in any	NASPERS and SASOL
	Directorships	Klaasen Incorporated
	Employment and Remuneration	Witzenberg Municipality; Klaasen Incorporated
	Property	2 Beets Street, Ceres 45 Trekker Street, Plettenberg Bay
	Pension	Consolidated Retirement Fund
Member of Mayoral Committee / Executive Committee		
Alderman K Adams	Employment and Remuneration	Witzenberg Municipality
	Property	853 Vrede Street, Bella Vista
	Pension	Consolidated Retirement Fund
Alderman T Godden	Share and Security in any company	Klein Begin Viswinkel
	Directorship	Klein Begin Viswinkel; Rimary Co-operative Limited
	Employment and Remuneration	Witzenberg Municipality
	Interest in Property	214 Hoop Street , Koue Bokkeveld
	Pension	Consolidated Retirement Fund

Disclosures of Financial Interests		
2018/2019		
Name	**Description of Financial interests***	
Cllr TE Abrahams	Shares and securities in any	MTN; SASOL; Peninsula Hotel Time shares
	Close Corporation	Trevor Farming CC; Dwarsrivier Berries CC
	Interest in any trust	Abrahams Family Trust
	Directorships	Breede Gouritz Catchment Management Agency
	Employment and Remuneration	Witzenberg Municipality & Breede Gouritz Catchment Management Agency
	Property	7 Fortuin Street, Ceres, 1 Cloete Street, Ceres
	Pension	Consolidated Retirement Fund
Alderman HJ Smit	Employment and Remuneration	Witzenberg Municipality
	Property	28 Tall Timber Avenue, Ceres
	Pension	Consolidated Retirement Fund
Alderman JJ Visagie	Employment and Remuneration	Witzenberg Municipality
	Property	Skuinsbaai, Prince Alfred's Hamlet
	Pension	Consolidated Retirement Fund
Cllr EM Sidego	Employment and Remuneration	Witzenberg Municipality
	Property	9 Michael Street, Tulbagh
	Pension	Consolidated Retirement Fund
Councillor		
Cllr M Mdala	Remuneration	Witzenberg Municipality
	Pension	Consolidated Retirement Fund
Cllr P Daniels	Employment and Remuneration	Witzenberg Municipality and Cape Wineland District Municipality
	Property	7th Avenue Wolseley
	Pension	Consolidated Retirement Fund
Cllr S Hugo (From 1 July 2018 until 28 Augustus 2018)	Employment and Remuneration	Witzenberg Municipality
	Pension	Consolidated Retirement Fund
Alderman J Schuurman	Employment and Remuneration	Witzenberg Municipality and Cape Wineland District Municipality
	Property	35 Long Street, Bella Vista
	Pension	Consolidated Retirement Fund
Cllr GG Laban	Employment and Remuneration	Witzenberg Municipality
	Pension	Consolidated Retirement Fund
Cllr Z Mzauziwa	Employment and Remuneration	Witzenberg Municipality
	Pension	Consolidated Retirement Fund
Cllr TP Mgoboza	Employment and Remuneration	Witzenberg Municipality

Disclosures of Financial Interests		
2018/2019		
Name	**Description of Financial interests***	
	Pension	Consolidated Retirement Fund
Cllr Kinnear	Employment and Remuneration	Witzenberg Municipality
	Pension	Consolidated Retirement Fund & Telkom
	Property	3 Kort Street, Wolseley
Cllr DM Jacobs	Employment and Remuneration	Witzenberg Municipality
	Property	Co-Owner: 158 Phakamisa Street, Nduli Co-Owner: 26 Hollenbach Street, Worcester
	Pension	Consolidated Retirement Fund
Cllr C Lottering	Employment and Remuneration	Witzenberg Municipality
	Property	23 Belverdere Single, Wolseley
	Pension	Consolidated Retirement Fund
Cllr P Heradien	Shares and Securities in any company	Colbalt
	Employment and Remuneration	Witzenberg Municipality and Leasing of property, 44 Lyell Street Ceres
	Property	44 Lyell Street Ceres; 42 Lyell Street Ceres
	Pension	Consolidated Retirement Fund; ABSA Pension Fund
Cllr N Phatsoane	Employment and Remuneration	Witzenberg Municipality
	Pension	Consolidated Retirement Fund
Cllr H Visagie	Employment and Remuneration	Witzenberg Municipality
	Pension	Consolidated Retirement Fund
Alderlady JT Phungula	Employment and Remuneration	Witzenberg Municipality
	Property	8 Buckingham Street, Ceres
	Pension	Consolidated Retirement Fund
Cllr RJ Simpson	Employment and Remuneration	Witzenberg Municipality
	Pension	Consolidated Retirement Fund
Cllr D Swart	Shares and securities in any company	Crispy Farming
	Employment and Remuneration	Witzenberg Municipality and Cape Wineland District Municipality
	Property	2 St James Street, Ceres
	Pension	Consolidated Retirement Fund
Cllr M Ndaba (From 5 December 2018-)	Shares and securities in any	Disselfontein Eyethuintaba Farm Project
	Directorships	Disselfontein Eyethuintaba Farm Project
	Partnership	Partnership with Donkerbos Landgoed at Eyethuintaba Farm Project
	Employment and Remuneration	Donkerbos Landgoed and Witzenberg Municipality

Disclosures of Financial Interests		
2018/2019		
Name	**Description of Financial interests***	
	Pension	Consolidated Retirement Fund
Chief Accounting Officer		
Mr D Nasson	Shares and securities in any company	Old Mutual
	Property	Residential
Chief Financial Officer		
Vacant		
Directors		
Mr JF Barnard	Property	Residential (Small Holding); Farm
Mr M Mpeluza	Property	Residential
** Financial interests to be disclosed even if they incurred for only part of the year. See MBRR SA34A*		

APPENDIX K: Statements of Revenue Collection Performance by vote & source

Revenue collection by vote

The table below indicates the Revenue collection performance by vote:

Vote Description	2017/18	2018/19			2018/19 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjust-ments Budget
	(R'000)				(%)	
Vote1 - Executive and Council	–	–	–	1 143	–	–
Vote2 - Budget and Treasury Office	83 511	89 434	88 829	86 082	(3,75)	(3,09)
Vote3 - Corporate Services	755	1 416	1 516	23 966	1 592,36	1 480,73
Vote4 - Planning and Development	1 004	2 092	1 561	1 191	(43,06)	(23,69)
Vote5 - Public Safety	28 309	21 294	21 294	18 004	(15,45)	(15,45)
Vote6 - Health	–	–	–	–	–	–
Vote7 - Community and Social Services	81 107	99 164	98 241	96 746	(2,44)	(1,52)
Vote8 - Sports and Recreation	7 600	9 300	9 261	6 962	(25,15)	(24,83)
Vote9 - Housing	13 006	33 612	13 394	9 049	(73,08)	(32,44)
Vote10 - Waste Management	25 965	22 643	23 470	25 347	11,94	8,00
Vote11 - Road Transport	4 189	19 871	27 050	19 913	0,21	(26,38)
Vote12 - Waste Water Management	42 108	22 674	38 353	46 150	103,53	20,33
Vote13 - Water	67 545	52 679	54 716	49 654	(5,74)	(9,25)
Vote14 - Electricity	211 203	241 812	241 402	227 520	(5,91)	(5,75)
Vote15 - Environmental Management	2	12	952	88	628,90	(90,78)
Total Revenue by Vote	566 305	616 004	620 039	611 814	(0,68)	(1,33)

Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3

Revenue collection by Source

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

Vote Description	2017/18	2018/19			2018/19 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjust-ments Budget
	(R'000)				(%)	
Property rates	63 835	70 128	68 317	69 879	(0,35)	2,29
Property rates - penalties & collection cha	671	–	–	1 133	–	–
Service Charges - electricity revenue	210 359	235 714	235 937	221 840	(5,89)	(5,97)
Service Charges - water revenue	45 429	41 882	42 180	35 547	(15,13)	(15,72)
Service Charges - sanitation revenue	26 997	17 387	18 116	24 904	43,23	37,46
Service Charges - refuse revenue	23 384	21 424	21 985	22 909	6,93	4,20
Service Charges - other	–	–	–	–	–	–
Rentals of facilities and equipment	5 990	10 198	10 198	5 441	(46,65)	(46,65)
Interest earned - external investments	8 122	8 194	8 194	8 551	4,35	4,35
Interest earned - outstanding debtors	10 373	7 457	7 457	9 413	26,23	26,23
Dividends received	–	–	–	–	–	–
Fines	23 670	18 904	18 904	13 452	(28,84)	(28,84)
Licences and permits	1 164	155	155	1 125	624,57	624,57
Agency services	3 586	8 293	8 293	3 789	(54,32)	(54,32)
Transfers recognised - operational	94 207	135 381	115 971	105 776	(21,87)	(8,79)
Other revenue	14 036	9 268	11 418	32 983	255,89	188,87
Gains on disposal of PPE	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	531 824	584 385	567 125	556 740	(4,73)	(1,83)

Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3

APPENDIX L: Conditional Grants excluding MIG

Conditional Grants: excluding MIG						R' 000
Details	**Budget**	**Adjustments Budget**	**Actual**	**Variance**		**Major conditions applied by donor (continue below if necessary)**
				Budget	**Adjustments Budget**	
Regional Bulk Infrastructure Grant – DWS – Tulbagh Dam	0	2 500	2 500	n/a	100%	n/a
Public Transport Infrastructure and Systems Grant	2 346	2 346	2 116	90%	90%	n/a
Integrated National Electricity Programme	5 000	5 000	4 849	97%	97%	n/a
Human Settlement Development Grant	33 278	33 278	34 515	103%	103%	n/a
Expanded Public Works Programme	1 750	1 750	2 026	115%	115%	n/a
Libraries	9 342	9 342	8 426	90%	90%	n/a
District – Waste Water Management	500	500	525	105%	105%	n/a
Parks and Recreation	300	300	300	100%	100%	n/a
Total	52 516	55 016	55 257	100%	100%	

** This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in the main report, see T 5.8.3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Obtain a list of grants from national and provincial government.*

T L

APPENDIX M: New Capital works & renewal programme

APPENDIX N: Full programme of capital projects

APPENDIX O: Alignment of projects to wards

The following tables show the individual budgeted projects as allocated per ward:

(NOTE: Extract from the 2019/20 IDP Revision. Budget below only includes capital projects related to infrastructure upgrades to address backlogs.)

Key Performance Area: 1. ESSENTIAL SERVICES

Strategic Objective: 1.1 SUSTAINABLE PROVISION & MAINTENANCE OF BASIC INFRASTRUCTURE

Programme	Department	Project	Funding Source	Ward	Budget 2019-2020	Budget 2020-2021	Budget 2021-2022	Budget 2022-2023
1.1a Upgrading of bulk resources & infrastructure	Elec Admin	MV Substation Equipment	CRR	All	1 500 000		1 500 000	
	Sewerage	Aerator replacement programme	CRR	All	500 000		500 000	
	Sewerage	Refurbishment WWTW	CRR	All	600 000		750 000	
	Sewerage	Security upgrades	CRR	All	300 000	450 000		300 000
	Solid Waste	New Material Recovery Facility/Drop Off	Belgium	3	1 000 000			
	Water	Security upgrades	CRR	All	350 000	1 200 000		450 000
	Water	Tulbagh Dam	RBIG	11	16 931 304	20 000 000		
	Solid Waste	New Material Recovery Facility/Drop Off	MIG	All		15 000 000		
	Water	Op-Die-Berg Reservoir	MIG	8			7 500 000	
	Water	Tulbagh Reservoir	MIG	7,11			6 000 000	7 000 000
	Water	Tierhokskloof bulk pipeline	MIG	7				5 000 000
	Water	Tulbagh Dam (own)	CRR	7,11			5 000 000	
1.1b Upgrade & maintenance of network infrastructure	Elec Admin	Upgrade of LV Network Cables	CRR	All	1 000 000	1 000 000		1 000 000
	Elec Admin	MV Network Equipment	CRR	All	1 000 000	1 000 000	1 000 000	
	Elec Admin	Upgrade of MV Cables	CRR	All	60 000	800 000	550 000	
	Elec Admin	Tools & Equipment	CRR	All	160 000		100 000	
	Elec Str Lights	Upgrade of Streetlights	CRR	All	350 000	350 000	350 000	300 000
	Sewerage	Sewer Pumps-replacement	CRR	All	200 000	200 000	200 000	250 000
	Sewerage	Sewer Network Replacement	CRR	All	1 000 000	2 000 000	1 500 000	1 000 000
	Sewerage	Tools & Equipment	CRR	All	100 000	100 000	50 000	100 000
	Water	Infrastructure Management System	CRR	All	200 000		200 000	
	Water	Tools & Equipment- New	CRR	All	100 000	100 000	50 000	50 000
	Water	Network- Water Pipes & Valve Replacemer	CRR	All	1 000 000	2 000 000	1 500 000	1 000 000
	Water	Grey Water System	CRR	All			3 000 000	
	Elec Admin	Electrical Network Refurbishment	CRR	All	1 200 000			1 500 000
	Water	Fencing	CRR	All	1 000 000			1 000 000
	Water	Vehicle replacement	CRR	All	10 000			
	Solid Waste	Drop-offs Transfer stations	CRR	All			3 000 000	4 000 000
	Solid Waste	30ton Bins & Truck For Mrf	CRR	All			3 500 000	

Programme	Department	Project	Funding Source	Ward	Budget 2019-2020	Budget 2020-2021	Budget 2021-2022	Budget 2022-2023
1.1c Transport management & road maintenance	Roads	Network streets	CRR	All	5 000 000	2 500 000	2 000 000	2 500 000
	Roads	Pedestrian Route along R46/Nduli	RSEP	1	870 000			
	Stormwater	Network - Storm Water Upgrading	CRR	All	450 000	450 000	450 000	450 000
	Roads	Upgrade Pavement Vosstr From Retief To I	RSEP	5	2 608 000			
	Roads	Upgrade Pavement Vosstr From Retief To I	CRR	5	1 400 000			
	Roads	New taxi facility Ceres	MIG	5		4 880 000	2 120 000	
	Roads	Upgrade Van Breda bridge	CRR	3,5		4 000 000		
	Roads	Tools & Equipment	CRR	All			50 000	50 000
	Roads	Pavement Upgrading	District	All	500 000			
	Roads	NMT Sidewalks Ceres	CRR	3,5			500 000	

Strategic Objective: 1.2 PROVIDE FOR THE NEEDS OF INFORMAL SETTLEMENTS THROUGH IMPROVED SERVICES

Programme	Department	Project	Funding Source	Ward	Budget 2019-2020	Budget 2020-2021	Budget 2021-2022	Budget 2022-2023
1.2a Implementation of human settlement plan (serviced sites)	Elec Admin	Vredebes Electrical Network	INEP	5	2 608 696	5 565 218	4 347 826	3 500 000
	Elec Str Lights	Vredebes Streetlights	MIG	5	821 481			1 800 000
	Stormwater	Vredebes New Storm water Channel & Det	MIG	5	3 391 441			
	Roads	Vredebes Ph1 Busroutes	MIG	5	1 786 386			
	Roads	Nduli Housing Roads	IHHSDG	1,12			1 739 130	
	Sewerage	Nduli Housing Sanitation	IHHSDG	1,12			1 739 130	
	Water	Nduli Housing Sanitation	IHHSDG	1,12			1 739 130	
	Storm water	Nduli Housing Storm water	IHHSDG	1,12			1 739 130	
	Water	Vredebes Internal Bulk	MIG	5				750 000
	Storm water	Vredebes Internal Bulk	MIG	5				1 500 000
	Roads	Vredebes Internal Bulk	MIG	5				2 500 000
	Sewerage	Vredebes Internal Bulk	MIG	5				1 100 000
	Roads	Vredebes Access Collector	MIG	5				
	Roads	Vredebes Housing Roads	IHHSDG	5		10 000 000		
	Water	Vredebes Housing Water	IHHSDG	5		10 000 000		
	Storm water	Vredebes Housing Storm water	IHHSDG	5		10 000 000		
	Sewerage	Vredebes Housing Sewerage	IHHSDG	5		10 000 000		

Department	Unique number	Description	Funding Source	Amended Budget 2018/19	Actual as on 30/06/2019	Unspent	% Expenditure
Admin	20170609046569	Upgrade Council chambers	CRR	81 149	69 808	11 341	86%
Dir Corp	20170609046446	Office Equipment	CRR	260 000	212 034	47 966	82%
IT	20170609046467	IT Equipment	CRR	600 000	583 122	16 878	97%
Marketing & Co	20170808070116	Camera and photographic equiment	CRR	23 774	23 774	-	100%
Marketing & Co	20170808070119	Access Control - Furniture and Equipme	CRR	77 192	20 448	56 744	26%
Marketing & Co	20170609046518	Signage & Billboards	CRR	156 919	103 310	53 609	66%
Totals				R 1 199 034	R 1 012 496	R 186 538	84%

Department	Unique number	Description	Funding Source	Amended Budget 2018/19	Actual as on 30/06/2019	Unspent	% Expenditure
Halls And Facilities	20170808070128	Ceres Town Hall: Aircons	CRR	500 000	20 592	479 408	4%
Halls And Facilities	20170609046590	Tulbagh Town Hall: Stage curtains	CRR	89 786	89 786	-	100%
Halls And Facilities	20170808070107	Equipment	CRR	64 197	63 398	799	99%
Dir Com	20170609046506	Office Equipment	CRR	30 000	26 804	3 196	89%
Enviroment	20170609046458	Develop Pound for stray animals	CRR	1 098 933	-	1 098 933	0%
Library	20180707024074	Upgrade Wolseley Library	Prov Grant	400 000	-	400 000	0%
Parks	20170808070041	Cherry picker	CRR	1 480 280	1 470 000	10 280	99%
Parks	20170808070080	Chainsaws	CRR	37 664	37 664	-	100%
Parks	20170609046470	Irrigation (kruipspuite)	CRR	2 375	-	2 375	0%
Parks	20170808070104	Brushcutters	CRR	93 300	93 214	86	100%
Parks	20180707024065	Sportsground Development & Upgrading	CRR	637 197	636 907	290	100%
Parks	20170609046575	Resurface netball courts	CRR	290 000	289 910	90	100%
Parks	20170808070083	Plant & Equipment	CRR	91 809	90 156	1 653	98%
Pine Forest : Administration	20180707024002	Furniture Chalets	CRR	192 000	164 492	27 508	86%
Pine Forest : Administration	20170609046596	Plant & Equipment	CRR	220 000	187 261	32 739	85%
Swimming Pools	20170609046392	Eiland Swimming Pool	CRR	101 982	88 081	13 901	86%
Recreational Land	20190227983231	Upgrade of Sport Facilities	Prov Grant	260 869	260 869	-	100%
L E D	20170609046482	Skoonvlei Economic Hub	CRR	602 404	550 946	51 458	91%
Parks	20181207015944	Plant & Equipment	CRR	-	8 756	-8 756	#DIV/0!
Recreational Land	20190412024547	Upgrade of Sport Facilities	CRR	134 400	85 000	49 400	63%
Totals				R 6 327 196	R 4 163 836	R 2 163 360	66%

Unique number	Description	Funding Source	Amended Budget 2018/19	Actual as on 30/06/2019	Unspent	% Expenditure
20170808070062	Vredebes Electrical Network	INEP	4 347 826	4 135 778	212 048	95%
20180707023957	MV Substation Equipment	CRR	800 000	796 948	3 052	100%
20180707023960	Upgrade of LV Network Cables	CRR	1 450 000	1 362 702	87 298	94%
20180707023963	MV Network Equipment	CRR	2 480 000	2 411 159	68 841	97%
20180707023999	Upgrade of MV Cables	CRR	570 000	566 573	3 427	99%
20170609046557	Tools & Equipment	CRR	120 000	115 858	4 142	97%
20180707023966	Upgrade of Streetlights	CRR	537 000	535 337	1 663	100%
20190227983228	Vredebes Streetlights	CRR	852 092	852 091	1	100%
20180707023969	Vredebes Streetlights	MIG	708 741	708 333	408	100%
Totals			R 11 865 659	R 11 484 779	R 380 880	97%

Unique number	Description	Funding Source	Amended Budget 2018/19	Actual as on 30/06/2019	Unspent	% Expenditure
20170808070071	Aerator replacement programme	CRR	625 000	625 000	-	100%
20180707023987	Vredebes Housing Sanitation	IHHSDG	7 000 000	7 000 000	-	100%
20170609046431	Refurbishment WWTW	CRR	725 000	724 995	5	100%
20170609046494	Sewer Pumps-replacement	CRR	273 800	273 798	2	100%
20170609046527	Sewer Network Replacement	CRR	1 029 000	1 025 616	3 384	100%
20170609046539	Security upgrades	CRR	843 810	843 810	-	100%
20170609046551	Tools & Equipment	CRR	127 000	119 942	7 058	94%
Totals			R 10 623 610	R 10 613 161	R 10 449	100%

Unique number	Description	Funding Source	Amended Budget 2018/19	Actual as on 30/06/2019	Unspent	% Expenditure
20180707024011	Vredebes Housing Roads	IHHSDG	8 163 613	8 163 613	0	100%
20180707024020	Upgrade Van Breda Bridge	Prov Grant	1 842 609	1 841 660	949	100%
20180707024026	Upgrade Van Breda Bridge	CRR	460 652	400 000	60 652	87%
20170609046409	Vredebes Acces Collector	MIG	10 360 611	10 360 611	0	100%
20170609046548	Rehabilitation - Streets Tulbagh	CRR	11 172 543	11 152 044	20 499	100%
20170609046440	Network streets	CRR	269 000	269 000	0	100%
20170609046563	Traffic Calming	CRR	150 000	150 000	0	100%
20170609046593	Digger loaders	Loans	1 000 000	991 000	9 000	99%
20180707024035	Vredebes Housing Storm water	IHHSDG	4 000 000	4 000 000	0	100%
20180707024041	Vredebes New Storm water Chann	MIG	8 088 039	8 088 003	36	100%
20170609046635	Network - Storm Water Upgrading	CRR	300 000	300 000	0	100%
Totals			R 45 807 067	R 45 715 931	R 91 136	100%

Unique number	Description	Funding Source	Amended Budget 2018/19	Actual as on 30/06/2019	Unspent	% Expenditure
20170609046434	Op Die Berg Public Toilets	CRR	200 000	0	200 000	0%
20180707023993	New Material Recovery Facility/Drop Off	Belgium	621 180	621 180	0	100%
20170609046473	Vehicle Replacement Programme	Loans	550 000	509 375	40 625	93%
Totals			R 1 371 180	R 1 130 555	R 240 625	82%

Unique nr	Description	Funding Source	Amended Budget 2018/19	Actual as on 30/06/2019	Unspent	% Expenditure
20170609046503	Office Equipment (Director)	CRR	45 058	45 058	-	100%
20180707023978	Vredebes Housing Water	IHHSDG	7 000 000	7 000 000	-	100%
20170609046626	Infrastructure Management System	CRR	526 519	526 519	-	100%
20170609046419	Tools & Equipment- New	CRR	100 000	99 980	20	100%
20170609046536	Security upgrades	CRR	710 538	710 538	-	100%
20170609046614	Network- Water Pipes & Valve Replacement	CRR	1 201 200	1 199 601	1 599	100%
20170609046578	Tulbagh Dam	RBIG	2 500 000	2 499 997	3	100%
20190625993803	Tulbagh Dam	CRR	30 000	29 180	820	97%
20180911065513	Grey Water System	CRR	500 000	456 600	-	91%
Totals			R 12 613 315	R 12 567 473	R 45 842	100%

APPENDIX P: Schools & clinics with access to basic services

There are no service connection backlogs to schools and clinics within urban areas where Witzenberg Municipality are responsible for services. The situation of service connections in rural areas are however unknown.

Ref	KPI	Unit of Measurement	Wards	Target/Actual performance of 2016/17	Target for 2017/18	Overall actual performance for 2017/18	
FinInc17	Number of outstanding valid applications for water services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	All	<1%/0%	<1%	0%	
FinInc18	Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	All	<1%/0%	<1%	0%	
FinInc19	Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	All	<1%/0.05%	<1%	0%	
FinInc20	Number of outstanding valid applications for refuse collection services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	All	<1%/0%	<1%	0%	

APPENDIX Q: Schools & clinics with access to basic services where other spheres of government are responsible for the provision

This Appendix relates to all service backlogs experienced by the community where another sphere of government is responsible for providing the service, this information is provided to assist the national and provincial departments improve planning, budgeting and implementation.

Information can however not be provided as the type of service, backlog & backlog criteria are unknown to the municipality.

APPENDIX R: Declaration of Loans and Grants Made by the Municipality

No loans or grants were granted by the municipality.

APPENDIX S: Declaration of Returns not Made in due Time under MFMA s71

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year.

The Chief Financial Officer states that these data sets have been returned according to the reporting requirements/ with no exceptions for the 2018/19 financial year.

Signed (Acting Chief financial Officer)

A Raubenheimer

02/10/2019
Date

APPENDIX T: National and Provincial Outcome for local government

This Appendix covers information not addressed in any of the other areas of the Annual Report, relating to municipal powers and functions that can be used by the National and Provincial Spheres to monitor and evaluate service delivery performance. This should indicate the progress to date, numbers and percentage achieved.

All major service delivery functions are measured through key performance indicators as reported on under Chapter 3.1.7.

The tables below provide the results on these indicators as well as reasons for under-performance where targets were not achieved.

Actual strategic performance (Top Layer) and corrective measures that will be implemented

1.1) Sustainable provision and maintenance of basic infrastructure

Ref	KPI	Unit of Measurement	Wards	Target/Actual performance of 2017/18	Target for 2018/19	Overall actual performance for 2018/19
TecDir1	% Expenditure on Maintenance Budget by Technical Directorate	Percentage of budget spent.	All	99% /99,8%	99%	99.6%
TecDir3	% Expenditure on Capital Budget by Technical Directorate	Percentage of budget spent.	All	96%/98%	96%	98,3%
TecWat21	Percentage compliance with drinking water quality standards.	Percentage compliance.	All	98%/100%	98%	100%
FinInc17	Number of outstanding valid applications for water services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	All	<1%/0%	<1%	0%
FinInc18	Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	All	<1%/0%	<1%	0%
FinInc19	Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	All	<1%/0%	<1%	0%
FinInc20	Number of outstanding valid applications for refuse collection services expressed as a % of total number of billings for the service.	Percentage of outstanding applications.	All	<1%/0%	<1%	0%
TecWat20	Decrease unaccounted water losses.	Percentage water losses.	All	18%/17,9%	18%	17,7%
TecEl37	Decrease unaccounted electricity losses.	Percentage electricity losses.	All	10%/9,9%	10%	10,5%
Reason for under-performance: Increase can be attributed mainly to the theft of electricity in the informal areas of Witzenberg.						
Corrective measures: Addressed in terms of the "Illegal Connection Strategy" that is in the process of being implemented.						
TecRo7	Kilometres of roads upgraded & rehabilitated	Kilometres of roads	All	3 / 4,4	3	7,3
Currently Witzenberg Municipality make use of an outdated Pavement Management system to indicate road resurfacing priorities. The update of the PMS is still on process. During the year, with the help of inspections, it came to the attention that certain road sections required immediate resealing due to their poor condition. The municipality undertook an in-house slurry surfacing project to address these issues, and this being the reason the target was over achieved.						

1.2) Provide for the needs of informal settlements through improved services

Ref	KPI	Unit of Measurement	Wards	Target/Actual performance of 2017/18	Target for 2018/19	Overall actual performance for 2018/19
TecDir2	Number of subsidised serviced sites developed.	Number of serviced plots.	All	100/101	529	526
Reason for under-performance: The total number of serviced sites in the project was reduced due to adverse geotechnical conditions in some areas. Original project approval was for 635 sites that have been reduced to 627 sites due to adverse geotechnical conditions. Of the 627 sites, 101 sites were completed in 2017/18, with the result of 526 sites in 2018/19.						
Corrective measures: The decrease in number of serviced sites was only implemented after the February 2019 adjustment budget and the indicator target could therefore not be aligned. An addendum will be provided by the Department of Human Settlements to the existing project approval indicating that the project sites have been reduced.						
Note: Key Performance Indicator was adjusted as per Section 54(1)(c) of the MFMA and approved by Council as per item 8.1.2 of meeting held on 27/02/2019. Motivation: The target relates to the construction of serviced sites at the Vredebes subsidised housing development Phase F1 (Project 3199.03). Project approval from the Department of Human Settlements was received on 25/01/2018 with resolution nr 18/03. The project of 635 sites is being implemented over two financial years. In 2017/18, 101 sites were reported to be completed. The target is there for adjusted to less than the remainder of the approved sites as the possibility exists that some sites may not be developed due to geotechnical constraints. The new target is however an increase to the existing target.						
TecWat22	Provide basic services - number of informal areas with sufficient communal water services points (taps).	Number of informal areas.	All	3/3	3	3
Note: The indicator measures the availability of water within 200m in the three informal areas located in Nduli, Tulbagh & Wolseley. A land invasion took place at Pine Valley, Wolseley where 228 (436 current) illegal informal structures were erected and occupied. The construction of serviced sites in the area were planned for over the long term as all planning and funding for the next 3 years is focused on the Vredebes development at Ceres. These 228 (436 current) structures were therefor not included in the result above.						
TecSan13	Provide basic services - number of informal areas with sufficient communal sanitation services points (toilets).	Number of informal areas.	All	3/3	3	3
Note: The indicator measures the availability of water within 200m in the three informal areas located in Nduli, Tulbagh & Wolseley. A land invasion took place at Pine Valley, Wolseley where 228 (436 current) illegal informal structures were erected and occupied. The construction of serviced sites in the area were planned for over the long term as all planning and funding for the next 3 years is focused on the Vredebes development at Ceres. These 228 (436 current) structures were therefor not included in the result above.						
TecRef31	Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area-cleaning service.	Number of informal areas.	All	3/3	3	3
TecEl36	Percentage of houses in a subsidised housing project connected to the electrical network.	Percentage of subsidised houses connected.	All	200/189	95%	No applications received
No valid connection applications was received by 30 June 2019, therefor, no connections were done. Note: Key Performance Indicator was adjusted as per Section 54(1)(c) of the MFMA and approved by Council as per item 8.1.2 of meeting held on 27/02/2019. Motivation: The reason for the change is that the relevant department for the KPI is dependent on the Housing Department & Contractor to submit to them valid applications where electrical connections can be done. Various delays such as construction period and/or handover to beneficiaries cannot be managed by the electrical department. The KPI is therefore changed to a percentage of valid applications that should be connected.						

2.1) Support Institutional transformation and development

Ref	KPI	Unit of Measurement	Wards	Target/Actual performance of 2017/18	Target for 2018/19	Overall actual performance for 2018/19
CorpHR13	Percentage budget spent on implementation of Workplace Skills Plan.	Percentage of budget spent.	All	96%/98,8%	96%	96%
CorpHR12	Report on percentage of people from employment equity target groups employed in the three highest levels of management in	Nr of reports	All	4/4	4	4

2.2) Ensure financial viability

Ref	KPI	Unit of Measurement	Wards	Target/Actual performance of 2017/18	Target for 2018/19	Overall actual performance for 2018/19
FinFAdm10	Financial viability expressed as Debt-Coverage ratio	Ratio	All	90/90.2	90	250.8
Provide reason for extreme over achievement of target: Debt Service Payments due is low due the low outstanding amount in terms Borrowings. Redemption of loans in in previous financial years and no new borrowings taken up.						
FinFAdm9	Financial viability expressed as Cost-Coverage ratio	Ratio	All	2.8/2.97	2.8	2.67
Reason for under-performance: Decrease in cash from R 97 506 000(2017-18) to R94 242 000 (2018-19) and an increase in monthly fixed cost from R32 754 000 (2017-18) to R 35 267 000 (2018-19) has resulted in an deterioration of the ratio in 2018-19.						
Corrective measures: Fixed cost consists of Employee Related cost, Remuneration of councillors, finance charges, bulk purchases and contracted services. The only elements that can be managed to a certain extent is overtime expenditure (Employee Related Cost) and consultant services (Contracted Services). The municipality could only strive to manage overtime that is not related emergencies. In the long term, the municipality can only strive to capacitate in-house employees through training to ensure that less consultancy services are utilised.						
FinFAdm11	Financial viability expressed outstanding service debtors	Ratio	All	44%/49%	44%	50%
Reason for under-performance: The majority of outstanding debt is in respect of prescribed debt and debt of indigent households.						
Corrective measures: Improve Credit Control & Debt Collection Mechanisms & the Implementation of Marketing strategies i.e. Jamborees, Bulk SMS's & Consumer Web Portal roll-out. Data Cleansing required in terms Indigent Register. Collectability of Long outstanding debt must be investigated, i.e. prescribed debt						
FinDir3	Opinion of the Auditor-General on annual financial statements of the previous year.	Opinion of AG - unqualified	All	Unqualified	Unqualified	Unqualified
FinInc15	Increased revenue collection	Percentage revenue collected.	All	95%/94%	94%	94%
MM1	Percentage of budget spent on overall maintenance.	Percentage of budget spent.	All	99%/99,7%	99%	99.6%
MM2	Percentage spent of overall capital budget.	Percentage of budget spent.	All	96%/96%	96%	95,6%
Reason for under-performance: The overall under spending of 0,4% from the 96% target relates mainly to KPI ComDir2 (expenditure on Community Services Capital Budget) & KPI TecDir2 (Development of serviced sites). The project budget for the serviced sites will be decreased to the value of the serviced sites that could not be developed.						
Corrective measures: Refer to comments under ComDir2: Own funding to be retained as a saving. The decrease in number of serviced sites was only implemented after the February 2019 adjustment budget and the indicator target could therefore not be aligned. An addendum will be provided by the Department of Human Settlements to the existing project approval indicating that the project sites have been reduced.						

2.3) To maintain and strengthen relations with international- and inter-governmental partners as well as the local community through the creation of participative structures.

Ref	KPI	Unit of Measurement	Wards	Target/Actual performance of 2017/18	Target for 2018/19	Overall actual performance for 2018/19
MMIDP9	Number of IDP community meetings held.	Number of meetings held.	All	14/14	14	14
Note: The result of 14 include jamborees that was held in the 7 towns during November 2018. IDP meetings for Prince Alfred's Hamlet and Wolseley were advertised but cancelled due to poor attendance.						
ComSoc49	Number of meetings with inter-governmental partners.	Number of meetings held.	All	12/13	12	13

3.1) Provide and maintain facilities that make citizens feel at home

Ref	KPI	Unit of Measurement	Wards	Target/Actual performance of 2017/18	Target for 2018/19	Overall actual performance for 2018/19
ComAm34	Report on annual customer satisfaction survey on community facilities.	Report on survey	All	1/1	1	1
ComDir1	% Expenditure on Maintenance Budget by Community Directorate	Percentage of budget spent.	All	99%/99,7%	99%	99%
ComDir2	% Expenditure on Capital Budget by Community Directorate	Percentage of budget spent.	All	96%/97%	96%	63,7%
Reason for under-performance: Projects such as "Aircons Town Hall" (R 500 000) & "Purchase of land for Stray Animal Pound" (R 1 098 000) was not implemented due to increased uneconomical costs.						
Corrective measures: Own funding to be retained as a saving.						

4.1) Support the poor and vulnerable through programmes and policy

Ref	KPI	Unit of Measurement	Wards	Target/Actual performance of 2017/18	Target for 2018/19	Overall actual performance for 2018/19
ComSoc41	Number of account holders subsidised through the municipality's indigent Policy	Number of account holders.	All	3000/2373	4500	3701
Note: Key Performance Indicator was adjusted as per Section 54(1)(c) of the MFMA and approved by Council as per item 8.1.2 of meeting held on 27/02/2019. Motivation: The Indigent Policy that was adjusted by Council in May 2018 had the result that there was a major increase in the number of beneficiaries. The KPI measures the number of actual beneficiaries against a set target of expected beneficiaries. If the actual are less than the target is is viewed as positive as it indicates an increase in the financial health of the community as less people have to rely on the Indigent Subsidy. The target are therefore increased to 4 500 as a result of the expected increase of beneficiaries by year-end due to the change in policy.						
ComLed8	The number of jobs created through municipality's local economic development initiatives including capital projects.	Number of jobs created.	All	390/403	390	397
ComSoc 42	Number of social development programmes implemented	Number of programmes.	All	20/36	20	25
ComHS14	Number of housing opportunities provided per year.	Number of top structures.	All	107/107	30	30
Note: Key Performance Indicator was adjusted as per Section 54(1)(c) of the MFMA and approved by Council as per item 8.1.2 of meeting held on 27/02/2019. Motivation: The implementation of the project for the construction of top structures at Vredebes relates. Project nr 3199.02 for 600 houses was approved by the Department of Human Settlements on 11/05/2018. The construction of the houses will be phased over a couple of years. The delay in the implementation of the project relates mainly to the approval of housing typologies by Council as the project included different housing typologies such as walk-ups & semi-attached to adhere to densification principles. After various technical meetings between Council, the community & the Department of Human Settlements, the layout was approved 8/01/2019 and construction started in February 2019. The target for completed houses by end of June 2019 is therefore reduced to 30.						
ComHS15	Number of Rental Stock transferred	Number of properties transferred.	All	60/39	40	40
Note: Key Performance Indicator was adjusted as per Section 54(1)(c) of the MFMA and approved by Council as per item 8.1.2 of meeting held on 27/02/2019. Motivation: The target for end of December was 20 properties to be transferred with 19 actual achieved. It is however extremely difficult to get the cooperation of beneficiaries for the signing of contracts and agreements for payment of outstanding debts to obtain rate clearance certificates. The Housing & Finance departments have started with door-to-door campaigns to increase awareness and persuade beneficiaries to sign. It is however foreseen that the original target of 50 will not be achieved under the existing challenges and are therefore reduced to 40.						

4.2) Create an enabling environment to attract investment and support to the local economy.

Ref	KPI	Unit of Measurement	Wards	Target/Actual performance of 2017/18	Target for 2018/19	Overall actual performance for 2018/19
MMProp21	Quarterly report on the alienation of municipal properties to support economic growth.	4 Quarterly Reports	All	1/1	4	4
ComLed4	Quarterly report on the implementation of strategies and planned actions as identified in the Witzenberg LED Strategy	4 Quarterly Reports	All	1/1	4	4

VOLUME II: ANNUAL FINANCIAL STATEMENTS

2019

WITZENBERG
Municipality • Munisipaliteit • UMasipala Was

Annual Financial Statements

30 June 2019

2019 -11- 29
AUDITOR - GENERAL
SOUTH AFRICA

AUDITED 30 AUG 2019
WC022 – WITZENBERG MUNICIPALITY

WITZENBERG MUNICIPALITY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Index

Contents	Page
General Information	1
Approval of the Financial Statements	2
Statement of Financial Position	3
Statement of Financial Performance	4
Statement of Changes In Net Assets	5
Cash Flow Statement	6
Statement of comparison of budget and actual amounts	7
Accounting Policies	11 - 28
Notes to the Financial Statements	29 - 69

APPENDICES - Unaudited

A	Schedule of External Loans	70
B	Segmental Statement of Financial Performance - Municipal Votes	71
C	Segmental Statement of Financial Performance	72
D	Disclosure of Grants and Subsidies In Terms of Section 123 of MFMA, 56 of 2003	73

2019 -11- 29

AUDITOR - GENERAL
SOUTH AFRICA

WITZENBERG MUNICIPALITY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

GENERAL INFORMATION

NATURE OF BUSINESS

Witzenberg Municipality is a local municipality performing the functions as set out in Part B of Schedules 4 & 5 of the Constitution of the Republic of South Africa. (Act No. 108 of 1996)

COUNTRY OF ORIGIN AND LEGAL FORM

South African Category B Municipality (Local Municipality) as defined by the Municipal Structures Act. (Act no 117 of 1998)

JURISDICTION

The Witzenberg Municipality includes the following areas:

Ceres
Op-die-Berg
Prince Alfred's Hamlet
Tulbagh
Wolseley

MUNICIPAL MANAGER

D Nasson

CHIEF FINANCIAL OFFICER

HJ Kritzinger (31 December 2018)
AJ Raubenheimer (Acting)

REGISTERED OFFICE

50 Voortrekker Street, Ceres, 6835

AUDITORS

Auditor-General South Africa

PRINCIPAL BANKERS

ABSA Bank
Standard Bank, Ceres
First National Bank

RELEVANT LEGISLATION

The Constitution of the Republic of South Africa
Municipal Finance Management Act (Act no 56 of 2003)
Division of Revenue Act
The Income Tax Act
Value Added Tax Act
Municipal Structures Act (Act no 117 of 1998)
Municipal Systems Act (Act no 32 of 2000)
Municipal Systems Amendment Act (Act no 7 of 2011)
Municipal Planning and Performance Management Regulations
Water Services Act (Act no 108 of 1997)
Housing Act (Act no 107 of 1997)
Municipal Property Rates Act (Act no 6 of 2004), as amended
Electricity Act (Act no 41 of 1987)
Skills Development Levies Act (Act no 9 of 1999)
Employment Equity Act (Act no 55 of 1998)
Unemployment Insurance Act (Act no 30 of 1966)
Basic Conditions of Employment Act (Act no 75 of 1997)
Supply Chain Management Regulations, 2005
Collective Agreements
Municipal Regulations on Standard Chart of Accounts
Municipal Budget and Reporting Regulations
SALBC Leave Regulations
Remuneration of Public Office Bearers Act
Workman's Compensation Act

2019 -11- 29
AUDITOR - GENERAL
SOUTH AFRICA

WITZENBERG MUNICIPALITY

COUNCILLORS OF THE WITZENBERG MUNICIPALITY

Position	Surname	Party	Seat type
Executive Mayor	Klaasen, BC	DA	PR
Deputy Executive Mayor	Adams, K	DA	Ward 6
Speaker	Godden, TT	COPE	PR
Member of Mayoral Committee	Sidego, EM	DA	Ward 11
Member of Mayoral Committee	Alderman Smit, HJ	DA	Ward 5
Member of Mayoral Committee	Visagie, JJ	DA	Ward 4
Member of Mayoral Committee	Abrahams, T	DA	PR
Ordinary Councillor	Klnnear, D	DA	PR
Ordinary Councillor	Laban, G	WA	PR
Ordinary Councillor	Alderman Schuurman, J W	ANC	PR
Ordinary Councillor	Phungula, JT	ANC	PR
Ordinary Councillor	Jacobs, DM	EFF	PR
Ordinary Councillor	Herandien, P	ICOSA	PR
Ordinary Councillor	Simpson, RJ	ANC	PR
Ordinary Councillor	Mzauziwa, Z	DA	PR
Ordinary Councillor	Phatsoane, N	ANC	Ward 1
Ordinary Councillor	Lottering, C	DA	Ward 2
Ordinary Councillor	Swart, D	DA	Ward 3
Ordinary Councillor	Daniels, P	DA	Ward 7
Ordinary Councillor	Visagie, H	ANC	Ward 8
Ordinary Councillor	Hugo, SJ (5 September 2018)	ANC	Ward 9
Ordinary Councillor	MJ Ndaba (5 December 2018)	ANC	Ward 9
Ordinary Councillor	Mgoboza, TP	ANC	Ward 10
Ordinary Councillor	Mdala, M	ANC	Ward 12

APPROVAL OF FINANCIAL STATEMENTS

I am responsible for the preparation of these annual financial statements, in terms of Section 126 (1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in the notes of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

D Nasson
Accounting Officer

30/08/19
Date

2019 -11- 29
AUDITOR - GENERAL
SOUTH AFRICA

WITZENBERG MUNICIPALITY

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	Notes	2019 R	Restated 2018 R
ASSETS			
Current Assets		**183 673 691**	**182 524 425**
Cash and Cash Equivalents	2	94 271 685	97 505 902
Trade and other Receivables from Exchange Transactions	3	51 610 725	51 307 415
Receivables from non-exchange transactions	4	15 022 951	11 219 033
Inventory	5	11 692 619	11 401 816
Unpaid Conditional Government Grants and Receipts	6	4 036 901	2 379 678
VAT Receivable (net)	7	7 038 810	8 710 581
Non-Current Assets		**965 333 573**	**903 070 083**
Property, Plant and Equipment	8	918 262 370	854 455 911
Intangible Assets	9	2 029 417	2 403 442
Investment Property	10	44 491 786	45 655 635
Heritage assets	11	550 000	550 000
Operating Lease Asset	12	-	5 095
Total Assets		**1 149 007 264**	**1 085 594 508**
LIABILITIES			
Current Liabilities		**91 451 629**	**82 068 153**
Trade and Other Payable Exchange Transactions	13	48 188 737	45 832 731
Consumer Deposits	14	7 149 735	6 418 394
Current Employee benefits	15	21 800 761	20 024 537
Unspent Conditional Government Grants and Receipts	6	10 575 042	5 750 091
Unspent Public Contributions	16	2 219 296	1 865 504
Current Portion of Borrowings	17	1 518 058	2 176 896
Non-Current Liabilities		**155 515 986**	**158 016 209**
Borrowings	17	4 704 351	5 291 772
Non-Current Provisions	18	86 471 213	71 466 568
Employee benefits	19	64 340 422	81 257 869
Total Liabilities		**246 967 615**	**240 084 362**
Net Assets		**902 039 649**	**845 510 145**
Capital Replacement Reserve	20	10 354 788	10 354 788
Accumulated Surplus		891 684 861	835 155 357
Total Net Assets and Liabilities		**1 149 007 264**	**1 085 594 508**

2019 -11- 29
AUDITOR - GENERAL

WITZENBERG MUNICIPALITY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2019

	Notes	2019 (Actual) R	2018 (Restated) R	2018 Correction of error R	2018 (Previously reported) R
REVENUE					
Revenue from Non-exchange Transactions		**249 874 482**	**222 287 572**	**1 907 850**	**220 379 722**
Taxation Revenue		**71 011 769**	**64 506 631**	**-**	**64 506 631**
Property rates	21	69 879 235	63 835 379	-	63 835 379
Property Rates - penalties imposed and collection charges		1 132 534	671 252	-	671 252
Transfer Revenue		**178 862 713**	**157 780 941**	**1 907 850**	**155 873 091**
Fines, Penalties and Forfeits		13 451 575	23 669 620	1 667 850	22 001 770
Licences or Permits		1 124 925	1 164 358	-	1 164 358
Surcharges and Taxes		4 332 729	3 963 004	-	3 963 004
Government Grants and Subsidies - Capital	22	54 177 081	34 481 262	-	34 481 262
Government Grants and Subsidies - Operating	22	105 201 490	94 207 249	240 000	93 967 249
Public Contributions and Donations		574 913	295 448	-	295 448
Revenue from Exchange Transactions		**338 176 100**	**344 017 697**	**(11 391)**	**344 029 088**
Service Charges	23	305 199 379	306 169 634	62	306 169 572
Rental from Fixed Assets		5 440 550	5 989 524	-	5 989 524
Interest earned - External investments		8 550 943	8 121 547	-	8 121 547
Interest Income and Dividends		9 412 548	10 372 977	-	10 372 977
Agency Services		3 788 514	3 586 464	-	3 586 464
Operational Revenue	24	1 329 587	4 565 000	(11 453)	4 576 453
Sales of Goods and Rendering of services	25	4 454 579	5 212 551	-	5 212 551
Total Revenue		**588 050 582**	**566 305 269**	**1 896 459**	**564 408 810**
EXPENDITURE					
Employee related costs	26	166 502 097	153 239 739	841 956	152 397 783
Remuneration of Councillors	27	9 457 582	9 170 071	-	9 170 071
Impairment	28	40 315 985	41 396 696	1 825 550	39 571 146
Inventory Consumed		15 554 191	15 173 830	574	15 173 256
Operational Cost	35	35 036 721	31 550 426	(1 931)	31 552 357
Depreciation and Amortisation	29	30 414 647	29 216 760	518 187	28 698 573
Finance Charges	31	15 846 505	15 675 980	-	15 675 980
Bulk Purchases	32	188 783 412	179 705 387	-	179 705 387
Contracted Services	33	41 971 204	36 100 762	-	36 100 762
Transfers and Subsidies: Operational Expenditure	34	10 018 643	14 160 192	240 000	13 920 192
Rent on Land		33 170	25 833	-	25 833
Operating Leases		780 043	855 912	-	855 912
Bad Debts Written Off		6 353	-	-	-
Total Expenditure		**554 720 553**	**526 271 588**	**3 424 336**	**522 847 252**
Gain / (loss) on disposal of assets		1 157 232	(1 377 920)	(289 394)	(1 088 526)
(Impairment loss) / Reversal of impairment loss	30	(824 251)	(20 192)	-	(20 192)
Gain / (loss) on Adjustment of Provision		262 545	5 184 679	-	5 184 679
Inventories: (Write-down) / Reversal of write-down		(2 244)	274	-	274
Gain / (loss) on Actuarial Valuations	19	22 606 193	2 554 149	-	2 554 149
NET SURPLUS FOR THE YEAR		**56 529 504**	**46 374 671**	**(1 817 271)**	**48 191 942**

2019 -11- 29
AUDITOR - GENERAL
SOUTH AFRICA

WITZENBERG MUNICIPALITY

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2019

	Notes	Capital Replacement Reserve	Accumulated Surplus/(Deficit)	Total
		R	R	R
Balance at 1 JULY 2017		**10 354 788**	**788 873 955**	**799 228 743**
Correction of error	**36.25**	-	(93 269)	(93 269)
Restated Balance at 1 JULY 2017		**10 354 788**	**788 780 686**	**799 135 474**
Transfers to/from Accumulated		25 706 031	(25 706 031)	-
Property, Plant and Equipment purchased		(25 706 031)	25 706 031	-
Restated Net Surplus for the year		-	46 374 671	46 374 671
Balance at 30 JUNE 2018		**10 354 788**	**835 155 357**	**845 510 145**
Transfers to/from Accumulated		32 517 057	(32 517 057)	-
Property, Plant and Equipment purchased		(32 517 057)	32 517 057	-
Net Surplus for the year		-	56 529 504	56 529 504
Balance at 30 JUNE 2019		**10 354 788**	**891 684 861**	**902 039 649**

2019 -11- 29
AUDITOR - GENERAL
SOUTH AFRICA

WITZENBERG MUNICIPALITY

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2019

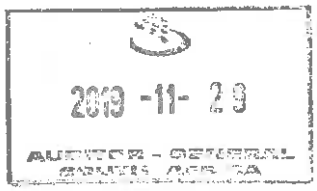
	Notes	30 JUNE 2019 R	30 JUNE 2018 R
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts			
Taxation		71 497 725	67 555 097
Sales of goods and services		293 354 872	304 277 190
Government Grants		163 475 004	132 906 152
Interest		19 096 025	19 165 776
Payments			
Employee costs		(166 966 557)	(149 680 259)
Suppliers		(297 906 588)	(289 191 858)
Finance charges		(650 532)	(999 745)
Cash generated by operations	37	**81 899 949**	**84 032 353**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment		(85 897 566)	(63 667 495)
Purchase of Intangible Assets		(758 988)	(187 741)
Proceeds on Disposal of Fixed Assets		3 267 699	3 790 327
Increase/(Decrease) in Long-term Receivables		-	-
Net Cash from Investing Activities		**(83 388 855)**	**(60 064 909)**
CASH FLOW FROM FINANCING ACTIVITIES			
Loans repaid		(2 476 652)	(3 817 652)
New loans raised		-	-
Increase in Consumer Deposits		731 341	1 022 973
Net Cash from Financing Activities		**(1 745 311)**	**(2 794 679)**
NET INCREASE/(DECREASE IN CASH AND CASH EQUIVALENTS		**(3 234 217)**	**21 172 765**
Cash and Cash Equivalents at the beginning of the year		97 505 902	76 333 137
Cash and Cash Equivalents at the end of the year	2	94 271 685	97 505 902
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**(3 234 217)**	**21 172 765**

2019 -11- 29
AUDITOR - GENERAL
SOUTH AFRICA

WITZENBERG MUNICIPALITY

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2019

	Actual 2019 R	Approved budget 2019 R	Adjustments 2019 R	Final budget 2019 R	Difference between final budget and actual	Actual 2018 R
ASSETS						
Current Assets	**163 673 691**	**65 801 412**	**98 548 865**	**164 350 277**	**12%**	**182 524 425**
Cash	94 271 685	83 129 371	8 145 810	91 275 181	3%	97 505 902
Call investment deposits		46 835	(46 835)	-		
Consumer debtors	66 633 676	(33 749 541)	68 732 583	34 983 042	90%	62 526 448
Other debtors	11 075 711	14 939 892	11 750 346	26 690 238	-59%	11 090 259
Current portion of long-term receivables	-	-	-	-		-
Inventory	11 692 619	1 434 855	9 966 961	11 401 816	3%	11 401 816
Non-Current Assets	**965 333 573**	**38 293 486**	**913 387 417**	**951 680 903**	**1%**	**903 070 083**
Investments	-	4 014	(4 014)	-		-
Investment Property	44 491 786	(625 824)	46 285 663	45 659 839	-3%	45 655 635
Property, Plant and Equipment	918 262 370	38 950 920	863 870 401	902 821 321	2%	854 455 911
Intangible Assets	2 029 417	(35 624)	2 685 368	2 649 744	-23%	2 403 442
Other non-current assets	550 000	-	550 000	550 000	0%	555 095
Total Assets	**1 149 007 264**	**104 094 898**	**1 011 936 282**	**1 116 031 180**	**3%**	**1 085 594 508**
LIABILITIES						
Current Liabilities	**91 451 629**	**55 489 285**	**46 298 611**	**101 787 896**	**-10%**	**82 068 153**
Borrowings	1 518 058	-	-	-		2 176 896
Consumer Deposits	7 149 735	-	6 418 394	6 418 394	11%	6 418 394
Trade and Other Payable Exchange Transactions	60 983 075	46 998 436	19 905 533	66 903 969	-9%	53 448 326
Provisions	21 800 761	8 490 849	19 974 684	28 465 533	-23%	20 024 537
Non-Current Liabilities	**155 515 986**	**15 233 368**	**140 511 969**	**155 745 337**	**0%**	**158 016 209**
Borrowings	4 704 351	2 200 258	(1 025 279)	1 174 979	300%	5 291 772
Provisions	150 811 635	13 033 110	141 537 248	154 570 358	-2%	152 724 437
Total Liabilities	**246 967 615**	**70 722 653**	**186 810 580**	**257 533 233**	**-4%**	**240 084 362**
Net Assets	**902 039 649**	**33 372 245**	**825 125 703**	**858 497 948**	**5%**	**845 510 145**
Accumulated Surplus	891 684 861	33 372 245	814 770 915	848 143 160	5%	835 155 357
Reserve	10 354 788	-	10 354 788	10 354 788	0%	10 354 788
Total Net Assets and Liabilities	**1 149 007 264**	**104 094 898**	**1 011 936 282**	**1 116 031 180**	**3%**	**1 085 594 507**



WITZENBERG MUNICIPALITY

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2019

	Actual 2019 R	Approved budget 2019 R	Adjustments 2019 R	Final budget 2019 R	Difference between final budget and actual	Actual 2018 R
Operating Revenue						
Property rates	69 879 235	70 127 848	(1 811 217)	68 316 631	2%	63 835 379
Property Rates - penalties imposed and collection charges	1 132 534	-	-	-		671 252
Fines, Penalties and Forfeits	13 451 575	18 904 300	-	18 904 300	-29%	23 669 620
Licences or Permits	1 124 925	155 255	-	155 255	625%	1 164 358
Surcharges and Taxes	4 332 729	5 277 493	1 355 620	6 633 113	-35%	3 963 004
Government Grants and Subsidies - Capital	54 177 081	31 619 217	21 294 754	52 913 971	2%	34 481 262
Government Grants and Subsidies - Operating	105 201 490	135 380 626	(19 410 118)	115 970 508	-9%	94 207 249
Public Contributions and Donations	574 913	288 050	794 685	1 082 735	-47%	295 448
Service Charges	305 199 379	316 406 574	1 811 216	318 217 790	-4%	306 169 634
Rental from Fixed Assets	5 440 550	10 198 093	-	10 198 093	-47%	5 989 524
Interest earned - External investments	8 550 943	8 194 383	-	8 194 383	4%	8 121 547
Interest Income and Dividends	9 412 548	7 456 692	(1)	7 456 691	26%	10 372 977
Agency Services	3 788 514	8 293 280	-	8 293 280	-54%	3 586 464
Operational Revenue	1 329 587	1 085 273	-	1 085 273	23%	4 565 000
Sales of Goods and Rendering of services	4 454 579	2 616 943	1	2 616 944	70%	5 212 551
Total revenue	**588 050 562**	**616 004 027**	**4 034 940**	**620 038 967**	**-5%**	**566 305 269**
Operating Expenditure by Nature						
Employee related costs	166 502 097	174 039 560	(3 637 246)	170 402 314	2%	153 239 7??
Remuneration of Councillors	9 457 582	10 709 120	-	10 709 120	12%	9 170 0
Impairment	40 315 985	-	42 172 132	42 172 132	4%	41 396 69b
Bad Debts Written Off	6 353		100 000	100 000	94%	-
Inventory Consumed	15 554 191	21 061 905	(4 477 335)	16 584 570	6%	15 173 830
Operational Cost	35 036 721	40 296 342	(149 955)	40 146 387	13%	31 550 426
Depreciation and Amortisation	30 414 647	43 031 857	1 133 334	44 165 191	31%	29 216 760
Finance Charges	15 846 505	11 020 395	4 981 369	16 001 764	1%	15 675 980
Bulk Purchases	188 783 412	197 540 732	-	197 540 732	4%	179 705 387
Contracted Services	41 971 204	45 931 005	9 370 207	55 301 212	24%	36 100 762
Transfers and Subsidies: Operational Expenditure	10 018 643	14 407 038	(243 744)	14 163 294	29%	14 160 192
Rent on Land	33 170	20 000	14 000	34 000	2%	25 833
Operating Leases	780 043	2 081 978	(631 500)	1 450 478	46%	855 913
Total expenditure	**554 720 553**	**560 139 932**	**48 631 262**	**608 771 194**	**9%**	**526 271 589**
Operating Surplus/(deficit) for the period	**33 330 029**	**55 864 095**	**(44 596 322)**	**11 267 773**	**196%**	**40 033 681**
Gain / (loss) on disposal of assets	1 157 232	-	-	-		(1 377 920)
(Impairment loss) / Reversal of impairment loss	(824 251)	-	(100 000)	(100 000)	724%	(20 192)
Gain / (loss) on Adjustment of Provision	262 545	1 000	7 710	8 710	2914%	5 184 679
Inventories: (Write-down) / Reversal of write-down	(2 244)	-	-	-		274
Gain / (loss) on Actuarial Valuations	22 606 193	200	-	200	11302997%	2 554 149
Netto Surplus/(deficit) for the period	**56 529 504**	**55 865 295**	**-44 688 612**	**11 176 683**	**406%**	**46 374 671**
Operating expenditure by vote						
Budget and Treasury Office	36 362 779	47 176 858	(2 214 565)	44 962 293	19%	29 443 602
Civil services	143 957 581	112 403 288	32 746 836	145 150 124	1%	121 929 34?
Community and social services	25 857 031	31 178 582	613 879	31 792 461	19%	27 298 0?
Corporate Services	43 316 539	43 485 551	10 167 462	53 653 013	19%	40 873 13b
Electro Technical Services	205 463 477	223 514 562	(2 521 821)	220 992 741	7%	199 669 546
Executive and Council	20 508 153	23 838 667	(1 453 107)	22 385 560	8%	19 349 505
Housing	12 953 914	19 186 171	(401 097)	18 785 074	31%	16 477 397
Planning	5 635 938	6 089 920	(328 312)	5 761 608	2%	5 124 377
Public Safety	35 404 482	24 145 010	12 686 871	36 831 881	4%	42 415 323
Sport and recreation	25 260 660	29 121 323	(664 884)	28 456 439	11%	23 691 279
Total operating expenditure by vote	**554 720 554**	**560 139 932**	**48 631 262**	**608 771 194**	**9%**	**526 271 587**

2019 -11- 29
AUDITOR - GENERAL
SOUTH AFRICA

WITZENBERG MUNICIPALITY

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2019

	Actual 2019 R	Approved budget 2019 R	Adjustments 2019 R	Final budget 2019 R	Difference between final budget and actual	Actual 2018 R
Capital expenditure by vote						
Budget and Treasury Office	675 135	180 000	522 000	702 000	4%	214 797
Civil services	69 533 579	63 434 981	6 980 191	70 415 172	1%	51 645 844
Community and social services	704 581	2 530 000	255 320	2 785 320	75%	690 962
Corporate Services	1 020 563	970 000	229 034	1 199 034	15%	1 289 966
Electro Technical Services	11 378 380	11 654 348	211 311	11 865 659	4%	4 728 027
Executive and Council	18 332	130 000	-	130 000	86%	15 478
Housing	-	-	-	-	-	358 620
Planning	-	20 000	(20 000)	-	-	11 349
Public Safety	-	-	-	-	-	2 866 654
Sport and recreation	3 325 984	2 402 000	1 139 876	3 541 876	6%	2 033 539
Total capital expenditure	**86 656 554**	**81 321 329**	**9 317 732**	**90 639 061**	**4%**	**63 855 236**
CASH FLOW FROM OPERATING ACTIVITIES						
Receipts						
Property rates	71 497 725	61 689 250	3 091 877	64 781 127	10%	67 555 097
Service charges	293 354 872	308 847 149	32 029 573	340 876 722	-14%	304 277 190
Government Grants	163 475 004	161 076 000	14 724 208	175 800 208	-7%	132 906 152
Interest	19 096 025	13 111 960	(2 682 175)	10 429 785	83%	19 165 776
Dividends		-	-	-		-
Payments						
Suppliers and employees	(464 873 145)	(369 994 186)	(118 995 849)	(488 990 035)	5%	(438 872 117)
Finance charges	(650 532)	(937 770)	(157 625)	(1 095 395)	41%	(999 745)
Transfers and Grants		(587 270)	(13 806 802)	(14 394 072)	100%	(587 270)
NET CASH FROM/(USED) OPERATING ACTIVITIES	**81 899 949**	**173 205 133**	**(85 796 793)**	**87 408 340**	**6%**	**83 445 083**
CASH FLOWS FROM INVESTING ACTIVITIES						
Receipts						
Proceeds on disposal of PPE	3 267 699	-	-	-	-	3 790 327
Decrease (Increase) in non-current debtors	-	-	-	-		-
Decrease (increase) other non-current receivables		-	-	-		
Decrease (Increase) in non-current investments		-	-	-		
Payments						
Capital assets	(86 656 554)	-83246710	(7 392 351)	(90 639 061)	4%	(63 855 236)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(83 388 855)**	**(83 246 710)**	**(7 392 351)**	**(90 639 061)**	**8%**	**(60 064 909)**
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts						
Short term loans		-	-	-	-	
Borrowing long term/refinancing	0	3 500 000	(3 500 000)	0	100%	-
Increase (decrease) in consumer deposits	731 341	-	-	-	-	1 022 973
Payments						
Repayment of borrowing	(2 476 652)	-	(3 000 000)	(3 000 000)	17%	(3 817 652)
NET CASH FROM/(USED) FINANCING ACTIVITIES	**(1 745 311)**	**3 500 000**	**(6 500 000)**	**(3 000 000)**	**42%**	**(2 794 679)**

2019 -11- 29

WITZENBERG MUNICIPALITY

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2019

	Actual 2019 R	Approved budget 2019 R	Adjustments 2019 R	Final budget 2019 R	Difference between final budget and actual	Actual 2018 R
Reconciliation of budget surplus/deficit with the surplus/deficit in the statement of financial performance						**2019**
Net surplus/deficit per the statement of financial performance						56 529 504
Adjusted for:						
Fines, Penalties and Forfeits	Increase due to better law inforcement application.					5 452 725
Government Grants and Subsidies - Capital	Expenditure not incurred for all grant funding received.					(1 263 110)
Government Grants and Subsidies - Operating	Expenditure not incurred for all grant funding received.					10 769 018
Service Charges	Increase in indigent households and cost of free basic services.					13 018 411
Rental from Fixed Assets	Decrease in resort bookings mainly due to water restrictions implemented.					4 757 543
Interest earned - External investments	Increase in funds available for investment purposes					(356 560)
Sales of Goods and Rendering of services	Decrease in economic climate					(1 837 635)
Employee related costs	Time needed to fill vacansies					(3 900 217)
Inventory Consumed	Decrease in maintenance required in current year.					(1 030 379)
Operational Cost	Decrease in economic climate					(5 109 666)
Depreciation and Amortisation	Depreciation less than expected due to slow capital spending					(13 750 544)
Finance Charges	Adjustment in Provisions					(155 259)
Bulk Purchases	Bulk purchases less than expected.					(8 757 320)
Contracted Services	Contracted Services less than budget due to effective contract management.					(13 330 008)
Transfers and Subsidies: Operational Expenditure	Expenditure not incurred for all grant funding received.					(4 144 6[illegible]
Other Items						(25 715 1[illegible]
Net surplus/deficit per approved budget						11 176 683

Explanation of Material Cash Flow Variances

Property rates	10%	Implementation of new general valuation resulting in increased revenue
Service charges	-14%	Increase in indigent households and cost of free basic services.
Government Grants	-7%	Delayed receipt in RBIG grant funding negatively impacted spending patterns. Less spending resulted in less revenue being recognised
Interest	83%	Improved investment strategy resulting in improved revenue
Suppliers and employees	5%	Variance is mainly a result of underspending on Contracted Services & Bulk Purchases
Finance charges	41%	Greater portion of loan repayments relates to redemption rather than interest

The budget is approved on an accrual basis by vote classification as required by the Municipal Finance Management Act. The basis used for this comparison is by nature classification as required by General Recognised Accounting Practices. The approved budget covers the same period as the financial statements, from 1 July to 30 June.

The budget and accounting bases are the same; both are on the accrual basis. The financial statements are prepared using a classification on the nature of expenses in t statement of financial performance.

The changes between the approved and final budget are a consequence of reallocations within the budget and and of other factors allowable in terms of the Municipal Finance Management Act

2019 -11- 29
AUDITOR - GE
SOUTH AFR

1. ACCOUNTING PRINCIPLES AND POLICIES APPLIED IN THE FINANCIAL STATEMENTS

1.1. BASIS OF PREPARATION

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise.

The annual financial statements have been prepared in accordance with the effective standards of Generally Recognised Accounting Practices (GRAP), including any interpretations issued by the Accounting Standards Board (ASB) in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No 56 of 2003).

The standards are summarised as follows:

GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors
GRAP 4	The Effects of changes in Foreign Exchange Rates
GRAP 5	Borrowing Costs
GRAP 6	Consolidated and Separate Financial Statements
GRAP 7	Investments in Associates
GRAP 8	Interests in Joint Ventures
GRAP 9	Revenue from Exchange Transactions
GRAP 10	Financial Reporting in Hyperinflationary Economics
GRAP 11	Construction Contracts
GRAP 12	Inventories
GRAP 13	Leases
GRAP 14	Events after the reporting date
GRAP 16	Investment Property
GRAP 17	Property, Plant and Equipment
GRAP 18	Segment Reporting
GRAP 19	Provisions, Contingent Liabilities and Contingent Assets
GRAP 20	Related Party Disclosures
GRAP 21	Impairment of non-cash-generating assets
GRAP 23	Revenue from Non-Exchange Transactions
GRAP 24	Presentation of Budget Information
GRAP 25	Employee Benefits
GRAP 26	Impairment of cash-generating assets
GRAP 27	Agriculture
GRAP 31	Intangible assets
GRAP 100	Discontinued Operations
GRAP 103	Heritage Assets
GRAP 104	Financial Instruments
GRAP 105	Transfer of Functions Between Entities Under Common Control

2019 -11- 20

GRAP 106	Transfer of Functions Between Entities Not Under Common Control
GRAP 107	Mergers
IGRAP 1	Applying the Probability Test on Initial Recognition of Revenue (as revised in 2012)
IGRAP 2	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IGRAP 3	Determining whether an Arrangement Contains a Lease
IGRAP 4	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IGRAP 5	Applying the Restatement Approach under the Standard of GRAP on Financial Reporting in Hyperinflationary Economies
IGRAP 6	Loyalty Programmes
IGRAP 7	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
IGRAP 8	Agreements for the Construction of Assets from Exchange Transactions
IGRAP 9	Distributions of Non-cash Assets to Owners
IGRAP 10	Assets Received from Customers
IGRAP 11	Consolidations – Special Purpose Entities
IGRAP 12	Jointly Controlled Entities – Non-monetary Contributions by Ventures
IGRAP 13	Operating Leases – Incentives
IGRAP 14	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
IGRAP 15	Revenue – Barter Transactions Involving Advertising Services
IGRAP 16	Intangible Assets – Website Costs
IFRS 3 (AC140)	Business Combinations
IFRS 4 (AC141)	Insurance Contracts
IFRS 6 (AC143)	Exploration for and Evaluation of Mineral Resources
IAS 12 (AC102)	Income Taxes
SIC – 21 (AC421)	Income Taxes – Recovery of Revaluated Non-Depreciable Assets
SIC – 25 (AC425)	Income Taxes – Changes in the Tax Status on an Entity or its Shareholders
SIC – 29 (AC429)	Service Concessions Arrangements – Disclosures
IFRIC 2 (AC435)	Members' Shares in Co-operative Entities and Similar Instruments
IFRIC 4 (AC437)	Determining whether an Arrangement contains a Lease
IFRIC 9 (AC442)	Reassessment of Embedded Derivatives
IFRIC 12 (AC445)	Service Concession Arrangements
IFRIC 13 (AC446)	Customer Loyalty Programmes
IFRIC 14 (AC447) IAS19	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
IFRIC 15 (AC448)	Agreements for the Construction of Real Estate
IFRIC 16(AC449)	Hedges in a Net Investment in a Foreign Operation
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine
IFRIC 21	Levies

Accounting policies for material transactions, events or conditions not covered by the above GRAP have been developed in accordance with paragraphs 8, 10 and 11 of GRAP 3.

2019 -11- 29
AUDITOR - GENERAL
SOUTH AFRICA

A summary of the significant accounting policies, which have been consistently applied except where an exemption has been granted, are disclosed below.

Assets, liabilities, revenue and expenses have not been offset except when offsetting is permitted or required by a Standard of GRAP.

The accounting policies applied are consistent with those used to present the previous year's financial statements, unless explicitly stated. The details of any changes in accounting policies are explained in the relevant notes to the Financial Statements.

1.2. PRESENTATION CURRENCY

Amounts reflected in the financial statements are in South African Rand and at actual values. No financial values are given in an abbreviated display format. No foreign exchange transactions are included in the statements.

1.3. GOING CONCERN ASSUMPTION

These annual financial statements have been prepared on a going concern basis.

1.4. COMPARATIVE INFORMATION

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated, unless a standard of GRAP does not require the restatements of comparative information. The nature and reason for the reclassification is disclosed. Where material accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

1.5. MATERIALITY

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decision or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatements judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor. In general, materiality is determined as 1% of total expenditure.

1.6. STANDARDS ISSUED BUT NOT YET EFFECTIVE

The following GRAP standards have been issued but are not yet effective and have not been early adopted by the Municipality:

Standard	Description	Effective Date
GRAP 20	**Related Party Disclosures** No significant impact is expected as the Municipality does not participate in such business transactions.	1 April 2019
GRAP 32	**Service Concession Arrangements: Grantor** No significant impact is expected as the Municipality does not participate in such business transactions.	1 April 2019
GRAP 108	**Statutory receivable** No significant impact is expected as the Municipality does not participate in such business transactions.	1 April 2019
GRAP 109	**Accounting by Principals and Agents** No significant impact is expected as the Municipality does not participate in such business transactions.	1 April 2019
IGRAP 17	**Service Concession Arrangements Where a Grantor Controls a Significant Residual Interest in an Asset**	1 April 2019
iGRAP 18	**Recognition and De-recognition of Land** No significant impact is expected.	1 April 2019
iGRAP 19	**Liabilities to Pay Levies** No significant impact is expected.	1 April 2019

2019 -11- 29

1.7. RESERVES

Capital Replacement Reserve (CRR)

In order to finance the provision of infrastructure and other items of property, plant and equipment from internal sources, amounts are transferred from the accumulated surplus / (deficit) to the CRR. The cash in the CRR can only be utilized to finance items of property, plant and equipment. The CRR is reduced and the accumulated surplus / (Deficit) are credited by a corresponding amount when the amounts in the CRR are utilized.

1.8. LEASES

1.8.1. Municipality as Lessee

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the Municipality. Property, plant and equipment or intangible assets subject to finance lease agreements are initially recognised at the lower of the asset's fair value and the present value of the minimum lease payments. The corresponding liabilities are initially recognised at the inception of the lease and are measured as the sum of the minimum lease payments due in terms of the lease agreement, discounted for the effect of interest. In discounting the lease payments, the Municipality uses the interest rate that exactly discounts the lease payments and unguaranteed residual value to the fair value of the asset plus any direct costs incurred.

Subsequent to initial recognition, the leased assets are accounted for in accordance with the stated accounting policies applicable to property, plant and equipment or intangibles. The lease liability is reduced by the lease payments, which are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred. The accounting policies relating to de-recognition of financial instruments are applied to lease payables.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are recognised on a straight-line basis over the term of the relevant lease.

1.8.2. Municipality as Lessor

Under a finance lease, the Municipality recognises the lease payments to be received in terms of a lease agreement as an asset (receivable). The receivable is calculated as the sum of all the minimum lease payments to be received, plus any unguaranteed residual accruing to the Municipality, discounted at the interest rate implicit in the lease. The receivable is reduced by the capital portion of the lease instalments received, with the interest portion being recognised as interest revenue on a time proportionate basis. The accounting policies relating to de-recognition and impairment of financial instruments are applied to lease receivables.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are recognised on a straight-line basis over the term of the relevant lease.

1.9. UNSPENT CONDITIONAL GOVERNMENT GRANTS AND RECEIPTS

Conditional government grants are subject to specific conditions. If these specific conditions are not met, the monies received are repayable.

Unspent conditional grants are financial liabilities that are separately reflected on the Statement of Financial Position. They represent unspent government grants, subsidies and contributions from the public.

This liability always has to be cash-backed. The following provisions are set for the creation and utilisation of this creditor:

- Unspent conditional grants are recognised as a liability when the grant is received.
- When grant conditions are met an amount equal to the conditions met are transferred to revenue in the Statement of Financial Performance.
- The cash which backs up the creditor is invested as individual investment or part of the general investments of the Municipality until it is utilised.
- Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor. If it is the Municipality's interest it is recognised as interest earned in the Statement of Financial Performance.

1.10. UNPAID CONDITIONAL GOVERNMENT GRANTS AND RECEIPTS

Unpaid conditional grants are assets in terms of the Framework that are separately reflected on the Statement of Financial Position. The asset is recognised when the Economic Entity has an enforceable right to receive the grant or if it is virtually certain that it will be received based on that grant conditions have been met. They represent unpaid government grants, subsidies and contributions from the public.

2019 -11- 29
AUDITOR-GENERAL
SOUTH AFRICA

The following provisions are set for the creation and utilisation of the grant is receivables:

- Unpaid conditional grants are recognised as an asset when the grant is receivable.

1.11. PROVISIONS

1.11.1. GENERAL PROVISIONS

Provisions are recognised when the Municipality has a present legal or constructive obligation as a result of past events, it is possible that an outflow of resource embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at reporting date and adjusted to reflect the current best estimate. Where the effect is material, non-current provisions are discounted to their present value using a discount rate that reflects the market's current assessment of the time value of money, adjusted for risks specific to the liability (for example in the case of obligations for the rehabilitation of land).

The Municipality does not recognise a contingent liability or contingent asset. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is disclosed where an inflow of economic benefits is possible.

Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses. The present obligation under an onerous contract is recognised and measured as a provision.

A provision for restructuring costs is recognised only when the following criteria over and above the recognition criteria of a provision have been met:

(a) The Municipality has a detailed formal plan for the restructuring identifying at least:

- the business or part of a business concerned;
- the principal locations affected;
- the location, function and approximate number of employees who will be compensated for terminating their services;
- the expenditures that will be undertaken; and
- when the plan will be implemented.

(b) The Municipality has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

The amount recognised as a provision shall be the best estimate of the expenditure required to settle the present obligation at the reporting date.

Provisions shall be reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, the provision shall be reversed.

1.11.2. REHABILITATION OF LANDFILL SITES PROVISIONS

Provision is made in terms of the licensing stipulations of the landfill sites, for the estimated cost of rehabilitating waste sites. The provision has been determined on the basis of a recent independent study. The cost factors derived from the study by a firm of consulting engineers have discounted to present value at prime interest rate.

1.12. EMPLOYEE BENEFITS

1.12.1. Post-Retirement Medical obligations

The Municipality provides post-retirement medical benefits by subsidizing the medical aid contributions of certain retired staff according to the rules of the medical aid funds. Council pays 70% as contribution and the remaining 30% are paid by the members. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The present value of the defined benefit liability is actuarially determined in accordance with GRAP 25 – Employee benefits (using a discount rate applicable to high quality government bonds). The plan is unfunded.

These contributions are charged to the Statement of Financial Performance when employees have rendered the service entitling them to the contribution. The liability was calculated by means of the projected unit credit actuarial valuation method. The liability in respect of current pensioners is regarded as fully accrued, and is therefore not split between a past (or accrued) and future in-service element. The liability is recognised at the fair value of the obligation. Payments made by the Municipality are set-off against the liability, including notional interest, resulting from the valuation by the actuaries and are charged against the Statement of Financial Performance as employee benefits upon valuation.

2019 -11- 29

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions, is charged or credited to the Statement of Financial Performance in the period that it occurs. These obligations are valued periodically by independent qualified actuaries.

1.12.2. Long Service awards

Long service awards are provided to employees who achieve certain pre-determined milestones of service within the Municipality. The Municipality's obligation under these plans is valued by independent qualified actuaries periodically and the corresponding liability is raised. Payments are set-off against the liability, including notional interest, resulting from the valuation by the actuaries and are charged against the Statement of Financial Performance as employee benefits upon valuation. Defined benefit plans are post-employment plans other than defined contribution plans.

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions, is charged or credited to the Statement of Financial Performance in the period that it occurs. These obligations are valued periodically by independent qualified actuaries.

1.12.3. Accrued Leave Pay

Liabilities for annual leave are recognised as they accrue to employees. The liability is based on the total amount of leave days due to employees at year end and also on the total remuneration package of the employee.

1.12.4. Staff Bonuses

Liabilities for staff bonuses are recognised as they accrue to employees. The liability at year end is based on bonus accrued at year end for each employee.

1.12.5. Performance bonuses

A provision, in respect of the liability relating to the anticipated costs of performance bonuses payable to Section 57 employees, is maintained. Municipal entities' performance bonus provisions are based on the employment contract stipulations as well as previous performance bonus payment trends.

1.12.6. Pension and retirement fund obligations

The Municipality provides retirement benefits for its employees and councillors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year they become payable. Defined benefit plans are post-employment benefit plans other than defined contribution plans. The defined benefit funds, which are administered on a provincial basis, are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on a proportional basis to all participating municipalities. The contributions and lump sum payments are charged against income in the year they become payable. Sufficient information is not available to use defined benefit accounting for a multi-employer plan. As a result, defined benefit plans have been accounted for as if they were defined contribution plans.

1.12.7. Ex gratia Gratuities

Ex gratia gratuities are provided to employees that were not previously members of a pension fund. The Municipality's obligation under these plans is valued by independent qualified actuaries and the corresponding liability is raised. Payments made by the Municipality are set-off against the liability, including notional interest, resulting from the valuation by the actuaries and are charged against the Statement of Financial Performance as employee benefits upon valuation. Defined benefit plans are post-employment plans other than defined contribution plans.

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions, is charged or credited to the Statement of Financial Performance in the period that it occurs. These obligations are valued periodically by independent qualified actuaries.

1.13. PROPERTY, PLANT AND EQUIPMENT

1.13.1. Initial Recognition

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one year. Items of property, plant and equipment are initially recognised as assets on acquisition date and are initially recorded at cost. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

2019 -11- 20

Where an asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the assets acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

Major spare parts and servicing equipment qualify as property, plant and equipment when the municipality expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

1.13.2. Subsequent Measurement – Cost Model

Subsequent to initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life.

Where the municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component. Subsequent expenditure incurred on an asset is capitalised when it increases the capacity or future economic benefits associated with the asset.

1.13.3. Depreciation and Impairment

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis. The annual depreciation rates are based on the following estimated useful lives:

	Years		*Years*
Infrastructure		**Other**	
Roads and Paving	5-100	Airports	20
Electricity	4-46	Buildings	30-100
Water	15-150	Computer equipment	3-30
Sanitation	10-75	Furniture and equipment	3-30
Other	10-15	Landfill sites	10-15
		Markets	30
Community		Other	3-30
Recreational Facilities	5-30	Other vehicles	2-67
Sport fields & Stadia	10-20	Plant and Equipment	3-32
Halls	5-100	Specialist vehicles	6-38
Libraries	10-30		
Parks and gardens	10-30		
Other assets	5-30		
Cemeteries	5-30		
Finance lease assets			
Office equipment	3-5		

The actual useful lives used for depreciation purposes may vary from the above information as the remaining useful lives of assets are reviewed annually.

Property, plant and equipment are reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The impairment charged to the Statement of Financial Performance is the excess of the carrying value over the recoverable amount.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of impairment is recognised in the Statement of Financial Performance.

1.13.4. De-recognition

Items of property, plant and equipment are derecognised when the asset is disposed or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

2019 -11- 29

1.13.5. Land and Buildings and Other Assets – application of deemed cost (Directive 7)

The Municipality opted to take advantage of the transitional arrangement as contained in Directive 7 of the Accounting Standards Board, issued in December 2009. The Municipality applied deemed cost where the acquisition cost of an asset could not be determined. The municipality updated the Land and Buildings acquired before 30 June 2008 to the fair value as determined by an independent valuator. For Other Assets the depreciation replacement cost method was used to establish the deemed cost as on 1 July 2008.

1.14. INTANGIBLE ASSETS

1.14.1. *Initial Recognition*

An intangible asset is an identifiable non-monetary asset without physical substance.

An asset meets the identifiable criterion in the definition of an intangible asset when it:

is separable, i.e. is capable of being separated or divided from the entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, asset or liability; or arises from contractual rights (including rights arising from binding arrangements) or other legal rights (excluding rights granted by statute), regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

The municipality recognises an intangible asset in its Statement of Financial Position only when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality and the cost or fair value of the asset can be measured reliably.

Internally generated intangible assets are subject to strict recognition criteria before they are capitalised. Research expenditure is never capitalised, while development expenditure is only capitalised to the extent that:

the municipality intends to complete the intangible asset for use or sale;
it is technically feasible to complete the intangible asset;
the municipality has the resources to complete the project; and
it is probable that the municipality will receive future economic benefits or service potential.

Intangible assets are initially recognised at cost.

Where an intangible asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Where an intangible asset is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

1.14.2. Subsequent Measurement – Cost Model

Intangible assets are subsequently carried at cost less accumulated amortisation and impairments. The cost of an intangible asset is amortised over the useful life where that useful life is finite. Where the useful life is indefinite, the asset is not amortised but is subject to an annual impairment test.

1.14.3. Amortisation and Impairment

Amortisation is charged so as to write off the cost or valuation of intangible assets over their estimated useful lives using the straight line method. Amortisation of an asset begins when it is available for use, i.e. when it is in the condition necessary for it to be capable of operating in the manner intended by management. Components of assets that are significant in relation to the whole asset and that have different useful lives are amortised separately. The estimated useful lives, residual values and amortisation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis. The annual amortisation rates are based on the following estimated useful lives:

Intangible Assets	Years
Computer Software	5
Computer Software Licenses	5

The actual useful lives used for depreciation purposes may vary from the above information as the remaining useful lives of assets are reviewed annually.

2019 -11- 29

1.14.4. De-recognition

Intangible assets are derecognised when the asset is disposed or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

1.15. INVESTMENT PROPERTY

1.15.1. Initial Recognition

Investment property shall be recognised as an asset when and only when:

- it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the entity, and
- the cost or fair value of the investment property can be measured reliably.

Investment property includes property (land or a building, or part of a building, or both land and buildings held under a finance lease) held to earn rentals and/or for capital appreciation, rather than held to meet service delivery objectives, the production or supply of goods or services, or the sale of an asset in the ordinary course of operations.

At initial recognition, the municipality measures investment property at cost including transaction costs once it meets the definition of investment property. However, where an investment property was acquired through a non-exchange transaction (i.e. where it acquired the investment property for no or a nominal value), its cost is its fair value as at the date of acquisition.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the municipality accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

The cost of self-constructed investment property is the cost at date of completion.

1.15.2. Subsequent Measurement – Cost Model

Subsequent to initial recognition, items of investment property are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life.

1.15.3. Depreciation and Impairment

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Investment Property	Years
Buildings	99 - 100

The actual useful lives used for depreciation purposes may vary from the above information as the remaining useful lives of assets are reviewed annually.

1.15.4. De-recognition

Investment property is derecognised when it is disposed or when there are no further economic benefits expected from the use of the investment property. The gain or loss arising on the disposal or retirement of an item of investment property is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

2019 -11- 29

1.16. HERITAGE ASSETS

1.16.1. Initial Recognition

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

A heritage asset shall be recognised as an asset if, and only if:

- it is probable that future economic benefits or service potential associated with the asset will flow to the entity, and
- the cost or fair value of the asset can be measured reliably.

An asset that has met the recognition requirement criteria for heritage assets shall be measured at its cost if such an asset has been acquired through an exchange transaction.

Where a heritage asset has been acquired through a non-exchange transaction, its cost shall be measured at its fair value as at the date of acquisition.

1.16.2. *Subsequent Measurement*

Heritage assets are not depreciated based on their nature however the municipality assesses at each reporting date whether there is a need for impairment.
The class of heritage assets are carried at its cost less any accumulated impairment losses.

1.16.3. *Impairment*

Where the carrying amount of an item of heritage asset is greater than the estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

Where items of heritage asset have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the Statement of Financial Performance in the period that the impairment is identified.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of the impairment is recognised in the Statement of Financial Performance.

1.16.4. De-recognition

The carrying amount of a heritage asset is derecognised:

- on disposal, or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from de-recognition of a heritage asset shall be determined as the difference between the net disposal proceeds, if any, and the carrying amount of the heritage asset. Such difference is recognised in surplus or deficit when the heritage asset is derecognised.

1.17. IMPAIRMENT OF NON-FINANCIAL ASSETS

1.17.1. Cash-generating assets

Cash-generating assets are assets held with the primary objective of generating a commercial return.

The Municipality assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the municipality estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. Impairment losses are recognised in the Statement of Financial Performance in those expense categories consistent with the function of the impaired asset.

2019 -11- 20

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Municipality estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Financial Performance.

1.17.2. Non-cash-generating assets

Non-cash-generating assets are assets other than cash-generating assets.

The Municipality assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Municipality estimates the asset's recoverable service amount.

An asset's recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use. If the recoverable service amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. That reduction is an impairment loss recorded in the Statement of Financial Performance.

The value in use of a non-cash-generating asset is the present value of the asset's remaining service potential. The present value of the remaining service potential of the asset is determined using any one of the following approaches:

Depreciation replacement cost approach - the present value of the remaining service potential of an asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

The Municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for an asset may no longer exist or may have decreased. If any such indication exists, the Municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for an asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. If this is the case, the carrying amount of the asset is increased to its recoverable service amount. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods. Such a reversal of an impairment loss is recognised in the Statement of Financial Performance.

1.18. COMMITMENTS

Commitments are future payments and expenditure to be incurred on contracts that have been entered into at the reporting date and where there are unperformed obligations. The commitments would include both capital and operating items.

Committed expenditure approved and contracted for at reporting date is where the expenditure has been approved and the contract has been awarded.

Committed expenditure approved but not yet contracted for at reporting date is where the expenditure has been approved but the contract has yet to be awarded or is awaiting finalisation.

1.19. INVENTORIES

1.19.1. Initial Recognition

Inventories comprise current assets held for sale, consumption or distribution during the ordinary course of business. Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus non-recoverable taxes, transport costs and any other costs in bringing the inventories to their current location and condition. Where inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

Where inventory is acquired by the Municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of the item on the date acquired.

The cost of purified water comprises cost of conversion and other cost incurred in bringing the inventory to their present location and condition.

1.19.2. Subsequent Measurement

Inventories, consisting of consumable stores, raw materials, work-in-progress and finished goods, are valued at the lower of cost and net realisable value unless they are to be distributed at no or nominal charge, in which case they are measured at the lower of cost and current replacement cost. Redundant and slow-moving inventories are identified and written down in this way. Differences arising on the valuation of inventory are recognised in the Statement of Financial Performance in the year in which they arose. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The carrying amount of inventories is recognised as an expense in the period that the inventory was sold, distributed, written off or consumed, unless that cost qualifies for capitalisation to the cost of another asset.

In general, the basis of allocating cost to inventory items is the weighted average method.

Cost of land held for sale is assigned by using specific identification of their individual costs.

1.20. BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised to the cost of that asset unless it is inappropriate to do so. The Municipality ceases the capitalisation of borrowing costs when substantially all the activities to prepare the asset for its intended use or sale are complete. It is considered inappropriate to capitalise borrowing costs where the link between the funds borrowed and the capital asset acquired cannot be adequately established. Borrowing costs incurred other than on qualifying assets are recognised as an expense in the Statement of Financial Performance when incurred.

1.21. FINANCIAL INSTRUMENTS

Financial instruments recognised on the Statement of Financial Position include receivables (both from exchange transactions and non-exchange transactions), cash and cash equivalents, annuity loans and payables (both from exchange transactions and non-exchange transactions).

1.21.1. Initial Recognition

Financial instruments are initially recognised when the Municipality becomes a party to the contractual provisions of the instrument at fair value plus, in the case of a financial asset or financial liability not at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability

1.21.2. Subsequent Measurement

Financial Assets are categorised according to their nature as either financial assets at fair value, financial assets at amortised cost or financial assets at cost. , Financial Liabilities are categorised as either at fair value, financial liabilities at cost or financial liabilities carried at amortised cost ("other"). The subsequent measurement of financial assets and liabilities depends on this categorisation.

1.21.2.1. Receivables

Receivables are classified as loans and receivables, and are subsequently measured at amortised cost using the effective interest rate method.

For amounts due from debtors carried at amortised cost, the Municipality first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. Objective evidence of impairment includes significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 90 days overdue). If the Municipality determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the Statement of Financial Performance. Interest income continues to be accrued on the reduced carrying amount based on the original effective interest rate of the asset. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the municipality. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases

2019 -11-

because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is recognised in the Statement of Financial Performance.

The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate, if material. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

1.21.2.2. Payables and Annuity Loans

Financial liabilities consist of payables and annuity loans. They are categorised as financial liabilities held at amortised cost, are initially recognised at fair value and subsequently measured at amortised cost using an effective interest rate, which is the initial carrying amount, less repayments, plus interest.

1.21.2.3. Cash and Cash Equivalents

Cash includes cash on hand (including petty cash) and cash with banks. Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, highly liquid deposits and net of bank overdrafts. The Municipality categorises cash and cash equivalents as financial assets carried at amortised cost.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred. Amounts owing in respect of bank overdrafts are categorised as financial liabilities: other financial liabilities carried at amortised cost.

1.21.2.4. Non-Current Investments

Financial instruments, which include, investments in municipal entities and fixed deposits invested in registered commercial banks, are stated at amortised cost.

Where investments have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Financial Performance.

The carrying amounts of such investments are reduced to recognise any decline, other than a temporary decline, in the value of individual investments.

1.21.3. De-recognition of Financial Instruments

1.21.3.1. Financial Assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

the rights to receive cash flows from the asset have expired; or
the Municipality has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Municipality has transferred substantially all the risks and rewards of the asset, or (b) the Municipality has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Municipality has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, a new asset is recognised to the extent of the Municipality's continuing involvement in the asset.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Municipality could be required to repay.

When continuing involvement takes the form of a written and/or purchased option (including a cash settled option or similar provision) on the transferred asset, the extent of the Municipality's continuing involvement is the amount of the transferred asset that the Municipality may repurchase, except that in the case of a written put option (including a cash settled option or similar provision) on an asset measured at fair value, the extent of the Municipality's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

1.21.3.2. Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

2019 -11- 29

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Statement of Financial Performance.

1.21.4. Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously

1.22. REVENUE

1.22.1. Revenue from Non-Exchange Transactions

Revenue from non-exchange transactions refers to transactions where the Municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportionate basis as an exchange transaction.

Fine Revenue constitutes both spot fines and summonses. Revenue from spot fines and summonses is recognised when issued.

Revenue from public contributions and donations is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment qualifies for recognition and first becomes available for use by the Municipality. Where public contributions have been received but the Municipality has not met the related conditions, it is recognised as an unspent public contribution (liability).

Revenue from third parties i.e. insurance payments for assets impaired, are recognised when it can be measured reliably and is not being offset against the related expenses of repairs or renewals of the impaired assets.

Contributed property, plant and equipment is recognised when such items of property, plant and equipment qualifies for recognition and become available for use by the Municipality.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No. 56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

Revenue shall be measured at the fair value of the consideration received or receivable.

When, as a result of a non-exchange transaction, a Municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the present obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability will be recognised as revenue.

1.22.2. Revenue from Exchange Transactions

Revenue from exchange transactions refers to revenue that accrued to the Municipality directly in return for services rendered/ goods sold, the value of which approximates the consideration received or receivable.

Service charges relating to electricity and water are based on consumption and a basic charge as per Council resolution. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period.

Revenue from the sale of electricity prepaid meter vouchers is recognised eight days after the sale of the relevant voucher.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the recorded number of refuse points per property.

Service charges relating to sanitation (sewerage) are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage. In the case of residential property a fixed monthly tariff is levied and in the

2019 -11- 29

AUDITOR - GENERAL
SOUTH AFRICA

case of commercial property a tariff is levied based on the number of sewerage connection on the property. Service charges based on a basic charge as per Council resolution.

Interest revenue is recognised using the effective interest rate method.

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant tariff. This includes the issuing of licences and permits.

Revenue from the sale of goods is recognised when substantially all the risks and rewards in those goods are passed to the consumer.

Revenue shall be measured at the fair value of the consideration received or receivable.

The amount of revenue arising on a transaction is usually determined by agreement between the entity and the purchaser or user of the asset or service. It is measured at the fair value of the consideration received or receivable.

In most cases, the consideration is in the form of cash or cash equivalents and the amount of revenue is the amount of cash or cash equivalents received or receivable. However, when the inflow of cash or cash equivalents is deferred, the fair value of the consideration may be less than the nominal amount of cash received or receivable. When the arrangement effectively constitutes a financing transaction, the fair value of the consideration is determined by discounting all future receipts using an imputed rate of interest. The imputed rate of interest is the more clearly determinable of either:

The prevailing rate for a similar instrument of an issuer with a similar credit rating; or
A rate of interest that discounts the nominal amount of the instrument to the current cash sales price of the goods or services.

The difference between the fair value and the nominal amount of the consideration is recognised as interest revenue.

When goods or services are exchanged or swapped for goods or services which are of a similar nature and value, the exchange is not regarded as a transaction that generates revenue. When goods are sold or services are rendered in exchange for dissimilar goods or services, the exchange is regarded as a transaction that generates revenue. The revenue is measured at the fair value of the goods or services received, adjusted by the amount of any cash or cash equivalents transferred.

When the fair value of the goods or services received cannot be measured reliably, the revenue is measured at the fair value of the goods or services given up, adjusted by the amount of any cash or cash equivalents transferred.

1.22.3. Grants, Transfers and Donations (Non-Exchange Revenue)

Grants, transfers and donations received or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset. A corresponding liability is raised to the extent that the grant, transfer or donation is conditional. The liability is transferred to revenue as and when the conditions attached to the grant are met. Grants without any conditions attached are recognised as revenue when the asset is recognised.

1.23. RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions or if the related party entity and another entity are subject to common control.

Related parties include:

- Entities that directly, or indirectly through one or more intermediaries, control, or are controlled by the reporting entity;
- Individuals owning, directly or indirectly, an interest in the reporting entity that gives them significant influence over the entity, and close members of the family of any such individual;
- Key management personnel, and close members of the family of key management personnel; and
- Entities in which a substantial ownership interest is held, directly or indirectly, by any person described in the 2nd and 3rd bullet, or over which such a person is able to exercise significant influence.

Key management personnel include:

- All directors or members of the governing body of the entity, being the Executive Mayor, Deputy Mayor, Speaker, members of the Mayoral Committee and ordinary councillors.
- Other persons having the authority and responsibility for planning, directing and controlling the activities of the reporting entity being the Municipal Manager, Chief Financial Officer an all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager.

2019 -11- 29

1.24. UNAUTHORISED EXPENDITURE

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in a form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No. 56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.25. IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No. 56 of 2003), the Municipal Systems Act (Act No. 32 of 200), the Public Office Bearers Act, and (Act. No. 20 of 1998) or is in contravention of the Municipality's Supply Chain Management Policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.26. FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and could have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.27. CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent liability could also be a present obligation that arises from past events, but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to the obligation or the amount of the obligation cannot be measures with sufficient reliability.

Management judgement is required when recognising and measuring contingent liabilities.

1.28. PRESENTATION OF BUDGET INFORMATION

The annual budget figures have been presented in accordance with the GRAP reporting framework. A separate statement of comparison of budget and actual amounts, which forms part of the annual financial statements, has been prepared. The comparison of budget and actual amount will be presented on the same accounting basis, same classification basis and for the same entity and period as for the approved budget. The budget of the municipality is taken for a stakeholder consultative process and upon approval the approved budget is made publicly available.

Material differences in terms of the basis, timing or entity have been disclosed in the notes to the annual financial statements.

1.29. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

In the process of applying the Municipality's accounting policy, management has made the following significant accounting judgements, estimates and assumptions, which have the most significant effect on the amounts recognised in the financial statements:

Post-retirement medical obligations and Long service awards

The cost of post-retirement medical obligations, long service awards and ex-gratia gratuities are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

Impairment of Receivables

The calculation in respect of the impairment of debtors is based on an assessment of the extent to which debtors have defaulted on payments already due, and an assessment of their ability to make payments based on their creditworthiness. This was performed per service-identifiable categories across all classes of debtors.

Provisions and contingent liabilities

Management judgement is required when recognising and measuring provisions and when measuring contingent liabilities. Provisions are discounted where the effect of discounting is material using actuarial valuations.

2019 -11- 29
AUDITOR - GENERAL
SOUTH AFRICA

1.30. TAXES – VALUE ADDED TAX

Revenue, expenses and assets are recognised net of the amounts of value added tax. The net amount of Value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

1.31. JOINT VENTURES

In respect of the municipalities' interest in jointly controlled assets, the municipality includes in its accounting records and recognises in its financial statements:

- its share of the jointly controlled assets, classified according to the nature of the assets;
- any liabilities that it has incurred;
- its share of any liabilities incurred jointly with other ventures in relation to the joint venture;
- any revenue from the sale or use of its share of the output of the joint venture, together with its share of any expenses incurred by the joint venture; and
- any expenses that it has incurred in respect of its interest in the joint venture.

1.32. AMENDED DISCLOSURE POLICY

Amendments to accounting policies are reported as and when deemed necessary based on the relevance of any such amendment to the format and presentation of the financial statements. The principal amendments to matters disclosed in the current financial statements include fundamental errors, and the treatment of assets financed by external grants.

1.33 STATUTORY RECEIVABLES

Statutory receivables arise from legislation, supporting regulations, or similar means and require settlement by another entity in cash or another financial asset. Statutory receivables can arise from both exchange and non-exchange transactions.

Initial Recognition

Statutory receivables are recognised when the related revenue (exchange or non-exchange revenue) is recognised or when the receivable meets the definition of an asset. The Municipality initially measure statutory receivables at their transaction amount.

Subsequent Measurement

The Municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is subsequently changed to reflect any interest or other charges that may have accrued on the receivable, less any impairment losses and amounts derecognised.

Impairment and collectability of statutory receivables

The Municipality assesses at each reporting date whether there is any indication that a statutory receivable may be impaired.

The Municipality derecognises financial assets only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. Financial assets (receivables) are also derecognised when Council approves the write-off of financial assets due to non-recoverability.

If the Municipality neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Municipality recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Municipality retains substantially all the risks and rewards of ownership of a transferred financial asset, the Municipality continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

The Municipality recognises the difference between the carrying amount of the financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, in the Statement of Financial Performance.

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2019 -11- 29

1.34 EVENTS AFTER REPORTING DATE

Events after the reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

(a) those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
(b) those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

If non-adjusting events after the reporting date are material, the Municipality discloses the nature and an estimate of the financial effect.

2019 -11- 20

2 CASH AND CASH EQUIVALENTS	2019 R	2018 R
Assets		
Call Deposits and Investments	-	-
Cash at Bank	94 262 085	97 496 777
Cash on Hand	9 600	9 125
Total Cash and Cash Equivalents - Assets	**94 271 685**	**97 505 902**
Liabilities		
Primary Bank Account	-	-
Total Cash and Cash Equivalents - Liabilities	-	-

Cash and cash equivalents comprise cash held and short term deposits. The carrying amount of these assets approximates their fair value.

The municipality has the following bank accounts:

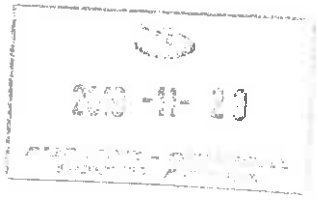
Cash book balance at beginning of year	97 496 777	76 324 212
Cash book balance at end of year	94 262 085	97 496 777

The municipality changed it's Primary Bank Account from The Standard Bank of South Africa Limited to First National Bank South Africa on 1 March 2018. The ABSA and Standard Bank accounts has not been closed at year end as some debtors still pay their service accounts into the old accounts.

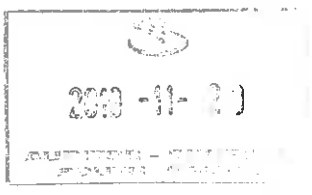
Primary Bank Account: First National Bank - Account Number 62748215979		
Bank statement balance at beginning of year	96 312 306	-
Bank statement balance at end of year	93 565 694	96 312 306
Standard Bank Limited - Account Number 203241819		
Bank statement balance at beginning of year	274 415	77 200 939
Bank statement balance at end of year	351 927	274 415
ABSA Bank Limited - Account Number 350000011		
Bank statement balance at beginning of year	69 379	248 613
Bank statement balance at end of year	55 423	69 379

3 TRADE AND OTHER RECEIVABLES FROM EXCHANGE TRANSACTIONS		
Electricity	37 998 175	36 362 313
Water	69 727 767	56 506 812
Property Rental Debtors	1 525 594	1 198 858
Waste Management	36 785 318	29 212 792
Waste Water Management	32 413 814	25 612 216
Service Charges	1 821 514	1 407 810
Prepayments and Advances	2 193 331	1 943 912
Land Sale Debtors	721 701	452 058
Total Receivables from Exchange Transactions	**183 187 214**	**152 696 770**
Less: Provision for Impairment	(131 576 488)	(101 389 355)
Total Net Receivables from Exchange Transactions	**51 610 725**	**51 307 415**

Consumer debtors are payable within 30 days. This credit period granted is considered to be consistent with the terms used in the public sector, through established practices and legislation. Discounting of trade and other receivables on initial recognition is not deemed necessary.



3 TRADE AND OTHER RECEIVABLES FROM EXCHANGE TRANSACTIONS CONTINUED	2019 R	2018 R
Included in receivables is the following accrued income (estimated consumption from the last meter reading to 30 June):		
Accrued Income Electricity	17 275 832	19 121 877
Accrued Income Water	4 553 282	4 166 594
Ageing of Receivables from Exchange Transactions:		
(Electricity): Ageing		
Accrued Income Electricity	17 275 832	19 121 877
Current (0 - 30 days)	13 221 882	11 335 243
31 - 60 Days	2 482 395	1 018 070
61 - 90 Days	259 225	640 885
+ 90 Days	4 758 841	4 246 238
Total	**37 998 175**	**36 362 313**
(Water): Ageing		
Accrued Income Water	4 553 282	4 166 594
Current (0 - 30 days)	3 768 628	3 472 654
31 - 60 Days	1 723 999	1 838 580
61 - 90 Days	1 199 817	1 602 11P
+ 90 Days	58 482 042	45 426 86
Total	**69 727 767**	**56 506 812**
(Housing): Ageing		
Current (0 - 30 days)	74 088	72 278
31 - 60 Days	41 852	36 775
61 - 90 Days	35 268	33 352
+ 90 Days	1 374 387	1 056 453
Total	**1 525 594**	**1 198 858**
(Refuse): Ageing		
Current (0 - 30 days)	2 378 364	2 562 428
31 - 60 Days	1 111 570	844 621
61 - 90 Days	812 574	619 550
+ 90 Days	32 482 810	25 186 193
Total	**36 785 318**	**29 212 792**
(Sewerage): Ageing		
Current (0 - 30 days)	1 911 951	1 877 644
31 - 60 Days	868 370	864 880
61 - 90 Days	627 218	642 908
+ 90 Days	29 006 274	22 226 785
Total	**32 413 813**	**25 612 216**
(Other): Ageing		
Current (0 - 30 days)	2 217 983	1 970 427
31 - 60 Days	30 425	26 543
61 - 90 Days	453 722	23 708
+ 90 Days	1 312 715	1 331 044
Total	**4 014 845**	**3 351 722**



3 RECEIVABLES FROM EXCHANGE TRANSACTIONS CONTINUED	2019 R	2018 R
(Land Sales): Ageing		
Current (0 - 30 days)	-	-
31 - 60 Days	-	-
31 - 60 Days	-	-
61 - 90 Days	-	-
+ 90 Days	721 701	452 058
Total	**721 701**	**452 058**
(Total): Ageing		
Accrued Income	21 829 113	23 288 472
Current (0 - 30 days)	23 572 897	21 290 674
31 - 60 Days	6 258 610	4 629 468
61 - 90 Days	3 387 824	3 562 520
+ 90 Days	128 138 769	99 925 637
Total	**183 187 214**	**152 696 770**
Reconciliation Provision for Impairment		
Opening Balance	(101 389 356)	(129 385 760)
Recognised	(30 187 133)	(24 346 623)
Bad Debts Written Off	-	52 343 027
Balance at end of year	**(131 576 489)**	**(101 389 356)**

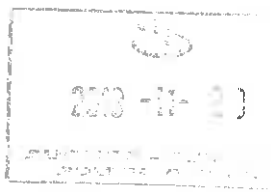
Concentrations of credit risk with respect to trade receivables are limited due to the municipality's large number of customers living in poverty. The municipality's historical experience in collection of trade receivables falls within recorded allowances. Due to these factors, management believes that no additional risk beyond amounts provided for collection losses is inherent in the municipality's trade receivables.

4 RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS		
Property Rates	26 671 349	23 957 110
Other Receivables	24 423 472	34 300 932
Fines	23 748 726	33 696 200
Deposits	224 615	224 615
SARS	-	-
Other receivables	450 131	380 117
Total Receivables from Non-Exchange Transactions	**51 094 822**	**58 258 042**
Less: Provision for Impairment	(36 071 871)	(47 039 009)
Total Net Receivables from Non-Exchange Transactions	**15 022 951**	**11 219 033**

Ageing of Receivables from Non-Exchange Transactions:

(Rates): Ageing		
Current (0 - 30 days)	2 951 064	2 589 533
31 - 60 Days	1 022 419	460 267
61 - 90 Days	266 984	243 690
+ 90 Days	22 430 882	20 663 620
Total	**26 671 349**	**23 957 110**
Reconciliation Provision for Impairment		
Opening Balance	(44 202 909)	(54 530 434)
Recognised	(10 128 852)	(17 050 073)
Bad Debts Written Off	18 259 890	24 541 498
Balance at end of year	**(36 071 871)**	**(47 039 009)**
Included in the provision for bad debt are the following amounts in respect of traffic fines	**(16 146 300)**	**(28 861 900)**

Concentrations of credit risk with respect to trade receivables are limited due to the municipality's large number of customers living in poverty. The municipality's historical experience in collection of trade receivables falls within recorded allowances. Due to these factors, management believes that no additional risk beyond amounts provided for collection losses is inherent in the municipality's trade receivables.



		2019 R	2018 R
5	**INVENTORY**		
	Consumables	665 034	1 372 307
	Materials and Supplies	10 849 471	9 857 241
	Housing Stock	-	-
	Land	-	-
	Water	178 114	172 268
	Total Inventory	**11 692 619**	**11 401 816**
	Inventory written down due to losses as identified during the annual stores counts.	**2 244**	**(274)**
	Inventory recognised as an expense during the year	**12 276 790**	**14 574 323**
	No inventories is pledged as security for liabilities		
6	**UNSPENT CONDITIONAL GOVERNMENT GRANTS AND RECEIPTS**		
	Unspent Grants	10 575 042	5 750 091
	National Government Grants	7 539 633	489 223
	Provincial Government Grants	2 135 408	4 360 868
	District Municipality	900 001	900 000
	Less: Grants spend but not yet received	4 036 901	2 379 678
	National Government Grants	1 022 096	1 110 255
	Provincial Government Grants	2 489 715	1 269 423
	District Municipality	525 090	
	Total Conditional Grants and Receipts	**6 538 141**	**3 370 413**
	Please refer to Note 22 for more information on specific grants.		
7	**VAT**		
	VAT PAYABLE		
	VAT Payable	4 320 862	1 174 585
	VAT output in suspense	-	-
		4 320 862	**1 174 585**
	VAT RECEIVABLE		
	VAT Receivable	-	-
	VAT input in suspense	11 359 672	9 885 166
		11 359 672	**9 885 166**
	NET VAT RECEIVABLE/(PAYABLE)	**7 038 810**	**8 710 581**
	VAT is receivable/payable on the cash basis.		

2019 -11- 29

8 PROPERTY, PLANT AND EQUIPMENT

8.1 30 JUNE 2019

Reconciliation of Carrying Value	Land R	Buildings R	Infrastructure R	Community Assets R	Leased Assets R	Other Assets R	Total R
Carrying value at 1 July 2018	77 053 867	89 963 658	567 565 701	63 631 253	26 370	43 110 033	841 350 881
Cost	77 053 867	100 191 957	706 866 587	72 372 722	1 893 599	82 728 698	1 041 107 430
Original Cost	77 053 867	100 191 957	706 866 587	72 372 722	1 893 599	82 728 698	1 041 107 430
Accumulated Impairment	-	-	(19 803)	-	-	(615 534)	(635 337)
Original Cost	-	-	(19 803)	-	-	(615 534)	(635 337)
Accumulated Depreciation	-	(10 228 299)	(139 281 083)	(8 741 469)	(1 867 230)	(39 003 131)	(199 121 212)
Original Cost	-	(10 228 299)	(139 281 083)	(8 741 469)	(1 867 230)	(39 003 131)	(199 121 212)
Acquisitions	-	-	77 863 169	2 710 453	1 217 706	5 323 944	87 115 272
Capital under Construction	-	-	-	-	-	-	-
Transfers	-	-	(1 452 301)	2 258 878	-	(73 589)	732 988
Cost	-	-	(1 452 301)	2 258 878	-	(73 589)	732 988
Accumulated Depreciation	-	-	-	-	-	-	-
Impairments	-	(797 525)	-	-	-	(26 726)	(824 251)
Impairment	-	(797 525)	-	-	-	(26 726)	(824 251)
Depreciation	-	(1 004 002)	(17 553 984)	(2 129 384)	(288 030)	(6 886 064)	(27 861 465)
Normal Depreciation for the year	-	(1 004 002)	(17 553 984)	(2 129 384)	(288 030)	(6 886 064)	(27 861 465)
Carrying value of disposals	(1 147 593)	(61 098)	(55 489)	-	-	(233 090)	(1 497 270)
Cost	(1 147 593)	(68 000)	(168 157)	-	-	(360 518)	(1 744 269)
Accumulated Impairment	-	-	-	-	-	-	-
Accumulated Depreciation	-	6 902	112 668	-	-	127 428	246 998
Carrying value at 30 June 2019	75 906 273	88 101 033	626 367 095	66 471 200	956 045	41 214 508	899 016 154
Cost	75 906 273	100 123 957	783 109 298	77 342 053	3 111 305	87 618 534	1 127 211 420
Original Cost	75 906 273	100 123 957	783 109 298	77 342 053	3 111 305	87 618 534	1 127 211 420
Accumulated Impairments	-	(797 525)	(19 803)	-	-	(642 260)	(1 459 588)
Original Cost	-	(797 525)	(19 803)	-	-	(642 260)	(1 459 588)
Accumulated Depreciation	-	(11 225 399)	(156 722 400)	(10 870 853)	(2 155 260)	(45 761 767)	(226 735 678)
Original Cost	-	(11 225 399)	(156 722 400)	(10 870 853)	(2 155 260)	(45 761 767)	(226 735 678)

CAPITALISED RESTORATION COST

Net Carrying amount at 1 July	**13 105 030**
Cost	44 946 927
Accumulated Depreciation	(31 841 897)
Acquisitions	-
Under Construction - Cost	-
Disposals	-
Adjustment for the period	8 013 333
Depreciation for the year	(1 872 147)
Impairment for the year	-
Net Carrying amount at 30 June	**19 246 216**
Cost	52 960 260
Accumulated Depreciation	(33 714 044)
Total Property, Plant and Equipment	918 262 370

2020 -11- 23

			R		
8.1.1 Work in Progress included in the Carrying Value of Property Plant & Equipment					
Original Cost	9 180 003	977 052		554 803	10 711 859

	R
8.1.2 Expenditure incurred for repairs and maintaining property plant and equipment	18 238 440

PROPERTY, PLANT AND EQUIPMENT CONTINUED

8.2 30 JUNE 2018

Reconciliation of Carrying Value	Land R	Buildings R	Infrastructure R	Community R	Lease Assets R	Other R	Total R
Carrying value at 1 July 2017	77 940 867	92 037 334	530 161 900	64 702 111	629 893	41 229 390	806 701 495
Cost	77 940 867	101 276 813	654 132 319	71 589 110	1 893 599	74 419 901	981 252 609
Original Cost	77 940 867	101 276 813	654 132 319	71 589 110	1 893 599	74 419 901	981 252 609
Accumulated Impairment	-	-	(19 803)	-	-	(632 535)	(652 338)
Original Cost	-	-	(19 803)	-	-	(632 535)	(652 338)
Accumulated Depreciation	-	(9 239 479)	(123 950 616)	(6 886 999)	(1 263 706)	(32 557 977)	(173 898 777)
Original Cost	-	(9 239 479)	(123 950 616)	(6 886 999)	(1 263 706)	(32 557 977)	(173 898 777)
Acquisitions	-	-	50 457 091	824 041	-	12 386 363	63 667 495
Capital under Construction	-	-	-	-	-	-	-
Transfers	-	-	2 277 177	(40 429)	-	(2 536 748)	(300 000)
Cost	-	-	2 277 177	(40 429)	-	(2 536 748)	(300 000)
Accumulated Depreciation	-	-	-	-	-	-	-
Revaluations							
Impairments	-	-	-	-	-	(20 192)	(20 192)
Impairment	-	-	-	-	-	(20 192)	(20 192)
Depreciation	-	(1 105 964)	(15 330 467)	(1 854 470)	(603 524)	(7 244 103)	(26 138 528)
Normal Depreciation for the year	-	-1 105 964.00	(15 330 467)	(1 854 470)	(603 524)	(7 244 103)	(26 138 528)
Carrying value of disposals	(887 000)	(967 712)	-	-	-	(704 676)	(2 559 388)
Cost	(887 000)	(1 084 856)	-	-	-	(1 540 818)	(3 512 674)
Accumulated Impairment	-	-	-	-	-	37 193	37 193
Accumulated Depreciation	-	117 144	-	-	-	798 949	916 093
Carrying value at 30 June 2018	77 053 867	89 963 658	567 565 701	63 631 253	26 370	43 110 033	841 350 881
Cost	77 053 867	100 191 957	706 866 587	72 372 722	1 893 599	82 728 698	1 041 107 430
Original Cost	77 053 867	100 191 957	706 866 587	72 372 722	1 893 599	82 728 698	1 041 107 430
Accumulated Impairments	-	-	(19 803)	-	-	(615 534)	(635 337)
Original Cost	-	-	(19 803)	-	-	(615 534)	(635 337)
Accumulated Depreciation	-	(10 228 299)	(139 281 083)	(8 741 469)	(1 867 230)	(39 003 131)	(199 121 212)
Original Cost	-	(10 228 299)	(139 281 083)	(8 741 469)	(1 867 230)	(39 003 131)	(199 121 212)

CAPITALISED RESTORATION COST

Net Carrying amount at 1 July	**16 075 548**
Cost	45 710 691
Accumulated Depreciation	(29 635 143)
Acquisitions	-
Under Construction - Cost	-
Disposals	-
Adjustment for the period	**(763 764)**
Depreciation for the year	(2 206 755)
Impairment for the year	-
Net Carrying amount at 30 June	**13 105 029**
Cost	44 946 927
Accumulated Depreciation	(31 841 898)
Total Property, Plant and Equipment	854 455 911

2019 -11- 21
AUDITOR - GENERAL
SOUTH AFRICA

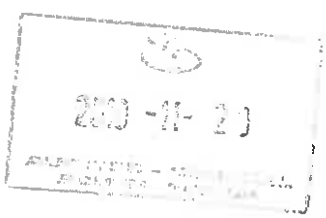
8.2.1 Work in Progress included in the Carrying Value of Property Plant & Equipment					
Original Cost	58 857 910	977 052		554 803	60 389 786

	R
8.2.2 Expenditure incurred for repairs and maintaining property plant and equipment	18 886 160

8.2.3 No assets are pledged as security

8.2.4 No assets were in construction or development and consequently halted.

8.2.5 No assets took significantly long to complete.



		2019 R	2018 R
9	**INTANGIBLE ASSETS**		
	Computer Software		
	Net Carrying amount at 1 July	**2 403 442**	**2 506 094**
	Cost	4 986 239	4 498 498
	Accumulated Amortisation	(2 582 797)	(1 992 404)
	Accumulated Impairment	-	-
	Acquisitions	758 988	187 741
	Amortisation	(400 025)	(590 393)
	Impairment	-	-
	Transfers	(732 988)	300 000
	Disposals	-	-
	Correction of Prior Period Error	-	-
	Change in Accounting Policy	-	-
	Net Carrying amount at 30 June	**2 029 417**	**2 403 442**
	Cost	5 012 239	4 986 239
	Accumulated Amortisation	(2 982 822)	(2 582 797)
	Accumulated Impairment	-	-

No intangible assets are pledged as security

No intangible assets were in construction or development and consequently halted.

No intangible assets took significantly long to complete.

10	**INVESTMENT PROPERTY**		
	Net Carrying amount at 1 July	**45 655 635**	**47 878 177**
	Cost	48 470 125	50 575 520
	Under Construction	-	-
	Accumulated Depreciation	(2 814 490)	(2 697 343)
	Accumulated Impairment	-	-
	Acquisitions	-	-
	Depreciation for the year	(281 010)	(281 085)
	Carrying value of disposals	(882 839)	(1 941 457)
	Cost	(882 839)	(2 105 394)
	Accumulated Depreciation	-	163 937
	Net Carrying amount at 30 June	**44 491 786**	**45 655 635**
	Cost	47 587 286	48 470 125
	Accumulated Depreciation	(3 095 500)	(2 814 490)
	Accumulated Impairment	-	

There are no restrictions on the realisability of Investment Property or the remittance of revenue and proceeds of disposal.

There are no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

Revenue derived from the rental of investment property	4 008 940	4 551 858
Operating expenditure incurred on properties generating revenue	4 817 466	5 136 072
Operating expenditure incurred on properties not generating revenue	-	-

2019 -11- 29

11	HERITAGE ASSETS	2019 R	2018 R
	Net Carrying amount at 1 July	**550 000**	**550 000**
	Cost	550 000	550 000
	Under Construction	-	-
	Accumulated Impairment	-	-
	Acquisitions	-	-
	Disposals	-	-
	Impairment	-	-
	Transfers from Inventory	-	-
	Transfers	-	-
	Net Carrying amount at 30 June	**550 000**	**550 000**
	Cost	550 000	550 000
	Accumulated Impairment	-	-

Heritage assets are carried at its cost less any accumulated impairment losses

None of the heritage assets are pledge as security.

12	OPERATING LEASE ARRANGEMENTS		
	Operating Lease		
	Opening Balance	5 095	9 948
	Movement during the year	(5 095)	(4 853)
	Balance on 30 June	-	5 095

At the Statement of Financial Position date, where the municipality acts as a lessor under operating leases, it will receive operating lease income as follows:

Up to 1 Year	-	5 095
1 to 5 Years	-	-
More than 5 Years	-	-
Total Operating Lease Arrangements	-	5 095

This lease income was determined from contracts that have a specific conditional income and does not include lease income which has a undetermined conditional income.

The leases are in respect of land and buildings being leased out for periods ranging until 2019.

		2019 R	2018 R
13	**TRADE AND OTHER PAYABLE EXCHANGE TRANSACTIONS**		
	Payables and Accruals	13 665 914	7 754 548
	Control, Clearing and Interface	44 403	32 518
	Electricity Bulk Purchase	23 304 763	23 570 223
	Accrued Interest	32 667	79 700
	Unallocated Deposits	3 122 162	2 202 946
	Retentions	2 377 252	3 737 645
	Agency Fees Payable	125	63 825
	Advance Payments	4 669 100	7 512 717
	Overtime	972 351	878 609
	Total Trade Payables	**48 188 737**	**45 832 731**

Payables are being recognised net of any discounts.

Payables are being paid within 30 days as prescribed by the MFMA. This credit period granted is considered to be consistent with the terms used in the public sector, through established practices and legislation. Discounting of trade and other payables on initial recognition is not deemed necessary.

The carrying value of trade and other payables approximates its fair value.

14	**CONSUMER DEPOSITS**		
	Water and Electricity	4 708 365	4 330 907
	Rental Properties	333 422	302 29[illegible]
	Building Plans	2 107 948	1 785 197
	Total Consumer Deposits	**7 149 735**	**6 418 394**

The fair value of consumer deposits approximate their carrying value. Interest are not paid on these amounts.

2019 -11- 20

15 CURRENT EMPLOYEE BENEFITS	2019 R	2018 R
Current Portion of Post Employment Health Care Benefits- Note 19	2 326 217	2 085 183
Current Portion of Long-Service Provisions - Note 19	1 177 302	893 152
Current Portion of Ex-gratia Pension Provisions - Note 19	8 432	24 798
Staff Leave	13 148 894	12 353 905
Performance Bonuses	497 567	801 374
Staff Bonuses	4 642 349	3 866 125
Total Current Employee Benefits	**21 800 761**	**20 024 537**

The movement in current employee benefits are reconciled as follows:

Staff Leave

Balance at beginning of year	12 353 905	10 742 245
Contribution for the year	1 376 029	2 052 699
Expenditure incurred	(581 040)	(441 039)
Balance at end of year	**13 148 894**	**12 353 905**

Staff leave accrued to employees according to collective agreement. Provision is made for the full cost of accrued leave at reporting date. This provision will be realised as employees take leave.

Performance Bonuses

Balance at beginning of year	801 374	815 657
Contribution for the year	499 081	801 372
Expenditure incurred	(802 888)	(815 655)
Balance at end of year	**497 567**	**801 374**

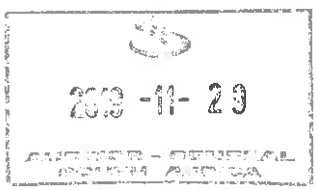
Performance bonuses are being paid to Municipal Manager and Directors after an evaluation of performance by the

Staff Bonuses

Balance at beginning of year	3 866 125	3 416 197
Contribution for the year	8 002 499	6 977 450
Expenditure incurred	(7 226 274)	(6 527 523)
Balance at end of year	**4 642 350**	**3 866 124**

Bonuses are being paid to all municipal staff, excluding section 57 Managers. The balance at year end represents

		2019 R	2018 R
16	**UNSPENT PUBLIC CONTRIBUTIONS**		
	China - Water meters	19 533	32 135
	Essen Belgium	2 199 763	1 833 369
	Total Unspent Public Contributions	**2 219 296**	**1 865 504**
	Reconciliation of public contributions		
	China - Water meters		
	Opening balance	32 135	49 904
	Receipts	-	-
	Conditions met - Transferred to revenue	(12 602)	(17 769)
	Closing balance	**19 533**	**32 135**
	3580 Water meters were donated by the Chinese Government to the Witzenberg Municipality. The purpose of the donation is to provide water connections to poor households.		
	Essen Belgium		
	Opening balance	1 833 369	925 332
	Receipts	928 705	1 185 716
	Conditions met - Transferred to revenue	(562 311)	(277 679)
	Closing balance	**2 199 763**	**1 833 369**
	A twining agreement exists between Essen in Belgium and the Witzenberg Municipality. The purpose of the agreement is youth development and crèches.		
17	**BORROWINGS**		
	Annuity and Bullet Loans	5 304 458	7 481 354
	Finance Lease Liability	917 951	-
	Hire Purchase	-	-
	Stock loans	-	-
		6 222 409	**7 481 354**
	Current portion of Non-current	**(1 518 058)**	**(2 176 896)**
	Annuity and Bullet Loans	(1 381 672)	(2 176 896)
	Finance Lease Liability	(136 386)	-
		4 704 351	**5 304 458**
	Unamortised charges on loans	**-**	**(12 686)**
	Opening Balance	(12 686)	(78 471)
	Adjustment for the period	12 686	65 785
	Total borrowings - At amortised cost using the effective interest rate method	**4 704 351**	**5 291 772**
	Refer below for maturity dates of long term liabilities:		
	The obligations under annuity loans are scheduled below:	**Minimum annuity payments**	
	Amounts payable under annuity loans:		
	Payable within one year	1 792 988	2 870 103
	Payable within two to five years	4 414 938	6 068 336
	Payable after five years	-	-
		6 207 926	8 938 439
	Less: Future finance obligations	(903 470)	(1 457 085)
	Present value of annuity obligations	**5 304 455**	**7 481 354**



		2019 R	2018 R
BORROWINGS CONTINUED			
Annuity loans at amortised cost is calculated at an average 12.47% interest rate, with a final maturity date of 30 June 2023.			
The obligations under finance leases are scheduled below:		**Minimum lease payments**	
Amounts payable under finance leases:			
Payable within one year		508 305	-
Payable within two to five years		508 306	-
Payable after five years		-	-
		1 016 611	-
Less:	Future finance obligations	(98 660)	-
Present value of lease obligations		917 951	-
18	**NON-CURRENT PROVISIONS**		
Provision for Rehabilitation of Landfill-sites		86 471 213	71 466 568
Total Non-current Provisions		86 471 213	71 466 568

The provision includes the rehabilitation cost of landfill sites in Ceres, Prince Alfred's Hamlet, Op-die-Berg, Tulbagh and Wolseley. The expected closing dates and estimated rehabilitation cost of the sites are:
Ceres - 2010 (The site is no longer in operation) - R4 438 522.43
Prince Alfred's Hamlet - 2025 - R50 003 321.37
Op-die- Berg - 2024 - R5 943 619.18
Tulbagh - 2022 - R18 967 155.91
Wolseley - 2024 - R27 688 032.15

Landfill Sites

Opening Balance		71 466 568	70 249 120
Unwinding of Interest		7 253 857	7 165 891
Adjustment for the period		7 750 788	(5 948 443)
Total provision 30 June		86 471 213	71 466 568
Less:	Transfer of Current Portion to Current Provisions - Note	-	-
Balance 30 June		86 471 213	71 466 568
Discount rate		10.15%	10.20%
Inflation Rate		4.50%	4.60%
19	**EMPLOYEE BENEFITS**		
Post-employment Health Care Benefits		54 822 267	76 218 928
Long Service Awards		9 463 063	4 991 866
Ex-Gratia Pension Benefits		55 092	47 075
Total Non-current Employee Benefit Liabilities		64 340 422	81 257 869

Post-employment Health Care Benefits

Opening Balance		78 304 111	72 375 216
Contribution for the year		3 582 642	3 874 262
Interest Cost		7 465 784	7 018 076
Expenditure for the year		(2 183 586)	(2 144 480)
Amendments		(4 779 243)	-
Actuarial Loss/(Gain)		(25 241 224)	(2 818 963)
Total post retirement Health Care benefits 30 June		57 148 484	78 304 111
Less:	Transfer of Current Portion - Note 15	(2 326 217)	(2 085 183)
Balance 30 June		54 822 267	76 218 928

19 EMPLOYEE BENEFITS CONTINUED	2019 R	2018 R
Long Service Awards		
Opening Balance	5 885 018	5 329 057
Contribution for the year	451 234	410 958
Interest Cost	458 677	417 576
Expenditure for the year	(1 025 081)	(579 077)
Amendments	2 236 598	-
Actuarial Loss/(Gain)	2 633 919	306 504
Total long service 30 June	**10 640 365**	**5 885 018**
Less: Transfer of Current Portion - Note 15	(1 177 302)	(893 152)
Balance 30 June	**9 463 063**	**4 991 866**
Ex-Gratia Pension		
Opening Balance	71 874	154 143
Contribution for the year	-	-
Interest Cost	4 969	8 907
Expenditure for the year	(14 431)	(49 487)
Amendments		
Actuarial Loss/(Gain)	1 112	(41 690)
Total Ex-Gratia 30 June	**63 524**	**71 873**
Less: Transfer of Current Portion - Note 15	(8 432)	(24 798)
Balance 30 June	**55 092**	**47 07**
TOTAL NON-CURRENT EMPLOYEE BENEFITS		
Balance 1 July	84 261 003	77 858 416
Contribution for the year	4 033 876	4 285 220
Interest cost	7 929 430	7 444 559
Expenditure for the year	(3 223 098)	(2 773 044)
Amendments	(2 542 645)	-
Actuarial Loss/(Gain)	(22 606 193)	(2 554 149)
Total employee benefits 30 June	**67 852 373**	**84 261 002**
Less: Transfer of Current Portion - Note 15	(3 511 951)	(3 003 133)
Balance 30 June	**64 340 422**	**81 257 869**

19.1 Post-employment Health Care Benefits

The Post Retirement Benefit Plan is a defined benefit plan, of which the members are made up as follows:

In-service (employee) members	241	248
Continuation members (e.g. Retirees, widows, orphans)	52	56
Total Members	**293**	**304**

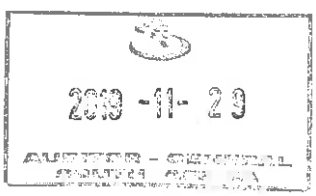
The liability in respect of past service has been estimated to be as follows:

In-service members	27 996 656	52 940 81
Continuation members	29 151 829	25 363 294
Total Liability	**57 148 485**	**78 304 112**

The liability in respect of periods commencing prior to the comparative year has been estimated as follows:	2017 R	2016 R	2015 R
In-service members	50 585 753	53 302 000	44 877 000
Continuation members	21 789 464	22 699 000	26 563 000
Total Liability	**72 375 217**	**76 001 000**	**71 440 000**

The municipality makes monthly contributions for health care arrangements to the following medical aid schemes:

Bonitas;
Keyhealth.
LA Health
Hosmed and
Samwumed.



19.1 EMPLOYEE BENEFITS CONTINUED

	2019	2018
Key actuarial assumptions used:		
i) Rate of interest		
Discount rate	9.36%	9.66%
Health Care Cost Inflation Rate	6.83%	7.44%
Net Effective Discount Rate	2.37%	2.07%

ii) Mortality rates

The PA 90 ultimate table was used by the actuaries.

iii) Normal retirement age

The normal retirement ages are 65 (for males) and 60 (for females). It has been assumed that male in-service members will retire at age 62 and female in-service members will retire at age 59, on average, which then implicitly allows for expected rates of ill-health and early retirement.

The amounts recognised in the Statement of Financial Position are as follows:	2019 R	2018 R
Present value of fund obligations	57 148 484	78 304 111
Net liability/(asset)	**57 148 484**	**78 304 111**

The municipality has elected to recognise the full increase in this defined benefit liability immediately as per GRAP 25, Employee Benefits, paragraph 155 (a).

Reconciliation of present value of fund obligation:

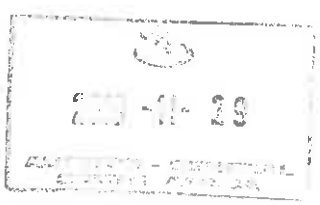
Present value of fund obligation at the beginning of the year	78 304 111	72 375 216
Total expenses	8 864 840	8 747 858
Current service cost	3 582 642	3 874 262
Interest Cost	7 465 784	7 018 076
Benefits Paid	(2 183 586)	(2 144 480)
Amendments	(4 779 243)	-
Actuarial (gains)/losses	(25 241 224)	(2 818 963)
Present value of fund obligation at the end of the year	57 148 484	78 304 111
Less: Transfer of Current Portion - Note 15	(2 326 217)	(2 085 183)
Balance 30 June	**54 822 267**	**76 218 928**

Sensitivity Analysis on the Accrued Liability at 30 June 2019

Assumption	**In-service**	**Continuation**	**Total liability**
Central Assumptions	27 997	29 152	57 148

The effect of movements in the assumptions are as follows:

Assumption	**Change**	**In-service**	**Continuation**	**Total liability**	**% change**
Central assumptions		27 997	29 152	57 148	
Health care inflation	1%	30 785	32 113	62 898	10
Health care inflation	-1%	24 476	26 593	51 069	-11
Mortality rate	20%	26 612	27 062	73 582	-6
Mortality rate	-20%	29 647	31 780	84 157	7



EMPLOYEE BENEFITS CONTINUED

	2019	2018
19.2 Long Service Awards		
The Long Service Bonus plans are defined benefit plans.		
As at year end, the following number of employees were eligible for Long Service Bonuses.	516	506
i) Rate of interest		
Discount rate	8.13%	8.42%
General Salary Inflation (long-term)	5.55%	6.07%
Net Effective Discount Rate applied to salary-related Long Service Bonuses	2.44%	2.22%

	2019 R	2018 R
The amounts recognised in the Statement of Financial Position are as follows:		
Present value of fund obligations	10 640 365	5 885 018
Net liability	**10 640 365**	**5 885 018**

The liability in respect of periods commencing prior to the comparative year has been estimated as follows:	2017 R	2016 R	2015 R
Present value of fund obligations	5 329 057	5 601 000	5 648 000
Net liability	**5 329 057**	**5 601 000**	**5 648 000**

	2019 R	2018 R
Reconciliation of present value of fund obligation:		
Present value of fund obligation at the beginning of the year	5 885 018	5 329 057
Total expenses	(115 170)	249 457
Current service cost	451 234	410 958
Interest Cost	458 677	417 576
Benefits Paid	(1 025 081)	(579 077)
	2 236 598	
Actuarial (gains)/losses	2 633 919	306 504
Present value of fund obligation at the end of the year	10 640 365	5 885 018
Less: Transfer of Current Portion - Note 15	(1 177 302)	(893 152)
Balance 30 June	**9 463 063**	**4 991 866**

Sensitivity Analysis on the Accrued Liability at 30 June 2019

Assumption	Change	Liability (R'000)	% change
Central assumptions		10 640	
General salary inflation	1.00%	11 311	6%
General salary inflation	-1.00%	10 033	-6%
Withdrawal rates	20%	10 151	-5%
Withdrawal rates	-20%	11 177	5%

EMPLOYEE BENEFITS CONTINUED

		2019	2018
19.3	**Ex-Gratia Pension Benefits**		
	The Ex-Gratia Pension Benefits plans are defined benefit plans.		
	As at year end, the following number of employees were eligible for Ex-Gratia Pension Benefits.	19	20
	i) Rate of interest		
	Discount rate	8.11%	8.32%

	2019 R	2018 R
The amounts recognised in the Statement of Financial Position are as follows:		
Present value of fund obligations	63 524	71 873
Net liability	**63 524**	**71 873**

The liability in respect of periods commencing prior to the comparative year has been estimated as follows:	2017 R	2016 R	2015 R
Present value of fund obligations	154 143	330 000	244 001
Net liability	**154 143**	**330 000**	**244 001**

EMPLOYEE BENEFITS CONTINUED

	2019 R	2018 R
Reconciliation of present value of fund obligation:		
Present value of fund obligation at the beginning of the year	71 874	154 143
Total expenses	(9 462)	(40 580)
Current service cost	-	-
Interest Cost	4 969	8 907
Benefits Paid	(14 431)	(49 487)
Actuarial (gains)/losses	1 112	(41 690)
Present value of fund obligation at the end of the year	63 524	71 873
Less: Transfer of Current Portion - Note	(8 432)	(24 798)
Balance 30 June	**55 092**	**47 075**

Sensitivity Analysis on the Accrued Liability at 30 June 2019

Assumption	Change	Total liability	% change
Central assumptions		64	
Withdrawal rates	+20%	63	-1.0%
Withdrawal rates	-20%	64	1.0%

	EMPLOYEE BENEFITS CONTINUED	2019 R	2018 R
19.4	**Retirement funds**		
	CAPE JOINT PENSION FUND		
	The funding level of the CJPF (Pensions Account section) was 105.1% as at the 30 June 2013 valuation date compared with a 99.4% funding level as at 30 June 2012. The Fund is in a sound financial condition at the valuation date. As at the 30 June 2013 valuation date (in totality) the members contributed at a rate of 9% of pensionable salaries and (in totality) the Local Authorities contributed at a rate of 18% of pensionable salaries.		
	Contributions paid recognised in the Statement of Financial Performance	452 630	417 609
	SOUTH AFRICAN LOCAL AUTHORITIES PENSION FUND		
	The funding level at the most recent actuarial valuation (1 July 2012) of 100% was calculated on a Discounted Cash Flow (DCF) basis. The funding level has improved since the previous valuation. The valuation actuary recommended that the prevailing employer contribution rate at 1 July 2012 be maintained at 15,26%. This includes a margin of 3.92% over and above the contribution rate required to fund the Projected Unit Method future service benefits and associated costs.		
	Contributions paid recognised in the Statement of Financial Performance	447 341	538 053
	DEFINED CONTRIBUTION FUNDS		
	Council contributes to: the Government Employees Pension Fund; Municipal Council Pension Fund; National Fund for Municipal Workers (IMATU); and SAMWU National Provident Fund which are defined contribution funds. The retirement benefit fund is subject to the Pension Fund Act, 1956, with pension being calculated on the pensionable remuneration paid. Current contributions by Council are charged against expenditure on the basis of current service costs.		
	Contributions paid recognised in the Statement of Financial Performance		
	Cape Joint Retirement Fund	19 879 356	17 847 981
	Municipal Councillors Pension Fund	376 558	350 814
	National Fund For Municipal Employees (IMATU)	122 374	157 852
	SAMWU National Provident Fund	4 118 954	3 948 150
		24 497 242	**22 304 798**
20	**NET ASSET RESERVES**		
	Capital Replacement Reserve	10 354 788	10 354 788
	Total Net Asset Reserves	**10 354 788**	**10 354 788**

21	PROPERTY RATES	2019 R	2018 R
	Actual		
	Rates Levied	77 362 366	70 444 618
	Business	12 772 509	12 159 802
	Building Clauses	101 951	123 633
	Rural	18 033 214	15 353 398
	Public Benefit Organisations	-	-
	Industrial Properties	8 796 899	8 448 403
	Residential Properties	25 394 167	24 275 379
	State-owned Properties	10 678 347	7 650 340
	Vacant Land	1 564 945	2 417 360
	Public Service Infrastructure	20 334	16 303
	Less: Revenue Forgone	(7 483 131)	(6 609 239)
	Total Assessment Rates	**69 879 235**	**63 835 379**
	Valuations - 1 JULY		
	Land and Buildings		
	Residential Property	4 044 998 700	3 015 206 263
	Commercial Property	1 011 580 500	791 141 000
	Industrial Property	607 087 500	451 895 000
	Informal Property	37 168 500	32 759 000
	Agricultural Purposes	12 711 816 000	5 215 121 100
	State - National/ Provincial Services	822 438 000	403 270 600
	Public Service Infrastructure	9 948 500	6 575 000
	Vacant Property	171 543 300	180 766 353
	Total Valuation	**19 416 581 000**	**10 096 734 316**

Assessment Rates are levied on the value of land and improvements. The valuation is performed every 4-6 years. The last valuation came into effect on 1 July 2018. Interim valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions and also to accommodate growth in the rate base due mostly to private development.

Rates:		
Residential	0.825c/R	0.991c/R
Commercial	1.490c/R	1.883c/R
Industrial	1.490c/R	1.883c/R
Bona Fide Agricultural	0.100c/R	0.248c/R

Rates are levied annually and monthly. Monthly rates are payable by the 15th of the following month and annual rates are payable before 30 September. Interest is levied at the prime rate plus 1% on outstanding monthly rates.

Rebates were granted on land with buildings used solely for dwellings purposes as follows:
Residential - The first R120 000 on the valuation is exempted.

Rebates can be defined as any income that the Municipality is entitled by law to levy, but which has subsequently been forgone by way of rebate or remission.

22	TRANSFERS AND SUBSIDIES	2019 R	2018 R
	Unconditional Grants	**84 602 000**	**70 412 000**
	Equitable Share	84 602 000	70 412 000
	Conditional Grants	**74 776 571**	**58 276 511**
	Grants and donations	74 776 571	58 276 511
	Subsidies	-	-
	Total Government Grants and Subsidies	**159 378 571**	**128 688 511**
	Government Grants and Subsidies - Capital	54 177 081	34 481 262
	Government Grants and Subsidies - Operating	105 201 490	94 207 249
		159 378 571	**128 688 511**

Please refer to appendix D for more detailed disclosure of Government Grants and Subsidies.

The Municipality does not expect any significant changes to the level of grants.

22.1 Equitable share

Opening balance	-	-
Grants received	84 602 000	70 412 000
Conditions met - Operating	(84 602 000)	(70 412 000)
Conditions met - Capital	-	
Write off / Transfers	-	-
Conditions still to be met/(Grant expenditure to be recovered)	-	-

The Equitable Share is the unconditional share of the revenue raised nationally and is being allocated in terms of Section 214 of the Constitution (Act 108 of 1996) to the municipality by the National Treasury.

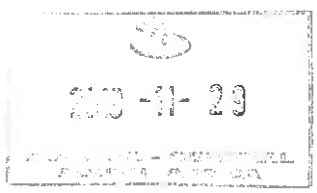
22.2 Local Government Financial Management Grant (FMG)

Opening balance	17 747	(261 315)
Grants received	1 550 000	1 550 000
Conditions met - Operating	(940 825)	(1 259 695)
Conditions met - Capital	-	(11 243)
Conditions still to be met/(Grant expenditure to be recovered)	**626 922**	**17 747**

The Financial Management Grant is paid by National Treasury to municipalities to help implement the financial reforms required by the Municipal Finance Management Act (MFMA), 2003. The FMG Grant also pays for the cost of the Financial Management Internship Programme (e.g. salary costs of the Financial Management Interns).

22.3 Expanded Public Works Programme

Opening balance	(29 359)	(14 044)
Grants received	1 780 000	1 485 000
Conditions met - Operating	(2 026 381)	(1 500 315)
Conditions met - Capital	-	-
Conditions still to be met/(Grant expenditure to be recovered)	**(275 740)**	**(29 359)**



	GOVERNMENT GRANTS AND SUBSIDIES CONTINUED	2019 R	2018 R
22.4	**Municipal Infrastructure Grant (MIG)**		
	Opening balance	(95 671)	(90 419)
	Grants received	22 031 000	22 739 000
	Conditions met - Operating	-	-
	Conditions met - Capital	(22 030 489)	(22 744 251)
	Conditions still to be met/(Grant expenditure to be recovered)	(95 160)	(95 670)
	The grant was used to upgrade infrastructure in previously disadvantaged areas.		
22.5	**Housing Grants**		
	Opening balance	3 295 671	566 634
	Grants received	29 982 563	30 567 514
	Conditions met - Operating	(8 771 481)	(12 643 351)
	Conditions met - Capital	(25 743 845)	(15 195 126)
	Conditions still to be met/(Grant expenditure to be recovered)	(1 237 092)	3 295 671
	Housing grants was utilised for the development of erven and the erection of top structures.		
22.6	**Integrated National Electrification Grant**		
	Opening balance	(801 458)	(801 458)
	Grants received	5 000 000	-
	Conditions met - Operating	-	-
	Conditions met - Capital	(4 849 738)	-
	Write off / Transfers	-	-
	Conditions still to be met/(Grant expenditure to be recovered)	(651 196)	(801 458)
	The National Electrification Grant was used for electrical connections in previously disadvantaged areas.		
22.7	**Library services**		
	Opening balance	-	(143)
	Grants received	9 342 000	8 050 000
	Conditions met - Operating	(8 942 000)	(8 049 857)
	Conditions met - Capital	-	-
	Conditions still to be met/(Grant expenditure to be recovered)	400 000	-
22.8	**Other Grants**		
	Opening balance	2 848 987	1 914 470
	Grants received	13 537 705	2 909 716
	Conditions met - Operating	(581 364)	(1 437 299)
	Conditions met - Capital	(5 815 625)	(357 901)
	Write off / Transfers	-	(180 000)
	Conditions still to be met/(Grant expenditure to be recovered)	9 989 703	2 848 986
	Various grants were received from other spheres of government of which the material ones are: RBIG R9.3 million and Essen R2.2 million, etc.		
22.9	**Total Grants**		
	Opening balance	5 235 917	1 313 725
	Grants received	167 825 268	137 713 230
	Conditions met - Operating	(105 864 051)	(95 302 517)
	Conditions met - Capital	(58 439 697)	(38 308 521)
	Write off / Transfers	-	(180 000)
	Conditions still to be met/(Grant expenditure to be recovered)	8 757 437	5 235 917
	Disclosed as follows:		
	Unspent Conditional Government Grants and Receipts	10 575 042	5 750 091
	Unpaid Conditional Government Grants and Receipts	(4 036 901)	(2 379 678)
		6 538 141	3 370 413

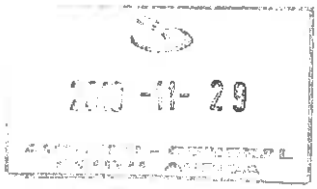
		2019	2018
23	**SERVICE CHARGES**	R	R
	Electricity	222 677 633	210 725 381
	Water	38 997 795	48 815 990
	Refuse removal	35 231 260	31 788 924
	Sewerage and Sanitation Charges	38 563 609	36 353 497
	Bulk service levies	-	-
		335 470 297	327 683 792
	Less: Revenue Forgone	(30 270 918)	(21 514 158)
	Total Service Charges	**305 199 379**	**306 169 634**

Rebates can be defined as any income that the Municipality is entitled by law to levy, but which has subsequently been forgone by way of rebate or remission.

24	**Operational Revenue**		
	Insurance Refund	578 123	4 011 107
	Collection Charges	50 606	89 850
	Breakages and Losses Recovered	6 415	32 459
	Merchandising, Jobbing and Contracts	24 120	86 031
	Other	670 323	345 553
	Total Operational Revenue	**1 329 587**	**4 565 000**
25	**Sales of Goods and Rendering of services**		
	Application Fees for Land Usage	62 649	48 235
	Building Plan Approval	978 741	690 01
	Camping Fees	1 927 064	2 252 863
	Cemetery and Burial	223 919	245 871
	Entrance Fees	774 716	775 814
	Other	487 490	1 199 750
	Total Sales of Goods and Rendering of services	**4 454 579**	**5 212 551**
26	**EMPLOYEE RELATED COSTS**		
	Salaries and Wages	110 406 072	97 461 559
	Bargaining Council Levy	526 254	52 577
	Bonuses	8 501 580	7 778 822
	Contributions For Pensions	14 933 113	13 786 586
	Contributions For Medical Aids	7 362 175	6 749 682
	Contributions For UIF	856 028	796 059
	Group Life Insurance	1 625 855	1 463 719
	Housing Benefits and Allowances	1 447 541	1 445 756
	Leave Reserve	1 376 029	2 052 699
	Long service awards	451 234	410 958
	Overtime	11 260 169	11 105 780
	Post Employment Health Care Benefits	1 039 997	3 874 262
	Travel, Motor Car, Accommodation, Subsistence and Other Allowances	6 716 050	6 261 280
		166 502 097	153 239 739
	Less: Employee Cost allocated elsewhere	-	-
	Total Employee Related Costs	**166 502 097**	**153 239 739**

KEY MANAGEMENT PERSONNEL

The Municipal Manager and Directors are appointed on fixed term contracts.



26	EMPLOYEE RELATED COSTS CONTINUED	2019 R	2018 R
	REMUNERATION OF KEY MANAGEMENT PERSONNEL		
	Remuneration of the Municipal Manager		
	Annual Remuneration	995 332	908 826
	Performance Bonuses	179 167	197 898
	Travelling Allowance	108 000	72 000
	Housing Allowance	-	-
	Contributions to UIF, Medical, Pension Funds and Bargaining Council	250 237	250 237
	Travelling Expenses	-	36 000
	Leave encashment	-	-
	Other Allowance	53 033	50 240
	Total	1 585 770	1 515 201
	Remuneration of the Director Technical Services		
	Annual Remuneration	591 776	609 743
	Performance Bonuses	147 970	154 803
	Travelling Allowance	501 867	9 883
	Contributions to UIF, Medical, Pension Funds and Bargaining Council	3 779	3 779
	Travelling Expenses	-	-
	Leave encashment	-	44 229
	Other Allowance	43 350	34 481
	Total	1 288 743	856 919
	Remuneration of the Director Corporate Services		
	Annual Remuneration	891 760	823 852
	Performance Bonuses	146 454	153 351
	Travelling Allowance	212 231	193 942
	Housing Allowance	-	-
	Contributions to UIF, Medical, Pension Funds and Bargaining Council	-	-
	Travelling Expenses	-	18 636
	Leave encashment	-	-
	Other Allowance	58 667	49 784
	Total	1 309 112	1 239 565
	Remuneration of the Director Financial Services		
	Annual Remuneration	532 465	915 496
	Performance Bonuses	164 648	154 803
	Travelling Allowance	-	70 325
	Housing Allowance	-	-
	Contributions to UIF, Medical, Pension Funds and Bargaining Council	2 572	192 812
	Travelling Expenses	-	2 926
	Leave encashment	52 924	70 564
	Other Allowance	9 600	19 200
	Total	762 209	1 426 125
	Remuneration of the Director Community Services		
	Annual Remuneration	-	853 992
	Performance Bonuses	164 648	154 803
	Travelling Allowance	-	90 000
	Contributions to UIF, Medical, Pension Funds and Bargaining Council	315	42 413
	Leave encashment	-	94 085
	Travelling Expenses	1 146	4 932
	Total	166 109	1 240 226
27	**REMUNERATION OF COUNCILLORS**		
	Executive Mayor	635 169	604 288
	Deputy Mayor	580 166	557 428
	Speaker	578 547	556 871
	Mayoral Committee Members	2 149 094	2 063 951
	Ordinary Councillors	4 281 097	4 232 338
	Pension fund contributions	1 049 153	1 018 053
	Medical aid contributions	184 356	137 142
	Total Councillors' Remuneration	9 457 582	9 170 071

In-kind Benefits

The Executive Mayor, Speaker and all the Mayoral committee members are full-time. The Executive Mayor, Speaker and all the Mayoral committee members are provided with secretarial support and an office at the cost of the Council.

		2019 R	2018 R
28	**IMPAIRMENT**		
	Long term Receivables - Note	-	-
	Receivables from exchange transactions - Note 3	30 187 133	24 346 623
	Receivables from non-exchange transactions - Note 4	10 128 852	17 050 073
	Total Contribution to Debt Impairment	**40 315 985**	**41 396 696**
29	**DEPRECIATION AND AMORTISATION**		
	Property Plant and Equipment	27 861 465	26 138 527
	Investment Property	281 010	281 085
	Intangible Assets	400 025	590 393
	Capitalised restoration cost	1 872 147	2 206 755
	Total Depreciation and Amortisation	**30 414 647**	**29 216 760**
30	**(IMPAIRMENT LOSS) / REVERSAL OF IMPAIRMENT**		
	Heritage Assets	-	-
	Intangible Assets	-	-
	Investment Property	-	-
	Property Plant & Equipment	824 251	20 192
	Total Impairments	**824 251**	**20 192**
31	**FINANCE CHARGES**		
	Borrowing	581 744	1 014 902
	Finance leases	81 474	50 628
	Bank Overdraft	-	-
	Ex-Gratia Pension	4 969	8 907
	Post Employment Health Care Benefits	7 465 784	7 018 076
	Long service awards	458 677	417 576
	Interest costs non-current Provision	7 253 857	7 165 891
	Other	-	-
	Total finance charges	**15 846 505**	**15 675 980**

2019 -11- 20

32 BULK PURCHASES

Electricity	188 783 412	179 705 387
Total Bulk Purchases	**188 783 412**	**179 705 387**

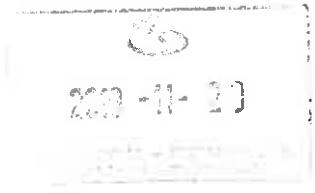
33 CONTRACTED SERVICES

Tracing agents and debt collection	1 027 804	908 005
Legal Cost	1 419 860	1 149 742
Fire Services	94 546	1 229 496
Maintenance Buiding and Facilities	1 156 260	1 249 299
Traffic Fines Management	548 603	1 378 718
Maintenance of Unspecified Assets	1 481 763	2 599 012
Business and Advisory	3 825 803	2 994 159
Security Services	11 940 097	8 825 906
Infrastructure and Planning	13 885 349	10 484 109
Other	6 591 119	5 282 316
	41 971 204	**36 100 762**

	2019 R	2018 R
34 TRANSFERS AND SUBSIDIES: OPERATIONAL EXPENDITURE		
Sport	46 615	104 258
Public Schools	95 000	130 000
Bursaries (Non-Employee)	299 947	492 353
Housing Support	8 771 481	12 643 351
Council	-	23 000
Tourism	805 600	767 230
Total Transfers and Subsidies: Operational Expenditure	**10 018 643**	**14 160 192**

35 OPERATIONAL COST

Advertising, Publicity and Marketing	675 903	815 529
Bank Charges, Facility and Card Fees	716 266	796 924
Commission	2 037 177	1 872 305
Communication	2 692 032	2 878 905
External Audit Fees	3 242 451	2 727 865
External Computer Service	2 265 371	2 324 256
Hire Charges	5 110 871	4 825 611
Insurance Underwriting	2 691 347	1 927 695
Learnerships and Internships	605 457	454 322
Levies Paid - Water Resource Management Charges	630 469	483 781
Licences	346 598	238 166
Printing, Publications and Books	646 015	332 842
Professional Bodies, Membership and Subscription	1 778 405	1 676 583
Remuneration to Ward Committee	1 314 500	683 000
Signage	650 342	632 219
Transport Provided as Part of Departmental Activities	146 669	199 235
Travel and Subsistence	1 221 632	1 498 989
Uniform and Protective Clothing	1 549 687	1 096 213
Wet Fuel	6 011 285	5 148 845
Other	704 244	937 141
Total Operational cost	**35 036 721**	**31 550 426**



36	CORRECTION OF ERROR IN TERMS OF GRAP 3	2019 R	2018 R
36.1	**Trade and Other Payable Exchange Transactions**		
	Balance previously reported		**44 888 335**
	Correction of outstanding retention money - Note 36.2		57 713
	Correction of Cash received for shares - Note 36.5		363 424
	Correction Leave Payment - Note 37.6		(363 979)
	Correction Medical - Note 37.15		(2 764)
	Correction Commision - Note 37.14		11 454
	Correction Group Life - Note 37.14		(62)
	Correction Overtime - Note 37.12		878 609
	Balance now reported		**45 832 730**
36.2	**Property, Plant and Equipment**		
	Balance previously reported		**843 242 421**
	Correction of outstanding retention money - Note 36.1		(1 302 655)
	Correction of Land Disposals		(317 000)
	Property, plant and equipment adjustments		(271 885)
	Reallocation of Capitalised Restoration cost		13 105 030
	Balance now reported		**854 455 911**
36.3	**Investment property**		
	Balance previously reported		**45 659 838**
	Sale of land - Note 36.4		(4 203)
	Balance now reported		**45 655 635**
36.4	**Receivables from exchange transactions**		
	Balance previously reported		**51 223 41.**
	Sale of land - Note 36.3		84 000
	Balance now reported		**51 307 415**
36.5	**Receivables from non-exchange transactions**		
	Balance previously reported		**11 158 768**
	Debtor in respect of SARS review duplicated - Note 37.25		(524 109)
	Correction of Cash received for shares - Note 36.1		363 424
	Traffic Fines Correction - Note 37.8		220 950
	Balance now reported		**11 219 033**
36.6	**Current Employee Benefits**		
	Balance previously reported		**19 695 805**
	Correction Leave Payment - Note 37.1		363 979
	Correction Staff Bonuses - Note 37.24		(35 247)
	Balance now reported		**20 024 537**
36.7	**VAT Receivable (net)**		
	Balance previously reported		**7 350 212**
	Correction of outstanding retention money - Note 36.2		1 360 368
	Balance now reported		**8 710 580**
36.8	**FINES, PENALTIES AND FORFEITS**		
	Balance previously reported		**22 001 770**
	Traffic Fines Correction - Note 37.5		1 667 850
	Balance now reported		**23 669 620**
36.9	**SERVICE CHARGES: Refuse removal**		
	Balance previously reported		**27 968 180**
	Free refuse removals at informal areas - Note 37.11		3 820 744
	Balance now reported		**31 788 924**
36.10	**SERVICE CHARGES: Sewerage and Sanitation Charges**		
	Balance previously reported		**32 648 952**
	Free sanitation services at informal areas - Note 37.11		3 704 545
	Balance now reported		**36 353 497**
36.11	**SERVICE CHARGES: Revenue Forgone**		
	Balance previously reported		**(13 988 869)**
	Free refuse removals at informal areas - Note 36.9		(3 820 744)
	Free sanitation services at informal area - Note 37.10		(3 704 545)
	Balance now reported		**(21 514 158)**

2019 -11- 29

36.12	**EMPLOYEE RELATED COST**	
	Balance previously reported	**152 397 783**
	Correction Overtime - Note 37.1	878 609
	Correction Staff Bonuses - Note 37.24	(35 247)
	Correction Medical - Note 37.1	(2 764)
	Correction Staff Bonus Allocation - Note 37.24	1 358
	Balance now reported	**153 239 739**
36.13	**Receipts from Taxation**	
	Balance previously reported	**63 592 093**
	Revenue from Surcharges and Taxes was included with sales of goods and services - Note 37.14	3 963 004
	Balance now reported	**67 555 097**
36.14	**Receipts from Sales of goods and services**	
	Balance previously reported	**308 615 009**
	Revenue from Surcharges and Taxes was included with sales of goods and services - Note 37.13	(3 963 004)
	Correction of Cash received for shares - Note 37.4	(363 424)
	Correction Commision - Note 37.1	(11 454)
	Correction Group Life - Note 37.1	62
	Balance now reported	**304 277 189**
36.15	**Payments in respect of employee cost**	
	Balance previously reported	**(141 722 476)**
	Finance charges on employee benefits included with Finance Charges and not Employee Cost - Note 37.17	(7 444 559)
	Correction Leave Payment - Note 37.6	363 979
	Correction Medical - Note 37.1	2 764
	Correction Overtime - Note 37.1	(878 609)
	Correction Staff Bonus Allocation - Note 37.24	(1 358)
	Balance now reported	**(149 680 259)**
36.16	**Payments to suppliers**	
	Balance previously reported	**(282 663 051)**
	Unamortised charges on loans included with Suppliers and not with Finance Charges - Note 37.17	(65 785)
	Finance charges on provisions included with Finance Charges and not Suppliers - Note 37.17	(7 165 891)
	Correction of Cash received for shares - Note	363 424
	Correction Leave Payment	(363 979)
	Correction Medical - Note 37.1	(2 764)
	Correction Commision - Note 37.1	11 454
	Correction Group Life - Note 37.1	(62)
	Correction Overtime - Note 37.1	878 609
	Correction Staff Bonus Allocation - Note 37.16	1 358
	Correction - Grant Revenue and Expenditure	(240 000)
	Correction of Retentions	54 830
	Balance now reported	**(289 191 857)**
36.17	**Finance charges paid**	
	Balance previously reported	**(15 675 980)**
	Unamortised charges on loans included with Suppliers and not with Finance Charges - Note 37.16	65 785
	Finance charges on employee benefits included with Finance Charges and not Employee Cost - Note 37.15	7 444 559
	Finance charges on provisions included with Finance Charges and not Suppliers - Note 37.16	7 165 891
	Balance now reported	**(999 745)**
36.18	**Remuneration of the Municipal Manager: Performance Bonuses**	
	Amount previously reported	**143 098**
	Correction of Disclosure	54 800
	Amount now reported	**197 898**
36.19	**Remuneration of the Director Technical Services: Performance Bonuses**	
	Amount previously reported	**118 043**
	Correction of Disclosure	36 760
	Amount now reported	**154 803**
36.20	**Remuneration of the Director Corporate Services: Performance Bonuses**	
	Amount previously reported	**131 327**
	Correction of Disclosure	22 024
	Amount now reported	**153 351**

36.21	**Remuneration of the Director Financial Services: Performance Bonuses**	
	Amount previously reported	**131 327**
	Correction of Disclosure	23 476
	Amount now reported	**154 803**
36.22	**Remuneration of the Director Community Services: Performance Bonuses**	
	Amount previously reported	**118 043**
	Correction of Disclosure	36 760
	Amount now reported	**154 803**
36.23	**Intangible asset**	
	Amount previously reported	**2 649 745**
	Correction of Disclosure	(246 303)
	Amount now reported	**2 403 442**
36.24	**Capitalised Restoration Cost**	
	Amount previously reported	**13 105 030**
	Correction of Disclosure	**-13 105 030**
	Amount now reported	**-**
36.25	**Accumulated Surplus as at 30 June 2018**	
	Balance previously reported	**837 065 896**
	Debtor in respect of SARS review duplicated - Note 36.5	(524 109)
	Correction of error - Retentions - Note 37.1	378 650
	Sale of Land - Note 37.4	52 191
	Correction of Fines Revenue - Note 36.8	1 667 850
	Correction of impairment of Fines Receivable - Note 37.18	(1 825 550
	Correction Staff Bonus Allocation - Note 37.16	(1 35
	Correction Group Life - Note 37.1	62
	Correction Commision - Note 37.1	(11 454)
	Correction Medical - Note 37.1	2 764
	Correction Overtime - Note 37.1	(878 609)
	Correction Staff Bonuses - Note 37.6	35 247
	Correction Staff Bonus Allocation - Note 37.16	1 358
	Sale of land - Note 36.3	27 606
	Correction Land Disposal	(317 000)
	Depreciation	(518 187)
	Balance now reported	**835 155 357**

20 -11- 29

37	RECONCILIATION BETWEEN NET SURPLUS FOR THE YEAR AND CASH GENERATED BY OPERATIONS	2019 R	2018 R
	Surplus/(Deficit) for the year	56 529 504	46 374 671
	Adjustments for:		
	Depreciation	30 014 622	28 626 368
	Amortisation of Intangible Assets	400 025	590 393
	Gain / (loss) on disposal of assets	(1 157 232)	1 377 920
	Gain / (loss) on Adjustment of Provision	(262 545)	(5 184 679)
	Unamortised Discount on Loans	12 686	65 785
	Debt Impairment	40 315 985	41 396 696
	Stock Adjustments	2 244	(274)
	Contribution from/to provisions	7 253 857	7 165 891
	Contribution from/to employee benefits	7 464 970	11 004 039
	Gain / (loss) on Actuarial Valuations	(22 606 193)	(2 554 149)
	(Impairment loss) / Reversal of impairment loss	824 251	20 192
	Operating lease income accrued	5 095	4 853
	Operating Surplus/(Deficit) before changes in working capital	118 797 269	128 887 706
	Changes in working capital	(36 897 320)	(44 855 353)
	Increase/(Decrease) in Trade and Other Payables	2 356 006	2 082 323
	Increase/(Decrease) in Unspent Conditional Government Grants and Receipts	4 824 951	3 148 933
	Increase/(Decrease) in Unspent Public Contributions	353 792	890 268
	Increase/(Decrease) in Taxes	1 671 771	(2 477 723)
	(Increase)/Decrease in Inventory	(293 047)	(2 054 046)
	(Increase)/Decrease in Trade and other receivables	(44 153 571)	(46 328 100)
	(Increase)/Decrease in Unpaid Conditional Government Grants and Receipts	(1 657 223)	(117 008)
	Cash generated/(absorbed) by operations	81 899 949	84 032 353

		2019 R	2018 R
38	**RECONCILIATION OF AVAILABLE CASH AND INVESTMENT RESOURCES**		
	Cash and Cash Equivalents - Note 2	94,271,685	97,505,902
	Less:	10,575,042	5,750,091
	Unspent Committed Conditional Grants - Note 6	10,575,042	5,750,091
	VAT - Note 7	-	-
	Resources available for working capital requirements	**83,696,643**	**91,755,811**
	Allocated to:		
	Capital Replacement Reserve	10,354,788	10,354,788
	Employee Benefits Reserve	86,141,183	101,282,406
	Non-Current Provisions Reserve	86,471,213	71,466,568
	Shortfall in working capital requirements	(99,270,541)	(91,347,951)
39	**UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION**		
	Long-term Liabilities - Note 17	6,222,409	7,481,354
	Used to finance property, plant and equipment - at cost	(6,222,409)	(7,481,354)
		-	-
	Cash set aside for the repayment of long-term liabilities	-	-
	Cash invested for repayment of long-term liabilities	-	-

Long-term liabilities have been utilized in accordance with the Municipal Finance Management Act.

40 IRREGULAR EXPENDITURE

Irregular expenditure

Reconciliation of irregular expenditure:

Opening balance	-	-
Irregular expenditure identified current year but relating to prior year	19,358,608	-
Irregular expenditure current year	8,315,750	
Approved by Council	-	-
Irregular expenditure awaiting further action	27,674,357	-

Incident	Disciplinary steps/criminal proceedings
SCM Regulation 32 contracts classified as irregular during audit process by AGSA. The contracts used of other organs of state was on rates with no fixed quantities and therefore it cannot be said that any part of the contract is irregular or the whole contract as currently disclosed. The municipality is not in agreement with this view and this issue will be dealt with in terms of the audit engagement letter process. Prior and current year being disclosed as per opinion of AGSA.	Matter will be dealt with in terms of applicable laws and regulations.

41 MATERIAL LOSSES

40.1	**Water distribution losses**		
	- Kilolitres purified	6,408,993	5,779,052
	- Kilolitres sold	5,272,674	4,745,794
	- Kilolitres lost during distribution	1,136,319	1,033,258
	- Percentage lost during distribution	17.73%	17.88%
	- Value of kilolitres lost during distribution	447,470	462,067
	- The value of kilolitres lost is based on the treatment cost of water.		

The estimated consumption for public open spaces and informal houses are calculated on a conservative bases using baseline consumption estimations provided by the Department of Water Affairs. Water meters will be installed to measure the mentioned consumption in the future.

40.2	**Electricity distribution losses**		
	- Units purchased (Kwh)	197,563,881	201,379,459
	- Units sold (Kwh)	176,799,664	181,544,559
	- Units lost during distribution (Kwh)	20,764,217	19,834,900
	- Percentage lost during distribution	10.51%	9.85%
	- Value of units lost during distribution (Rand)	19,841,378	17,700,109

The electricity losses are in line with the quideline of the National Energy Regulator of South Africa of 10%

2019 -11- 29

		2019	2018
42	**ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT**	R	R
42.1	**Contributions to organised local government - [MFMA 125 (1)(b)] - SALGA CONTRIBUTIONS**		
	Opening balance		
	Council subscriptions	1 722 027	1 647 102
	Amount paid - current year	(1 722 027)	(1 647 102)
	Amount paid - previous years	-	-
	Balance unpaid (included in Payables from exchange transactions)	-	-
42.2	**Audit fees - [MFMA 125 (1)(c)]**		
	Opening balance	-	-
	Current year audit fee	3 398 314	2 874 314
	External Audit - Auditor-General	3 242 451	2 727 865
	Audit Committee	155 863	146 449
	Amount paid - current year	3 398 314	2 874 314
	Balance unpaid (included in Payables from exchange transactions)	-	-
42.3	**VAT - [MFMA 125 (1)(c)]**		
	Opening balance	5 816 358	7 962 606
	Amounts received - Output VAT - current year	(46 017 906)	(43 423 577)
	Amounts claimed - Input VAT - current year	48 441 795	42 746 301
	Amount paid - current year	2 215 128	6 493 633
	Amount - previous year	(5 816 358)	(7 962 606)
	Closing balance	4 639 016	5 816 358

VAT is payable/receivable on the cash basis. VAT is only paid over to SARS once cash is received from debtors and only claimed from SARS once payment is made to creditors.

		2019 R	2018 R
42.4	**PAYE, SDL and UIF - [MFMA 125 (1)(c)]**		
	Opening balance	-	-
	Current year payroll deductions and Council Contributions	23 798 352	20 232 870
	Amount paid - current year	(23 798 352)	(20 232 870)
	Balance unpaid (included in Payables from exchange transactions)	-	-
42.5	**Pension and Medical Aid Deductions - [MFMA 125 (1)(c)]**		
	Opening balance	-	-
	Current year payroll deductions and Council Contributions	37 656 025	34 302 259
	Amount paid - current year	(37 656 025)	(34 302 259)
	Balance unpaid (included in Payables from exchange transactions)	-	-
42.6	**Councillor's arrear consumer accounts - [MFMA 124 (1)(b)]**		
	During the financial year the following Councillors were outstanding for more than 90 days at any instance		
	Schuurman	-	4 066
	Heradien	-	1 503
	Abrahams	-	1 542
	Swart	299	46
	Laban	-	31 767
	Mgoboza	-	8 893
	Klaasen	3 475	-
	Total Councillor Arrear Consumer Accounts	3 774	48 232
	Klaasen has lodged a dispute in terms of the municipal account		
	Councillors outstanding for more than 90 days as at 30 June 2019:		
	Abrahams	-	42
	Laban	-	30 786
	Total Councillor Arrear Consumer Accounts at year end	-	30 828

2019 -11- 29

42.7 Discloser in terms of the Municipal Supply Chain Management Regulations - Promulgated by Government Gazette 27636 dated 30 May 2005

Regulation 36 (2) - Details of deviations approved by the Accounting Officer in terms of Regulation 36 (1) (a)

2018/2019

	Amount	Type of deviation			
		Single Supplier	Impossible	Impractical	Emergency
July	288 677.75	4	-	1	3
August	676 184.16	5	-	5	9
September	552 187.07	6	-	4	3
October	1 799 274.86	6	-	14	1
November	508 630.88	8	-	10	5
December	344 415.38	6	-	12	4
January	24 724.50	1	-	1	1
February	427 415.33	5	-	7	2
March	357 540.01	2	-	10	6
April	225 219.34	3	-	7	0
May	549 363.00	10	-	10	1
June	5 368 556.19	3	-	11	1
	11 122 188	59	-	92	36

2017/2018

	Amount	Single Supplier	Impossible	Impractical	Emergency
July	487 231		-	11	6
August	681 960	6	-	13	5
September	269 549	2	-	7	4
October	871 119	9	-	16	5
November	453 688	6	-	10	1
December	422 087	5	-	7	4
January	2 246 008	6	-	5	
February	1 873 987	8	-	13	5
March	466 957	4	-	9	1
April	400 081	7	-	5	3
May	363 110	9	-	10	
June	1 045 966	6	-	17	8
	9 581 743	68	-	123	42

2019
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42.8 ***Regulation 45 - Details of awards made to close family members of persons in service of State***

Name of supplier	Member of company who has relationship with person in the service of the state	Relationship to person in the service of the state	Name of person in the service of the state	Employer and capacity of person in service of the state	Value of transactions
Williams Loodgieters	SR Williams	Spouse	R Williams	Dept. of Health: Nurse	R 297 253
Freddie Opperman	Freddie Opperman	Spouse	J Opperman	Western Cape Education Department: Teacher	R 70 215
Witzenberg Concrete	Derick Ontong	Wife	Crystal Ontong	Ceres Sekonder, Teacher (WCED)	R 61 468
SEW Plumbing	SE Williams	Spouse	L Williams	Dept. of Health: Admin Officer	R 63 548
		Son	R Williams	Dept. of Health: Nurse	
Regan Brown Attorneys	R Brown	Brother	E Johnson	City of Cape Town: Traffic Dept	R 494 895
		Brother	D Johnson	SAPS: Worcester	
O'NeilL & Visser Attorneys	CW O'Neill	Spouse	H O'Neill	DOJ: Worcester	R 372 021
Vox Elektries	F Blom	Spouse	M Blom	SAPS: Officer	R 17 230
RJC Conservation Servises		Son	Prins	Chief Professional Nurse: Wolseley Clinic Dep of Health	R 269 6[illegible]
JC Fencing	JJ Abrahamse	Father	K Abrahamse	Witzenberg Municipality: Traffic Officer	R 5 430
SJ Peres	SJ Peres	Brother-in-law	S Peres	Witzenberg Municipality: Accountant Expenditure	R 8 300
CJ Services	C Hofmeester	Cousin	F Hofmeester	Witzenberg Municipality: SCM Practitioner	R 1 980
WAB Print Media (Pty) Ltd	Wayne Brink	Spouse	Adelene Brink	Drakenstein Municipality	R 26 733
AJ Rankin Basson Sport BK	J Wessels	Spouse	MJL Wessels	Witzenberg Municipality Social Worker	R 28 590
JMIL Dienste	Johannes Louwrens	Brother	Ci Croudace	Msunduzi Municipality - Admin officer	R 57 614
Xolisile Ernest malapi (XEM transport)	X Malapi	Husband	Ntombelizwe bianca malapi	Nurse -Ceres Provincial Hospital	R 37 600
T Square Framing (Arts and Events Skill Development) (Pty) Ltd	Van Rool Theofilus & Maria	Daughter	Mariana Cornelius	Clinic - Supervisor	R 1 500

[illegible] -11- 29

Regulation 45 - Details of awards made to close family members of persons in service of State - continued

Name of supplier	Member of company who has relationship with person in the service of the state	Relationship to person in the service of the state	Name of person in the service of the state	Employer and capacity of person in service of the state	2018 R Value of transactions
Williams Loodgieters	SR Williams	Spouse	R Williams	Dept. of Health: Nurse	R 190 478
Freddie Opperman	Freddie Opperman	Spouse	J Opperman	Western Cape Education Department: Teacher	R 30 700
T Square Framing (Arts and Events Skill Development) (Pty) Ltd	M van Rool	Daughter	M Cornelius	Clinic - Supervisor	R 300
	T van Rool	Son-in-law	C Cornelius	Hermanus Municipality - SCM Storekeeper	
SEW Plumbing	SE Williams	Spouse	L Williams	Dept. of Health: Admin Officer	R 14 950
		Son	R Williams	Dept. of Health: Nurse	
Regan Brown Attorneys	R Brown	Brother	E Johnson	City of Cape Town: Traffic Dept	R 377 775
		Brother	D Johnson	SAPS: Worcester	
O'NeilL & Visser Attorneys	CW O'Neill	Spouse	H O'Neill	DOJ: Worcester	R 542 504
Vox Elektries	F Blom	Spouse	M Blom	SAPS: Officer	R 34 201
RJC Conservation Services		Son	Prins	Chief Professional Nurse: Wolseley Clinic Dep of Health	R 39 000
Powerrec (Pty) Ltd	Vuyokazi Machimana	Mother	B Skonsana	Gauteng Department of Health: Nurse	R 45 433
JC Fencing	JJ Abrahamse	Father	K Abrahamse	Witzenberg Municipality: Traffic Officer	R 129 960
SJ Peres	SJ Peres	Brother-in-law	S Peres	Witzenberg Municipality: Accountant Expenditure	R 12 600
CJ Services	C Hofmeester	Cousin	F Hofmeester	Witzenberg Municipality: SCM Practitioner	R 5 875
AON (Pty) Ltd	N Mangyanga	Mother	Gladys Thivhafuni Ravele	Department of Education	R 601 586
		Father	GeorgeTakalani Ravele	Department of Transport	
WAB Print Media (Pty) Ltd	Wayne Brink	Spouse	Adelene Brink	Drakenstein Municipality	R 26 915
AJ Rankin Basson Sport BK	J Wessels	Spouse	MJL Wessels	Witzenberg Municipality Social Worker	R 49 863
JMIL Dienste	Johannes Louwrens	Brother	CI Croudace	Msunduzi Municipality - Admin officer	R 345 704
Koue Bokkeveld Training Centre	C Roberts	Spouse	R Roberts	Witzenberg Municipality Law Enforcement Officer	R 2 339

43 COMMITMENTS

Commitments in respect of expenditure:

Approved and contracted for	152 173 668	106 003 797
Infrastructure	53 599 487	53 127 802
Community	3 296 113	-
Other Capital	14 268 053	-
Operational	81 010 016	52 875 996
Approved but not yet contracted for	4 823 677	-
Infrastructure	-	-
Community	-	-
Other Capital	-	-
Operational	4 823 677	-
Total	**156 997 345**	**106 003 797**

		2019 R	2018 R
44	**FINANCIAL RISK MANAGEMENT**		

The activities of the municipality expose it to a variety of financial risks, including market risk (comprising fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The municipality's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality's financial performance.

(a) Foreign Exchange Currency Risk

The municipality does not engage in foreign currency transactions.

(b) Price risk

The municipality is not exposed to price risk.

(c) Interest Rate Risk

As the municipality has significant interest-bearing liabilities, the entity's income and operating cash flows are substantially dependent on changes in market interest rates.

The municipality analyses its potential exposure to interest rate changes on a continuous basis. Different scenarios are simulated which include refinancing, renewal of current positions, alternative financing and hedging. Based on these scenarios, the entity calculates the impact that a change in interest rates will have on the surplus/deficit for the year. These scenarios are only simulated for liabilities which constitute the majority of interest bearing liabilities.

The municipality did not hedge against any interest rate risks during the current year.

The potential impact on the entity's surplus/deficit for the year due to changes in interest rates were as follow:

0.5% Increase in interest rates	440 198	450 141
0.5% Decrease in interest rates	(440 198)	(450 141)

(d) Credit Risk

Credit risk is the risk that a counter party to a financial or non-financial asset will fail to discharge an obligation and cause the municipality to incur a financial loss. Credit risk consist mainly of cash deposits, cash equivalents, trade and other receivables and unpaid conditional grants and subsidies.

Trade and other debtors are disclosed net after provisions are made for impairment and bad debts. Trade debtors comprise of a large number of ratepayers, dispersed across different sectors and geographical areas. Ongoing credit evaluations are performed on the financial condition of these debtors. Credit risk pertaining to trade and other debtors is considered to be moderate due the diversified nature of debtors and immaterial nature of individual balances. In the case of consumer debtors the municipality effectively has the right to terminate services to customers but in practice this is difficult to apply. In the case of debtors whose accounts become in arrears, Council endeavours to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

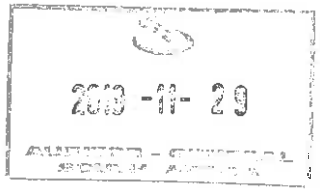
All rates and services are payable within 30 days from invoice date. Refer to note 3 and 4 for all balances outstanding longer than 30 days. These balances represent all debtors at year end which defaulted on their credit terms. Also refer to note 3 for balances included in receivables that were re-negotiated for the period under review.

Balances past due not impaired:

	2019 %	2019 R	2018 %	2018 R
Non-Exchange Receivables				
Rates & other charges	0.00%	-	0.00%	-
Exchange Receivables				
Electricity	87.93%	33 412 961	100.00%	31 092 890
Water	12.48%	8 699 492	17.18%	9 707 338
Housing Rentals	6.99%	106 614	17.27%	207 044
Refuse	8.75%	3 217 051	14.22%	4 154 663
Sewerage	8.13%	2 635 212	12.99%	3 326 681
Other	34.28%	624 364	30.03%	422 828
Land Sales	100.00%	721 701	100.00%	452 058
	26.98%	**49 417 394**	**32.33%**	**49 363 503**

No receivables are pledged as security for financial liabilities.

Due to the short term nature of receivables the carrying value disclosed in note 3 and 4 of the financial statements is an approximation of its fair value. Interest on overdue balances are included at prime lending rate plus 1% where applicable.



44 FINANCIAL RISK MANAGEMENT CONTINUED

The provision for bad debts could be allocated between the different classes of debtors as follows:

	2019 %	2019 R	2018 %	2018 R
Exchange Receivables				
Electricity	3.48%	4 585 214	5.20%	5 269 422
Water	46.38%	61 028 275	46.16%	46 799 475
Housing Rentals	1.08%	1 418 980	0.98%	991 814
Refuse	25.51%	33 568 267	24.71%	25 058 129
Sewerage	22.63%	29 778 602	21.98%	22 285 534
Other	0.91%	1 197 150	0.97%	984 981
	100.00%	131 576 488	100.00%	101 389 355

The provision for bad debts could be allocated between the different categories of debtors as follows:

	2019 %	2019 R	2018 %	2018 R
Residential	95.36%	125 474 948	89.87%	91 119 676
Commercial	2.34%	3 079 393	3.95%	4 000 882
Government	0.00%	-	0.00%	48
Other	2.30%	3 022 147	6.18%	6 268 749
	100.00%	131 576 488	100.00%	101 389 355

Bad debts written off per debtor class:

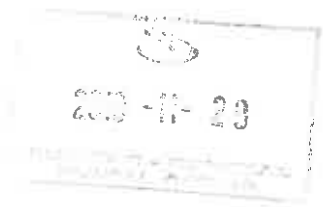
Exchange Receivables				
Electricity	0.00%	-	3.12%	(1 632 274)
Water	60.13%	(3 820)	49.80%	(26 065 202)
Housing Rentals	0.00%	-	1.56%	(817 856)
Refuse	22.57%	(1 434)	26.20%	(13 715 071)
Sewerage	16.96%	(1 078)	18.22%	(9 539 030)
Other	0.34%	(22)	1.10%	(573 594)
	100.00%	(6 353)	100.00%	(52 343 027)

The entity only deposits cash with major banks with high quality credit standing. No cash and cash equivalents were pledged as security for financial liabilities and no restrictions were placed on the use of any cash and cash equivalents for the period under review. Although the credit risk pertaining to cash and cash equivalents are considered to be low, the maximum exposure are disclosed below.

The risk pertaining to unpaid conditional grants and subsidies are considered to be very low. Amounts are receivable from national and provincial government and there are no expectation of counter party default.

Long-term Receivables and Other Debtors are individually evaluated annually at Balance Sheet date for impairment.

Financial assets exposed to credit risk at year end are as follows:	2019 R	2018 R
Long term receivables	-	-
Receivables from exchange transactions	51 610 725	51 307 415
Cash and Cash Equivalents	94 262 085	97 496 777
Unpaid conditional grants and subsidies	4 036 901	2 379 678
	149 909 711	151 183 870



44 FINANCIAL RISK MANAGEMENT CONTINUED

(e) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the treasury maintains flexibility in funding by maintaining availability under credit lines.

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

The table below analyses the entity's financial liabilities into relevant maturity groupings based on the remaining period at the financial year end to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

2019	Less than 1 year	Between 1 and 5 years	Between 5 and 10 years	Over 10 Years
Borrowing	2 301 293	4 923 244	-	-
Capital repayments	1 817 812.37	4 404 593.93	-	-
Interest	483 480.67	518 649.58	-	-
Trade and Other Payables	37 047 747	-	-	-
Unspent conditional government grants and receipts	10 575 042	-	-	-
	49 924 082	**4 923 244**	**-**	**-**

2018	Less than 1	Between 1 and 5	Between 5 and	Over 10 Years
Borrowing	2 870 103	6 068 336	-	-
Capital repayments	2 276 380.00	5 204 971.00	-	-
Interest	593 723.00	863 365.00	-	-
Trade and Other Payables	31 436 989	-	-	-
Unspent conditional government grants and receipts	5 750 091	-	-	-
	40 057 183	**6 068 336**	**-**	**-**

2019 -11- 29

45	FINANCIAL INSTRUMENTS		2019 R	2018 R

In accordance with IAS 39.09 the financial instruments of the municipality are classified as follows:

The fair value of financial instruments approximates the amortised costs as reflected bellow.

45.1	Financial Assets	Classification		
	Receivables			
	Receivables from exchange transactions	Financial Instruments at amortised cost	51 610 725	51 307 415
	Other Receivables			
	Government Subsidies and Grants	Financial Instruments at amortised cost	4 036 901	2 379 678
	Short-term Investment Deposits			
	Call Deposits	Financial Instruments at amortised cost	-	-
	Bank Balances			
	Bank Balances	Financial Instruments at amortised cost	94 262 085	97 496 777
			149 909 711	151 183 870
	SUMMARY OF FINANCIAL ASSETS			
	Financial Instruments at amortised cost		149 909 711	151 183 870
	At amortised cost		149 909 711	151 183 870

45.2	Financial Liability	Classification	2019 R	2018 R
	Long-term Liabilities			
	Annuity Loans	Financial Instruments at amortised cost	3 922 786	5 304 458
	Capitalised Lease Liability	Financial Instruments at amortised cost	781 565	-
	Payables from exchange transactions			
	Trade creditors	Financial Instruments at amortised cost	13 665 914	7 754 548
	Retentions	Financial Instruments at amortised cost	2 377 252	3 737 645
	Deposits	Financial Instruments at amortised cost	44 403	32 518
	Other	Financial Instruments at amortised cost	23 337 430	23 649 923
	Other Payables			
	Government Subsidies and Grants	Financial Instruments at amortised cost	10 575 042	5 750 091
	Current Portion of Long-term Liabilities			
	Annuity Loans	Financial Instruments at amortised cost	1 381 672	2 176 896
	Capitalised Lease Liability	Financial Instruments at amortised cost	136 386	-
			56 222 450	48 406 079
	SUMMARY OF FINANCIAL LIABILITY			
	Financial Instruments at amortised cost		56 222 450	48 406 079

		2019 R	2018 R
46	**PRIVATE PUBLIC PARTNERSHIPS**		
	Council has not entered into any private public partnerships during the financial year.		
47	**CONTINGENT LIABILITY**		
	Claims against Council	2 265 766	3 013 366
	Estimate legal Fees	850 000	110 000

The municipality is currently engaged in litigation which could result in damages/costs being awarded against Council if claimants are successful in their actions. Management are respectfully of opinion that this matter will be successfully defended. The Municipality is defending all the claims. The amounts indicated is Management's estimated financial exposure. The following are naritives of the cases:

F Daniels / SALGBC & two others	The applicant was the former Manager of Traffic. He was dismissed after an internal disciplinary hearing on 21/09/2009, where after he unsuccessfully appealed internally against the sanction of dismissal. Management is of opinion that the risk of the municipality being ordered to pay Mr Daniel's legal fees is slim.	-	1 000 000
L Louw	A child was assaulted at the Pine Forest. The claimant alleged that the security measures at the Pine Forest were not sufficient to protect the child. The case was submitted to the municipality's insurance broker. The chance that any amount might be payable by the municipality is remote.	950 000	1 427 600
Gunter	Plaintiff claims damages from the municipality after she fell on the sidewalk. The case was submitted to the municipality's insurance broker. The chance that any amount might be payable by the municipality is remote.	585 766	585 766
Rijk's Cellars	High Court Litigation - Appeal against waste licence by MEC	250 000	-
R Du Plessis	Claim in term of Labour Relations Act 66 of 1995	480 000	-
		2 265 766	3 013 366

2019 -11- 29

		2019 R	2018 R
48	**RELATED PARTIES**		

Key Management and Councillors receive and pay for services on the same terms and conditions as other ratepayers / residents.

The rates, service charges and other charges are in accordance with approved tariffs that were advertised to the public. No bad debt expenses have been recognised in respect of amounts owed by related parties.

48.1 Related Party Loans

Since 1 July 2004 loans to councillors and senior management employees are not permitted.

48.2 Compensation of key management personnel

The compensation of key management personnel is set out in Note 26 to the Annual Financial Statements.

48.3 Other related party transactions

No purchases were made during the year where Councillors or staff have an interest.

48.4 Ceres Koekedouw Management Committee

Ceres Koekedouw Management Committee is an entity established by the Witzenberg Municipality and the Koekedouw Irrigation Board. Ceres Koekedouw Management Committee is responsible for the management of the Koekedouw Dam, jointly owned by Witzenberg Municipality and the Koekedouw Irrigation Board.

	The following contributions included with General Expenses were paid to the Ceres Koekedouw Management Committee	637 330	934 826

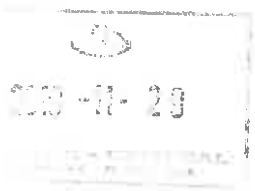
49 FINANCIAL SUSTAINABILITY

Management is of the opinion that will Municipality will continue to operate as a going concern and perform it's functions as set out in the Constitution.

Financial Indicators

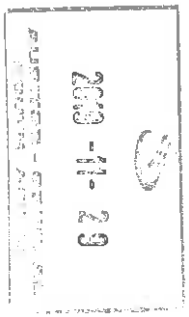
The current ratio decreased to 2.01 from 2.22 in the prior year.

Cash and Cash Equivalents have decreased to R 94 million from R 98 million in the prior year.



APPENDIX A - Unaudited
WITZENBERG MUNICIPALITY
SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2019

EXTERNAL LOANS	Rate	Loan Number	Redeemable	Balance at 30 JUNE 2018	Received during the period	Redeemed / written off during the period	Balance at 30 JUNE 2019
				R	R	R	R
ANNUITY LOANS							
NEDBANK	8.00%	5032032 0001	2023/05/30	5 220 225	-	883 906	4 336 319
DBSA	15.25%	11188/101	2018/09/30	848 998		848 998	-
DBSA	15.50%	10772/101	2018/09/30	193 376		193 376	-
DBSA	9.50%	102040/1	2021/09/30	128 746		32 615	96 131
DBSA	8.59%	100605/1	2021/12/31	1 090 007	-	218 001	872 005
Total Annuity Loans				**7 481 351**	**-**	**2 176 896**	**5 304 455**
LEASE LIABILITY							
Office Equipment	10.00%		2021/06/30	-	1 217 706	299 755	917 951
Total Lease Liabilities				**-**	**1 217 706**	**299 755**	**917 951**
TOTAL EXTERNAL LOANS				**7 481 351**	**1 217 706**	**2 476 650**	**6 222 406**

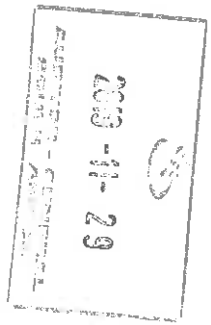


APPENDIX B - Unaudited
WITZENBERG MUNICIPALITY
SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2019
MUNICIPAL VOTES CLASSIFICATION

2018 Actual Income R	2018 Actual Expenditure R	2018 Surplus/ (Deficit) R		2019 Actual Income R	2019 Actual Expenditure R	2019 Surplus/ (Deficit) R
83 510 949	(29 443 602)	54 067 347	Budget and Treasury Office	86 081 913	(36 362 779)	49 719 134
139 808 692	(121 929 345)	17 879 347	Civil services	139 277 888	(143 957 581)	(4 679 692)
81 108 647	(27 298 077)	53 810 570	Community and social services	96 833 337	(25 857 031)	70 976 306
754 958	(40 873 136)	(40 118 178)	Corporate Services	1 056 665	(43 316 539)	(42 259 873)
211 203 148	(199 669 546)	11 533 602	Electro Technical Services	227 519 804	(205 463 477)	22 056 327
-	(19 349 505)	(19 349 505)	Executive and Council	-	(20 508 153)	(20 508 153)
13 006 360	(16 477 397)	(3 471 037)	Housing	9 048 659	(12 953 914)	(3 905 255)
1 004 366	(5 124 377)	(4 120 011)	Planning	1 191 291	(5 635 938)	(4 444 647)
28 308 513	(42 415 323)	(14 106 811)	Public Safety	20 079 195	(35 404 482)	(15 325 288)
7 599 636	(23 691 279)	(16 091 642)	Sport and recreation	6 961 830	(25 260 660)	(18 298 829)
566 305 268	(526 271 587)	40 033 681	**Total**	588 050 584	(554 720 556)	33 330 028

APPENDIX C - Unaudited
WITZENBERG MUNICIPALITY
SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2019
GENERAL FINANCE STATISTIC CLASSIFICATIONS

2018 Actual Income R	2018 Actual Expenditure R	2018 Surplus/ (Deficit) R		2019 Actual Income R	2019 Actual Expenditure R	2019 Surplus/ (Deficit) R
80 711 909	(21 823 523)	58 888 386	Community and social services	96 258 277	(22 873 136)	73 385 141
211 203 148	(199 535 965)	11 667 183	Energy sources	226 811 471	(205 288 676)	21 522 795
1 752	(1 319 529)	(1 317 777)	Environmental protection	87 781	(648 800)	(561 019)
-	(24 088 069)	(24 088 069)	Executive and council	-	(23 528 410)	(23 528 410)
84 265 907	(65 398 173)	18 867 734	Finance and administration	87 138 578	(74 937 260)	12 201 318
13 006 360	(16 477 397)	(3 471 037)	Housing	9 048 659	(12 953 914)	(3 905 255)
-	(2 145 483)	(2 145 483)	Internal audit	-	(2 315 978)	(2 315 978)
1 399 352	(8 865 963)	(7 466 611)	Planning and development	1 678 570	(9 048 627)	(7 370 057)
28 308 513	(39 115 281)	(10 806 768)	Public safety	18 945 868	(31 704 800)	(12 758 932)
4 189 352	(24 772 184)	(20 582 832)	Road transport	19 952 379	(28 014 723)	(8 062 344)
7 599 636	(23 691 279)	(16 091 642)	Sport and recreation	6 961 830	(25 260 660)	(18 298 829)
25 965 490	(41 979 692)	(16 014 202)	Waste management	25 347 030	(46 066 193)	(20 719 163)
42 108 382	(28 943 471)	13 164 910	Waste water management	46 166 309	(34 375 865)	11 790 444
67 545 469	(28 115 579)	39 429 890	Water management	49 653 832	(37 703 513)	11 950 318
566 305 268	(526 271 587)	40 033 681	**Total**	588 050 584	(554 720 556)	33 330 028



APPENDIX D - Unaudited
WITZENBERG MUNICIPALITY
DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

UNSPENT AND UNPAID GOVERNMENT GRANTS AND RECEIPTS	Balance 1 JULY 2018 (Unpaid)	Grants Received	Grants Capital Received	Write Offs / Transfers	Operating expenditure during the year Transferred to revenue	Capital expenditure during the year Transferred to revenue	Balance 30 JUNE 2019	Unspent 2019 (Payable)	Unpaid 2019 (Receivable)
	R	R	R	R	R	R	R	R	R
National Government Grants									
Finance Management Grant	17 747	1 550 000		(18 000)	(922 825)	-	626 922	626 922	-
DWAF - Drought relief	-	-		-	-	-	-	-	-
Municipal Systems Improvement Grant	-	-		-	-	-	-	-	-
Municipal infrastructure Grant	(95 671)	22 031 000		-	-	(22 030 489)	(95 160)	-	95 160
Regional Bulk Infrastructure Grant (DWAF)	(183 768)	9 500 000		-	-	(2 874 997)	6 441 235	6 441 235	-
Integrated National Electricity Program	(801 458)	5 000 000		-	-	(4 849 738)	(651 196)	-	651 196
Equitable share	-	84 602 000		-	(84 602 000)	-	-	-	-
Department of Rural Development	471 155	-		-	-	-	471 155	471 155	-
ACIP funds (DWAF)	-	-		-	-	-	-	-	-
Expanded Public Works Programme	(29 359)	1 780 000		-	(2 026 381)	-	(275 740)	-	275 740
Neighbourhood Development Plan	321	-		-	-	-	321	321	-
Provincial Government Grants									
Library services	-	9 342 000		-	(8 942 000)	-	400 000	400 000	-
Library services Replacement Funding	-	-		-	-	-	-	-	-
CDW	449 428	-		-	(6 451)	-	442 977	442 977	-
Main roads	(16 800)	119 000		-	-	-	102 200	102 200	-
Municipal Infrastructure Support Grant	(1 046 497)	-		-	-	-	(1 046 497)	-	1 046 497
Drought Relief	-	-		-	-	-	-	-	-
Public Transport	346 000	2 000 000		-	-	(2 115 539)	230 461	230 461	-
Planning	-	-		-	-	-	-	-	-
Human Settlement Development	3 295 671	29 982 563		-	(8 771 481)	(25 743 845)	(1 237 092)	-	1 237 092
Sport	-	-		-	-	-	-	-	-
Library Capital	-	-		-	-	-	-	-	-
Multipurpose Centre	-	-		-	-	-	-	-	-
Capacity Building (Internship)	-	-		-	-	-	-	-	-
Municipal Infrastructure	(206 126)	-		-	-	-	(206 126)	-	206 126
Financial Management Support	329 770	330 000		-	-	-	659 770	659 770	-
Financial Management	(60 000)	360 000		-	-	-	300 000	300 000	-
Local Government Compliance	-	-		-	-	-	-	-	-
MSCOA Grant	-	-		-	-	-	-	-	-
Regional Social Econimical Pro	-	-		-	-	-	-	-	-
District Municipality									
Parks and recreation	800 000	300 000		-	-	(299 999)	800 001	800 001	-
Tourism Route Development	-	-		-	-	-	-	-	-
Sanitation Infrastructure	-	-		-	-	(525 090)	(525 090)	-	525 090
Planning and Development	100 000	-		-	-	-	100 000	100 000	-
Other									
Essen Belgium	1 833 369	928 705		-	(562 311)	-	2 199 763	2 199 763	-
China - Water meters	32 135	-		-	(12 602)	-	19 533	19 533	-
Table Mountain - Clearing Alien Vegetation	-	-		-	-	-	-	-	-
Total	**5 235 917**	**167 825 268**	**-**	**(18 000)**	**(105 846 051)**	**(58 439 697)**	**8 757 437**	**12 794 338**	**4 036 901**

APPENDIX D - Unaudited
WITZENBERG MUNICIPALITY
DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

UNSPENT AND UNPAID GOVERNMENT GRANTS AND RECEIPTS	Balance 1 JULY 2017 (Unpaid)	Grants Received	Grants Capital Received	Write Offs / Transfers	Operating expenditure during the year Transferred to revenue	Capital expenditure during the year Transferred to revenue	Balance 30 JUNE 2018	Unspent 2018 (Payable)	Unpaid 2018 (Receivable)
	R	R	R	R	R	R	R	R	R
National Government Grants									
Finance Management Grant	(261 315)	1 550 000		-	(1 259 695)	(11 243)	17 747	17 747	-
DWAF - Drought relief	-	-		-	-	-	-	-	-
Municipal Systems Improvement Grant	-	-		-	-	-	-	-	-
Municipal infrastructure Grant	(90 419)	22 739 000		-	-	(22 744 251)	(95 670)	-	95 670
Regional Bulk Infrastructure Grant (DWAF)	(114 347)	-		-	-	(69 421)	(183 768)	-	183 768
Integrated National Electricity Program	(801 458)	-		-	-	-	(801 458)	-	801 458
Equitable share	-	70 412 000		-	(70 412 000)	-	-	-	-
Department of Rural Development	471 155	-		-	-	-	471 155	471 155	-
ACIP funds (DWAF)	-	-		-	-	-	-	-	-
Expanded Public Works Programme	(14 044)	1 485 000		-	(1 500 315)	-	(29 359)	-	29 359
Neighbourhood Development Plan	321	-		-	-	-	321	321	-
Provincial Government Grants									
Library services	-	2 600 000		-	(2 600 000)	-	-	-	-
Library services Replacement Funding	(143)	5 450 000		-	(5 449 857)	-	-	-	-
CDW	417 281	148 000		-	(115 854)	-	449 427	449 427	-
Main roads	(16 800)	120 000		-	(120 000)	-	(16 800)	-	16 800
Municipal Infrastructure Support Grant	(758 017)	(288 480)		-	-	-	(1 046 497)	-	1 046 497
Drought Relief	-	-		-	-	-	-	-	-
Public Transport	-	-		-	-	-	-	-	-
Planning	-	-		-	-	-	-	-	-
Human Settlement Development	566 634	30 567 514		-	(12 643 351)	(15 195 126)	3 295 671	3 295 671	-
Sport	-	-		-	-	-	-	-	-
Library Capital	-	-		-	-	-	-	-	-
Multipurpose Centre	322 000	-		(322 000)	-	-	-	-	-
Capacity Building (Internship)	60 000	286 000		(60 000)	-	-	286 000	286 000	-
Municipal Infrastructure	(206 126)	288 480		-	-	(288 480)	(206 126)	-	206 126
Financial Management Support	343 767	330 000		(343 997)	-	-	329 770	329 770	-
Financial Management	120 000	240 000		(120 000)	(240 000)	-	-	-	-
Local Government Compliance	-	-		-	-	-	-	-	-
MSCOA Grant	-	-		-	-	-	-	-	-
Regional Social Econimical Pro	-	-		-	-	-	-	-	-
District Municipality									
Parks and recreation	300 000	-		-	-	-	300 000	300 000	-
Tourism Route Development	-	100 000		-	-	-	100 000	100 000	-
Sanitation Infrastructure	-	500 000		-	-	-	500 000	500 000	-
Planning and Development	-	-		-	-	-	-	-	-
Other									
Essen Belgium	925 332	1 185 716		-	(277 679)	-	1 833 369	1 833 369	-
China - Water meters	49 904	-		-	(17 769)	-	32 135	32 135	-
Total	**1 313 725**	**137 713 230**	**-**	**(845 997)**	**(94 636 520)**	**(38 308 521)**	**5 235 917**	**7 615 595**	**2 379 678**

07 -11- 2017

AUDITOR-GENERAL REPORT

Report of the auditor-general to the Western Cape Provincial Parliament and the council on the Witzenberg Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Witzenberg Municipality set out on pages 2 to 69, which comprise the statement of financial position as at 30 June 2019, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year ended 30 June 2019, 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 Witzenberg Municipality as at 30 June 2019, 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, 2018 (Act no. 1 of 2018) (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 this auditor's report.

4. I am independent of the municipality in accordance with sections 290 and 291 of the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants*, and parts 1 and 3 of the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA codes), as well as 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 codes.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

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

Restatement of corresponding figures

7. As disclosed in note 37 to the financial statements, the corresponding figures for 30 June 2018 have been restated as a result of errors discovered during 2018-19 in the financial statements of the municipality for the year ended 30 June 2019.

Material losses/impairments

8. As disclosed in note 3 to the financial statements, the municipality has provided for an impairment of R131,6 million (2017-18: R101,4 million) on receivables from exchange transactions.

9. As disclosed in note 4 to the financial statements, the municipality has provided for impairment of receivables from non-exchange transactions of R36,1 million (2017-18: R47 million).

Other matters

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

Unaudited supplementary information

11. The supplementary information set out on pages 70 to 74 of the financial statements does not form part of the financial statements and is presented as additional information. I have not audited this information and, accordingly, I do not express an opinion on it.

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 in the financial statements. This disclosure requirement did not from part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

13. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA and 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.

14. In preparing the financial statements, the accounting officer is responsible for assessing the 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 appropriate governance structure 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

15. 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 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.

16. 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

17. 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 strategic objective presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.

18. 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 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.

19. 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 strategic objective presented in the annual performance report of the municipality for the year ended 30 June 2019:

Strategic objective	Pages in the annual performance report
Strategic objective – essential services	58 - 59

20. 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.

21. I did not raise any material findings on the usefulness and reliability of the reported performance information for this strategic objective:

    - Essential services

Other matter

22. I draw attention to the matter below.

Achievement of planned targets

23. Refer to the annual performance report on pages 57 to 58 for information on the achievement of planned targets for the year.

Report on the audit of compliance with legislation

Introduction and scope

24. 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.

25. 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

26. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the accounting officer's report and the audit, risk and performance committee's report. The other information does not include the financial statements, the auditor's report and the selected strategic objective presented in the annual performance report that has been specifically reported in this auditor's report.

27. 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.

28. 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 strategic objective presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

29. I have nothing to report in this regard.

Internal control deficiencies

30. 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 controls.

Cape Town

30 November 2019

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 the selected strategic objective 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 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 Witzenberg 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.

PERFORMANCE, RISK & AUDIT COMMITTEE REPORT

PERFORMANCE, RISK AND AUDIT COMMITTEE REPORT FOR THE YEAR ENDED 30 JUNE 2019

1. Legislative Requirements

The purpose of this report is to communicate to the council the Performance, Risk and Audit Committee's (PRAC) progress to date in carrying out its oversight responsibilities in terms of section 166 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003, as amended) (MFMA). The Municipal Planning and Performance Management Regulations, 2001, regulation 14(2)(a) requires the municipality to establish a performance Audit Committee. Regulation 14(2)(c) states that a municipality may utilize any Audit Committee established in terms of other applicable legislation as the performance Audit Committee.

The MFMA obliges every municipality to establish an independent Audit Committee, which must advise the municipal council, political office-bearers, accounting officer and management staff of the municipality on matters relating to internal financial controls and internal audits, risk management, accounting policies, the adequacy, reliability and accuracy of financial reporting and information, performance management, effective governance, compliance with the MFMA, the annual Division of Revenue Act (DoRA) and any other applicable legislation, and any other issues referred to it by the municipality. The municipality has opted to have a combined Performance, Risk and Audit Committee.

PRAC is governed by a formal charter, which is regularly reviewed and approved by the Council. The committee is pleased to present its report for the financial year ended 30 June 2019.

2. Audit Committee's responsibility

The PRAC has complied with its responsibilities arising from section 166 of the MFMA and reports that it operated in terms of the Audit Committee charter.

3. Audit Committee members and attendance

PRAC was established in accordance with section 166 of the MFMA. The PRAC charter requires that the committee comprises of a minimum of five members of whom none must be in the employ of the municipality.

The PRAC comprises five members, including the chairperson, Mr J, George. In terms of section 166(4)(b) of the MFMA, the Audit Committee must meet at least four times a year. During the financial year ended 30 June 2019, the Audit Committee met on seven occasions. The table below shows the attendance of these meetings:

Name	Date of appointment	Qualifications	Number of meetings scheduled	Number of meetings attended
Mr J. George (Chairperson)	1 November 2016	B Compt (Honours) CA(SA)	7	**7**
Mr J. Basson	1 August 2018	B Compt (Honours) CA(SA)	7	**7**
Mr T. Lesihla	1 August 2018	Master of Technology, Information Technology	7	**5**
Mr F. Redelinghuys	1 November 2016	B Compt (Honours) CA(SA)	7	**7**
Ms C. Fagan	1 August 2018	B.Com(Acc), AD Risk Management, PD Risk Management	**7**	**6**

The members of the PRAC held meetings with the municipal manager as the accounting officer, senior management of the municipality, the internal audit function and the external auditors collectively on matters related to governance, internal control and risk and performance management in the municipality, throughout the reporting period.

4. Effectiveness of internal control

The PRAC acknowledges management's efforts to strengthen internal controls in the municipality. The Performance, Risk and Audit Committee (PRAC) raised concern that in certain instances the matters reported by the external auditors and the internal audit function in prior years have not been fully and satisfactorily addressed. Management has given assurance that effective corrective action will be implemented and will be monitored through Performance Management.

The municipality has adopted anti-corruption measures to prevent and detect fraud and corruption.

Due to the strategic importance of, and investment in, the modernisation of information and communication technology (ICT) in the municipality, the PRAC has monitored the risk register and progress reports on the respective action plans during the year under review. The PRAC is of the view that the management of ICT risks can be improved.

5. The quality of monthly and quarterly reports submitted in terms of the MFMA and DORA

The PRAC reviewed and where applicable advised on the following:

- Internal audit reports
- Management Audit Action Plan
- Annual audit plans
- AGSA's audit and Management report
- Annual Financial Statements
- Annual Performance Report
- Section 71 reports
- Section 72 report
- Section 52(d) reports, including the performance reports
- Quarter Risk Management reports
- Annual Risk assessment Report

The PRAC is satisfied with the content and quality of reporting prepared and issued during the year under review in compliance with the statutory framework. The PRAC has engaged with management to remedy shortcomings, especially relating to the reports on performance against predetermined objectives. The committee has recommended that specific process be implemented to ensure that the information reported is both useful and reliable in terms of the applicable reporting framework.

The PRAC has reviewed and commented on the municipality's annual financial statements and report on performance information and their timely submission to the external auditors by 31 August 2019.

6. Internal audit function

The accounting officer is obliged, in terms of section 165 of the MFMA, to ensure that the entity has a system of internal audit under the control and direction of PRAC. PRAC is satisfied that the internal audit function has properly discharged its functions and responsibilities during the year under review.

The PRAC reviewed its current three year risk based audit plan and reviewed the actual internal audit work that was conducted by the Internal Audit Unit in relation to the one year internal audit plan.

The PRAC is satisfied that the internal audit function operated effectively and that it has addressed the risks pertinent to the municipality. To this extend the PRAC expresses their appreciation to the Internal Auditors for the work performed.

7. Enterprise Risk Management function

PRAC is responsible for the oversight of the risk management function.

The PRAC has reviewed the completeness of the enterprise risk assessment process implemented by management and the alignment thereof to the risk-based audit plan. The PRAC has also reviewed the risk appetite, risk profile and action plans implemented by management to mitigate risk.

PRAC advises management towards the improvement of risk management.

8. Evaluation of the finance function

The PRAC is satisfied with the municipality's finance function during the year under review however, PRAC has informed management and Council of it concerns regarding the vacant Chief Financial Officer position.

9. Performance management

Part of the responsibilities of PRAC includes the review of performance management. PRAC has in terms of the performance of the municipality performed the following functions:

- Review and comment on compliance with statutory requirements and performance management best practices and standards;
- Review and comment on the alignment of the integrated development plan, budget, service delivery and budget implementation plan and performance agreements;
- Review and comment on the relevance of indicators to ensure that they are measurable and relate to services performed by the municipality and its entities;
- Review of compliance with in-year reporting requirements;
- Review of the quarterly performance reports submitted by the internal audit function; and
- Review and comment on the municipality's performance management system and making recommendations for its improvement.

PRAC has recommended the following to Council:

- To improve the functionality of the performance management system, timeous monitoring and reviewing of the portfolios of evidence should be implemented and management should embrace the recommendations by Internal Audit and ensure continuous monitoring to address the control deficiencies.
- Where Management has agreed to specific action plans these should be implemented timeously to improve the control environment and performance.

10. Fraud and irregular activities

No instances of fraud, financial misconduct, unauthorised and fruitless expenditure has been reported by management. The PRAC has reviewed the fraud prevention policies and strategy including the whistle blowing policy.

Irregular Expenditure
The following is an extract from note 40 of the Annual Financial Statements.

"*Irregular expenditure awaiting further action R27,674,357*

SCM Regulation 32 contracts classified as irregular during audit process by AGSA. The contracts used of other organs of state was on rates with no fixed quantities and therefore it cannot be said that any part of the contract is irregular or the whole contract as currently disclosed. The municipality is not in agreement with this view and this issue will be dealt with in terms of the audit engagement letter process. Prior and current year being disclosed as per opinion of AGSA."

After discussions with Management and the AGSA PRAC notes with concern that a conclusion has not been reached on this matter.

PRAC notes that the AGSA issued a clean audit report despite the irregular expenditure noted above.

11. Evaluation of the annual financial statements

The PRAC has:

- Reviewed and discussed the audited annual financial statements to be included in the Annual Report with the AGSA, the Municipal Manager, the Chief Financial Officer and other officials employed by the municipality; and
- Reviewed changes in accounting policies and practices as applicable.

The PRAC accordingly concurs with and supports the AGSA conclusion on the annual financial statements, and is of the opinion that the audited annual financial statements can be accepted.

12. External auditor's report

The PRAC concurs with and accepts the conclusion and audit opinion of the external auditors on the annual financial statements. The committee is of the view that the audited financial statements be accepted and read together with the report of the external auditors. The PRAC confirms that it has been informed throughout the audit process and issues giving rise to the audit opinion.

The external audit function, performed by the Auditor General South Africa (AGSA) is independent of the Municipality. The PRAC has met with the external auditors to ensure that there are no unresolved issues and acknowledges the diligence and cooperation of the external audit team.

On behalf of Performance, Risk and Audit Committee

Mr Jonathan George
Performance, Risk and Audit Committee Chairperson
Witzenberg Municipality
10 December 2019

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

OVERSIGHT REPORT - 2018/2019

March 2020

Reference: 2/1/2

Contents

1. Purpose 3
2. Legal requirements 3
3. Adoption 4
4. MPAC mandate 4
5. Consideration of annual report and comments received 4
6. MPAC resolution on Annual Report 4
7. Corrective measures for Council consideration 5
8. Recommendation 5

3 March 2020

Witzenberg Municipal Council
Voortrekker Street
Ceres
6385

Dear Alderman Speaker Godden

1. Purpose

The purpose of this communication is to report to Council the result on the Witzenberg Municipal Public Accounts Committee (MPAC) oversight review of the Witzenberg Annual Report for 2018/2019 and to enable Council to discharge its oversight responsibility in considering the Witzenberg Municipality's Annual report for 2018/2019 in terms of Section 129 of the Municipal Finance Management Act, no 56 of 2003 (MFMA).

2. Legal requirements

In terms of Section 129 of the MFMA, the Council must adopt an Oversight Report containing the Council's comments on the annual report which must include a statement whether the Council –

(a) has approved the annual report with or without reservations;

(b) has rejected the annual report; or

(c) has referred the annual report back for revision of those components that can be revised.

In terms of the MFMA Circular Number 32, in order to approve the Annual Report without reservations, Council should be able to agree that the information contained in the report is a fair and reasonable record of the performance of the municipality in the financial year reported upon.

Approval means that the executive and administration have discharged in full, their accountability for the decisions and actions and that their performance meets the criteria set by performance objectives and measures and is also acceptable in the community.

3. Adoption

The statutory authority to adopt an oversight report in respect of the Annual Report 2018/2019 rest with the Municipal Council.

4. MPAC mandate

MFMA Circular Number 32 recommends the establishment of an MPAC for the detailed analysis and review of the annual report, following its tabling in Council, receiving and reviewing representations made by the public, inputs from other councillors and stakeholders and then drafting an oversight report that may be taken to the full Council for discussion and approval.

MPAC is required to perform the responsibilities as envisaged in the MFMA Circular Number 32 and Section 129 of the MFMA.

5. Consideration of annual report and comments received

MPAC has considered the following reports and comments:

- Draft Witzenberg Annual Report 2018/2019;
- 2018/2019 Audit Report of the Auditor General South Africa;
- The 2018/2019 Performance, Risk and Audit Committee Report; and
- Provincial Treasury comments on the tabled 2018/2019 Annual Report.

6. MPAC resolution on Annual Report

Members of MPAC unanimously agreed to recommend that Council approve the Annual Report without any reservations.

Members of MPAC unanimously agreed to recommend to Council to consider the following corrective measures.

7. Corrective measures for Council consideration

It is recommended that Council:

- That administration tables a full report on the Supply Chain Regulation, section 32 matter to Council to further referral to the MEC and National Treasury;
- Re-established the task team, to address the concern of the AGSA on debt impairment and to report on progress regarding the implementation of credit control;
- That administration continue to execute the Credit Control Policy with due diligence and adherence;
- That the public office bears in conjunction with administration should make a collective drive to the public to campaign the importance of paying for municipal services; and
- Take note of the reliance on government grants and Council investigates other means of revenue streams over medium to longer term.

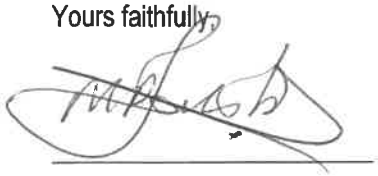
To note the following recommendations of the Performance, Risk and Audit Committee inter alia:

- That the Performance, Risk and Audit Committee has recommended to Council to improve the functionality of the performance management system, timeous monitoring and reviewing of the portfolios of evidence should be implemented and management should embrace the recommendations by Internal Audit and ensure continuous monitoring to address the control deficiencies;
- Where Management has agreed to specific action plans these should be implemented timeously to improve the control environment and performance; and
- Improve management of ICT risks.

8. Recommendation

Having fully considered the 2018/2019 Annual Report of the Witzenberg Municipality it is recommended that Council adopts the 2018/2019 Oversight Report and approves the 2018/2019 Annual Report without reservations.

Yours faithfully,



COUNCILLOR M JACOBS

CHAIRPERSON: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

ALDERMAN JW SCHUURMAN

MEMBER: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

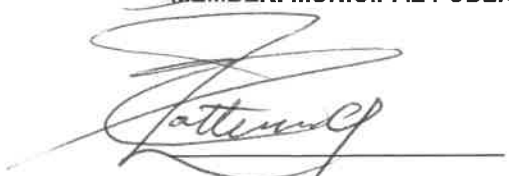
Absent

COUNCILLOR P HERADIEN

MEMBER: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

COUNCILLOR G LABAN

MEMBER: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE



COUNCILLOR C LOTTERING

MEMBER: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) CHARTER

July 2019

Table of Contents

1. INTRODUCTION 3
2. MANDATE 3
3. MEMBERSHIP 3
4. ROLE AND RESPONSIBILITIES 4
5. MEETING PROCEEDINGS 5
6. REPORTING AND ACCOUNTABILITY 6
7. COMMITTEE RESOURCES 6
8. COMMITTEE PERFORMANCE 7
9. GENERAL 7

1. INTRODUCTION

1.1. The Municipal Public Accounts Committee (hereafter referred to as MPAC) is established in terms of Section 79 of the Local Government: Municipal Structures Act, Act 117 of 1998 as a Committee of Council for the efficient and effective performance of its functions.

1.2. The purpose of the MPAC terms of reference is to promote transparency and public accountability and is required in terms of Section 53 of the Local Government: Municipal Systems Act, Act 32 of 2000.

1.3. MPAC may evaluate, direct and supervise investigations into any matters within the scope of its roles and responsibilities as instructed by the Council.

1.4. MPAC activities would help to increase Council and public awareness of the financial and performance issues of the municipality..

2. MANDATE

2.1. The authority, duties and functions of MPAC is derived from the following;

2.1.1. Municipal Finance Management Act, Act 56 of 2003;

2.1.1.1. Chapter 4: Municipal Budgets, Section 32: Unauthorised, irregular or fruitless and wasteful expenditure; and

2.1.1.2. Chapter 12: Financial Reporting and Auditing, Section 129: Oversight Reports on Annual Reports.

2.1.2. Council's Rules of Order; and

2.2. The purpose of MPAC is to perform an oversight function on behalf of Council.

3. MEMBERSHIP

3.1. MPAC is a committee of Council and therefore Council determines its composition by a resolution of Council in terms of Section 79 of the Municipal Structures Act, Act 117 of 1998.

3.2. The composition –

3.2.1. The Council shall appoint MPAC Members.

3.2.2. Councillors serving on MPAC should represent a wide range of experience and expertise available in Council, especially with a financial background and should represent the various political affiliations.

3.2.3. The following Councillors will be excluded from the MPAC, i.e. Executive Mayor or Deputy Executive Mayor, Speaker, a member of the Mayoral Committee, Chairpersons of Subcouncil

and Portfolio Committee Chairpersons.

3.3. The Chairperson will be appointed by Council resolution. If the chairperson of the MPAC is absent from a specific meeting of MPAC, the members present must elect a chairperson from the members present to act as chairperson for that meeting.

3.4. Members should be appointed for a term which corresponds to the sitting of Council. If re-elected they may serve for only one further term of office (5 year period). To ensure continuity of expertise in the future, it is proposed that the terms of appointment of two members appointed in the first year, vary.

3.5. When a member of the MPAC cannot for any reason continue as a member he/she shall forthwith be replaced by Council.

3.6. Membership of the MPAC shall be published in the annual report.

4. ROLE AND RESPONSIBILITIES

4.1. MPAC has no executive powers.

4.2. The oversight role of MPAC is to review the Municipality of Witzenberg's Annual Report with specific focus on the financial aspects as contained in the Auditor-General's Report on the Annual Financial Statements of the Municipality and also when instructed by Council to advise Council in respect of unauthorised, irregular or fruitless and wasteful expenditure.

4.3 The Municipality's oversight report as envisaged in Section 129 of the MFMA is prepared for adoption by Council by following due process. MPAC's due process entails -

4.3.1 consider and make recommendations on the Oversight Report to Council regarding the Audit Report of the AGSA and queries, comments and responses in respect thereof;

4.3.2 investigate the alleged financial misconduct by Councillors and report thereon to Council as the case may be;

4.3.3 recommend on any proposals in respect of the oversight process for improving efficiency, effectiveness and economy in the financial sphere of the Municipality; and

4.3.4 liaise with the Performance risk and Audit Committee and any other relevant combined assurance committees and role-players.

4.4 Investigate unauthorised, irregular or fruitless and wasteful expenditure in terms of section 32 of the MFMA, as instructed by Council, and as guided by the National Treasury Circular 68: Unauthorised, Irregular and Fruitless and Wasteful Expenditure. The purpose being to recommend to Council whether such expenditure-

4.4.1 resulted in the Municipality receiving "value-for-money" (i.e. services received within a reasonable price);

4.4.2 is irrecoverable or not (financial implications);

4.4.3 resulted from non-compliance in following due process and subsequent disciplinary action is necessary, including whether legal action (common law) is appropriate; and / or

4.4.4 was as a result of control failures or gaps and what remedial and disciplinary actions are proposed.

4.5 To follow up that corrective action has been taken in respect of the comments and resolutions of MPAC during the oversight reporting process.

4.6 To promote good governance, transparency and accountability on the use of municipal resources.

5. MEETING PROCEEDINGS

5.1. Attendance

5.1.1. At a minimum four (4) meeting shall be held in a year. These meetings shall be included on the annual calendar of the Council. The chairperson may cancel any meeting if the workload of the committee does not justify a meeting. Special meetings can be called when circumstances warrant it.

5.1.2. A quorum shall be the majority of the members.

5.1.3. Conduct shall be in terms of the Rules of Order of Council.

5.1.4. Meetings are open to the public media unless otherwise determined by the Committee.

5.1.5. The applicable Directors (or delegated nominee) must attend as and when necessary, depending on the content and detail of the agenda.

5.1.6. The MPAC is also empowered to invite persons employed by the Municipality with relevant experience to attend its meetings as it deems fit. Where internal resources are not available, external assistance may only be obtained through Council resolution.

5.1.7. The Auditor-General or his or her representative may be invited to attend a meeting as and when circumstances may require. Financial consideration will be taken into account before inviting AGSA.

5.1.8. The Chief Financial Officer must attend all meetings, except where the chairperson, after consultation with the Chief Financial Officer, agrees that his/her presence will not be necessary at the particular meetings.

5.1.9. Internal Audit must attend all meetings, except where the chairperson, after consultation with the Head of Internal Audit, agrees that Internal Audit's presence will not be necessary at the particular meetings.

5.2. Agendas, Minutes and Logistics

5.2.1. Agendas must be distributed at least seven days prior to a meeting for preparation purposes. Notice of the meeting shall be given at least 14 days prior to the meeting.

5.2.2. Municipality Secretariat and Internal Audit provides research, secretarial and administrative support to the Committee. Internal Audit, and on occasion the Auditor-General, provides the Committee with support of a technical nature.

6. REPORTING AND ACCOUNTABILITY

6.1. MPAC investigation findings and recommendations are reported to Council, through the Office of the Speaker, as soon as possible after the MPAC resolution.

6.2. The MPAC must discuss and adopt its report for Council in accordance with the procedures for tabling matters in Council defined in the Rules of Order of Council and Municipality administration secretariat reporting template requirements.

6.3. The names of individuals are not included in its reports, except in exceptional circumstances, and only if all MPAC members agree. These reports would then be considered at in-committee meetings.

6.4. The MPAC may be able to communicate freely with the Audit Committee, Executive Mayor, the Mayoral Committee, the Speaker and Finance Portfolio Committee.

6.5. The MPAC must report to Council at least on all instructions mandated by Council and may bring items before Council as and when necessary.

7. COMMITTEE RESOURCES

7.1. MPAC must have access to –

7.1.1. The financial statements and the Annual Report of the municipality as part of the Committee's oversight process;

7.1.2. audit opinion, other reports and recommendations from the Performance Risk and Audit Committee;

7.1.3. reports in respect of transgressions in terms of the MFMA pertaining Section 32 of the MFMA;

7.1.4. information in respect of transgressions in terms of the MFMA pertaining to the Municipality, i.e. failure to prepare and adopt the Annual Report as well as the submission and auditing of the annual financial statements,

7.1.5. feedback on corrective action taken in respect of recommendations by the MPAC;

7.1.6. information in respect of any disciplinary action taken in terms of the MFMA where it related to an item that is currently serving on or has served before the committee;

7.1.7. any other audit report from the municipality;

7.1.8. performance information of the municipality;

7.1.9. all reports of the Auditor-General;

7.1.10. in-year reports of the Municipality;

7.1.11. legal, technical and any other specialised assistance required to exercise their functions as approved by Council;

7.1.12. direct access to internal and external auditors; and

7.1.13. resolutions and reports of the Audit Committee, Portfolio Committees and Sub Councils (public comments) related to the annual and audit reports.

7.2. The Auditor-General (AG) or his or her representative will provide annual feedback on the AG report during the outset of the oversight process.

7.3. Internal Audit shall assist MPAC in the achievement of the work plan in a technical capacity.

7.4. In the case of any irregular expenditure or any fruitless and wasteful expenditure incurred by the Municipality, the MPAC may call upon the accounting officer of the municipality to appear before it to provide information or clarity.

8. COMMITTEE PERFORMANCE

8.1 The Committee after consultation with the Head of Internal Audit develops a programme of activities annually. The programme is flexible, however, and is often amended to accommodate new priorities. The annual work programme must be approved by Council.

8.2. An evaluation of its work for the year should be done annually for the Committee to determine how effective it had been, through a process of self-evaluation and evaluation by Council.

8.3. The performance of the MPAC must be evaluated by representatives of the Council, through the Office of the Speaker, on an annual basis.

8.4. MPAC performance outcomes are reported to Council, through the Office of the Speaker.

9. GENERAL

9.1. MPAC will formalise operational processes, systems and procedures as necessary for the performance of its terms of reference, in consultation with the Office of the Speaker.

9.2. MPAC uses a schedule of outstanding matters to keep track of the various stages of the Committee's review process with respect to each of the reports or topics under consideration.

9.3. MPAC must deal with all matters, as instructed by Council. It is therefore important to prioritise the items on the schedule of outstanding matters.

IRRIGATION BOARD
KOEKEDOUW BESPROEIINGSRAAD

Telefoon: 0233155569 / 0832920590

Email: gerda.kbr@gmail.com

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6835

13 Maart 2019

Hiermee word verklaar dat onderstaande onderneming se KBR rekening vir die besproeiings-termyn van 1 Julie 2018 tot 30 Junie 2019, ten volle betaal is.

Aangeheg is die berekening van die uitstaande bedrag ten opsigte van die RAB-lening van die onderstaande onderneming:

Hierdie uitstaande bedrag is betaalbaar aan KBR teen die 25ste Junie 2019.

Entiteit	**WITZENBERG MUNISIPALITEIT**		
Plaas	**VREDEBES**		
	RAB Skuld / Ha	**Ha'e**	**Bedrag**
Winter	34,386.78	-	-
Somer	59,326.13	15.00	889,891.98
Drink	34,386.78	-	-
Totaal			**889,891.98**

Aannames:

1. KBR aanvaar die skriftelike bevestiging, van die uitstaande bedrag van R50 549 585.83 verskuldig aan RAB op 30 Junie 2019.
2. KBR lewer eenmalig 'n faktuur aan die betrokke onderneming vir sy gedeelte van die RAB skuld, in verhouding tot sy water-inlysting.
3. Elke onderneming reël sy eie finansiering om die betrokke faktuur te betaal.
4. Elke onderneming reël met sy betrokke bank sy eie terugbetaligsterme.
5. Elke onderneming moet 'n persoon aanwys met wie Gerda Roux kan skakel tydens hierdie proses.
6. Gerda Roux gaan elke 14dae telefonies opvolg met aangewese persoon in ondernemings,tov die finansierings-vordering.
7. Mikpunt is om teen die 15de Mei 2019, alle finansiering in plek te hê.
8. KBR wil teen 31 Mei 2019 alle fakture aan ondernemings lewer, vir betaling teen die 25ste Junie 2019.

RAB TERUGBETALINGSOPSIES
BESTAANDE vs NUWE VOORSTEL

	OU FINANSIERINGSMODEL		NUWE FINANSIERINGSMODEL	
UITSTAANDE SKULD JUN 2019	54,687,042		50,549,586	
RENTEKOERS	16.63%		10.25%	
	PMT	KAPITAAL SALDO	PMT	KAPITAAL SALDO
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JAAR 3	7,519,797	56,685,260	8,315,271	40,151,160
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JAAR 12	11,665,674	75,995,898	-	-
JAAR 13	12,248,957	77,313,101	-	-
JAAR 14	12,861,405	78,376,761	-	-
JAAR 15	13,504,475	78,947,087	-	-
JAAR 16	14,179,699	78,944,608	-	-
JAAR 17	14,888,684	78,317,008	-	-
JAAR 18	15,633,118	76,706,169	-	-
JAAR 19	16,414,774	74,066,193	-	-
JAAR 20	17,235,513	70,131,395	-	-
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JAAR 25	21,997,367	19,572,061	-	-
JAAR 26 - 2044	23,097,236	-	-	-
Totale terugbetalings	348,628,396		83,152,706	

Notas :

* bestaande finansieringsmodel is verkry van RAB
* uitstaande skuld op 30 Junie 2019 is verkry van RAB
* nuwe voorstel gebruik aanname van 10 jaar terugbetalingstermyn teen Prima rentekoers

David Nasson

From: Danie <danie@goosenboerdery.co.za>
Sent: Tuesday, 02 July 2019 9:52 PM
To: David Nasson
Cc: Gerda Roux; Peet du Plessis; Handri Conradie
Subject: FW: Witzenberg Munisipaliteit RMB Inv.pdf

Beste Mnr Nasson,

Dankie vir die gesprek en tyd van vanoggend.

Soos aan u verduidelik wil ek graag die volgende punte beklemtoon:

1. KBR het meer as 20 jaar gelede namens sy lede 'n lening by RAB aangegaan om die kapitaalkoste van die nuwe Koekedou dam, asook die verspreidingsnetwerk te betaal.
2. Die koste per lid is bereken volgens die betrokke eiendom se waterregte wat by BGCMA geregistreer is . Al hierdie inligting is tov die eiendomme se LBO's(lys van belasbare oppervlaktes) geregistreer en hierdie regte kleef aan die eiendom.
3. Bogenoemde koste per hektaar plus die jaarlikse bedryfskoste, vorm die totale rekening wat jaarliks aan elke lid gelewer is. Hierdie rekening het die afgelope seisoen R9036/ha beloop, waarvan R1400/ha die bedryfskoste uitgemaak het. Die Witzenberg Munisipaliteit het jaarliks hierdie rekening betaal, soos al die ander produsente wat water ontvang van KBR.
4. Met die huidige finansierings model by RAB , sou alle lede tot 2044 moes betaal om die lening af te los teen die rentekoers van 16.6%/jaar. Dit sou onbekostigbare koste vir elke lid tot gevolg hê.
5. KBR raad het toe met die betrokke banke gaan onderhandel. Die beste opsie wat toe geblyk het die volgende te wees.
   5.1 Elke lid reël sy eie finansiering en KBR doen 'n eenmalige heffing om die bestaande gesamentlike lening by RAB af te los.
   5.2 KBR hef dan daarna slegs bedryfskoste/ha en elke lid betaal sy eie finansiering van die kapitaalkoste.
   5.3 Bogenoemde reëlings is toe op 'n spesiale lede vergadering eenparig deur al die lede goedgekeur. Die Munisipaliteit was op die vergadering in Maart verteenwoordig.
6. Witzenberg Munisipaliteit is tans die enigste lid, wat nog nie sy verpligting nagekom het nie.
7. KBR se kontrak/ooreenkoms met RAB het ten einde geloop op die 30ste Junie, maar ons kon grasie kry tot Woensdag die 3de om die uitstaande bedrag te betaal. KBR het Vrydag die 28ste al die gelde betaal wat hy ontvang het, maar het 3 lede gehad wat nog nie betaal het nie. Die ander twee gevalle se gelde was nog uitstaande weens tegniese redes, wat hul Maandag en Dinsdag die 1ste en 2de Julie uitgesorteer het. Hierdie twee partye het nou hul betalings gedoen en is dit slegs die Witzenberg Munisipaliteit se rekening wat uitstaande is.
8. KBR gaan nou Woensdag die 3de die totale uitstaande bedrag betaal, sonder dat die Munisipaliteit se gelde betaal is.
9. KBR versoek dus dringend dat die Munisipaliteit se rekening vereffen word.

By voorbaat baie dankie.

Vriendelike groete / Kind regards

Danie Goosen
Voorsitter KBR

Email: danie@goosenboerdery.co.za
Office: +27(0) 23 313 3056
Fax: +27(0) 86 730 8853
Mobile: +27(0) 83 461 9933

IRRIGATION BOARD
KOEKEDOUW BESPROEIINGSRAAD

Telefoon: 0233155569/0832920590
Email: Gerda.kbr@gmail.com

Posbus 804
CERES
6835

13 Maart 2019

WIE DIT MAG AANGAAN

Volgens ons Lys van Belasbare Oppervlaktes, is daar vir Witzenberg Munisipaliteit die volgende waterregte geregistreer:

-Gedeelte 72 van die plaas Rietvalley 364
15ha Somerwater

Ek hoop u vind dit in orde.

Vriendelik die uwe

Gerda Roux
Admin Bestuurder

IRRIGATION BOARD
KOEKEDOUW BESPROEIINGSRAAD

Telefoon: 0233155569 / 0832920590

Email: gerda.kbr@gmail.com

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13 Maart 2019

Hiermee word verklaar dat onderstaande onderneming se KBR rekening vir die besproeiings-termyn van 1 Julie 2018 tot 30 Junie 2019, ten volle betaal is.

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* nuwe voorstel gebruik aanname van 10 jaar terugbetalingstermyn teen Prima rentekoers

2nd Floor Ou Kollege Building
35 Kerk Street
Stellenbosch
7600

Telephone (021) 888 4304

13 March 2019

Rudiger Oberg
Fourie Oberg de Bruyn Inc

E-mail: rudiger.oberg@fodb.co.za

Dear Rudiger

KOEKEDOUW BESPROEIINGSRAAD

1 We refer to the above matter and your e-mail dated 6 March 2019 in this regard.

2 We have been requested to provide an opinion on the tax consequences relating to the refinancing of outstanding loan amounts that Koekedouw Besproeiingsraad ("KBR") and its members currently owe to Firstrand Bank Ltd ("Firstrand").

3 The purpose of this document is to provide the advice as requested.

4 All references to "section" are to sections of the Income Tax Act 58 of 1962 ('the Act') and references to "paragraph" are to paragraphs of the Eighth Schedule to the Act, unless indicated otherwise.

Background

5 The Ceres Municipality ("CM") and KBR entered into an agreement to construct the Koekedouw dam in Ceres.

6 It was agreed that the producers/ members of KBR ("the members") would be entitled to 59 per cent of the captured water, whilst the remaining 49 per cent of the water would be allocated to the Ceres town community. The cost of the construction of the dam was also financed in the same ratio (i.e. 59 per cent and 41 per cent by each of KBR and CM respectively).

7 KBR obtained its financing through Firstrand of which it still has an outstanding loan amount due.

8 Up until now KBR issued invoices to the members for the payment of levies (which included water levies for the utilisation of water) which levies was used to cover the costs of the loan payments together with any operational costs (such as maintenance of the dam) incurred by KBR.

9 The invoice for each member is determined as the sum of the abovementioned amounts (i.e. loan payment and operational costs for the month) apportioned in the ratio of the amount of hectares occupied/utilised by the member to the total amount of hectares occupied/utilised by all members, plus VAT.

10 Pursuant to a review of the existing funding arrangement by Firstrand, it has been proposed that the Firstrand loan be refinanced with new loan funding to be taken up by the individual members of KBR.

11 This will be done in order to obtain cheaper financing as the individual members will be able to obtain better interest rates and can provide direct security for the loan funding.

12 It is envisaged that KBR will invoice a 'special levy' for the outstanding loan amount (due to Firstrand) to the members in the same ratio/ proportion as their monthly invoices (calculated as mentioned above).

13 As such a once-off invoice is to be rendered by KBR to each of the relevant members that would be payable as an amount due for the utilisation of water in the future by the members. Such total invoice amount paid to KBR will be used to settle the outstanding loan amount owed to Firstrand.

14 We understand that KBR is registered with SARS as an exempt entity for normal tax.

15 Furthermore we understand that KBR is a registered value-added tax ("VAT") vendor.

16 We have been requested to provide an opinion on the tax consequences relating to the above, specifically the following matters:

16.1 The income tax deductibility of the 'once-off'/ advance invoice ('special levy') for the members ("Issue 1");

16.2 The deductibility of the interest incurred by the members on the 'refinance loans' ("Issue 2");

16.3 The tax treatment for KBR in respect of the 'once-off' invoice amount paid to it by the members ("Issue 3"); and

16.4 The VAT treatment of the 'once-off' invoiced amount ("Issue 4").

Issue 1: Deductibility of the once-off invoice for members

General deduction formula

17 Section 11(a) of the Act contains the so-called general deduction formula. To claim an expense as an income tax deduction, the expense must meet all the requirements of section 11(a) read together with section 23(g).

18 Section 11(a) provides that in determining the taxable income derived by any person from carrying on any trade, there shall be allowed as a deduction from the income of such person so derived, expenditure and losses actually incurred in the production of income, provided such expenditure and losses are not of a capital nature.

19 In terms of section 23(g) no deductions shall in any case be made in respect of any moneys, claimed as a deduction from income derived from trade, to the extent to which such moneys were not laid out or expended for the purposes of trade.

20 In terms of section 11(a) and 23(g) the requirements can be summarised as follows:

- expenditure and losses actually incurred;
- in the production of income;
- not of a capital nature; and
- for the purpose of trade;

21 In what follows we discuss the relevant requirements to determine whether the expenditure in question will qualify as a deduction in terms of section 11(a), read with section 23(g). We accept that the amounts will be expenditure actually incurred by the members and do not elaborate on this requirement any further.

In the production of income

22 The phrase 'in the production of income' has been interpreted on numerous occasions by our courts to determine the deductibility of certain expenditure. All expenditure attached to the performance of a business operation *bona fide* performed for the purposes of earning income are deductible. This applies whether such expenses are necessary for the performance of the business operation or attached to it by chance or are *bona fide* incurred for the more efficient performance of such operation. The expenditure must however be closely connected with the business operation so that they may be regarded as part of the cost of performing it.[1]

23 Expenditure incurred in the production of income does not mean that there may be no deduction unless income has been produced, but means that the expenditure must have been incurred for the purpose of earning income whether in the current or in any future year of assessment.[2]

24 In *CIR v Allied Building Society* it was also held that "the court is not concerned with whether a particular item of expenditure produced any part of the income, but with whether that item of expenditure was incurred for the purpose of earning income."[3]

25 In the current instance the members will ultimately incur the expense ('special water levy') for the utilisation of water in the future in a cost efficient manner. This would enable the members to further their enterprises/ farming activities as they would be able to use the water for their produce which is expected to produce income.

26 It is therefore our opinion that the expenditure relating to the water levy will be incurred for productive purposes (i.e. in order to produce output that would result in income). The question is not whether income was actually produced, but rather whether the expenditure was incurred for the purpose of earning income.[4] Thus whether or not the

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[1] See ***Port Elizabeth Electric Tramway Co Ltd v CIR*** (8 SATC 13).
[2] See ***Sub-Nigel Ltd v CIR*** 1948 (4) SA 580 (A), 15 SATC 381.
[3] 1963 (4) SA 1 (A), 25 SATC 343 at 358; See also ***CIR v Nemojim (Pty) Ltd*** 1983 (4) SA 935 (A) 45 SATC 241.
[4] The view is held by commentators that it is not a requirement of the general deduction formula (i.e. section 11(a)) that the taxpayer set out to achieve a 'profit' in an accounting or economic sense. See ***Silke on South Africa Income Tax***, Butterworths electronic version, 2007, at 7.3

expenditure results in the production of greater income for the members is not the question. The question is whether it was incurred for the purpose of earning income, which we understand will be the case.

Capital or revenue

27 It is trite that the terms 'capital' and 'revenue' are not defined in the Act and therefore reliance needs to be placed on case law to provide guidance regarding the meaning of the terms. The true nature of each transaction must be examined in order to determine whether the expenditure in question is a capital or revenue expenditure and each case must be decided on its own facts and circumstances.[5]

28 Various tests have been formulated by our courts to determine the capital or revenue nature of expenditure and losses, including whether:

28.1 The expenditure adds to the income earning structure (capital) or the income earning operations (revenue) of the taxpayer;[6]

28.2 The expenditure creates or cause the taxpayer to acquire an income producing concern (capital) or is the expenditure incurred in working an income producing asset (revenue);[7]

28.3 The expenditure creates an enduring benefit (capital);[8] and

28.4 The expenditure adds to the fixed capital of the taxpayer (capital) or the floating capital (revenue).[9]

29 As per the tests laid down above, one must determine whether payments will be made toward the acquisition of a capital asset or whether the payments are in respect of the income earning operations of the taxpayer. In the *New State Areas Ltd v CIR*, the court confirmed the principle that regard must be had to the consequence of the payment, i.e. does it produce an asset or right for the taxpayer or is it a payment for the right to use an asset. If it is the latter and the taxpayer incurs the expense as part of its income earning operations, it is regarded as being revenue in nature.

30 There is a great difference between money spent in creating or acquiring a source of profit, and money spent in working a source of profit. In the former case it is spent to enable the concern to yield profits in the future, in the latter case it is spent in working the concern for the present production of profit.[10]

31 It is submitted that the expenditure incurred by the members in respect of the advance water invoice will not create an income earning structure for the members and merely works the existing income earning structure. The members do not obtain additional water rights in exchange for making the advance payment of the special water levy but merely makes an advance payment for the utilisation of water based on the already existing water rights of the member. As such, the expenditure would in our opinion closely relate to the income-earning operations of the members rather than their income-earning structure.

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[5] ***New State Areas Ltd v CIR*** 1946 AD 610 at 627; ***CIR v African Oxygen Ltd*** 1963 (1) SA 681 (A) at 691.
[6] ***New State Areas Ltd v CIR*** 1946 AD 610, 14 SATC 155.
[7] ***CIR v George Forest Timber Co Ltd*** 1924 AD 516, 1 SATC 20.
[8] ***CIR v Manganese Metal Company (Pty) Ltd*** 1995 TPD, 58 SATC 1.
[9] ***New State Areas Ltd v CIR*** 1946 AD 610, 14 SATC 155.
[10] ***George Forest Timber Co Ltd*** – case (*supra*).

32 It could furthermore not be said the expenditure incurred creates an enduring benefit for the /members. This is on the basis that the members do not obtain any additional water rights for making the payment (i.e. their existing water rights is not influenced in any way).

33 In ***ITC 1764*** 66 SATC 93 it was held that the mere fact that rent is paid upfront at the beginning of a lease period does not render the expenditure to be of a capital nature. In the current instance we are of the opinion that the mere advance payment for the water levy would similarly not make the expenditure capital in nature.

34 In our opinion therefore the expenditure relating to the special water levy will not create an enduring benefit or an income earning structure for the members. Based on the aforementioned we are of the opinion that the expenditure will not be capital in nature for the members.

For the purposes of trade

35 As indicated above, section 23(g) further provides no deductions shall in any case be made in respect of any moneys, claimed as a deduction from income derived from trade, to the extent to which such moneys were not laid out or expended for the purposes of trade.

36 We understand that each of the members would conduct a recognisable trade (e.g. farming enterprise) and the expenses in question will be paid in the course of such trade.

37 In our opinion, the crucial consideration is that the expenditure must be connected with the 'pursuit' of the taxpayer's trade and not for other objectives.

38 The question may be raised as to whether the members will incur the special water levy for the purposes of their trade (e.g. farming and related activities) or to assist the KBR to settle its financing obligations towards Firstrand. We are however of the opinion that although the invoiced/ levy amounts will ultimately be used by KBR to settle the funding provided by Firstrand, the purpose thereof is to pay for the utilisation of water (for their farming enterprises) in a more cost efficient manner. This is because the ultimate purpose of the special water levy is to obtain the water usage at a cheaper cost for the members.

39 We are therefore of the opinion that the payment of the special water levy will be done for the purpose of the trade of the members.

Conclusion on deductibility

40 Based on the above, we are of the opinion that the expenditure relating to the special water levy invoice would constitute expenditure actually incurred in the production of income, and which is not of a capital nature. The expenditure would in our opinion also be incurred in the carrying on of a trade of the members in a more efficient manner.

41 Consequently, it should in our opinion qualify as a deductible expenditure in the hands of the members in terms of section 11(a).

Section 23H

42 In terms of section 23H, where expenses were incurred during a year which is allowable as a deduction in terms of section 11(a) in respect of goods or services, all of which will not be supplied or rendered to the taxpayer during such year; or in respect of any other benefit, the period to which the expenditure relates extends beyond such year, the amount of expenditure which may be claimed as a deduction shall be limited.

43 Section 23H provides for the spreading of the expenditure over several tax periods where the benefits to which the expenditure relates are only enjoyed over future tax years.

44 Section 23H classifies the different types of expenditure in respect of the following:

44.1 Goods;

44.2 Services; and

44.3 Any other benefit.

45 In terms of section 23H the amount of expenditure that is to be deducted where 'goods' are supplied is so much of the expenditure as relates to goods actually supplied to such person in the year of assessment.

46 Where the expenditure relates to 'services' or 'any other benefit' the amount to be spread is based on a similar principle which states that the amount deductible is determined as the amount of expenditure incurred which bears to the same ratio as the number of months the services or such benefit is enjoyed in the current year to the total number of months during which the services or such benefit will be rendered/enjoyed.

47 In the case where the period of the services to be rendered or the other benefit to be enjoyed is not determinable, the period over which the services or such benefit is likely to be enjoyed must be used. There is no definition as to what is meant by 'likely to be rendered or enjoyed' but this would generally mean the probable period. All the relevant facts and circumstances should be taken into account with regards to the period of use or enjoyment in this instance.

48 Furthermore section 23H(2) states that where the apportionment does not reasonably represent fair apportionment of such expenditure in respect of the goods, services or benefits to which it relates, such apportionment must be made in such other manner as is fair and reasonable.

49 The provisions of section 23H does not apply (i) where the goods or services are supplied within six months after the year end; (ii) where the person will have the full enjoyment of such benefit within six months; (iii) where the aggregate of the amount of all the expenditure incurred by a person does not exceed R 100,000; (iv) to any expenditure to which sections 24K and 24L apply or (v) to any expenditure actually paid in respect of an unconditional liability to pay on an amount imposed by legislation.

50 As indicated, we are of the opinion that the water invoices would be deductible in terms of section 11(a) for the relevant members.

51 The question is however whether or not section 23H would apply to limit and spread the deduction over several tax years (assuming the expenditure will exceed R 100 000 for the particular member).

52 As we understand that the benefits of the water usage and advance payment will be provided and enjoyed over a period of time (which extends over several years of assessment), we are of the opinion that section 23H will apply to limit the deduction of the expenditure in question.

53 In the current circumstances we are of the opinion that the expenditure (i.e. advance payment) could be apportionment and spread over a period which is based on the total advance invoice amount issued to the member which bears to the same ratio as the invoice amount that would have been payable per year if the advance payment was not made to the total of all invoice amounts that would have been payable over the period (i.e. based on the following formula: Advance payment * Payments per year / Total payments). This would in our opinion represent a fair and reasonable apportionment.

54 As indicated above where the invoice does not exceed R100,000 for a specific member, the deduction should not be limited in terms of section 23H. The relevant member will however need to take into account all the prepaid expenses (i.e. the water levy invoice as well as any other prepaid expenditure incurred) during that specific year of assessment.

Issue 2: Deductibility of interest for the producers/members

55 We understand that the members will incur interest-bearing loan funding (from a bank) to fund the payment of the special water levy.

56 To determine whether the interest is deductible in the calculation of taxable income of the members, the provisions of section 24J should in our opinion be considered.

57 In terms of section 24J(2) where any person is the issuer in relation to an instrument (as defined in section 24J) during any year of assessment, such person shall be deemed to have incurred an amount of interest during such year of assessment which is equal to the sum of all accrual amounts in relation to all accrual periods falling, whether in whole or in part, within such year of assessment in respect of such instrument, which must be deducted from the income of that person derived from the carrying on any trade, if that amount was incurred in the production of income.

58 An 'instrument' is defined in section 24J as meaning any form of interest bearing arrangement, including a bond, loan advance or debt.

59 The term 'issuer' in relation to an instrument means any person who has incurred any interest or has any obligation to repay any amount in terms of such instrument. The term 'interest' is in turn defined as to include the gross amount of any interest or related finance charges in relation to a financial arrangement. As the members will be liable to pay interest at a market related rate, it will incur an obligation to repay any amount in respect of the instrument and will therefore be the issuer in relation to such instrument.

60 The term 'accrual amount' is in essence the interest or finance charges determined on a yield to maturity basis over any given accrual period (i.e. in the current instance every 12 month period or part thereof between financial year ends).

61 To qualify for the deduction certain requirements must be satisfied before the members will be entitled to deduct the interest in the calculation of its taxable income.

62 The requirements in terms of section 24J is that the interest should be:

- In the carrying on of a trade; and
- In the production of income.

63 On the basis that the loan funding and interest thereon will be incurred in order to settle the advance water invoice in pursuance of the business conducted by the members, we are of the opinion that the interest incurred should be considered to be in the production of income and in the carrying on of a trade. The same principles discussed in the context of section 11(a) above should therefore in our opinion apply in respect of the above requirements.

64 Based on the aforementioned we are of the opinion that the interest incurred by members on loan funding used to settle the water levy invoice would be deductible in terms of section 24J for the members.

Issue 3: Tax consequences for KBR

65 We understand that the principle object of KBR is to provide the water rights/ usage to its members and that it is an exempt entity.

66 In this regard we understand that KBR would either be exempt from normal tax in terms of section 10(1)(cA) as a board established by law and which in the furtherance of its sole or principal object carries on activities designed to promote commerce, industry or agriculture or is exempt in terms of section 10(1)(t) as a water services provider. The receipts and accruals of such entities are exempt from normal tax.

67 Based on the aforementioned we are of the opinion that the 'once of' invoice for the special water levy should also be exempt from normal tax as falling within the ambit of the principal objects of KBR.

Issue 4: VAT consequences

68 The invoice issued by KBR for the special water levy would constitute a supply that forms part of the enterprise of KBR (being a mere advance payment for the supply of water or the usage thereof).

69 As such output VAT would in our opinion have to be accounted for on the amount at the standard rate.[11]

70 The members should however be able to qualify for a corresponding VAT input if registered for VAT and where they incur the expenditure to make taxable supplies.

General

71 The opinion in this report is based on the facts at our disposal as provided to us, which we have not independently verified.

72 In accepting the advice contained in this writing you consent to our terms of business the details of which is available on www.graystonelliot.co.za.

[11] Section 7(1)(a) of the **Value-Added Tax Act 89 of 1991**.

We trust the above is of assistance. Please do not hesitate to contact us should you have any questions in regard to the above.

Kind regards

Chemus Taljaard **Henry Isaacs**

16/2/1/1/1

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

SUMMARY OF DISCUSSIONS HELD AT MPAC MEETING ON 21 OCTOBER 2019

MUNICIPALITY
WITZENBERG
23 OCT 2019
MUNISIPALITEIT

Content

- Role of Ceres Management Committee (CMC)
- Role of Koekedouw Irrigation Board (KIB)
- History on farm Vredebes water allocation from Koekedouw Dam

Role of Ceres Management Committee (CMC)

- The Ceres Management Committee (CMC) was formed during July 1996, by the WM & KIB before the Construction (enlargement) of the Koekedouw dam.
- The CMC has the duty to manage the Koekedouw dam of which Koekedouw Irrigation Board (KIB) has 7millionM3 and WM has 10millionM3 yearly water allocation from the Koekedouw dam.
- The CMC has 6 members, 3 from WM & 3 from KIB.
- The WM contributes 59% (R1 116 126,60 - 19/20 budget)towards the yearly CMC budget .
- The KIB contributes 41% (R775 613,40 - 19/20 budget) towards the yearly CMC budget.
- WM already settled its loan for the construction of the Koekedouw dam during 2017.

Role of Koekedouw Irrigation Board (KIB)

- KIB was formed by the farmers to manage the allocation to the farmers from the Koekedouw dam & consist of farmers.
- KIB operates independent from WM & CMC.
- The next slide indicates farms part of the KIB water scheme.
- The water allocation of the farms Vredebes, with 15ha summer allocation, which belongs to WM, is also managed by KIB, as they do for all the farms on the list.
- KIB arranged its own loan for their share of the construction of the Koekedouw dam from Rand Accept Bank (RAB) (R348M)
- The new RAB settlement agreement for the construction of the Koekedouw dam now totals (R83M)

FARMS MANAGED BY KIB

NAAM VAN BESPROEIINGSRAAD / NAME OF IRRIGATION BOARD: **KOEKEDOUW BESPROEIINGSRAAD**

VIR DIE JAAR / FOR THE YEAR: **2014**

LYS VAN BELASBARE OPPERVLAKTES OPGESTEL INGEVOLGE ARTIKEL 88 VAN DIE WATERWET, 1956 (WET : SCHEDULE OF RATEABLE AREAS COMPILED IN TERMS OF SECTION 88 OF THE WATER ACT, 1956 (ACT 54 OF 1956)

Soos en met Julie 2014

LW: (a) In gevalle waar daar 'n vermeerdering of vermindering van die belasbare (ingelyste) oppervlakte plaasgevind het, moet volledige en gemotiveerde redes vir sodanige vermeerdering of vermindering op die keersy van hierdie vorm of op 'n bylae verstrek word.
(b) Die lys van belasbare oppervlaktes moet minstens een keer elke twee jaar hersien word.

NB: (a) Where an increase or decrease of rateable (scheduled) area has taken place, full and motivated reasons for such increase or decrease should be furnished on the reverse side or per annexure.
(b) The schedule of rateable areas should be revised every two years.

Skakel No / Serial Nr.	Beskrywing van stuk grond / Description of piece of land	Grootte van grond (ha) / Ext of piece of land (ha)	Gedeelte Gehalt / Share Owned	Huidige Transportakte / Latest Title Deed: No. Nr	Datum. Date:	Naam van eienaar van stuk grond / Name of owner of piece of land	Geboorte-datum / Date of Birth	Belasbare WINTER oppervlakte (hektare) / Rateable WINTER area (hectares): Vorige Previous 2005	Hersiende Revised 2008	Vermeerdering Increase	Vermindering Decrease	Belasbare SOMER oppervlakte (hektare) / Rateable SUMMER area (hectares): Vorige Previous 2005	Hersiende Revised 2008	Vermeerdering Increase	Vermindering Decrease
						Oorgedra / brought forward		463.5	424.7	72.3	141.5	424.0	410.0	133.0	147.0
153	Ged 19 van Twee Fonteinen	32.8791		24279	23/8/77	Fernhout: Daniel Etienne	12/03/32	nul	nul	nul		nul	nul	nul	
154	[illegible]3767 Ceres	11.6228		53181	30/12/86	Button: James	18/11/42	nul	nul	nul		nul	nul	nul	
155	Restant Erf 1231 Ceres	52.8453		1088	29/01/79	Laastedrif Trust	19/09/43	nul	nul	nul		nul	nul	nul	
156	Erf 1234 Ceres	9.1382		1088	29/01/79	Laastedrif Trust	19/09/43	nul	nul	nul		nul	nul	nul	
157	Erf 1235 Ceres	8.3565		1088	29/01/79	Laastedrif Trust	19/09/43	nul	nul	nul		nul	nul	nul	
158	Erf 1232 Ceres	72.9544		1088	29/01/79	Laastedrif Trust	19/09/43	nul	nul	nul		nul	nul	nul	
159	Restant Ged 18 van Rietvalle	58.2943		8341	04/02/98	NJ Basson Trust (IT6895/96)		nul	nul	nul		nul	nul	nul	
160	Restant Erf 3734 Ceres	22.2663		38486	12/12/76	Tanya Elizabeth Freeman	18/10/42	nul	nul	nul		nul	nul	nul	
161	Erf 3736 Ceres	64.5150		8423	13/6/83	Langboom Plase C C		nul	nul	nul		nul	nul	nul	
162	Ged 72 van Rietvalley 384	30.6502		8341	04/02/98	Witzenberg Municipality (NJ Basson Trust)		nul	nul	nul		15.0	15.0	nul	
163	Ged 15 van Twee Fontenen	7.7091		8341	04/02/98	NJ Basson Trust (IT5895/96)		nul	nul	nul		nul	nul	nul	
164	Ged 26 van Twee Fontenen	15.9757		38145	6/7/89	Taaibaar Eiendomme BK	23/01/58	nul	nul	nul		0.4	0.4	nul	
165	Ged 23 van Twee Fontenen	711.8139		41854	6/6/96	P du T du Plessis (Middelpos)	18/09/62	nul	0.4	0.4		25.0	10.0	nul	15.0
166	Restant Ged 10 van Twee Fo	454.5138		8233	5/2/98	Daytona Stud (Pty) Ltd	16/12/41	nul	nul	nul		nul	nul	nul	
167	Restant Ged 1 van Rietvalley	161.1509		8233	5/2/98	M C du Plessis	16/12/41	nul	nul	nul		nul	nul	nul	
168	Ged 41 van Rietvalley 384	200.9452		8233	5/2/98	M C du Plessis	16/12/41	nul	nul	nul		20.0	nul	nul	20.0
169	Ged 30 van Wolvenhuis 371	65.1708		37746	28/05/85	Schoonvlei Trust		nul	nul	nul		nul	nul	nul	
170	Ged 14 van Wolvenhuis 371	20.4385		54588	1/9/92	PC Malherbe Trust	02/02/73	nul	nul	nul		nul	nul	nul	
171	Restant Wolvenhuis 371	217.3503		54588	01/09/92	PC Malherbe Trust	02/02/73	nul	nul	nul		30.0	30.0	nul	
172	Ged 13 van Wolvenhus 371	35.4278		63004	29/08/94	Goosen Boerdery Trust		nul	nul	nul	0.8	nul	nul	nul	
173	Ged 1 van Dassenklip 375	64.6639		54588	01/09/92	PC Malherbe Trust	02/02/73	nul	nul	nul		nul	nul	nul	
174	Ged 3 van Dassenklip 375	24.1191		18047	09/04/84	Ceres Cascade Farms (Pty) Ltd		nul	nul	nul		nul	nul	nul	
175	Restant Dassenklip 375	215.7355		18047	09/04/84	Ceres Cascade Farms (Pty) Ltd		nul	nul	nul		nul	nul	nul	
176	Ged 129 van Wagenboomsrivi	1183m²		24184	8/7/85	Von Buddenbrock: Peter Ean	13/01/55	nul	nul	nul		nul	nul	nul	
177	Ged 48 van Wagenboomsriv	38.1842		24184	8/7/85	Von Buddenbrock: Peter Ean	13/01/55	nul	nul	nul		15.0	15.0	nul	
178	Ged 2 van Dassenklip 375	79.2808		42517	04/10/83	Roux: Adriaan Theophilus	26/02/21	nul	nul	nul		nul	nul	nul	
179	Ged 47 van Wagenboomsriv	4.2827		42517	04/10/83	Roux: Adriaan Theophilus	26/02/21	nul	nul	nul		nul	nul	nul	
180	Ged 46 van Wagenboomsriv	21.5446		24184	08/07/85	Von Buddenbrock: Peter Ean	13/01/55	nul	nul	nul		10.0	10.0	nul	
181	Ged 55 van Wagenboomsriv	10.0714		35033	22/04/97	Wiehahn Trust (IT917/96)		nul	nul	nul		nul	nul	nul	
182	Ged 98 van Wagenboomsriv	72480m²		35033	22/04/97	Wiehahn Trust (IT917/96)		nul	nul	nul		nul	nul	nul	
183	[illegible]stvlei 423	17.4984		52127	08/08/97	Button Family Trust (IT1258/96)		nul	nul	nul		nul	nul	nul	
184	[illegible]tant Hugos Berg 374	90.4784		24184	8/7/85	Von Buddenbrock: Peter Ean	13/01/55	nul	nul	nul		nul	nul	nul	
185	[illegible]estant Ged 11 van Koelefor	84.3595		53016	10/06/87	Koelfontein Landgoed (Edms) Bpk		nul	nul	nul		nul	nul	nul	
186	Ged 16 van Koelefontein 323	23.2955		53016	10/06/87	Koelfontein Landgoed (Edms) Bpk		nul	nul	nul		nul	nul	nul	
187	Restant Ged 8 van Koelefont	50.4832		53016	10/06/87	Koelfontein Landgoed (Edms) Bpk		nul	nul	nul		30.0	30.0	nul	
188	Restant Ged 14 van Koelefor	5956m²		21088	24/12/53	Conradie: Daniel Jacobus	05/02/11	nul	nul	nul		nul	nul	nul	
189	Ged 5 van Koelefontein 323	13.0085		9058	21/04/77	Sunkist Orchards (Pty) Ltd		nul	nul	nul		nul	nul	nul	
190	Ged 13 van Koelefontein 323	4.5245		16455	20/10/53	Gelderhuys: Matthews Lourens	25/01/07	nul	nul	nul		nul	nul	nul	

Dra oor: Carry f/w:	-	0.4	0.4	0.8	145.4	110.4	-	35.0
Totaal: Total:	463.5	424.7	72.7	142.3	569.4	520.4	133.0	182.0

Voorsitter/ Chairman: .....

Sekretaris/ Secretary: .....

Datum/ Date: .....

Datum/ Date: .....

Geen verpligting ten opsigte van 'n besproeiingslening nie
Kennis geneem van gewysigde lys van belasbare oppervlaktes.
Lys van belasbare oppervlaktes vir doeleindes van artikel 88(3) van die Waterwet, 1956 (Wet 54 van 1956), aanvaar.

namens: ***Direkteur-generaal: Dept Waterwese en Bosbou***
vir: ***Director-general: Dept of Water Affairs and Forestry***

Datum: .....
Date: .....

No commitment in respect of an irrigation loan.
Revised schedule of rateable areas noted.
Schedule of rateable areas accepted for the purposes of section 88(3) of the Water Act, 1956 (Act 54 of 1956)

namens: ***Direkteur-generaal: Dept Waterwese en Bosbou***
vir: ***Director-general: Dept of Water Affairs and Forestry***

Let Wel: ***Kyk keersy/bylae***
Please Note: ***See reverse side/annexure***

History on farm Vredebes water allocation from Koekedouw Dam

- WM purchased the farm Vredebes during December 2001, for the purpose of a housing development.
- The farm Vredebes has a water right of 15hectare summer water from the Koekedouw dam via the KIB.
- The title deed of the farm Vredebes indicates that the farm has a right to water abstraction.
- The yearly account received by WM from KIB for the 15hectares summer water of the farm Vredebes totalled to R156k for the 2018 financial year, which included the opex cost of KIB and the capex cost for the repayment of the Koekedouw dam construction loan.
- WM has to repay the outstanding RAB loan as per KIB.
- As per KIB (as per new settlement agreement with RAB) for the repayment of the farm Vredebes water allocation now totals R889k(the old RAB agreement totalled to R4M) for the 15 hectares summer water.
- KIB did not submit up to date an agreement signed between the previous owner of the farm Vredebes & KIB, for the loan for the upgrade of the Koekedouw Dam.
- KIB submitted a new proposal that the water allocation of the farm Vredebes be ceded to upcoming farmers in stead of WM repaying the R889k.

Thank you

CONSTITUTION OF THE

KOEKEDOUW IRRIGATION BOARD

1. NAME OF BOARD

The name of the Board is the KOEKEDOUW IRRIGATION BOARD (hereinafter referred to as "the Board").

2. ESTABLISHMENT OF THE BOARD

2.1 The Board was established in terms Section 79 of the Water Act, Act 54 of 1956 (" the Act") for the Koekedouw Irrigation District declared in terms of Section 74(1) of the Act and promulgated in terms of Government Gazette Number 3779 dated 9 February 1973 Regulation No 33/1973.

2.2 In terms of Section 98 (2) of the new Water Act 36 of 1998, the board continues to exist until it is declared to be a water user association in terms of subsection 98 (6) or until it is disestablished in terms of the law by or under which it was established, which law must, for the purpose of such disestablishment, be regarded as not having been repealed by the Water Act 36 of 1998.

3. FUNCTIONS, POWERS AND DUTIES OF THE BOARD

The Board ascribes and adheres to those functions, powers and duties as set out in Section 89 of the Act.

4. PRACTICAL OPERATION OF DAY TO DAY ACTIVITIES OF THE BOARD AND ITS MEMBERS

The Board ascribes and will comply with the provisions of Chapter VI of the Act which forms part of this constitution as being incorporated by reference.

5. INCOME TAX

5.1 In order to obtain exemption from income tax as envisaged in Section 10 (1)(cN) of the Income Tax Act, No 58 of 1962, the Board will always comply with the following provisions as set out in Section 30(3)(b) of the Income Tax Act, No 58 of 1962 :

5.1.2 The Board will have a committee, board of management or similar governing body consisting of at least three persons, who are not connected persons in relation to each other, to accept the fiduciary responsibility of that entity;

5.1.2 no single person may directly or indirectly control the decision-making powers relating to the Board;

5.1.3 the Board may not directly or indirectly distribute any of its funds or assets to any person other than in the course of furthering its objectives;

5.1.4 the Board is required to utilise substantially the whole of its funds for the sole or principal object for which it has been established;

5.1.5 no member may directly or indirectly have any personal or private interest in the Board;

5.1.6 substantially the whole of the activities of the Board must be directed to the furtherance of its sole or principal object and not for the specific benefit of an individual member or minority group;

5.1.7 the Board may not have a share or other interest in any business, profession or occupation which is carried on by its members;

5.1.8 the Board must not pay to any employees, office bearer, member or other person any remuneration, as defined in the Fourth Schedule, which is excessive, having regard to what is generally considered reasonable in the sector and in relation to the service rendered;

5.1.9 substantially the whole of the Board 's funding must be derived from its annual or other long-term members or from an appropriation by the government of the Republic in the national, provincial or local sphere;

5.1.10 the Board must as part of its dissolution transfer its assets to-

5.1.10.1 another entity approved by the Commissioner in terms of this section;

5.1.10.2 a public benefit organisation approved in terms of section 30;

5.1.10.3 an institution, board or body which is exempt from tax under section 10(1)(cA)(i); or

5.1.10.4 the government of the Republic in the national, provincial or local sphere;

5.1.11 the persons contemplated in paragraph 5.1.2 will submit any amendment of the constitution or written instrument of the Board to the Commissioner within 30 days of its amendment;

5.1.12 the Board will comply with such reporting requirements as may be determined by the Commissioner from time to time; and

5.1.13 the Board is not knowingly and will not knowingly become a party to, and does not knowingly and will not knowingly permit itself to be used as part of, an impermissible avoidance arrangement contemplated in Part IIA of Chapter III, or a transaction, operation or scheme contemplated in section 103(5).

6. WINDING UP

6.1 The Board may be dissolved as envisaged in the Act or any other Act to be promulgated in terms of South African Law.

6.2 The Board must as part of its dissolution transfer its assets to-

6.2.1 another entity approved by the Commissioner in terms of this section;

6.2.2 a public benefit organisation approved in terms of section 30;

6.2.3 an institution, board or body which is exempt from tax under section 10(1)(cA)(i); or

6.2.4 the government of the Republic in the national, provincial or local sphere;

Signed at CERES on 23/10/2018

Chairman: KOEKEDOUW IRRIGATION BOARD

6/2/1/11.

MUNICIPALITY
WITZENBERG
- 5 APR 2006
MUNISIPALITEIT

WATER VIR CERES

1 - AGTERGROND

Ceres dorp is gedurende die eerste helfte van die negentiede eeu op die walle van die *Dwarsrivier* aangelê en het in 1855 sy beslag as munisipaliteit gekry. Aan die oostekant was dit op die plaas *Rietvalley 364* en aan die westekant op die gebied wat later as die Ceres toekenningsgebied bekend sou word. Die standhoudende *Dwarsrivier*, wat in die suid-westelike hoek van die Ceres-kom met die *Titusrivier* saamvloei, was die aanvanklike waterbron vir die eerste bewoners.

Die inwoners het gou ingesien dat die *Koekedourivier*, wat net noord van Ceres uit die Skurweberge met die *Dwarsrivier* saamvloei, standhoudend en hoog geleë is en water van baie goeie gehalte lewer. Die eerste uitkeer op die *Koekedourivier* is dan ook reeds vroeg in die negentienhonders net bokant die voet van die berg gebou en water is onder swaartekrag daaruit vir die long gemeenskap aangelê vir huishoudelike gebruik en tuinery.

Hierdie uitkeer is later vervang met 'n beton keerwal en -kanaal hoër op in die rivier. Laasgenoemde was dan ook die bron van water vir Ceres se eerste hidro-elektriese opwekstasie wat net laer af aan die voet van die berg opgerig is. Hierdie stelsel was in gebruik tot in die middel van die twintigste eeu.

Die *Koekedourivier* was van vroeg af aan 'n ideale waterbron vir die laerliggende omgewing waar dit vir dorps- en plaasgebruik aangewend is. Hierdie beginsel is later verder ontwikkel en is vandag steeds van beduidende belang vir die hele gemeenskap.

2 - CERES DAM

Die dorp het gegroei en sy waterbehoeftes ook. So is Ceres se eerste dam, die *Ceres dam*, sowat 3 kilometer noord-wes van die dorp as 'n 20 meter hoe en 70 meter lang beton-boogwal dam met 'n bakmaat van 0,4 miljoen kubieke meter in 1953 op die *Koekdourivier* gebou. Vir byna 'n halwe eeu het die *Ceres dam* voldoende water voorsien vir al Ceres se waterbehoeftes, wat huishoudelike behoeftes, kleiner nywerhede, hidro-kragopwekking en besproeiing op omliggende plase ingesluit het.

Die *Ceres dam* was van 'n primêre "heweloorloop" voorsien wat tydens reëns kort-kort hoë vloede vir kort periodes losgelaat het. Hierdie ontwerp het veroorsaak dat die watervlak tydens sulke vloede onverwags in die rivier styg tot 'n malende stroom. Dit het oor tyd tot 'n aantal verdrinkings gelei toe mense wat in die verfrissende diep poele in die rivier ontspan het, onverwags deur sulke skielike, sterk vloede oorval is.

Op 29 September 1969 het 'n hewige aardbewing, met lesing 6,3 op die Richterskaal, die omgewing getref. Hierdie skudding, tesame met ligter skuddings daarna op 5 November 1969 en 14 April 1970, het die betonwal beskadig deur krake wat daarin ontstaan het. Die dam kon egter sy funksie bly vervul ten spyte van die krake alhoewel lekkasies deur die krake mettertyd vererger het.

In 1973 het die pas-gestigte *Koekedou besproeiingsraad* begin met 'n winterwater onttrekkingskema vir die besproeiing van 485 hektaar op 23 vrugteplase in die Ceres — P A Hamlet omgewing deur 'n die swaartekrag pyplyn aan die dorp se hoof toevoerpyplyn te verbind en so van die kosbare water in elk van die plase se damme te lewer.

Oor die afgelope twee dekades groei die dorp se waterverbuik met gemiddeld 3,5% per jaar, terwyl die *Koekedou besproeiingsraad* begin met samesprekinge met *Ceres munisipaliteit* met die doel om meer besproeiingswater uit hierdie waterryk bron te ontgin.

In 1986 het damveiligheidswetgewing in Suid Afrika van krag geword en in terme daarvan is die ou *Ceres dam* in 1994 as onveilig verklaar. Dit moes teen hoe koste beveilig of vervang word

3 - GROTER CERES DAM

Die samesprekings tussen Ceres *munisipaliteit* en die *Koekedou besproeiingsraad* het gelei tot die stigting van die eerste samewerkingsooreenkoms tussen 'n besproeiingsraad en 'n plaaslike owerheid in Suid Afrika met die doel om 'n dam op eie koste en sonder staatshulp te bou om in al die waterbehoeftes van 'n gemeeskap te voorsien.

Ter voorbereiding was dit nodig om eers 'n geskikte toergangspad te bou, gevolg deur 'n stroomop kofferdam om die werking van die ou dam oor te neem nadat laasgenoemde gesloop sou word en totdat die nuwe dam in gebruik geneem kon word. Dit was ook nodig om 'n interim noodwaterskema op te rig in die vorm van verskeie boorgate wat met die dorp se watervoorsieningstelsel verbind is, sowel as 'n verdere reservoir op *Groenplaatjie*..

Die nuwe wal is 'n geboë massa rotsvul wal, 60 meter hoog en 278 meter lank, met 'n sentrale, regop, 500mm breë asfalt-beton kern. Laasgenoemde ontwerpbeginsel is in Skandinawië ontwikkel en is vir die eerste maal in Afrika by hierdie dam toegepas, veral omdat dit, vanwee 'n gunstige buigbaarheidsfaktor, as 'n geskikte ontwerp vir damwalle binne erkende aardbewingsgebiede beskou word.

Eers is die ondergrondse gebroke en verweerde rotsformasie oor die volle wallengte met ingepomte sement breï verdig tot sowat 40 meter diep onder die normale grondvlak. In die daaropvolgende walbouproses is die asfalt-beton saam met die twee aangrensende filtersones in 200mm dik horisontale lae geplaas en afsonderlik verdig voordat elke volgende laag daarop geplaas kon word. Die res van die walbreedte is terselfdertyd as rotsvul gebou sodat die struktuur as 'n geheel oor die volle lengte en breedte daarvan gegroei het.

Vir die uitlaat is 'n beton tonnel met twee pyplyne daarin onderdeur die wal geplaas met 'n ronde, regop inlaattoring in die damkom. Die toring is vertikaal verdeel in 'n nat en droë skag. Eersgenoemde is met die watervlak in die dam verbind deur roosteropeninge op verskillende vlakke terwyl laasgenoemde voorsien is van elektries-beheerde kleppe op verskillende vlakke waarmee water uit die dam onttrek kan word. Hierdie kleppe is aan 'n regop staalpyp verbind wat weer op sy beurt aan die hoof uitlaatpyp in die tonnel verbind is. Laasgenoemde bedien 'n drukbeheerstelsel net stroomaf van die dam waarvandaan water onder beheerde druk deur die hoofpyplyn verder na die dorp en distrik gelei word. Die verdeelpunt na die twee partye is laer af op hierdie pyplyn.

Verder is die dam met 'n oop sykanaal oorloop toegerus wat vloede op 'n beheerde en verlengde vloedperiode loslaat en nie met kort, hoë-piek vloede soos met die vorige dam nie.

Die watervlak in die dam, vloeitempo's op twee stroomop *riviere* en na beide partye, poriedrukmeting onder die wal en seismografiese rekords word elektronies gelees, gemonitor en telemetries na die partye se sentrale *Koekedou beheersentrum* langs die pad na P A Hamlet versend waar dit verder verwerk en op rekord geplaas word.

Die dam hou 17 miljoen kubieke meter en kan dieselfde volume jaarliks aan die Ceres gemeenskap lewer, tesame met 'n deurvloei van sowat 4 tot 5 miljoen kubieke meter soos wat deur natuurbewaring vir stroomaf behoeftes vereis word, sonder 'n beduidende risiko van ondervoorsiening. Met hierdie dam word die *Koekedourivier* optimaal benut. Oor die eerste 20 jaar ontvang Ceres *munisipaliteit* 7 miljoen (41%) en die *Koekedou besproeiingsraad* 10 miljoen (59%) kubieke meter water per jaar. Daarna word die toekenning 10 en 7 miljoen kubieke meter onderskeidelik. Daar word voorsien dat die dam tot ongeveer die jaar 2030 in die gemeenskap se waterbehoeftes kan voorsien.

Die aanbou van die nuwe *Groter Ceres dam* op dieselfde plek as die ou *Ceres dam* het in Oktober 1996 begin as 'n gesamentlike onderneming tussen die twee partye. Ceres *munisipaliteit* en die *Koekedou besproeiingsraad* dra onderskeidelik in dieselfde verhouding as wat die water toegedeel word, by tot die totale projekkoste van R92 miljoen. Die voltooide dam is op 3 Julie 1998 in gebruik geneem toe daar met opgaring begin is.

PROTOKOL NO

NOTARIËLE AKTE VAN SERWITUUT EN SAMEWERKINGSOOREENKOMS

HIERMEE WORD BEKEND GEMAAK AAN ALMAL WAT DIT MAG AANGAAN : 'DAT op hede die dag van JULIE in die jaar van Onse Heer Eenduisend Negehonderd Ses en Negentig (1996) voor my,

SYBRAND STRAUSS VAN WYK

van PAARL, PROVINSIE WES-KAAP, Publieke Notaris, as sodanig toegelaat en beëdig, en in die teenwoordigheid van die ondergetekende getuies persoonlik verskyn het :

hy synde daartoe gemagtig deur :

MUNISIPALITEIT CERES

hierin verteenwoordig deur DANIËL SOLOMON WILDSCHUTT en DANIËL DU PLESSIS

in hulle onderskeie hoedanighede as die Burgemeester en Stadsklerk

en behoorlik daartoe gemagtig.

- hierna die MUNISIPALITEIT genoem

EN

KOEKEDOUW-BESPROEIINGSRAAD

hierin verteenwoordig deur JOHANNES STEPHANUS FRICK EN ADRIAN PETRUS WOLFAARDT

in hulle onderskeie hoedanighede as die Voorsitter en die Vise-Voorsitter

en behoorlik daartoe gemagtig.

- hierna die BESPROEIINGSRAAD genoem

kragtens volmagte verleen deur :

- die gemelde MUNISIPALITEIT en uitgevoer te CERES op die dag van 199 , en

- die gemelde BESPROEIINGSRAAD en uitgevoer te CERES op die dag van 199 .

watter volmagte hede aan my getoon is en tans in my protokol berus.

EN DIE KOMPARANT HET SOOS VOLG NAMENS SY LASGEWERS VERKLAAR :

1. NADEMAAL die gemelde MUNISIPALITEIT die geregistreerde eienaar is van die volgende grondstukke, naamlik :

1.1 DIE RESTANT van ERF NR 1001 in die Munisipaliteit en Afdeling van CERES, Provinsie Wes-Kaap.

GROOT VOLGENS RESTANT :

GEHOU kragtens Grondbrief NR 89/1933.

1.2 GEDEELTE 1 (Wakkerstroom) van die plaas ONDER KOEKEDOUW NR 376 in die Afdeling van CERES, Provinsie Wes-Kaap

GROOT : 939,9397 (NEGE DRIE NEGE KOMMA NEGE DRIE NEGE SEWE) hektaar

GEHOU kragtens Transportakte Nr 4904/1936

2. EN NADEMAAL die voormelde grondstukke en die hiernavermelde Koekedouwrivier binne die CERES-STAATSWATERBEHEERGEBIED geleë is wat kragtens Proklamasie Nr 209 gedateer 31 Augustus 1962 ingestel was, en watter beheergebied deur die Minister van Waterwese en sy departement kragtens artikel 62 van die Waterwet, Nr 54 van 1956 (hierna die WET genoem) beheer en administreer word.

3. EN NADEMAAL die KOEKEDOUW-BESPROEIINGSDISTRIK kragtens Goewermentskennisgewing Nr 33/1973 geproklameer was en die Raad daarvan kragtens Goewermentskennisgewing Nr 859/1973 beklee is met die werksaamhede, pligte en bevoegdhede soos vervat in artikel 89(1)(a),(b),(c),(d),(e),(f),(g),(h) en (j) van die Wet.

4. EN NADEMAAL die MUNISIPALITEIT beklee is met bevoegdhede soos vervat in artikel 171 en 173 van die Munisipale Ordonnansie, Nr 20 van 1974.

5. EN NADEMAAL die MINISTER VAN WATERWESE EN BOSBOU nou ingevolge artikel 62(2)(a)(i) van die Wet magtiging verleen het vir die bou van die gesamentlike opgaardam, wat as die CERESDAM bekend sal staan, en wel vir die opgaring van 17 000 000

(sewentien miljoen) kubieke meter openbare water in die bedding van die Koekedouwrivier op die MUNISIPALITEIT se voormelde Gedeelte 1 van die plaas ONDER KOEKEDOUW NR 376, met die volgende jaarlikse onttrekkingsregte daaruit, naamlik :

(a) deur die gemelde BESPROEIINGSRAAD 'n vergunning van 7 000 000 (sewe miljoen) kubieke meter water vir besproeiingsdoeleindes, en

(b) deur die MUNISIPALITEIT 'n vergunning van 10 000 000 (tien miljoen) kubieke meter water vir stedelike en nywerheidsdoeleindes.

6. EN NADEMAAL die partye ooreengekom het om die hiernavermelde gekombineerde waterskerms te bou ten einde die voormelde ministeriële vergunnings te kan uitoefen.

7. EN NADEMAAL die MUNISIPALITEIT reeds in 1972 die reg van 'n ondergrondse pypleiding oor die voormelde munisipale eiendomme aan die gemelde BESPROEIINGSRAAD verleen het om die water waarop die raad toe uit die Koekedouwrivier geregtig was, na sy besproeiingsdistrik te kan afvoer.

8. EN NADEMAAL die partye op die dag van . 199 onderling ooreengekom het om hulle ooreenkomste tot skrif te herlei, sodat dit geregistreer kan word.

NOU DERHALWE BEVESTIG DIE KOMPARANT DAT SY LASGEWERS SOOS VOLG OOREENGEKOM HET, NAAMLIK :

A. <u>WOORDOMSKRYWINGS</u> :

9. IN hierdie ooreenkoms sal die volgende woorde en uitdrukkings, die volgende betekenis hê, naamlik :

BEHEERGEBIED : "die Ceres Staatswaterbeheergebied."

BESPROEIINGSRAAD : "die Koekedouw-Besproeiingsraad."

BESPROEIINGSDISTRIK : "die Koekedouw-Besproeiingsdistrik soos dit tans bestaan en hierna uitgebrei mag word."

MINISTER : "die minister van Waterwese en sy departement."

MUNISIPALITEIT : "die munisipaliteit Ceres."

MUNISIPALE EIENDOMME : "die twee grondstukke soos hierbo in paragraaf 1 vermeld."

RIVIER : "die Koekedouwrivier."

WET : "die Waterwet, Nr 54 van 1956."

B. DIE KENMERKE ASOOK DIE KOMPONENTE VAN DIE GEKOMBINEERDE WATERSKEMA :

10. DIE PARTYE bevestig dat hulle besluit het om op die voormelde munisipale eiendomme 'n gekombineerde waterskema te bou wat uit die volgende komponente sal bestaan, naamlik :

(a) die sogenaamde CERESDAM in die bedding van die Koekedouwrivier op die plek van die bestaande munisipale opgaardam, met 'n kapasiteit van sewentien miljoen kubieke meter water, en

(b) 'n doeltreffende oorloop vir die dam, en

(c) die nodige uitlaatwerke vir die water uit die dam, en

(d) 'n pypleiding daarvandaan tot by die beheerkamer, en

(e) die beheerkamer, en

(f) die vloeimeter wat in die beheerkamer op elke party se toevoer-pypleiding aangebring sal word, en

(g) die meetstasies met vloeiregistreerders in die bedding van die rivier, stroomop en stroomaf van die dam, en

(h) al die instrumente of meganismes wat vir die doeleindes van damveiligheid of waarskuwing teen vloede, nodig mag wees, en

(i) toegangspaaie tot die voormelde waterwerke, en

11. DIE gemelde CERESDAM sal in die bedding van die Koekedouwrivier gebou word, met die gevolg dat die partye by die voltooiing van die gekomineerde waterskema, die volgende watersituasie voorsien, naamlik :

(a) dat vir sover hulle daarvoor beheer het, om sorg te dra dat enige en alle water uit die natuurlike opvanggebied van die opgaardam, onbelemmerd daarby sal kan invloei, en

(b) dat die partye dwarsdeur die jaar water uit die dam sal onttrek, wat beteken dat die CERESDAM nie sal oorloop nie tensy die jaarlikse invloei meer is as die water wat uitgeneem word,

(c) maar dat die partye nietemin voorsien dat die CERESDAM tog van tyd tot tyd mag oorloop, watter oorloopwater direk stroomaf van die dam in die gemelde rivier teruggesit sal word, en

(d) dat die nuwe opgaardam te alle tye aan die bepalings van artikel 9C van die Wet in verband met die veiligheid van damme, sal moet voldoen, en

(e) dat elke party nog steeds oor sy eie individuele waterwerke sal moet beskik vanaf die punt alwaar die water uit die gesamentlike waterskema verdeel en toegedeel sal word. Elke party moet sy individuele waterwerke doeltreffend op sy eie koste, in stand hou.

12. DIE partye erken dat die voormelde gekombineerde waterwerke onverdeelbaar is, en dat dit menslik gesproke, tot in langte van dae moet bestaan en bly voortbestaan. Die partye kom dus ooreen om ewigdurend die hoogste trou teenoor mekaar te openbaar en om in hierdie verband ten minste soos volg te handel :

(a) om te voorkom dat die water besoedel word, en

(b) om te verhoed dat die een se regte deur die versuim of die nalatigheid van die ander, aangetas of benadeel sal word, en

(c) om nie enige water uit die rivier stroomop van die CERESDAM, te neem nie, en

(d) om sorg te dra dat sou 'n katastrofe die gekombineerde waterwerke tref waarvolgens dit geknou of vernietig word, dat die partye die nodige herstelwerk of die herbou van die gekombineerde waterwerke met bekwame spoed sal onderneem.

C. <u>KOFFERDAM EN INTERIM WATERSKEMA</u> :

13. DIE partye erken dat 'n Kofferdam in die rivier, tesame met 'n iterim waterskema tydens die bou van die gekombineerde waterwerke nodig sal wees, sodat die lewering van water onafgebroke gehandhaaf kan word. Die volgende bepalings sal in hierdie verband geld, naamlik :

(a) die Kofferdam sal by die ingebruikneming van die gekombineerde waterskema, verwyder word, en

(b) die waterwerke in verband met die interim waterskema sal tegelyktydig daarmee die volle eiendom van die MUNISIPALITEIT word, en

(c) die partye sal die boukostes van hierdie interim waterwerke bekostig in die verhouding soos hierbo in paragraaf 24 uiteengesit is.

D. VERLENING VAN SERWITUTE AAN DIE BESPROEIINGSRAAD :

14. DIE gemelde MUNISIPALITEIT, as die geregistreerde eienaar van die voormelde munisipale eiendomme, verleen dus hiermee die volgende permanente serwitute soos dit in artikel 139 van die Wet omskryf word, aan die gemelde BESPROEIINGSRAAD, naamlik :

(a) die reg van opdamming en opgaring van die water deur middel van die gemelde CERESDAM, en

(b) die reg van waterleiding vanaf die CERESDAM tot by die plek van verdeling van die water tussen die partye, soos dit onderling ooreengekom is, en

(c) die verdere reg van die bestaande waterleiding vanaf die voormelde plek van verdeling tot daar waar die Besproeiingsraad se pypleiding die grens van die gemelde munisipale eiendomme oorsteek, en

(d) die reg van toegang en uitgang aan die BESPROEIINGSRAAD om sy individuele waterwerke deur middel van sy raadslede, beamptes en gemagtigdes te kan aanbring, te herstel en te vervang.

E. VERDELING VAN DIE BESKIKBARE WATER :

15. DIE water wat per jaar in die CERESDAM beland, word in ooreenstemming met die voormelde ministeriële vergunnings soos volg op 'n permanente grondslag per waterjaar verdeel en toegedeel, naamlik :

(a) aan die MUNISIPALITEIT, altesaam 10 000 000 (tien miljoen) kubieke meter water, en

(b) aan die gemelde BESPROEIINGSRAAD, altesaam 7 000 000 (sewe miljoen) kubieke meter water.

16. DIE partye erken dat hulle 'n aanspreeklikheid het om 'n voldoende hoeveelheid water jaarliks los te laat om in die ekologiese behoeftes van die Koekedouwrivier te voorsien en wel volgens die beslissing van die betrokke staatsdepartement.

17. DIE partye erken egter dat die uitneem, die opgaring en die gebruik van die water, onderworpe is aan die bepalings en voorwaardes van die toepaslike ministeriële vergunnings of permitte, of enige wysigings daarvan.

18. DIE partye erken verder dat die MINISTER die voormelde vergunnings verleen het met inagneming van die volgende watersituasies, naamlik :

(a) die regte van die oewergronde wat stroomaf van die CERESDAM gelee is, en

(b) om voorsorg te tref dat die rivier-sisteme stroomaf van die dam weens ekologiese redes, nie absoluut drooggelê word nie,

(c) met die gevolg dat die hiernavermelde BESTUURSKOMITEE sorg sal moet dra dat sodanige hoeveelhede water, wanneer nodig, uit die CERESDAM afgelaat word.

19. DIE partye sal in 'n waterjaar, wat vanaf 1 Oktober strek, geregtig wees om hulle onderskeie toegedeelde hoeveelhede water (en uitgedruk in miljoen(e) kubieke meter water per maand) soos volg te onttrek, naamlik :

	Okt	Nov	Des	Jan	Feb	Mar	Apr	Mei	Jun	Jul	Aug	Sept	Jaar-likse
Muni-sipa-liteit	,83	,97	1.14	1.31	1.10	1.10	,69	,62	,55	,52	,55	,62	10 m
Besp-roei-ings-raad	,45	,45	,45	,45	,45	,45	,40	,78	,78	,78	,78	,78	7 m

20. DIE MUNISIPALITEIT het egter aangedui dat hy nie voor 1 Oktober 2017 sy toegedeelde tien miljoen kubieke meter water ten volle per waterjaar sal kan benut nie. Die partye het gevolglik onderling ooreengekom dat die gebruiksregte van water in die CERESDAM tot 30 September 2017, (en uitgedruk in dieselfde volumes) soos volg sal wees, naamlik :

	Okt	Nov	Des	Jan	Feb	Mar	Apr	Mei	Jun	Jul	Aug	Sept	Jaar-likse
Muni-sipa-liteit	,58	,68	,80	,92	,77	,77	,48	,43	,39	,36	,39	,43	7 m
Besp-roei-ings-raad	,95	,95	,95	,95	,95	,95	,40	,78	,78	,78	,78	,78	10 m

21. DIE BESPROEIINGSRAAD bevestig dat hy geen aanspraak maak op enige of al die water wat na voltooiing, by die CERESDAM mag oorloop of aldaar mag wegloop nie.

22. DIE taak om sorg te dra dat elke party sy regmatige aandeel van die beskikbare water kry, en hoedat die situasie gehanteer sal word as en wanneer noodsaaklike herstel-of instandhoudingswerk gedoen moet word, word aan die hiernavermelde BESTUURSKOMITEE opgedra.

F. **DIE BOUKOSTE EN LANGTERMYNLENINGS :**

23. DIE bou van die gekombineerde waterskema sal geskied onder die toesig van die hiernavermelde BESTUURSKOMITEE wat die partye by wyse van 'n onderlinge ooreenkoms, spesiaal vir hierdie doel gestig het en wat hulle bekleë het met sodanige werksaamhede, bevoegdhede en pligte as wat nodig geag was.

24. DIE BESTUURSKOMITEE sal by die voltooiing van die gekombineerde waterskema 'n sertifikaat uitreik wat die eindkoste daarvan was. Die partye is, ondanks die verhouding waarop die beskikbare water verdeel word, op die volgende grondslag vir sodanige eindkostes aanspreeklik, naamlik :

(a) deur die MUNISIPALITEIT vir een en veertig persent (41%) daarvan, en

(b) deur die BESPROEIINGSRAAD vir nege en vyftig persent (59%) daarvan

25. DIE partye erken en bevestig :

(a) dat elke party verantwoordelik is vir die finansiering van sy eie kapitale bydrae, en

(b) dat 'n party nie op 'n wyse sekuriteit vir sy eie lening(s) mag verskaf wat die ander party se belange in die skema kan benadeel of potensieël kan benadeel nie.

26. DIE partye verbind hulleself om ter bereiking van die voormelde finansiële oogmerke, te alle tye afsonderlik soos volg te handel, naamlik :

(a) om jaarliks ingevolge hulle bevoegdhede gereeld en getrou voldoende waterbelastings en/of waterheffings te hef wat nodig sal wees om die skema te bedryf en om hulle onderskeie leningsverpligtinge volledig na te kom, en

(b) om sorg te dra dat daardie belastings en heffings jaarliks getrou ingevorder sal word, desnoods by wyse van regsporsesse en lasbriewe in eksekusie, en

(c) om hulle onderskeie belange en regte in die gekombineerde waterskema vir geen ander doel as vir die betrokke lenings vir die boukoste, spesiaal te verbind of te belas nie.

27. ELKE party onderneem om gedurende die tydperk van konstruksie die nodige fondse op die verhoudelike grondslag, aan die BESTUURSKOMITEE beskikbaar te stel sodat die boukontrakteurs se betalingsertifikate stiptelik betaal kan word.

G. BESTUURSKOMITEE :

28. STIGTING :

'n Bestuurskomitee bestaande uit ses lede, waarvan drie verteenwoordigers deur elkeen van die partye aangewys sal word, word hiermee gestig, met dien verstande :

(a) dat elke party sy eie verteenwoordigers van tyd tot tyd skriftelik sal aanwys of verwyder, soos wat dit hom mag behaag, en

(b) dat elke party van tyd tot tyd 'n spesifieke sekundus (alternatiewe verteenwoordiger) vir elkeen van sy verteenwoordigers, of 'n algemene sekundi in rangorde vir al sy verteenwoordigers, skriftelik mag aanwys, en

(c) dat enige verwysing na verteenwoordigers in hierdie ooreenkoms ook die sekundi (of alternatiewe verteenwoordigers) sal insluit.

29. WERKSAAMHEDE, BEVOEGDHEDE EN PLIGTE VAN DIE BESTUURSKOMITEE

DIE partye beklee die bestuurskomitee met die volgende werksaamhede, bevoegdhede en pligte, naamlik :

(a) om die waterbronne van die gemelde rivier in alle opsigte te beskerm en toe te sien dat geen party stroomop van die CERESDAM, enige water uit die rivier neem nie, en

(b) om ondersoek te doen na, en aantekening te hou van die hoeveelhede water wat op die verskillende vloeistadiums by die CERESDAM sal invloei en wat by die oorloop daarvan, mag wegloop, en

(c) om toesig te hou en beheer uit te oefen oor die verdeling en die toedeling van die beskikbare water, soos wat dit in hierdie ooreenkoms voorgeskryf word, en

(d) om die voormelde gekombineerde waterwerke te bestuur, te bedryf, te onderhou, en

(e) om sorg te dra dat die gekombineerde waterwerke te alle tye verseker is teen sodanige risikos as waarloe die partye van tyd tot tyd moet ooreenkom, en

(f) om sorg te dra dat die CERESDAM te alle tye aan die voorskrifte vir die veiligheid van damme, sal voldoen, en dat die MUNISIPALITEIT as die eienaar van die grondstuk waarop die dam staan, nie aan uitgawes in verband daarmee, blootgestel word nie, en

(g) om op 'n jaarlikse grondslag sy finansiële sake soos hiernavermeld, te behartig.

(h) om enige nodige ooreenkoms te mag sluit,

(i) om in die algemeen, sodanige take of funksies te verrig as wat die partye by wyse van 'n eenparige besluit aan hom mag opdra.

30. DIE partye is geregtig om van hulle beamptes wat by die watersituasie betrokke is, saam met hulle verteenwoordigers na die vergaderings van die Bestuurskomitee te stuur. Sodanige beamptes mag op versoek, advies en leiding verskaf maar is nie geregtig om oor enige aangeleentheid voorstelle in te dien of om daaroor te mag stem nie.

31. VOORSITTER :

DIE sittende lede van die bestuurskomitee moet 'n VOORSITTER op 'n jaarlikse grondslag eenparig of per geslote stembriefie uit hulle eie geledere aanwys, met dien verstande :

(a) dat by 'n staking van stemme, die lot gewerp moet word, in terme van die Regulasies vir bepaling van sake deur loting soos afgekondig in Provinsiale Kennisgewing Nr 228 van 1975, en

(b) dat die voorsitter nie oor 'n tweede of beslissende stem in verband met enige aangeleentheid sal beskik nie, en

(c) dat indien die voorsitter nie in staat is om 'n vergadering of 'n gedeelte van 'n vergadering by te woon of daarop voor te sit nie, moet die aanwesige lede uit hulle midde iemand verkies om voor te sit vir die tydperk waartydens die voorsitter afwesig is of nie in staat is om voor te sit nie.

32. SEKRETARIAAT EN PERSONEEL:

DIE BESTUURSKOMITEE sal self vir hom 'n sekretaris asook alle nodige personeel aanstel en hulle diensvoorwaardes bepaal ten einde die voorgeskrewe take te kan verrig.

33. KWORUM VIR VERGADERINGS :

TWEE of meer verteenwoordigers van elke party wat by die vergadering van die Bestuurskomitee aanwesig is, maak 'n kworum vir daardie vergadering uit.

34. DIE BYEENROEP VAN EN DIE PROSEDURES OP DIE VERGADERINGS :

DIE gewone vergaderings van die bestuurskomitee word so dikwels en op sodanige tye en plekke gehou as wat die voorsitter daarvan van tyd tot tyd bepaal, maar met dien verstande :

(a) dat daar ten minste twee gewone vergaderings per jaar gehou moet word, en

(b) dat die sekretaris die betrokke lede minstens 14 dae voor die tyd skriftelik van die vergadering in kennis moet stel en terselfdertyd van 'n sakelys moet voorsien van die sake wat onder behandeling geneem sal word, en

(c) dat die voorsitter na goeddunke 'n buitengewone vergadering van die Bestuurskomitee kan belê vir die behandeling van spesiale of dringende aangeleenthede, en wel op die tyd en plek wat hy bepaal,

(d) maar dat die voorsitter 'n buitengewone vergadering van die Bestuurskomitee moet belê as twee verteenwoordigers van enige party dit skriftelik versoek, en

(e) dat die Bestuurskomitee sy eie huishoudelike reëls vir die hou van sy vergaderings, sal orden.

(f) dat die Bestuurskomitee moet poog om sy besluite op 'n konsensus basis te neem met dien verstande dat elke lid slegs een stem het, maar by 'n staking van stemme word die aangeleentheid beslis ooreenkomstig die arbitrasieklousule van hierdie ooreenkoms.

35. DIE sekretaris moet notule hou van elke formele vergadering van die Bestuurskomitee en sodanige notule moet op die eersvolgende vergadering daarvan behandel word en, indien in orde verklaar, bekragtig word deur die handtekening van die persoon wat op daardie vergadering voor sit.

36. DIE Bestuurskomitee is by wyse van 'n eenparige besluit geregtig, om soos die behoefte mag ontstaan, kundige persone aan te stel en te vergoed ten einde aan hom vakkundige advies te bedien.

H. <u>DIE ADMINISTRASIE EN BEDRYFSKOSTES VAN DIE BESTUURSKOMITEE</u> :

37. DIE partye bevestig dat ondanks die verhouding waarop die beskikbare water verdeel is, dat hulle in die verhouding van

- EEN EN VEERTIG PERSENT (41%) vir die MUNISIPALITEIT, en
- NEGE EN VYFTIG PERSENT (59%) vir die gemelde BESPROEIINGSRAAD,

vir die volgende uitgawes aanspreeklik sal wees, naamlik

(a) die lopende administrasie en die bedryfskostes van die gekombineerde waterskema, en

(b) die uitgawes wat van tyd tot tyd aangegaan moet word om aan die veiligheid van die CERESDAM te voldoen, en

(c) enige eise vir skadevergoeding wat mag voortspruit uit 'n handeling of 'n versuim van die BESTUURSKOMITEE.

38. HIERDIE verhoudelike aanspreeklikheid sal voortduur vir 'n tydperk van twintig (20) jaar vanaf 1 Oktober 1997 tot 30 September 2017.

39. DIE partye kom ooreen dat die uitgawes waarna hierbo in paragraaf 37 verwys word met ingang van 1 Oktober 2017 op 'n permanente grondslag soos volg gedra sal word, naamlik :

- NEGE-EN-VYFTIG PERSENT (59%) deur die MUNISIPALITEIT, en
- EEN-EN-VEERTIG PERSENT (41%) deur die BESPROEIINGSRAAD.

40. DIE Bestuurskomitee sal die fondse wat hy benodig, verkry deur soos volg te handel, naamlik :

(a) om jaarliks 'n begroting van sy verwagte uitgawes op te stel en goed te keur, en

(b) om namate nuwe gebeurlikhede daarna mag opduik, om aanvullende begrotings te mag opstel en dit goed te keur, en

(c) om rekenings aan elke party te lewer synde sy aandeel van die kostes en om te stipuleer wanneer dit betaal moet wees.

41. DIE Bestuurskomitee word gemagtig om in sy naam 'n banktjekrekening en/of depositorekening by 'n bankinstelling volgens sy keuse te open en om in hierdie verband self te besluit :

(a) wie tekenmagte op daardie rekenings sal hê, en

(b) op watter wyse die betaalde rekeninge aan die Bestuurskomitee vir bekragtiging voorgelê sal word.

42. DIE Bestuurskomitee sal aan die hand van erkende boekhoukundige beginsels boekhou van sy inkomstes en uitgawes, en sal vir die doeleindes daarvan :

(a) jaarliks finansiële state opstel en goedkeur, en

(b) 'n geoktrooieerde rekenmeester aanstel om sodanige state te ouditeer en te sertifiseer.

I. **ALGEMENE BEPALINGS :**

43. DIE partye herroep en kanselleer hiermee die twee bestaande ooreenkomste gedateer 23 Junie 1972 en 13 September 1974 wat tussen hulle in verband met die gebruik van die water van die rivier gesluit was.

44. TOESTEMMING word aan die MUNISIPALITEIT verleen om die beskikbare water van die CERESDAM in die eerste plek vir die ontwikkeling van elektriese krag aan te wend, maar met dien verstande :

(a) dat die hoeveelhede water wat aan die BESPROEIINGSRAAD toekom, geensins as gevolg daarvan verminder sal word nie, en

(b) dat die BESPROEIINGSRAAD die uitsluitelike reg behou om te bepaal hoeveel water hyself per dag binne die raamwerk van die voormelde vloeipartrone, benodig.

45. GEEN vergoeding word deur die BESPROEIINGSRAAD aan die MUNISIPALITEIT vir die verkryging van die voormelde serwitute betaal nie.

46. BY die bepaling van die eindkoste van die gekombineerde waterskema sal geen waarde vir die munisipale gronde waarop daardie werke staan, bygereken word nie.

47. DIE partye bevestig dat die waterregte van laerliggende eiendomme langs die rivier, nie as gevolg van hierdie ooreenkoms benadeel sal word nie. Die Bestuurskomitee moet hom by die erkenning van enige sodanige waterregte, deur die MINISTER laat lei deurdat hy die watersituasie binne die BEHEERGEBIED kragtens artikel 62 van die Wet, administreer.

48. DIE regte wat hierkragtens verleen en verkry is, sal ewigdurend geld en sal dus bindend wees op die opvolgers-in-titel van beide partye.

J. **ARBITRASIE :**

49. INDIEN daar te enige tyd 'n enige geskil tussen die partye ontstaan met betrekking tot die vertolking of uitvoering van hierdie ooreenkoms of met betrekking tot enige ander aangeleentheid wat daaruit voortspruit, sal sodanige geskil by wyse van arbitrasie ingevolge die bepalings van die Arbitrasiewet, 1965 (Wet 42/1965) beslis word.

K. KANSELLASIE VAN HIERDIE OOREENKOMS :

50. DIE partye kom ooreen dat indien die partye hierna sou besluit dat hulle nie met die bou van die voorgestelde gekombineerde waterskema sal voortgaan nie, dan en so 'n geval sal hierdie ooreenkoms verval en sal die huidige watersituasie en die regte en verpligtinge in verband daarmee, onveranderd van krag bly.

L. REGISTRASIE VAN OOREENKOMS :

51. DIE partye het ooreengekom om hierdie akte teen die MUNISIPALITEIT se betrokke transportakte in die Aktekantoor te Kaapstad te laat registreer.

52. DIE kostes vir die neem van die instruksies, die opstelling en die onderhandelings vir die goedkeuring van hierdie ooreenkoms, asook die registrasie daarvan, vorm 'n deel van die eindkoste van die gekombineerde waterskema, en word dus bekostig in die verhouding soos hierbo in paragraaf 37 uiteengesit.

ALDUS GEDOEN en OOREENGEKOM te PAARL op die dag in die maand en jaar soos aan die begin hiervan vermeld in die teenwoordigheid van die ondergetekende getuies. -

AS GETUIES :

1. _____ _____ qq
QUOD ATTESTOR

2. _____ _____
PUBLIEKE NOTARIS

SPESIALE PROKURASIE

Gebeg hierby 6
Sekuriteite 140/2

ONS, die ondergetekendes

MUNISIPALITEIT CERES
hierin verteenwoordig deur DANIËL SOLOMON WILDSCHUTT en DANIËL DU PLESSIS
in hulle onderskeie hoedanighede as die Burgemeester en Stadsklerk
en behoorlik daartoe gemagtig.

EN

KOEKEDOUW-BESPROEIINGSRAAD
hierin verteenwoordig deur JOHANNES STEPHANUS FRICK EN ADRIAN PETRUS WOLFAARDT
in hulle onderskeie hoedanighede as die Voorsitter en die Vise-Voorsitter
en behoorlik daartoe gemagtig.

stel hiermee aan :

met mag van substitusie om ons wettige Prokureur en Agent te wees in ons naam, plek en stede, voor 'n Publieke Notaris te PAARL of waar ookal die voorgestelde Serwituutakte wat volgens AANHANGSEL A hierby aangeheg word te onderteken en uit te voer. Ons het AANHANGSEL A vir identifikasiedoeleindes geparafeer.

en in die algemeen, ten einde voorgenoemde doeleindes uit te voer, te doen of te laat doen al wat nodig is, net so volmaak en doeltreffend asof ons self teenwoordig was en hierin gehandel het, en bekragtig hiermee alles wat ons genoemde Prokureur en Agent uit krag hiervan wettiglik doen of laat doen.

GETEKEN te op hierdie dag van JULIE 1996, in teenwoordigheid van die ondergetekende getuies.

AS GETUIES :

nms DIE MUNISIPALITEIT

1. _____

2. _____

_____

AS GETUIES :

nms DIE BESPROEIINGSRAAD

1. _____

_____

10 . 01 . 1.

SPESIALE PROKURASIE

Gehang hier by 6.
Sekuriteite 140/96

ONS, die ondergetekendes

MUNISIPALITEIT CERES
hierin verteenwoordig deur DANIËL SOLOMON WILDSCHUTT en DANIËL DU PLESSIS
in hulle onderskeie hoedanighede as die Burgermeester en Stadsklerk
en behoorlik daartoe gemagtig.

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KOEKEDOUW-BESPROEIINGSRAAD
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stel hiermee aan :

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en in die algemeen, ten einde voorgenoemde doeleindes uit te voer, te doen of te laat doen al wat nodig is, net so volmaak en doeltreffend asof ons self teenwoordig was en hierin gehandel het, en bekragtig hiermee alles wat ons genoemde Prokureur en Agent uit krag hiervan wettiglik doen of laat doen.

GETEKEN te op hierdie dag van JULIE 1996, in teenwoordigheid van die ondergetekende getuies.

AS GETUIES :

nms DIE MUNISIPALITEIT

1. _____

2. _____

AS GETUIES :

nms DIE BESPROEIINGSRAAD

1. _____

_____

10.11.1.

7.4.2 Swapping of water rights between Witzenberg Municipality and the Koekedouw Irrigation Board with regard to Ceres Dam
(16/2/1/1/1)

Item 7.1 of the meeting of the Committee for Corporate and Financial Services, held on 16 April 2008, refers.

The following report, dated 3 March 2008, was received from the Director: Corporate Services:

"Background

In and during 1986 dam safety legislation was passed and became applicable to all major dams. The old Ceres Dam was eventually declared unsafe in 1994. It was recommended that a new dam be built, or repaired, both at high cost. After lengthy negotiations and discussions between the municipality and the Koekedouw Irrigation Board, the parties agreed on a joint venture to build the Ceres Dam. The detailed background and signed agreement are attached hereto as **annexure 7.4.2.**

In building the dam, the calculated cost to the Irrigation Board and municipality was to be shared in proportion to their initial water allocation of 10 million m^3 and 7 million m^3 respectively. The final cost of the dam amounted to R94 million and was shared in the ratio of 59 % to the farmers and 41 % to the municipality. The agreement between the parties required that, in 2017, the ratio of water allocation be reversed, that is 41 % to the farmers and 59 % to the municipality, without compensation to the farmers. In a study (investigation) done by the farmers, it was concluded "that liquidation of some of the farms under the scheme is possible, especially in the event of a bad season, and that a domino collapse might result placing the entire scheme in jeopardy. Some thought should be given to facilitating a favourable outcome for these farmers." The farmers have approached Rand Merchant Bank to reschedule their repayment loans as a strategy to a favourable outcome.

Rand Merchant Bank gave an indication of their willingness if the proportion of water remains the same after 2017. The farmers (Irrigation Board) are now requesting Council to keep the status quo intact after 2017.

Deliberation

Additional to the farmers' capacity of 59 % of the capital cost of the dam, they were also liable to invest in a new reticulation system able to cope with the distribution of the additional water. The cost of this system amounted to R10 million. Rand Merchant Bank financed the farmers' portion at an interest rate of 14, 5 % on an escalating instalment plan. During the planning stages various factors were taken into consideration, inter alia:

- The construction cost would be R53 million (eventually it cost R104 million).
- The future of the deciduous industry would bloom (proper).
- Inflation was in its early teens and a continually softening Rand was entrenched in the economic thinking of the time.
- The Ceres Municipality was in credit and not foreseeing the amalgamation with the smaller, poorer and indebted municipalities.
- Inflation rates were unpredictable at the time – a factor which caused the policy-makers to decide on a fixed interest rate.

The passing years have revealed all underlying predictions to be incorrect. This has had a particularly detrimental effect on both the farmers and the municipality. The adverse financial implications it has had on the municipality had been widely recorded, especially during the IDP processes of the last year.

For a number of years the deciduous industry was in a major recess, so much so that we saw a number of farms being liquidated. The agri sector is one of the biggest contributors to the economy of the Witzenberg region. From early 2007 there seems to be a turnaround within the industry. The farmers of the scheme are however still handicapped because of excessive cost of the water per hectare. It is said that this scheme's water to commercial farmers is the most expensive in the country. A farm using only Koekedouw water will on average break even and therefore be seriously exposed to risk of collapse in a bad season, offering no return to the owner.

The farmers of the scheme have been involved in extensive negotiations with Rand Merchant Bank to reschedule down payment to the bank. The bank however, contends that their security will be at serious risk if the loans are rescheduled and the status quo not be maintained after 2017. If the Council accedes to the request of the farmers, the bank will reschedule, effectively reducing the risk of the farmers.

Our Messrs. James Fortuin and Sabatha Shongwe were also part of the discussions with Rand Merchant Bank. At the meeting they requested the farmers to make a meaningful proposal to compensate Council, because the extra water could be regarded as an asset. The farmers are of the opinion that they are not in a financial position to compensate the municipality, and further that the municipality would definitely not consume the increased allocation. The social trends have shown the municipality to be a slow growth area.

Financial implications

The Council will be responsible for 59 % of the operational costs after 2017.

Legal implications

A signed legal agreement is applicable."

Die Komitee besluit dat 'n kundige aangestel word om die aangeleentheid te ondersoek en 'n voordelige opsie vir beide Witzenberg Munisipaliteit en Ceres Koekedouw Besproeiingsraad te bepaal. Verder dat die Ceres Koekedouw Besproeiingsraad om 'n voorlegging met betrekking tot die aangeleentheid aan die Raad te doen.

The Committee for Corporate and Financial Services resolved on 16 April 2008 that the matter be referred to Senior Management for an in-depth investigation with regard to all aspects and that the possible options be tabled again.

The matter was also discussed by the Committee for Corporate and Financial Services on 21 May 2008 under Outstanding Matters and it was resolved:

(a) That the acting Municipal Manager, in liaison with the Executive Mayor, schedules a meeting with the Koekedouw Irrigation Board.

(b) That cognisance be taken of possible new proposals from the Koekedouw Irrigation Board, and that the matter therefore be referred to the Executive Mayoral Committee for further attention and disposal.

RESOLVED (27/06/2008)

That Senior Management investigate the matter with regard to the swapping of water rights between Witzenberg Municipality and the Koekedouw Irrigation Board and submit a report to the Executive Mayoral Committee.

Client no.: 9004731

Witzenberg Municipality (WCO22)
50 Voortrekker Street
P.O. Box 44
Ceres 6835
Republic of South Africa

Date: 09.07.2019

DBSA
Development Bank of Southern Africa

VAT Registration No: 4260126711

ACCOUNT STATEMENT

FINANCIAL TERMS

Client	9004731	Witzenberg Municipality (WCO22) (25877)
Programme		
Operation	12001963	Project
Product	61001111	Loan (10525/104)
Product Type	D61	Loan (10525/104) (Normal)
Period	20.00 Year(s)	Redemption Date: 31.03.2017
Capital Grace Period	-	
Interest Grace Period	13.50 Year(s)	From 01.04.1997 to 30.09.2010
Repayment Method	Equal Installments	
Currency	ZAR	
Next Interest Repayment		
Next Capital Repayment		
Interest Repayment Frequency	6 Month(s)	
Capital Repayment Frequency	6 Month(s)	

INTEREST

Item	Loan	Arrears
Interest Method	Fixed	Fixed
Interest Base Days	365	365
Interest Rate Reference	-	-
Current Base Interest Rate	0.00000	0.00000
Margin	0.00000	12.90000
Total Current Interest Rate	0.00000	12.90000
Interest Reset Frequency	-	-
Interest Capitalisation Frequency	6 Month(s)	6 Month(s)

DEBT ANALYSIS

Item	Amount
Capital (incl. Cap Interest)	0.00
Loan: Acc Interest	0.00
Arrears: Capital	0.00
Arrears: Interest	0.00
Fees:	0.00
Total Indebtedness To DBSA	0.00

AVAILABLE AMOUNTS

Item	Amount
Original Loan Amount	28,490,000.00
Adjusted +/-	0.00
Adjusted Loan Amount	28,490,000.00
Disbursed Amount	28,490,000.00
Rescheduled Amount	0.00
Claimable Balance	0.00

PJ Moleketi (Chairman), FM Baleni (Deputy Chairman),
PK Dlamini* (Chief Executive), Z Monnakgotla, B Mosako*, G Mtetwa,
B Mudavanhu, B Ndamase, L Nematswerani, MT Ngqaleni,
L Noge-Tungamirai, P Nqeto, M J van Rensburg, A Sing, M Swilling
*Executive
Bathobile Sowazi (Company Secretary)

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Development Bank of Southern Africa
1258 Lever Road Headway Hill, Midrand
PO Box 1234 Halfway House, Midrand
1685, South Africa, Gauteng

LOAN ACCOUNT

Loan 61001111	Interest Rate	Posting Date	Value Date	Capital	Interest Accrued	Interest Capitalized	Total	Balance Incl. Accruals	Balance Excl. Accruals
Opening Balance AS AT 30.06.2018				-418,671.68	0.00	418,671.68	0.00	0.00	0.00
TOTAL AS AT 30.06.2019				-418,671.68	0.00	418,671.68	0.00	0.00	0.00

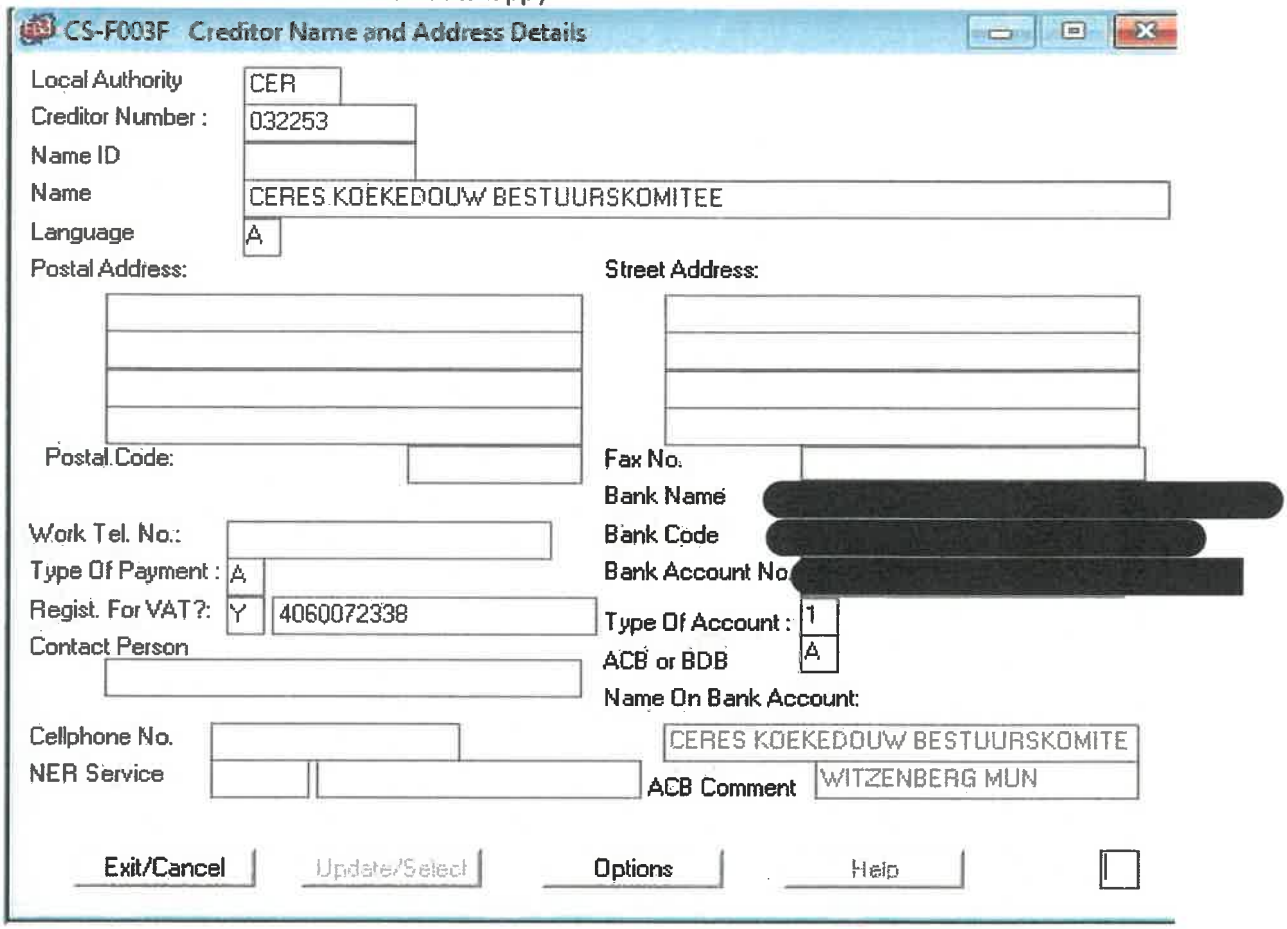
ARREAR ACCOUNT

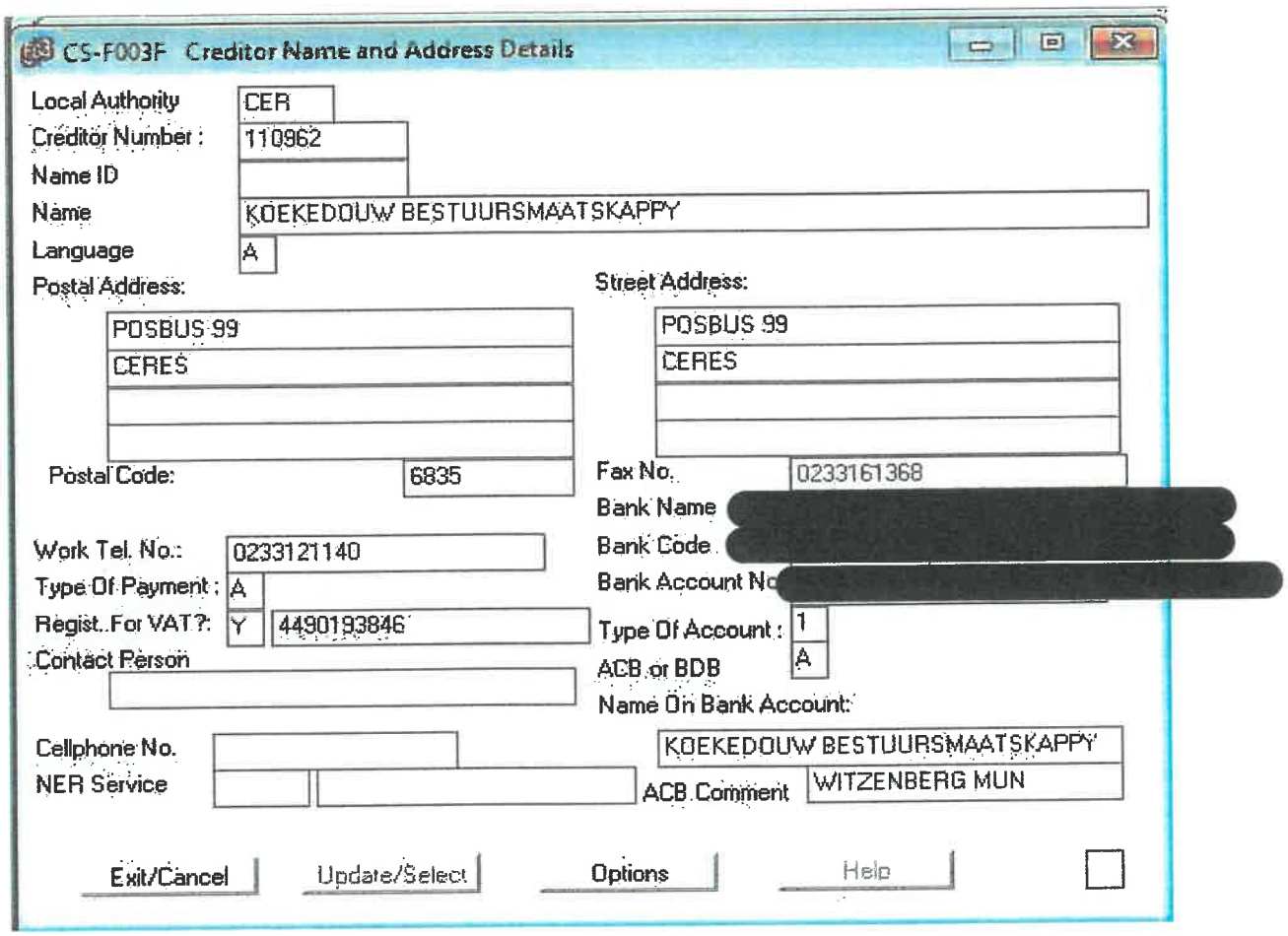
Arrears 61001111	Interest Rate	Posting Date	Value Date	Capital	Interest Accrued	Interest Capitalized	Total	Balance Incl. Accruals	Balance Excl. Accruals
Opening Balance AS AT 30.06.2018				0.00	0.00	0.00	0.00	0.00	0.00
TOTAL AS AT 30.06.2019				0.00	0.00	0.00	0.00	0.00	0.00

AGE ANALYSIS - ARREARS

Current	31-90 Days	91-180 Days	181-365 Days	365+ Days	Total
0.00	0.00	0.00	0.00	0.00	0.00

032253 Ceres Koekedouw Bestuurskomittee
110055 Koekedouw Besproeingsraad
110962 Koekedouw Bestuursmaatskappy




CS-F003F Creditor Name and Address Details
Local Authority
CER
Creditor Number :
110962
Name ID
Name
KOEKEDOUW BESTUURSMAATSKAPPY
Language
A
Postal Address:
POSBUS 99
CERES
Postal Code:
6835
Street Address:
POSBUS 99
CERES
Fax No.
0233161368
Bank Name
Bank Code
Bank Account No
Work Tel. No.:
0233121140
Type Of Payment :
A
Regist. For VAT?:
Y
4490193846
Type Of Account :
1
ACB or BDB
A
Contact Person
Name On Bank Account:
Cellphone No.
KOEKEDOUW BESTUURSMAATSKAPPY
NER Service
ACB Comment
WITZENBERG MUN
Exit/Cancel
Update/Select
Options
Help

10,347,128.53

Creditor No	Creditor Name	Remittance No	Remittance Date	Order No	Inv Date	Total	Description/Comment	Financial Year
32253	CERES KOEKEDOUW BESTUURSKOMITEE	54606	20070301	10039862	20070301	535,813.00	UITSTAANDE GELDE	2006
32253	CERES KOEKEDOUW BESTUURSKOMITEE	67485	20080818	10053402	20080808	323,413.44	LOPENDE KOSTE VERHAAL VIR DIE JAAR GEINDIG 30.06	2008
32253	CERES KOEKEDOUW BESTUURSKOMITEE	77652	20090916	10063744	20090915	344,314.11	LOPENDE KOSTE VERHAAL VIR DIE JAAR GEEINDIG 30/06/	2009
32253	CERES KOEKEDOUW BESTUURSKOMITEE	85467	20100629	90162	20100604	408,284.18	LOPENDE KOSTE VERHAAL VIR DIE JAAR GEEINDIG 30 JUN	2009
32253	CERES KOEKEDOUW BESTUURSKOMITEE	92287	20110303	10077842	20101123	464,901.70	LOPENDE KOSTE VIR DIE JAAR GEEINDIG 30 JUNIE 2010	2010
32253	CERES KOEKEDOUW BESTUURSKOMITEE	92287	20110303	10077843	20101123	208,942.67	OORDRAG NA KAPITAALREKENING	2010
32253	CERES KOEKEDOUW BESTUURSKOMITEE	92287	20110303	10077844	20101123	375,056.25	BEGROTING JULIE 2010-JUNIE 2011	2010
32253	CERES KOEKEDOUW BESTUURSKOMITEE	126882	20140716	126930	20140617	624,738.15	SBRI REKENNINGE VAN CKB	2014
32253	CERES KOEKEDOUW BESTUURSKOMITEE	134604	20150625	134042	20150601	183,231.74	HAMLET WATER PROJEK: FASE 2: INV 21	2014
32253	CERES KOEKEDOUW BESTUURSKOMITEE	141343	20160603	140495	20160603	758,295.41	PLAASLIKE INGENIEUR	2015
32253	CERES KOEKEDOUW BESTUURSKOMITEE	141343	20160603	140495	20160201	888,883.56	LOPENDE KOSTE 2013/2014	2015
32253	CERES KOEKEDOUW BESTUURSKOMITEE	141343	20160603	140495	20160201	437,010.21	LOPENDE KOSTE 2014/2015	2015
32253	CERES KOEKEDOUW BESTUURSKOMITEE	141343	20160603	140500	20160201	629,925.26	LOPENDE KOSTE 2015/2016	2015
32253	CERES KOEKEDOUW BESTUURSKOMITEE	142041	20160714	10122839	20111130	285,558.41	CKB LOPENDE KOSTES	2016
32253	CERES KOEKEDOUW BESTUURSKOMITEE	143440	20160922	142124	20160801	613,365.28	LOPENDE KOSTE VERHAAL-INV 000054	2016
32253	CERES KOEKEDOUW BESTUURSKOMITEE	151818	20171019	149176	20170731	550,198.20	LOPENDE KOSTE VERHAAL 2017/2018	2017
32253	CERES KOEKEDOUW BESTUURSKOMITEE	151818	20171019	149176	20170731	205,481.03	LOPENDE KOSTE VERHAAL 2017/2018	2017
32253	CERES KOEKEDOUW BESTUURSKOMITEE	154997	20180308	151863	20171128	168,264.00	ADDISIONELE LOPENDE KOSTES FIN JAAR 2016/2017 INV1	2017
32253	CERES KOEKEDOUW BESTUURSKOMITEE	159114	20180928	155871	20180701	732,929.50	LOPENDE KOSTE VERHAAL 59% VAN R 1559 184.00 2018/2	2018
32253	CERES KOEKEDOUW BESTUURSKOMITEE	159114	20180928	155871	20180701	324,976.84	LOPENDE KOSTE VERHAAL 59% VAN R 1559 184.00 2018/2	2018
32253	CERES KOEKEDOUW BESTUURSKOMITEE	165821	20190830	161122	20190730	732,929.50	LOPENDE KOSTE VERHAAL 59%	2019
32253	CERES KOEKEDOUW BESTUURSKOMITEE	165821	20190830	161122	20190730	550,616.09	LOPENDE KOSTE VERHAAL 59%	2019

2,539,163.78

Creditor No	Creditor Name	Remittanc	Remittance Date	Order No	Inv Date	Total	Description/Comment	Financial Year
110055	KOEKEDOUW BESPROEIINGSRAAD	27462	20040129	10009472	20040129	25,000.00	BETALING T.O.V UITSTAANDE BALANS	2003
110055	KOEKEDOUW BESPROEIINGSRAAD	27751	20040212	10009687	20040211	25,000.00	MUN WITZ / KOEKEDOUW BESPROEIINGSRAAD	2003
110055	KOEKEDOUW BESPROEIINGSRAAD	28608	20040318	10010493	20040317	25,000.00	MUN WITZ / KOEKEDOUW BESPROEIINGSRAAD	2003
110055	KOEKEDOUW BESPROEIINGSRAAD	29086	20040407	10010959	20040406	25,000.00	MUN WITZ / KOEKEDOUW BESPROEIINGSRAAD	2003
110055	KOEKEDOUW BESPROEIINGSRAAD	29869	20040513	10011641	20040513	25,000.00	MUN WITZ / KOEKEDOUW BESPROEIINGSRAAD	2003
110055	KOEKEDOUW BESPROEIINGSRAAD	30314	20040527	10011941	20040526	25,000.00	MUN WITZ / KOEKEDOUW	2003
110055	KOEKEDOUW BESPROEIINGSRAAD	30678	20040610	10012199	20040609	25,000.00	MUN WITZ / KOEKEDOUW BESPROEIINGSRAAD	2003
110055	KOEKEDOUW BESPROEIINGSRAAD	30940	20040617	10012317	20040617	25,000.00	MUN WITZ / KOEKEDOUW BESPROEIINGSRAAD	2003
110055	KOEKEDOUW BESPROEIINGSRAAD	31325	20040630	10012601	20040630	25,000.00	MUN WITZ / KOEKEDOUW BESPR	2003
110055	KOEKEDOUW BESPROEIINGSRAAD	32413	20040826	10013612	20040825	25,000.00	MUN WITZ / KOEKEDOUW BESPROEIINGSRAAD	2004
110055	KOEKEDOUW BESPROEIINGSRAAD	33152	20040930	10014399	20040929	25,000.00	MUN WITZ	2004
110055	KOEKEDOUW BESPROEIINGSRAAD	33645	20041021	10014808	20041021	25,000.00	MUN WITZ / KOEKEDOUW BESPROEIINGSRAAD	2004
110055	KOEKEDOUW BESPROEIINGSRAAD	33794	20041028	10014892	20041028	25,000.00	KOEKEDOUW BESPROEIINGSRAAD	2004
110055	KOEKEDOUW BESPROEIINGSRAAD	34436	20041125	10015491	20041125	25,000.00	MUN WITZENBERG / KOEKEDOUW BESPROEIINGRAAD	2004
110055	KOEKEDOUW BESPROEIINGSRAAD	35265	20041229	10016269	20041228	25,000.00	MUN WITZ / KOEKEDOUW BESPROEIINGSRAAD	2004
110055	KOEKEDOUW BESPROEIINGSRAAD	35774	20050120	10016774	20050119	25,000.00	MUN WITZ / KOEKEDOUW BESPROEIINGSRAAD	2004
110055	KOEKEDOUW BESPROEIINGSRAAD	36311	20050203	10017332	20050202	25,000.00	MUN WITZ / KOEKEDOUW BESPROEIINGSRAAD	2004
110055	KOEKEDOUW BESPROEIINGSRAAD	36761	20050224	10017695	20050223	25,000.00	MUN WITZ / KOEKEDOUW BESPROEIINGSRAAD	2004
110055	KOEKEDOUW BESPROEIINGSRAAD	37245	20050310	10018249	20050310	25,000.00	MUN WITZ / KOEKEDOU	2004
110055	KOEKEDOUW BESPROEIINGSRAAD	37471	20050323	10018473	20050323	212,481.00	KOEKEDOU BESTUURSKOMITTEE	2004
110055	KOEKEDOUW BESPROEIINGSRAAD	37471	20050323	10018474	20050323	242,207.00	KOEKEDOU BESTUURSKOMITTEE	2004
110055	KOEKEDOUW BESPROEIINGSRAAD	40765	20050818	10022687	20050818	25,000.00	KOEKEDOU BESTUURSKOMITTEE	2005
110055	KOEKEDOUW BESPROEIINGSRAAD	41377	20050915	10023448	20050914	25,000.00	KOEKEDOUW BESTUURSKOMITEE	2005
110055	KOEKEDOUW BESPROEIINGSRAAD	44643	20060202	10027712	20060202	215,813.12	KOEKEDOUW DAM	2005
110055	KOEKEDOUW BESPROEIINGSRAAD	49703	20060824	10033544	20060822	82,563.25	KOEKEDOUW DAM	2006
110055	KOEKEDOUW BESPROEIINGSRAAD	58168	20070724	10043595	20070630	86,667.25	BELASTINGS06 IN LIKWIDASIE	2007
110055	KOEKEDOUW BESPROEIINGSRAAD	66991	20080724	71874	20080620	90,149.49	BELASING 2008 NJ BASSON VREDEBES	2008
110055	KOEKEDOUW BESPROEIINGSRAAD	144095	20161024	143035	20160731	127,745.55	WATERBELASTING GEHEF	2016
110055	KOEKEDOUW BESPROEIINGSRAAD	144095	20161024	143035	20160630	134,123.85	WATERBELASTING	2016
110055	KOEKEDOUW BESPROEIINGSRAAD	150204	20170727	147919	20170701	140,220.00	WATERBELASTING JUL17/18	2017
110055	KOEKEDOUW BESPROEIINGSRAAD	150204	20170727	147919	20170701	1,539.00	HEFFINGS SOMERWATER	2017
110055	KOEKEDOUW BESPROEIINGSRAAD	162579	20190318	158516	20180705	155,871.00	WATERBELASTING SOMER @ R9036/HA - 15HA VREDEBES	2018
110962	KOEKEDOUW BESTUURSMAATSKAPPY	86031	20100722	10072063	20100722	94,649.01	BELASTING 2009	2010
110962	KOEKEDOUW BESTUURSMAATSKAPPY	86031	20100722	10072064	20100722	99,608.36	BELASTING 2010	2010
110962	KOEKEDOUW BESTUURSMAATSKAPPY	111902	20130117	10095753	20120630	109,876.05	SOMERWATER BELASTING HEFFING	2012
110962	KOEKEDOUW BESTUURSMAATSKAPPY	111902	20130117	10095753	20120630	104,652.00	SOMERWATER BELASTING HEFFING	2012
110962	KOEKEDOUW BESTUURSMAATSKAPPY	118031	20130816	10101051	20130815	115,997.85	WATERBELASTING GEHEF, WATERHULPBRON, NAVORSING	2013

MINUTES OF THE SPECIAL MEETING OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) OF WITZENBERG MUNICIPALITY HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON MONDAY, 21 OCTOBER 2019 AT 15h00.

PRESENT

Councillors

M. Jacobs (Chairperson)
C. Lottering
Alderman J. Schuurman

Officials

Mr. D. Nasson (Municipal Manager)
Mr. A Raubenheimer (Acting Director: Finance)
Mr. J Barnard (Director: Technical Services)
Mr. G. Louw (Head: Internal Auditor)
Mr. C. Wessels (Manager: Administration)
Mr. C Titus (Committee Clerk)

1. OPENING AND WELCOME

The Chairperson welcomed everyone present and requested thereafter Councillor C. Lottering to open the meeting with a prayer.

NOTED

2. CONSIDERATION OF APPLICATION FOR LEAVE OF ABSENCE, IF ANY (3/1/2/1)

Applications for leave of absence from the meeting were received from Councillors P. Heradien (ICOSA) and G. Laban (WA).

RESOLVED

that the applications for leave of absence from the meeting, received from Councillors P. Heradien (ICOSA) and G. Laban (WA), be approved and accepted.

3. RESERVED POWERS

3.1 Settling of Rand Merchant Bank (RMB) loan for Koekedouw Dam (16/2/1/1/1 & 5/4/R)

The following items refer:

(a) Item 7.1.3 of the Executive Mayoral Committee meeting, held on 27 May 2019.
(b) Item 8.1.3 of the Council meeting, held on 30 May 2019.
(c) Item 7.1.2 of the Executive Mayoral Committee meeting, held on 29 July 2019.
(d) Item 8.1.2 of the Council meeting, held on 31 July 2019.
(e) Item 4.4 of the Special Executive Mayoral Committee meeting, held on 21 August 2019.
(f) Item 4.4 of the Special Council meeting, held on 23 August 2019.

The following memorandum, dated 20 May 2019, was received from the Manager: Water and Sewerage:

"Purpose

The purpose of this report is to inform Council regarding the settling option of the Rand Merchant Bank loan which was taken up by KBR (Koekedouw Irrigation Board) for the construction of the Koekedouw Dam.

Background

The Koekedouw Dam was constructed in 1999 as a joint venture between Witzenberg Municipality and the Koekedouw Irrigation Board. Both parties to this venture incurred loans to pay for their share of the construction cost. The loan taken up by Witzenberg Municipality has been settled in 2017.

Currently KBR is still paying off on their loan and Witzenberg Municipality is part of this repayment agreement in terms of our allocation for Vredebes farm. See **annexure 3.1(a)**.

The KBR management has met with RMB in order to negotiate a new financing model in order to settle the loan and minimize cost. The new financing model agreed to between the parties, and approved by KBR, is attached as **annexure 3.1(b)**.

This new option entails the settling of the loan once-off in order to cut out huge interest on the loan. As can be seen on the attached spreadsheet if we stay with the old financing model, KBR will make a total repayment of R348 628 396 on the initial loan. Currently the outstanding amount is R54 687 042.00, but this amount will escalate to R78 944 608.00 before it starts to decrease and eventually be settled in 2044. With the new financing model total repayment will be R83 152 706.00 resulting in a total saving of R265 475 690.00.

Legal framework

Because Witzenberg Municipality is part of KBR in terms of our allocation for Vredebes, we are also liable for the repayment of our portion of the loan from Rand Merchant Bank.

Financial impact

With the new financing model we will have a huge saving on the repayment of the loan. In terms of the old financing model we will be responsible for repayment of R4 052 646.00 whereas with the new financing model we will make a once-off payment of R889 891.98 to settle the loan, resulting in a saving of R3 162 754.02."

The Municipal Manager gave a background with regard to the matter of settling the Rand Merchant Bank (RMB) loan for the Koekedouw Dam. Further investigation in terms of the agreement will be done. This matter only recently arose and the loan was done before the purchase of Vredebes. The water rights were part of the agreement.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the new financing model option.
(b) That Witzenberg Municipality settles their portion of the loan with a once-off payment.

The Executive Mayoral Committee resolved on 27 May 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the settling of the Rand Merchant Bank loan for the Koekedouw Dam be held in abeyance until the matter has been properly investigated.

Councillor BC Klaasen mentioned that the outstanding arrear amount is based on calculations made by the Koekedouw Irrigation Board and that further investigations are necessary.

Council unanimously resolved on 30 May 2019 that the matter in respect of the settling of the Rand Merchant Bank loan for the Koekedouw Dam be held in abeyance until the matter has been properly investigated.

Further report from Municipal Manager, dated 24 July 2019:

"Since the last Executive Mayoral Committee and council meetings Administration has attempted to obtain written agreements of Council's financial commitment towards the Koekedouw Irrigation Board. The Deed of Sale does not make mention of any such financial commitment towards the Board nor the Title Deed. The Title Deed reflects the water right that is registered and which is inherent to the farm. A meeting was requested with the Chairperson of the Irrigation Board, Mr Danie Goosen, which took place on 2 July 2019.

A summary of the meeting is contained in the email sent by Mr Goosen to the Municipal Manager's office, dated 2 July 2019 and is attached as **annexure 3.1(c)**. In terms of the discussion the Koekedouw Irrigation Board took up a loan with the Rand Merchant Bank on behalf of its members. The accountability of the members was pro rata with the water rights of their respective farms. All the members at that time agreed to the conditions which was later on also accepted by the municipality when Vredebes was purchased. The Irrigation Board used to send an invoice to its members on a yearly basis, which included the municipality and in terms of which they then were obliged to settle. The municipality has been paying regularly on an annual basis since they acquired the farm. The invoice was normally divided into an operational and capital contribution. In terms of the Irrigation Board's members meeting resolution taken, the members accepted the settlement as previously outlined. On the date of the discussion all the members have paid their contribution of the settlement towards the Rand Merchant Bank loan except for the municipality. The Koekedouw Irrigation Board went ahead to pay on the municipality's behalf, because of their commitment and legal obligation and has requested that the municipality repays the amount to them. The crux of the discussion is that the liability of the municipality is coupled to the water rights inherent to the property.

The Municipal Manager informed the meeting that he had consulted with the Chairperson of the Koekedouw Irrigation Board, Mr Danie Goosen, regarding the matter. The explanation from the

Chairperson sounds acceptable, but he is awaiting documentation about the matter to submit to Council for consideration.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the new financing model option.
(b) that Witzenberg Municipality settles their portion of the loan with a once-off payment.

The Executive Mayoral Committee resolved on 29 July 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Irrigation Board be held in abeyance for further discussion by Council.

Council unanimously resolved on 31 July 2019 that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Irrigation Board be held in abeyance for further discussion by Council and to obtain more information.

The following documents are further attached:

(a) Correspondence from Koekedouw Irrigation Board, dated 13 March 2019: **Annexure 3.1(d)**.

(b) Letter from Grayston & Elliot, dated 13 March 2019: **Annexure 3.1(e)**.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the new financing model option.
(b) That Witzenberg Municipality settles their portion of the loan with a once-off payment.

The Executive Mayoral Committee resolved on 21 August 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam be referred to the Municipal Public Accounts Committee for an investigation and further discussions with the Chairperson of the Koekedouw Irrigation Board and after that a recommendation be made to Council.

Council unanimously resolved on 23 August 2019 that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam be referred to the Municipal Public Accounts Committee for an investigation and further discussions with the Chairperson of the Koekedouw Irrigation Board and after that a recommendation be made to Council.

The Chairperson constitute the meeting that:

(a) This is only a planning meeting in respect of Council's resolution taken on 23 August 2019: Item 4.4: with regard to an investigation and further discussions with the Chairperson of the Koekedouw Irrigation Board and after that a recommendation be made to Council.

(b) To keep the members of the MPAC and Senior Management informed.

(c) To sensitize every one of the sensitivity of the matter; and

(d) To avoid that people from outside cross question the members and / or Senior Management in respect of the matter whilst the investigation is in process.

MODUS OPERANDI WITH REGARD TO THE INVESTIGATION

The Municipal Manager provided a background of the history of the matter and mentioned that his version is only secondary and based on hearsay. One of the role players at the time, and a member of MPAC, is Alderman J.W. Schuurman. Many others left the business or passed away. The municipality is a member of both the Koekedouwdam Irrigation Board (KBI) and the Koekedouwdam Management Board (KMB).

On request of the Chairperson the Municipal Manager explained who is the:

(a) Koekedouwdam Management Board (KMB)
(b) Koekedouwdam Irrigation Board (KIB) and
(c) Rand Merchant Bank (RMB)

The Koekedouw Management Board is a sort of joint venture between the KIB and the former Ceres Municipality and was established in the time of Witzenberg Municipality. The parties agreed to build the Koekedouwdam and each party agreed to contribute to the building of the dam. The Ceres Municipality and the KIB agreed to take up a loan. The loan of the Ceres Municipality for the construction of dam was paid off by September 2017 with Development Bank of South Africa (DBSA).

The Koekedouw Irrigation Board take up a loan with the Koekedouw Management Board and structure their own payment. When the Koekedouw Irrigation Board concluded their agreement they did it on behalf of all its members. Their members have water rights in terms of the land they owned. The member's contribution was determined in terms of the water right they have.

When the loan was taken up it was done in the name of the Vredebes Farm with the consequence that when the municipality bought the Vredebes Farm they took over the liability, the asset and the watering right, because it is inherent to the property. In the sale agreement no mention was made of the water right. In terms of the title deed (P.8) it mention the watering right which is inherent to the property. In terms of Paragraph 3.4 it states that a servitude is registered and that water is subtract for the farm. Any other notorial deed will also be investigated.

The loan of the Witzenberg Municipality was in total redeemed but this is now the loan of Rand Merchant Bank. When the Municipality bought Vredebes Farm they have to contribute to the Koekedouw Irrigation Board. The annual payment was in terms of the loan and their portion of the operational cost. The municipality is still making a contribution for the operational running of the Koekedouwdam. It is now 41% and previously 59%. The other part is the part for the redemption of the loan.

The Koekedouw Irrigation Board went to Rand Merchant Bank to restructure the loan. Farms were sequestrated at the time partly due to the payment of the dam. The former Minister for Water Affairs got involved and paid for the Small Farmers and they pay only for the operational cost. With the

restructuring of the loan it was believe that it is the best model otherwise payments should be for another (ten) 10 years and it could double the amount which should be paid to Rand Merchant Bank. All members settle their loan with Rand Merchant Bank except the municipality. The KIB settled the amount that the Witzenberg Municipality should pay. The municipality did not pay because the matter was referred to the Municipal Public Accounts Committee. The Koekedouw Irrigation Board put a proposal on the table that instead the municipality pay the money and settle the amount. That the watering right be given to some of the Small Farmers. This is the current situation.

Municipal Manager conveyed that the Executive Mayor request for the documentation of the loan between the Koekedouw Irrigation Board and their members. At a meeting between the Municipal Manager and the Director: Technical Services with the Chairperson of the Koekedouw Irrigation Board it was learned that the Board will need time to find such documentation.

Director: Technical Services referred to the letter of the Koekedouw Irrigation Board which states that the municipality must pay R59 326-00 for 15ha of waterrights at Vredebes Farm. Municipal Manager is of the opinion that the letter is not sufficient documentation. There is currently no documentation of an agreement between the previous owner of Vredebes Farm and the Koekedouw Irrigation Board for this 15ha. This is the prove the Mayoral Committee wants to see.

There were two (2) accounts:

1. Koekedouwdam Management Board (KMB)
2. Koekedouw Irrigation Board (KIB)

The Koekedouwdam Management Board run the dam and the Koekedouw Irrigation Board payment was for the Vredebes Farm and the 15ha summer water. The accounts were always received from the KIB. It was for pipelines of the dam.

When the farm was bought in 2002 Vredebes was zoned agricultural. Rezoning take place in 2014 / 2015 to build houses. With the purchase of the farm the water rights was also taken over.

Chairperson and Alderman J.W. Schuurman shared the opinion that the waterrights be ceded to the Small Farmers.

The Director: Technical Services will check on the yearly usage of water by the farmers, and determine if the 15ha of summer water of Vredebes was also used by the farmers. If so, whether it was with the consent of the municipality. The report will be submitted at the next meeting of MPAC.

Municipal Manager mentioned that the terms of the agreement can only be approved by the Department of Water Affairs. Water is an asset which need to go through the Supply Chain process. The Koekedouwdam Management Board and Koekedouwdam Irrigation Board are willing to attend a meeting with the Municipal Public Accounts Committee.

NEXT MEETING

The next meeting of Municipal Public Accounts Committee will be held on Monday, 28 October 2019 in the Council Chambers, Municipal Offices, Ceres at 14h00.

RESOLVED

(a) that the Municipal Public Accounts Committee will meet with KMB and KIB on Monday, 28 October 2019 at 14h00 in the Council Chambers, Municipal Offices, Ceres.

(b) that the Director: Technical Services draft a presentation / report with the recommendation to take the matter forward.

(c) that the matter after the meeting supra (a) that Municipal Public Accounts Committee make a recommendation to Council.

9. ADJOURNMENT

The meeting adjourned at 16h10.

Approved on _____

_____
MD JACOBS
CHAIRPERSON / VOORSITTER

/wr

MINUTES OF THE MEETING OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OF WITZENBERG MUNICIPALITY HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON MONDAY, 28 OCTOBER 2019 AT 14:00

PRESENT

Councillors

M. Jacobs (Chairperson)
Alderman J.W. Schuurman
C. Lottering
G. Laban

Officials

Mr. D. Nasson (Municipal Manager)
Mr J Barnard (Director: Technical Services)
Mr. A Raubenheimer (Acting Director: Finance)
Mr. M Mpeluza (Director: Corporate Services)
Mr. G. Louw (Head: Internal Auditor)
Mr. C. Wessels (Manager: Administration)
Mr. C Titus (Committee Clerk)

1. OPENING AND WELCOME

The Chairperson welcomed everyone present and requested Councillor C. Lottering to open the meeting with a prayer.

NOTED

2. CONSIDERATION OF APPLICATION FOR LEAVE OF ABSENCE, IF ANY (3/1/2/1)

An apology for absence from the meeting was received from the Senior Internal Auditor.

RESOLVED

that notice be taken of the apology for absence from the meeting, received from the Senior Internal Auditor and be accepted.

3. DELEGATED POWERS

None

NOTED

4. RESERVED POWERS

4.1 Settling of Rand Merchant Bank (RMB) loan for Koekedouw Dam (16/2/1/1/1 & 5/4/R)

The following items refer:

(a) Item 7.1.3 of the Executive Mayoral Committee meeting, held on 27 May 2019.

(b) Item 8.1.3 of the Council meeting, held on 30 May 2019.

(c) Item 7.1.2 of the Executive Mayoral Committee meeting, held on 29 July 2019.

(d) Item 8.1.2 of the Council meeting, held on 31 July 2019.

(e) Item 4.4 of the Special Executive Mayoral Committee meeting, held on 21 August 2019.

(f) Item 4.4 of the Special Council meeting, held on 23 August 2019.

(g) Item 3.1 of the Special Municipal Public Accounts Committee meeting, held on 21 October 2019.

The following memorandum, dated 20 May 2019, was received from the Manager: Water and Sewerage:

"Purpose

The purpose of this report is to inform Council regarding the settling option of the Rand Merchant Bank loan which was taken up by KBR (Koekedouw Irrigation Board) for the construction of the Koekedouw Dam.

Background

The Koekedouw Dam was constructed in 1999 as a joint venture between Witzenberg Municipality and the Koekedouw Irrigation Board. Both parties to this venture incurred loans to pay for their share of the construction cost. The loan taken up by Witzenberg Municipality has been settled in 2017.

Currently KBR is still paying off on their loan and Witzenberg Municipality is part of this repayment agreement in terms of our allocation for Vredebes farm. See **annexure 4.1(a)**.

The KBR management has met with RMB in order to negotiate a new financing model in order to settle the loan and minimize cost. The new financing model agreed to between the parties, and approved by KBR, is attached as **annexure 4.1(b)**.

This new option entails the settling of the loan once-off in order to cut out huge interest on the loan. As can be seen on the attached spreadsheet if we stay with the old financing model, KBR will make a total repayment of R348 628 396 on the initial loan. Currently the outstanding amount is R54 687 042.00, but this amount will escalate to R78 944 608.00 before it starts to decrease and eventually be settled in 2044. With the new financing model total repayment will be R83 152 706.00 resulting in a total saving of R265 475 690.00.

Legal framework

Because Witzenberg Municipality is part of KBR in terms of our allocation for Vredebes, we are also liable for the repayment of our portion of the loan from Rand Merchant Bank.

Financial impact

With the new financing model we will have a huge saving on the repayment of the loan. In terms of the old financing model we will be responsible for repayment of R4 052 646.00 whereas with the new financing model we will make a once-off payment of R889 891.98 to settle the loan, resulting in a saving of R3 162 754.02."

The Municipal Manager gave a background with regard to the matter of settling the Rand Merchant Bank (RMB) loan for the Koekedouw Dam. Further investigation in terms of the agreement will be done. This matter only recently arose and the loan was done before the purchase of Vredebes. The water rights were part of the agreement.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the new financing model option.
(b) That Witzenberg Municipality settles their portion of the loan with a once-off payment.

The Executive Mayoral Committee resolved on 27 May 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the settling of the Rand Merchant Bank loan for the Koekedouw Dam be held in abeyance until the matter has been properly investigated.

Councillor BC Klaasen mentioned that the outstanding arrear amount is based on calculations made by the Koekedouw Irrigation Board and that further investigations are necessary.

Council unanimously resolved on 30 May 2019 that the matter in respect of the settling of the Rand Merchant Bank loan for the Koekedouw Dam be held in abeyance until the matter has been properly investigated.

Further report from Municipal Manager, dated 24 July 2019:

"Since the last Executive Mayoral Committee and council meetings Administration has attempted to obtain written agreements of Council's financial commitment towards the Koekedouw Irrigation Board. The Deed of Sale does not make mention of any such financial commitment towards the Board nor the Title Deed. The Title Deed reflects the water right that is registered and which is inherent to the farm. A meeting was requested with the Chairperson of the Irrigation Board, Mr Danie Goosen, which took place on 2 July 2019.

A summary of the meeting is contained in the email sent by Mr Goosen to the Municipal Manager's office, dated 2 July 2019 and is attached as **annexure 4.1(c)**. In terms of the discussion the Koekedouw Irrigation Board took up a loan with the Rand Merchant Bank on behalf of its members. The accountability of the members was pro rata with the water rights of their respective farms. All the members at that time agreed to the conditions which was later on also accepted by the municipality when Vredebes was purchased. The Irrigation Board used to send an invoice to its members on a yearly basis, which included the municipality and in terms of which they then were obliged to settle. The

municipality has been paying regularly on an annual basis since they acquired the farm. The invoice was normally divided into an operational and capital contribution. In terms of the Irrigation Board's members meeting resolution taken, the members accepted the settlement as previously outlined. On the date of the discussion all the members have paid their contribution of the settlement towards the Rand Merchant Bank loan except for the municipality. The Koekedouw Irrigation Board went ahead to pay on the municipality's behalf, because of their commitment and legal obligation and has requested that the municipality repays the amount to them. The crux of the discussion is that the liability of the municipality is coupled to the water rights inherent to the property.

The Municipal Manager informed the meeting that he had consulted with the Chairperson of the Koekedouw Irrigation Board, Mr Danie Goosen, regarding the matter. The explanation from the Chairperson sounds acceptable, but he is awaiting documentation about the matter to submit to Council for consideration.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the new financing model option.
(b) that Witzenberg Municipality settles their portion of the loan with a once-off payment.

The Executive Mayoral Committee resolved on 29 July 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Irrigation Board be held in abeyance for further discussion by Council.

Council unanimously resolved on 31 July 2019 that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Irrigation Board be held in abeyance for further discussion by Council and to obtain more information.

The following documents are further attached:

(a) Correspondence from Koekedouw Irrigation Board, dated 13 March 2019: **Annexure 4.1(d)**.

(b) Letter from Grayston & Elliot, dated 13 March 2019: **Annexure 4.1(e)**.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the new financing model option.
(b) That Witzenberg Municipality settles their portion of the loan with a once-off payment.

The Executive Mayoral Committee resolved on 21 August 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam be referred to the Municipal Public Accounts Committee for an investigation and further discussions with the Chairperson of the Koekedouw Irrigation Board and after that a recommendation be made to Council.

Council unanimously resolved on 23 August 2019 that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam be referred to the Municipal Public Accounts Committee for an investigation and further discussions with the Chairperson of the Koekedouw Irrigation Board and after that a recommendation be made to Council.

The Municipal Public Accounts Committee resolved on 21 October 2019:

(a) that the Municipal Public Accounts Committee will meet with KMB and KIB on Monday, 28 October 2019 at 14h00 in the Council Chambers, Municipal Offices, Ceres.

(b) that the Director: Technical Services draft a presentation / report with the recommendation to take the matter forward.

(c) that the matter after the meeting supra (a) that Municipal Public Accounts Committee make a recommendation to Council.

The following documents are attached:

(i) Summary of the discussions at the meeting of 21 October 2019, received from the Director: Technical Services: **Annexure 4.1(f)**.

(ii) Constitution of Koekedouw Irrigation Board: **Annexure 4.1(g)**.

(iii) Agreement between the Municipality and Koekedouw Irrigation Board (*Water vir Ceres*): **Annexure 4.1(h)**.

The Committee requested that the Acting Chief Financial Officer do a breakdown of the different payments in respect of the Koekedouwdam as well as the final payment and same at the next Municipal Public Accounts Committee (MPAC) meeting.

RESOLVED

that the Acting Chief Financial Officer compile a breakdown of all municipal payments in terms of the Koekedouwdam and submit same at the next Municipal Public Accounts Committee (MPAC) meeting.

5. NEXT MEETING

That the next meeting be held in the Council Chambers, Municipal Offices, 50 Voortrekker Street, Ceres on 4 November 2019 at 14h00.

6. ADJOURNMENT

The meeting adjourned at 14h10.

Approved on _____

_____
MD JACOBS
CHAIRPERSON / VOORSITTER

/wr

MINUTES OF THE SPECIAL MEETING OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) OF WITZENBERG MUNICIPALITY HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON MONDAY, 4 NOVEMBER 2019 AT 14:00.

PRESENT

Councillors on the Committee

M. Jacobs (Chairperson)
Alderman J. Schuurman
C. Lottering
G. Laban
P. Heradien

Other Councillors not on the Committee

Alderman H Smit

Officials

Mr D. Nasson (Municipal Manager)
Mr A. Raubenheimer (Acting Director: Finance)
Mr J. Barnard (Director: Technical Services)
Mr M. Mpeluza (Director: Corporate Services)
Mr G. Louw (Head: Internal Auditor)
Ms S. Hendricks (Senior Internal Auditor)
Mr J. Swanepoel (Manager: Projects and Performance)
Mr C. Wessels (Manager: Administration)
Mr C. Titus (Committee Clerk)

Other

Mr D. Goosen (Koekedouw Irrigation Board)
Mr P. du Plessis (Koekedouw Irrigation Board)
Mr H. Conradi (Koekedouw Irrigation Board)

1. OPENING AND WELCOME

The Chairperson welcomed everyone present and requested thereafter Councillor P. Heradien to open the meeting with a prayer.

NOTED

2. CONSIDERATION OF APPLICATION FOR LEAVE OF ABSENCE, IF ANY (3/1/2/1)

None

NOTED

3. MINUTES

3.1 Approval of minutes (03/1/2/3)

The following documents are attached:

(a) The minutes of the Municipal Public Accounts Committee, held on 20 August 2019: **Annexure 3.1(a)**.

(b) The minutes of the Special meeting of the Municipal Public Accounts Committee, held on 21 October 2019: **Annexure 3.1(b).**

RESOLVED

(a) that the minutes of the Municipal Public Accounts Committee, held on 20 August 2019, be approved and signed by the chairperson.

(b) that the minutes of the Municipal Public Accounts Committee meeting, held on 21 October 2019, be approved and signed by the chairperson.

3.2 Matters from the minutes

None

NOTED

4. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED BY THE CHAIRPERSON

None

NOTED

5. INTERVIEWS WITH DELEGATIONS

None

NOTED

6. DELEGATED POWERS

None

NOTED

7. RESERVED POWERS

7.1 Quarterly Budget Statement [Section 52(d)] Report: 1st Quarter of 2019/2020 (1 July 2019 until 30 September 2019) (9/1/2/2)

The Quarterly Budget Statement (Section 52(d) Report for the period 1 July 2019 to 30 September 2019, received from the Acting Director: Finance, is attached as **annexure 7.1.**

The budget of the municipality must contain measurable performance objectives for revenue from each source and for each vote in the budget, taking into account the IDP [MFMA s17(3)(b)]. The accounting officer must include these objectives in the annual report and report on performance accordingly.

Frequency: Quarterly

The Municipal Public Accounts Committee (MPAC) consider the section 52(d) report for the period 1 July 2019 until 30 September 2019 and highlighted the following matters:

- The cash flow of the municipality is in order.
- That the investment amount stand on R96 million.
- That there is no major financial issues to report on.
- That the performance has met the expectations of Council and the community.
- That there is unspent capital on housing.
- That beneficiaries for houses at Vredebes will move in by end of November 2019.
- That rental stock will also be transferred.
- That the objectives (targets) of the municipality has been met.
- That the Cost Containment Regulations impacted negatively on the capital expenditure.
- That debt collection is a major concern.
- That the maintenance budget is high due to vandalism. The insurance refuse to pay.
- The Municipal Public Accounts Committee requested a report in terms of spending on vandalism.

RESOLVED

(a) that the Acting Chief Financial Officer submit a report in terms of spending due to vandalism.

(b) To recommend to the Executive Mayoral Committee and Council:

that notice is taken, after consideration, of the Section 52(d) Report of the 1st Quarter for 2019/2020 and same be approved and accepted.

7.2 Settling of Rand Merchant Bank (RMB) loan for Koekedouw Dam (16/2/1/1/1 & 5/4/R)

The following items refer:

(a) Item 7.1.3 of the Executive Mayoral Committee meeting, held on 27 May 2019.

(b) Item 8.1.3 of the Council meeting, held on 30 May 2019.

(c) Item 7.1.2 of the Executive Mayoral Committee meeting, held on 29 July 2019.

(d) Item 8.1.2 of the Council meeting, held on 31 July 2019.

(e) Item 4.4 of the Special Executive Mayoral Committee meeting, held on 21 August 2019.

(f) Item 4.4 of the Special Council meeting, held on 23 August 2019.

(g) Item 3.1 of the Special Municipal Public Accounts Committee meeting, held on 21 October 2019.

The following memorandum, dated 20 May 2019, was received from the Manager: Water and Sewerage:

"Purpose

The purpose of this report is to inform Council regarding the settling option of the Rand Merchant Bank loan which was taken up by KBR (Koekedouw Irrigation Board) for the construction of the Koekedouw Dam.

Background

The Koekedouw Dam was constructed in 1999 as a joint venture between Witzenberg Municipality and the Koekedouw Irrigation Board. Both parties to this venture incurred loans to pay for their share of the construction cost. The loan taken up by Witzenberg Municipality has been settled in 2017.

Currently KBR is still paying off on their loan and Witzenberg Municipality is part of this repayment agreement in terms of our allocation for Vredebes farm. See **annexure 7.2(a)**.

The KBR management has met with RMB in order to negotiate a new financing model in order to settle the loan and minimize cost. The new financing model agreed to between the parties, and approved by KBR, is attached as **annexure 7.2(b)**.

This new option entails the settling of the loan once-off in order to cut out huge interest on the loan. As can be seen on the attached spreadsheet if we stay with the old financing model, KBR will make a total repayment of R348 628 396 on the initial loan. Currently the outstanding amount is R54 687 042.00, but this amount will escalate to R78 944 608.00 before it starts to decrease and eventually be settled in 2044. With the new financing model total repayment will be R83 152 706.00 resulting in a total saving of R265 475 690.00.

Legal framework

Because Witzenberg Municipality is part of KBR in terms of our allocation for Vredebes, we are also liable for the repayment of our portion of the loan from Rand Merchant Bank.

Financial impact

With the new financing model we will have a huge saving on the repayment of the loan. In terms of the old financing model we will be responsible for repayment of R4 052 646.00 whereas with the new financing model we will make a once-off payment of R889 891.98 to settle the loan, resulting in a saving of R3 162 754.02."

The Municipal Manager gave a background with regard to the matter of settling the Rand Merchant Bank (RMB) loan for the Koekedouw Dam. Further investigation in terms of the agreement will be done. This matter only recently arose and the loan was done before the purchase of Vredebes. The water rights were part of the agreement.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the new financing model option.
(b) That Witzenberg Municipality settles their portion of the loan with a once-off payment.

The Executive Mayoral Committee resolved on 27 May 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the settling of the Rand Merchant Bank loan for the Koekedouw Dam be held in abeyance until the matter has been properly investigated.

Councillor BC Klaasen mentioned that the outstanding arrear amount is based on calculations made by the Koekedouw Irrigation Board and that further investigations are necessary.

Council unanimously resolved on 30 May 2019 that the matter in respect of the settling of the Rand Merchant Bank loan for the Koekedouw Dam be held in abeyance until the matter has been properly investigated.

Further report from Municipal Manager, dated 24 July 2019:

"Since the last Executive Mayoral Committee and council meetings Administration has attempted to obtain written agreements of Council's financial commitment towards the Koekedouw Irrigation Board. The Deed of Sale does not make mention of any such financial commitment towards the Board nor the Title Deed. The Title Deed reflects the water right that is registered and which is inherent to the farm. A meeting was requested with the Chairperson of the Irrigation Board, Mr Danie Goosen, which took place on 2 July 2019.

A summary of the meeting is contained in the email sent by Mr Goosen to the Municipal Manager's office, dated 2 July 2019 and is attached as **annexure 7.2(c)**. In terms of the discussion the Koekedouw Irrigation Board took up a loan with the Rand Merchant Bank on behalf of its members. The accountability of the members was pro rata with the water rights of their respective farms. All the members at that time agreed to the conditions which was later on also accepted by the municipality when Vredebes was purchased. The Irrigation Board used to send an invoice to its members on a yearly basis, which included the municipality and in terms of which they then were obliged to settle. The municipality has been paying regularly on an annual basis since they acquired the farm. The invoice was normally divided into an operational and capital contribution. In terms of the Irrigation Board's members meeting resolution taken, the members accepted the settlement as previously outlined. On the date of the discussion all the members have paid their contribution of the settlement towards the

Rand Merchant Bank loan except for the municipality. The Koekedouw Irrigation Board went ahead to pay on the municipality's behalf, because of their commitment and legal obligation and has requested that the municipality repays the amount to them. The crux of the discussion is that the liability of the municipality is coupled to the water rights inherent to the property.

The Municipal Manager informed the meeting that he had consulted with the Chairperson of the Koekedouw Irrigation Board, Mr Danie Goosen, regarding the matter. The explanation from the Chairperson sounds acceptable, but he is awaiting documentation about the matter to submit to Council for consideration.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the new financing model option.
(b) that Witzenberg Municipality settles their portion of the loan with a once-off payment.

The Executive Mayoral Committee resolved on 29 July 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Irrigation Board be held in abeyance for further discussion by Council.

Council unanimously resolved on 31 July 2019 that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Irrigation Board be held in abeyance for further discussion by Council and to obtain more information.

The following documents are further attached:

(a) Correspondence from Koekedouw Irrigation Board, dated 13 March 2019: **Annexure 7.2(d)**.

(b) Letter from Grayston & Elliot, dated 13 March 2019: **Annexure 7.2(e)**.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the new financing model option.
(b) That Witzenberg Municipality settles their portion of the loan with a once-off payment.

The Executive Mayoral Committee resolved on 21 August 2019:

That the Executive Mayoral Committee recommends to Council:

that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam be referred to the Municipal Public Accounts Committee for an investigation and further discussions with the Chairperson of the Koekedouw Irrigation Board and after that a recommendation be made to Council.

Council unanimously resolved on 23 August 2019 that the matter in respect of the Rand Merchant Bank (RMB) loan for the Koekedouw Dam be referred to the Municipal Public Accounts Committee for an investigation and further discussions with the Chairperson of the Koekedouw Irrigation Board and after that a recommendation be made to Council.

The Municipal Public Accounts Committee resolved on 21 October 2019:

(a) that the Municipal Public Accounts Committee will meet with KMB and KIB on Monday, 28 October 2019 at 14h00 in the Council Chambers, Municipal Offices, Ceres.

(b) that the Director: Technical Services draft a presentation / report with the recommendation to take the matter forward.

(c) that the matter after the meeting supra (a) that Municipal Public Accounts Committee make a recommendation to Council.

The following documents are attached:

(i) Summary of the discussions at the meeting of 21 October 2019, received from the Director: Technical Services: **Annexure 7.2(f)**.

(ii) Constitution of Koekedouw Irrigation Board: **Annexure 7.2(g)**.

(iii) Agreement between the Municipality and Koekedouw Irrigation Board (*Water vir Ceres*): **Annexure 7.2(h)**.

(iv) Dam settlement: **Annexure 7.2(i)**.

(v) Payment to *Koekedouw Bestuursmaatskappy* and *Ceres Koekedouw Bestuurskomitee*: **Annexure 7.2(j)**.

Mr. D. Goosen, Chairperson of the Koekedouw Irrigation Board, explained the operations of the water rights and how the Farm Vredebes is affected by the irrigation system. The explanation included the loan option the Koekedouw Irrigation Board followed and the involvement of the various farmers and the repayment of their own loans. The representatives of the municipality were present at all meetings. By June 2019 all monies were paid except the part of the Witzenberg Municipality. The Koekedouw Irrigation Board paid the outstanding monies of the municipality in order to adhere to the agreement.

The Koekedouw Irrigation Board propose to the municipality that the emerging farmers need summer water and wish to take over the water from the municipality. The necessary documentation will be completed in order to ensure that the municipality get rid of the debt legally. The modus will benefit both the municipality and the Koekedouw Irrigation Board.

The Municipal Public Accounts Committee (MPAC) caucused from 14:55 until 15:05.

RESOLVED

that Municipal Public Accounts Committee will draft a report in respect of Council's instruction to investigate the settling of the Rand Merchant bank (RMB) loan for the Koekedouw dam and submit thereafter a recommendation to Council.

8. ADJOURNMENT

The meeting adjourned at 15:30.

Approved on _____

_____
MD JACOBS
CHAIRPERSON

lwr

REPORT BY MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) IN RESPECT OF COUNCIL RESOLUTION 4.4 OF 23 AUGUST 2019

Background:

The Koekedouw Irrigation Board informed the Municipality of the restructuring of their loan account with Rand Merchant Bank and requested the Municipality to make a once off payment that will redeem the Board of its financial loan obligations towards Rand Merchant Bank. The matter was tabled before Council and it was resolved to refer the matter to the MPAC Committee to investigate whether there is any obligation on Council to make payment and to further make any recommendations to Council for consideration.

Legal Mandate

The MPAC Committee was established in terms of section 79 of the Municipal Structures Act, Act 117 of 1998. The Municipal Council, as the supreme authority of the Witzenberg Municipality, requested MPAC to investigate and have discussions with the Koekedouw Irrigation Board on whether there is a legal obligation on Council to make any payment towards the loan taken up with Rand Merchant Bank.

Process of MPAC

1. **First Meeting: 21 October 2019**

1.1 The Committee met on the 21st October 2019 for an internal discussion of all documentation and to plan the way forward.

1.2 A copy of the Title Deed, correspondence from the Koekedouw Irrigation Board to the Municipality, and an email of the chairperson of the Irrigation Board, Mr. Danie Goosen as well an Opinion of Grayston and Elliot was presented to the Committee for discussion.

1.3 The Municipal Manager addressed the Committee to give background on the loan agreement as well as explaining the difference between Koekedouw Management Ward and the Koekedouw Irrigation Board.

1.4 The meeting unanimously resolved to postpone the meeting to the 28th October 2019 and requested that copies of the constitution of the Koekedouw Irrigation Board and the Koekedouw Management Board be obtained and presented to the Committee. The Director Technical Services was requested to present proof of the Notarial Deed confirming the Water Rights of Vredebes farm.

2. **Second Meeting: 28 October 2019**

2.1 All the documentation was perused and examined at the Meeting.

2.2 The Municipal Manager confirmed that there was no formal agreement in the records of the Municipality between either Vredebes farm and or the Municipality with the Koekedouw Irrigation Board.

2.3 It is confirmed by the Committee that there is a clear distinction between the Koekedouw Management Board and the Koekedouw Irrigation Board.

2.4 The Committee also clarified that the loan that was redeemed with Development Bank of South Africa was for the Municipality's own financial obligations towards the construction of the Koekedouw Dam.

2.5 The Koekedouw Management Committee manages the operation side of the Koekedouw Dam and compiles its own budget to which both the Municipality and the Irrigation Board are compelled to contribute.

2.6 The loan amount referred to by the Irrigation Board, which is due to Rand Merchants Bank is as a result of the Municipality acquiring (purchasing) the Vredebes farm.

2.7 The Committee resolved to postpone the further investigation until the 04th November 2019 with the specific purpose of calling members of the Irrigation Board as well as the Koekedouw Management Board to address the Committee. The CFO was also requested to submit a report on all payments made to the Irrigation Board.

3. **Third Meeting: 4th November 2019**

3.1 The current chairperson of the Koekedouw Irrigation Board, Mr Danie Goosen as well as two other members namely Messrs du Plessis and Conradie attended the meeting. Alderman Smith the Municipal representative on the Management Board also attended the meeting.

3.2 Mr Goosen confirmed the correspondence send to the Municipality of the restructuring of the Irrigation Board's loan obligations towards Rand Merchants Bank. Mr Goosen reiterated that the agreement was restructured because of the unfavourable long term financial implications for the members of the Board.

3.3 Mr Goosen further confirm that he was not involved during any discussion when the Municipality acquired ownership of the Vredebes farm. Mr Goosen could also not produce any documentation which the Municipality has signed confirming their responsibility and liability of the loan.

3.4 All the members of the Board's obligations are connected to their water rights which in turn is inherently vested in the ownership of the land. The financial obligations is shared on a pro rata basis according to the registered hectares of water and are approved by the Department of Water Affairs.

3.5 The Witzenberg Municipality's obligation is derived from the 15 hectares of water and which is part of the Notarial Deed and registered against the Title Deed.

3.6 Mr Goosen informed the Committee that all the members, with the exception of Witzenberg Municipality have redeemed their loans with Rand Merchants Bank. The Irrigation Board took a decision to pay on behalf of the Municipality because it was part of the agreement that the full loan be redeemed.

3.7 The Board initially requested the repayment made on behalf of Witzenberg Municipality but has since then requested a trade off the Water Rights in favour of their black farmers for the payment made. The amount that is due by the Municipality is R889 891, 98.

3.8 There were no major points of dispute and only clarification issues.

3.9 The delegation of the Irrigation Board was excused whereafter the Committee deliberated on the evidence presented.

4. **Minutes**

The Minutes of all three meetings are attached to this report.

5. **Recommendation**

The Committee unanimously resolved to recommend to Council:

a) Although no evidence of any agreement could be presented confirming Council's financial obligation to the Board that it be accepted that there was indeed a financial commitment by Council to the Irrigation Board.
b) Previous payment made by the Finance Department confirms the financial obligation.
c) That there is nothing in the conduct of any Party from which it can be deducted that payments made were fruitless, wasteful and or unauthorized nor that it be irregular.
d) In terms of Council's mandate that it will not be wrong to make payment in the amount of R889 891, 98 as a full and final settlement for the outstanding loan obligation to the Board.
e) That the Irrigation Board's proposal that the Water Rights be reallocated to black farmers be considered as a favourable solution for a potential problem between the Council and the Irrigation Board.

SIGNED BY ALL THE MEMBERS OF THE COMMITTEE

Councillor MD Jacobs

Alderman J Schuurman

Councillor P Heradien

Councillor C Lottering

Councillor G Laban

WITZENBERG

MUNISIPALITEIT UMASIPALA MUNICIPALITY

- MEMORANDUM -

TO: Director: Technical Services

FROM: Senior Superintendent: Solid Waste and Cleansing.

DATE: 30 September 2019

REF.: 17/3/2

RE: TERMS OF REFERENCE FOR A RECYCLING FORUM FOR WITZENBERG MUNICIPALITY

A. **PURPOSE:**

To report on the terms of reference for a Witzenberg Waste Management Forum.

B. **DISCUSSION:**

The Witzenberg waste management forum is to have a platform for all stakeholders in waste management sector to discuss the development of integrated waste management in Witzenberg Municipality.

The forum would be ensure seamless development and seek ways to unblock blockages identified.

The forum aims to:

- Give a platform for the Municipality to outline their intended plans, and what the potential impact would be on the recycling and composting (and waste management) sector;
  - Give an opportunity for the recycling and composting (and waste management) sector to align themselves to the municipal planning processes;
  - which also allows for integrative input into the Integrated Waste Management Planning and Integrated Development Planning processes;
- Allow for the recycling and composting (and waste management) sector to discuss and identify specific barriers, needs and challenges pertaining to the recycling/waste management sector, and how to address these or leverage support for addressing these as a group;

✉ 44 Ceres 6835 ☎ (023) 316 1854 ℗ (023) 316 1877 admin@witzenberg.gov.za

- Allow the forum to lobby for professionalization support as a group, e.g.

  - business plan development (SEDA, LED etc);
  - engage industry organisations such as PETCO, POLYCO etc for sector-wide support;

- Allow for sharing of lessons learned from practise;
- Discuss legislative issues and impact thereof (e.g. pending & existing regulations).

It is important that the recycling forum discusses issues pertaining to the recycling and composting (and waste management) sector as a group. Although the ideas from the forum may be used to guide or inform municipal planning processes, it is important to ensure that the forum is not seen as a waste policy decision-making forum.

C. **RECOMMENDATIONS:**

That the Committee for Technical Services recommends to the Executive Mayoral Committee and Council for approval

J JACOBS
SENIOR SUPERINTENDENT: SOLID WASTE AND CLEANSING.

Draft Terms of reference for a recycling forum for Witzenberg Municipality

1. Introduction

Following workshops held between the municipality, recyclers and other stakeholders in August 2019, it was agreed that a recycling forum would be established in order to coordinate efforts for improved waste management in Witzenberg. This document serves as the (draft) terms of reference (ToR) for the setup of this forum.

2. Objectives (purpose)

The purpose of the recycling forum is to have a platform for all the stakeholders in the waste management sector to discuss the development of integrated waste management in the Witzenberg Municipality. The main objective of the forum would be to ensure "seamless" development, and in particular seek ways to unblock blockages identified by the forum.

Specifically, the forum aims to:

- Give a platform for the Municipality to outline their intended plans, and what the potential impact would be on the recycling (and waste management) sector;
- Give an opportunity for the recycling (and waste management) sector to align themselves to the municipal planning processes;
- which also allows for integrative input into the Integrated Waste Management Planning and Integrated Development Planning processes;
- Allow for the recycling (and waste management) sector to discuss and identify specific barriers, needs and challenges pertaining to the recycling/waste management sector, and how to address these or leverage support for addressing these as a group;
- Allow for the forum to lobby for professionalization support as a group, e.g.
- business plan development (SEDA, LED etc);
- engage industry organisations such as PETCO, POLYCO etc for sector-wide support;
- Allow for sharing of lessons learned from practise;
- Discuss legislative issues and impact thereof (e.g. pending regulations).
-

It is important that the recycling forum discusses issues pertaining to the recycling (and waste management) sector as a group, and not focus on issues affecting individual entities. Although the ideas from the forum may be used to guide or inform municipal planning processes, it is important to ensure that the forum is not seen as a waste policy decision-making forum.

3. Constitution (rules and regulations)

During the first year of the forum, a constitution will be developed and agreed to. In addition, the first meeting of the forum will be used to discuss (this) draft ToR), and for the forum to discuss and agree on the rules and regulations. As such, the rest of this document can be seen as suggestions, which can be taken up or alternative options agreed on in the first meeting.

3.1. Naming of the forum

Recycling forum or waste management forum?

3.2. Composition of the forum and the committee

The forum will be open to the recycling and waste management sector of Witzenberg Municipality. Membership will be open and voluntary.

A committee needs to be established (by nomination and voting?) in order to coordinate the forum. Preliminarily, this could consist of:

- Chairperson
- Deputy Chairperson
- Secretary.

Additional roles and responsibilities can be assigned as needed.

The term of each committee will be 3 years, following which a nomination and election process can be used to determine the next officers.

Representation in the committee (or forum in general) should include:

- Municipal official;
- Private sector (recycler or composter etc);
- Business (waste generator) and/or general public?

3.3. Role of chairperson

- To ensure the drafting of the agenda is done and distributed beforehand;
- Lead the meetings, including maintaining order and ensuring all views are heard and discussed;
- Ensure actions are assigned;
- Approve the formal minutes;
- Represent the forum externally where necessary.

3.4. Deputy chair person (optional)

- To assist the chairperson in delivering their duties;
- Fills in for the chairperson if he or she is unavailable

3.5. Secretary

- Secretary will be responsible for compiling an agenda and distributing it at least two weeks before the forum;
- Secretary will also be responsible for drafting the minutes and distributing them within two weeks after each meeting, emphasizing action points.

3.6. Financing?

Membership of the forum will be (initially) on a voluntary basis. However, *ad hoc* financing of expenses such as printing, venue rentals, and catering etc. may need to be discussed.

3.7. Meeting frequency

The forum should aim to meet at least once every quarter.

WITZENBERG

MUNISIPALITEIT UMASIPALA MUNICIPALITY

- MEMORANDUM -

AAN / TO : Director: Technical Services
Municipal Manager
Committee for Technical Services
Council

VAN / FROM : Manager: Streets and Stormwater

DATUM / DATE : 4 November 2019

VERW. / REF : 16/04/4/6/

POLICY FOR WORK AND THE INSTALLATION OF SERVICES IN THE ROAD RESERVE - WAYLEAVE / RIGHT OF WAY

1 Purpose

To consider approval of a *Policy for work and the installation of services in the road reserve*.

2. Reference

The following has reference; -

Item 4.2.2, Approval for way leave fibre applications within the Witzenberg area (17/15/1) that was tabled at a Special Council meeting that was held 4 October 2019, and

Policy for work and the installation of services in the road reserve prepared by the Senior Manager: Streets and Stormwater, dated 31 October 2019.

3. Background

Witzenberg Municipality's road reserves are acquired at a large cost to the Council to ensure that the Municipality delivers on its constitutional requirements. Private services in a public road reserve must be coordinated within the available space restriction of the road reserves and surroundings.

4. The current drive for the rapid deployment of fibre networks by more than 400 license holders issued a license by ICASA, requires a coordinated effort to manage the services of all infrastructure and service providers. Each provider wants to lay claim to an exclusive space in the road reserve that suits their business model, but the available space simply cannot accommodate all the telecommunication providers and essential services in the same space.

5. This reiterates the need to allocate a dedicated space to different infrastructure providers to ensure that not only telecommunication services, but also critical services like water, sewer, roads, stormwater and electricity is provided in a sustainable manner.

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6. Failing this Witzenberg Municipality could find itself in a situation where it is extremely well connected, but maintenance and expansion to their own infrastructure to meet economic growth is sterilized.

4. Deliberation

With this Policy, Council can prescribe the conditions and standard of workmanship between the various Service Owners, that all applicants must comply with when working and/or installing services in the Municipality's road reserves including telecommunication(*Fibre*) applications.

3.2 This Policy covers the following:

(a) General conditions of compliance (Fundamental Principals)
(b) Process Flow - The process to be followed for the application and approval for Wayleaves and Permits-to-Work;
(c) Technical Specifications - The minimum construction standards for the installation of telecommunication(*Fibre*) and services

3.3 This Policy is intended to be a "Dynamic Document" and will be regularly updated in consultation with the relevant Stakeholders.

3.4 The latest available version of this Policy will be applicable on the date that an application is made for wayleaves.

3.5 Where it appears that the requirements of this Policy are different from other Witzenberg Municipal Standard Specifications or complying with the specifications contained herein could result in danger to the public or construction workers or damage to existing infrastructure, then clarification shall be sought from the Director: Technical Services(DTS), prior to undertaking the work.

5. Recommendation

That the Committee for Technical Services recommend to The Mayoral Committee and Council that the "Policy for work and the installation of services in the road reserve", be workshopped by Council and after that be tabled to Council for adoption.

Yours truly,

E LINTNAAR
SENIOR MANAGER: STREETS AND STORMWATER

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POLICY FOR WORK AND THE INSTALLATION OF SERVICES IN THE ROAD RESERVE

Prepared by: Senior Manager: Streets and Stormwater
Date: 31 October 2019

1. TABLE OF CONTENTS:

2. ABBREVIATIONS & DEFINITIONS

3. INTRODUCTION

4. GENERAL CONDITIONS OF COMPLIANCE

4.1 BASIC PROCEDURES FOR WORK IN THE ROAD RESERVE

4.2 APPOINTMENT OF ECSA REGISTERED ENGINEERING PROFESSIONAL

4.3 APPOINTMENT OF CIDB REGISTERED CONTRACTORS

4.4 WAYLEAVE APPROVAL AND VALIDITY

4.5 TRENCHING, MICRO TRENCHING VS. DIRECTIONAL DRILLING

4.6 "ONE TRENCH" OR CO-BUILDING METHODOLOGY FOR TELECOMMUNICATIONS.

4.7 TRENCH POSITIONS AND DUCTS FOR TELECOMMUNICATIONS

4.8 EXISTING SERVICES IN THE ROAD RESERVE

4.9 EMERGENCY WORK

4.10 TRAFFIC/PEDESTRIAN ACCOMMODATION

4.11 HEALTH & SAFETY, ENVIRONMENTAL MANAGEMENT

4.12 AS-BUILT INFORMATION

4.13 TARIFFS, FINANCIAL EXCLUSIONS, GUARANTEES AND TERM TENDERS

4.14 DEFECTS LIABILITY PERIOD

4.15 INDEMNIFICATION

4.16 REMEDIAL WORKS

4.17 RELOCATION OF SERVICES

4.18. COMPLETION NOTICE AND CERTIFICATE OF COMPLETION

4.19. IMPLEMENTATION AND REVIEW OF THIS POLICY

5. PROCESS FLOW PROCEDURE FOR WAYLEAVE APPLICATION

FORM 1: WAYLEAVE APPLICATION FORM

FORM 1.1: UNDERTAKING/INDEMNITY

FORM 1.2: COMPLETION NOTICE AND CERTIFICATE OF INSPECTION

APPENDIX A: **LIST OF ACTIVE NETWORK LICENSEES**

APPENDIX B: **ROADWORKS SIGNING FOR URBAN STREETS**

APPENDIX C: **DCP TEST RESULT SHEET**

APPENDIX D: **SAFETY PLAN SPECIFICATION**

6. **TECHNICAL SPECIFICATIONS**

6.1 **General**

6.2 **Excavations**

6.3 **Micro-trenching**

6.4 **Reinstatement Designs**

6.5 **Reinstatement Types and Descriptions**

6.6 **Backfill**

6.7 **Materials**

6.8 **Plant**

6.9 **Construction**

6.10 **Tolerances**

6.11 **Testing**

6.12 **Manholes and structures for Telecommunications**

6.13 **Boundary Boxes for Telecommunications**

Table 1: **Road Classes**

Table 2: **Reinstatement Requirements**

Table 3: **Backfill Requirements**

Table 4: **Backfill Material**

Table 5: **Footways (Sidewalks) and Carriageway and Pedestrian Access Crossings: Pavement Structures**

Table 6: **Footways (Sidewalks) and Carriageway and Pedestrian Access Crossings: Backfill Types**

Table 7: **Typical DCP Penetration Diagram**

2. ABBREVIATIONS & DEFINITIONS

Administration fee - The fee that must be paid in advance for a permit to be processed and considered

Authorised agent means an agent which is authorised by the Council to perform specified services;

Authorised person means a wayleave holder;

As-built information - Information relating to how infrastructure has actually been installed by an operator

Backfill. Approved compacted materials used to replace excavated materials to surrounding ground level or the underside of pavement layer works, whichever is the lesser.

Carriageway Crossing. A formally constructed access point from an existing road to a property or properties adjacent to the road reserve.

Council. The Municipal Council of Witzenberg Municipality or any official acting within his/her designated powers on behalf of the Council or its appointed agents.

CIDB - Construction Industry Development Board

Closed Access Network - where the operator for that network (or infrastructure owner) does not allow other Service Providers to sell services over their network.

Contractor – A CIDB registered Contractor appointed by the Network Licensee and/ or Service Owner

Day – A day shall be a calendar day

DTS – Director: Technical Services

ECSA – Engineering Council of South Africa

Engineer – A Civil Engineering practitioner registered with ECSA as a Pr Eng or a Pr Tech Eng, appointed by the Network Licensee and/or Service Owner

ECNS - Electronic Communications Network Service Licensee (here after referred to a Network Licensee) – A registered company that has obtained a licence to provide a telecommunications network under the approval of the Independent Communications Authority of South Africa (ICASA).

F**ees -** Charges or tariffs in respect of any function or service of the municipality as determined in terms of section 75A of the Municipal Systems Act, 2000 (Act 32 of 2000);

FTTH – Fibre-to-the-Home will typically involve more density of products / fibre with trenching on both sides of the road, where wall boxes, boundary boxes are installed on property boundary walls through erf connections.

FTTB/S – Fibre-to-the-Business and/or –Site/Tower will typically involve trenching on one side of the road, with deeper trenches, fewer manholes and no erf connections.

Footway (Sidewalk). A formally constructed area or paved strip within a road reserve for the safe passage of pedestrians.

Inspector. A person designated by the Road Authority to supervise, approve and inspect work within a road reserve

ICASA – Independent Communications Authority of South Africa

Municipality – Witzenberg Municipality

Municipal Road. Municipal road means any public street as defined in terms of the Municipal Ordinance, and includes all works or things of whatsoever nature forming part of, connected with of belonging to a road, roadway, road reserve, motor bypasses, footway (sidewalks), traffic circles, traffic islands, kerbing, embankments, cuttings, subways, culverts, drains, fences, parapets, bridges, causeways, fords, regulatory, warning and information guidance signs, distance indicators and any portion or diversion of a road.

Open Access Network – A network where the operator of that network (or the infrastructure owner), offers the network infrastructure to a range of service providers on an OPEN ACCESS basis. These Service Providers can then provide various services (internet, data and voice) over the fibre infrastructure to the end user.

Pavement (Pavement layers). The selected layers, subbase, base and surfacing of a roadway or footway.

Permit-to-Work – A permit-to-work follows after a wayleave approval has been granted and specifies the work to be done with time frames; where risk and strict controls have already been identified and approved. It forms an essential part of asset management and no work may commence without this signed document.

Primary network – Main (bulk) telecommunications network linking up different areas/regions. Normally follows major road routes and individual property connections are not common. (Most commonly FTTB/S routes)

Reinstatement. The work necessary to replace, repair or otherwise restore the road reserve and all features contained therein to the same or better condition as existed prior to any construction activities that altered the original condition.

Road Reserve. The land registered as road reserve in cadastral diagrams, or other erven, servitudes, or remainders which are registered in the name of, or otherwise vest in the name of the road authority and are used or reserved for road purposes. This does not include non-road related servitudes, recreational areas or nature trails except where they intersect with or are located within road reserves. In relation to work within the road reserve, the definition is broadened to include work within the relevant statutory building line restrictions imposed on properties adjacent to a road reserve for the particular type or class of road.

Road. A street, road, or other public way, as well as bridges, trestles, or other structures, including shoulders, verges and sidewalks designated for the purpose of vehicular and pedestrian traffic.

Road Authority. Road Authority means, in relation to either a municipal road or a main road proclaimed in terms of section 3(1)(c) of the Roads Ordinance (No. 19 of 1976), within the municipal area of Witzenberg Municipality, the Director: Technical Services, who shall assume such powers, duties and functions required for the regulation of all activities within or abutting such road reserves. In

this specification the term “Road Authority” shall also mean any other person or agency with certain delegated duties to monitor and approve work in road reserves.

Service(s). The generation, supply, distribution, transmission, transportation, storage of electricity, signals, liquids or gasses for the consumption, use or other benefit of others.

Secondary network – Telecommunications network distributing through individual areas or zones. Normally follow larger ring/block roads and individual property connections are not common. (Most commonly FTTB/S routes)

Service Owner – The Service Owner is accountable for the specific service provided, which includes both the infrastructure and/or network licensee.

Tertiary network – Telecommunications network providing connection to individual properties. Normally follow smaller roads to provide individual property connections. Commonly referred to as “Fibre-to-Home, Last Mile, etc.” and generally consists of smaller diameter cables and ducts.

Traffic. The movement of pedestrians and vehicles within a road reserve.

Traffic Accommodation. Activities necessary to safeguard the general public, as well as all workers, during the construction and maintenance of service equipment within the road reserve.

Trenchless methods. The methods of installing a pipe or sleeve under a road without disturbing the surrounding surface medium by using grade and alignment control equipment. Methods acceptable under this definition include, but are not limited to, boring, jacking, horizontal directional drilling methods

Wayleave – A wayleave is the right obtained to cross land, where access to property is granted by the land owner / asset holder. The local Council is responsible to administrate public owned land and need to give permission to all parties before they may install utility services or infrastructure, even if supplied by Council. This enables the responsible use of public assets, by coordinating service installation, minimizing service clashes or collateral damage due to new installations or construction activities.

Wayleave holder. means a person to whom a wayleave has been issued.

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3. INTRODUCTION

3.2 This Document aims to provide a clear guideline to the conditions and standard of workmanship between the various Service Owners, that all applicants must comply with when working and/or installing services in the Municipality's road reserves.

3.2 This document covers the following:

(a) General conditions of compliance (Fundamental Principals)
(b) Process Flow - The process to be followed for the application and approval for Wayleaves and Permits-to-Work;
(c) Technical Specifications - The minimum construction standards for the installation of telecommunication and services

3.3 This Document is intended to be a "Dynamic Document" and will be regularly updated in consultation with the relevant Stakeholders.

3.4 The latest available version of this Document will be applicable on the date that an application is made for wayleaves.

3.5 Where it appears that the requirements of this Document are different from other Witzenberg Municipal Standard Specifications or complying with the specifications contained herein could result in danger to the public or construction workers or damage to existing infrastructure, then clarification shall be sought from the Director: Technical Services(DTS), prior to undertaking the work.

4. GENERAL CONDITIONS OF COMPLIANCE

4.1 BASIC PROCEDURES FOR WORK IN THE ROAD RESERVE

4.1.1 If the wayleave application conforms to the requirements in this Policy a wayleave will be issued which allows for the work to be carried out.

4.1.2. The Road Authority must be informed forty-eight (48) hours prior to the commencement of any works in the road reserve;

4.1.3. The works in the road reserve must be carried out in accordance with the procedures and specifications in this Policy, the conditions under which the work was approved and any other requirement of every affected service provider.

4.1.4. On completion of the works in the road reserve all trenches and excavations in the road reserve must be backfilled and reinstated according to the specifications contained in this Policy.

4.1.5. On completion of the works in the road reserve and temporary or permanent reinstatement, as applicable, a completion notice must be sent to the Road Authority by the wayleave holder. A departmental work order must accompany the completion notice if the Road Authority has to do the permanent reinstatement.

4.1.6. The Road Authority will then carry out an inspection and issue a certificate of completion once all requirements have been met.

4.1.7 This Policy applies to every person who carries out work in municipal road reserves in the municipal area, such as internal municipal departments, external organisations, service agencies and contractors. It does not apply to work in motorway reserves or in national or provincial road reserves within the municipal area.

4.1.8 The Road Authority undertakes to inform the relevant service provider in writing before commencing with any work in the road reserve that may affect the services of the service provider in the road reserve.

4.2 APPOINTMENT OF ECSA REGISTERED ENGINEERING PROFESSIONAL

4.2.1 External Applications: The Service Owner shall appoint an ECSA registered Engineering Professional to oversee the installation of services. The appointed Professional must have sufficient competency in Road Building and Materials to advise regarding the requirements for all aspects related to the construction such as directional drilling, excavation, reinstatement of layer works and surfacing.

4.2.2 Internal Applications: The Service Owner shall appoint an ECSA registered Engineering Professional to oversee the installation of services. The appointed Professional must have sufficient competency in Road Building and Materials to advise regarding the requirements for all aspects related to the construction such as directional drilling, excavation, reinstatement of layer works and surfacing,

or;

The Road Authority will oversee the installation of services inside the road reserve.

4.3 APPOINTMENT OF CIDB REGISTERED CONTRACTORS

4.3.1 All installations done for or on behalf of a Service Owner, involving the excavation and reinstatement of trenches in the Municipality's road reserve, shall be undertaken by a CIDB registered contractor with a minimum 2CE designation and with a grading appropriate to the value of the contract.

4.3.2 Proof of CIDB Registration must be submitted with the wayleave application.

4.4 WAYLEAVE APPROVAL AND VALIDITY

4.4.1 No work may commence in the road reserve of a municipal road or a main road proclaimed in terms of section 3(1)(c) of the Roads Ordinance (No. 19 of 1976), within the municipal area of Witzenberg Municipality unless:

(a) Application has been made for wayleaves in accordance with this document;
(b) Wayleaves have been received and collected by the Service Owner or appointed Engineer and where the Service Owner has accepted all conditions set forth in the wayleave.

4.4.2 Should an application be rejected for any reason or lapse in validity, work may not commence and a new application shall be submitted for wayleave approval.

4.4.3 Validity time frame for wayleaves is 12 months from date of approval.

4.4.4 Should the project / proposed works exceed the time frames for which the wayleave is valid, the Service Owner may request an extension of time from the DTS.

4.5 TRENCHING, MICRO TRENCHING VS. DIRECTIONAL DRILLING

4.5.1 All road crossings shall be done by directional drilling. No open trenching will be allowed in the roadway without the written permission of the DTS. Thrust boring or 'moleing' will not be allowed within roadways.

4.5.2 Where conditions do not allow directional drilling, open trenches will only be allowed with the written permission of the DTS, and subject to any additional conditions and costs that may be deemed necessary.

4.5.3 No micro-trenching will be allowed in the roadway. Micro trenching will only be allowed in verges where the investigation (test holes or ground penetrating radar, etc.) indicates that no services will be damaged by micro-trenching.

4.5.4 Any damage done to the Municipality's infrastructure by installation of services by a Service Provider, shall be reported immediately to the relevant department. Remedial work will be carried out by Municipality's operational teams and the full costs will be recovered from the Service Owner.

4.5.5 Where directional drilling is not possible, the Service Owner shall apply in writing to request permission to hand excavate the road crossing.

4.6 "ONE TRENCH" OR CO-BUILDING METHODOLOGY FOR TELECOMMUNICATIONS.

4.6.1 The current drive for the rapid deployment of fibre networks by more than 400 license holders issued a license by ICASA, requires a coordinated effort to manage the services of all infrastructure and service providers. Each provider wants to lay claim to an exclusive space in the road reserve that suits their business model, but the available space simply cannot accommodate all the telecommunication providers and essential services in the same space.

4.6.2. This reiterates the need to allocate a dedicated space to different infrastructure providers to ensure that not only telecommunication services, but also critical services like water, sewer, roads, stormwater and electricity is provided in a sustainable manner.

4.6.3 Failing this Witzenberg Municipality could find itself in a situation where it is extremely well connected, but maintenance and expansion to their own infrastructure to meet economic growth is sterilized.

4.6.4 All Network Licensees and/or Service Owners will have to make use of the same space allocation ("One Trench") for telecommunication services in the road reserve. The maximum permissible space allocation per route for all networks will be 1.0m wide and no telecommunication infrastructure may transgress the maximum permissible space allocation. Once the first licensee has installed services, further licensees must install their services so that a width of no more than 1.0m is occupied by all telecommunication services.

4.6.5 Should the first meter not be available for telecommunication services, then the next meter shall be investigated. The Network Licensee or appointed Professional shall determine a viable position for the services, as close to the road reserve boundary as possible and no trenching within 1.0m of the road kerb will be allowed, unless approved in advance by the DTS.

4.6.6 All Network Licensees applying for wayleaves for a specific route must contact all other active Network Licensees within Witzenberg Municipal area to afford them the opportunity to share trenches or co-build along the route (see **Appendix A: List of active Network Licensees**). Documentary proof that all service providers have been contacted must be submitted together with the wayleave application. If no response from a Network Licensee is received within 7 days, evidence that the opportunity to share the trench/co-build has been delivered to the Network Licensee's nominated contact person, will suffice to confirm that:

(a) The Network Licensee has been notified of the pending work and have been given the opportunity to indicate any cables that they might have in the area to the current applicant;

(b) The Network Licensee has been given the opportunity to share trenches/co-build.

4.6.7 Should a Network Licensee elect to share a trench with the first applicant, the service providers must reach a mutual agreement on the cost apportionment. This agreement/s must accompany their wayleave application.

4.7 TRENCH POSITIONS AND DUCTS FOR TELECOMMUNICATIONS

4.7.1 Further to the "One Trench" and 1m dedicated space for Telecommunications, the primary and secondary networks must generally be installed on one side of the road. The tertiary networks may be allowed on both sides of the road to minimize road crossings. Irrespective of the network category, no network may be installed outside the space allocated for networks.

4.7.2 No service will be allowed longitudinally in the roadway. Services may only be installed in the verges and only if there is sufficient space. Where no sufficient space along a route exists alternative routes must be determined.

4.7.3 Where any road crossing is made via open trenching, an additional Class 10 HDPE duct of minimum 110mmØ must be provided for the Municipality to avoid future road damage, the cost thereof for the account of the Service Provider. Duct Markers must be implemented at all such locations and will remain the property of the Municipality.

4.7.4 Where existing ducts have been installed for the Municipality and are available under roads, they shall be used for road crossings after obtaining permission from the DTS

4.7.5 Positioning of telecommunication infrastructure may not compromise future expansion of the Municipality's infrastructure or available space in the road reserve. Where the Service Owner has deviated from the approved position within the road reserve and expansion of existing infrastructure is required, the Service Owner shall relocate such services at their own cost.

4.7.6 Microducts, preferably minimum 5, are to be installed either directly in the ground or in existing duct pipes, to make provision for the increase of service providers and subscribers in future.

4.7.7 No overhead distribution lines to carry fibre optic cables for the deployment of fibre networks will be allowed in the road reserve and on private property building lines in Witzenberg Municipal area. Where conditions do not allow and only with the written permission of the Directorate: Technical Services will overhead distribution networks be allowed.

4.8 EXISTING SERVICES IN THE ROAD RESERVE

4.8.1 An applicant for a wayleave must obtain information from every service provider supplying a service within the municipal area on the location of its service. Every service must then be indicated on the drawings to be submitted with the wayleave application form. Service providers may impose reasonable additional conditions relating to work in the vicinity of their services.

4.8.2 As part of the undertaking/indemnity on the wayleave application form the applicant has to confirm that the necessary information has been obtained from every service agency and has to undertake to adhere to any additional condition imposed by any service agency.

4.9 EMERGENCY WORK

4.9.1 As defined emergency work is defined as any work which is required to prevent or end a dangerous situation, to prevent or end an unplanned interruption in the supply of a service, or to avoid any substantial losses.

4.9.2 The Road Authority must be informed of emergency work by the service provider concerned in writing within twenty-four (24) hours from commencing such work. If the Road Authority is not timeously

informed, the work will be reinstated by the Road Authority and the cost thereof will be invoiced to the service provider.

4.10 TRAFFIC/PEDESTRIAN ACCOMMODATION

4.10.1 When construction takes place, traffic shall always be accommodated in accordance with Chapter 13 of the South African Road Traffic Signs Manual (SARTSM).

4.10.2 In the event of a temporary road or lane closure and/or where trenching is proposed within the roadway, a traffic accommodation plan in accordance with SARTSM shall be drawn up by the Service Owner (including a drawing) and shall be submitted to the Traffic Authority for approval.

4.10.3 The Traffic Authority shall be given 2 weeks to inspect and comment on/approve the traffic accommodation plan. The traffic accommodation plan shall minimize disruption to traffic and the Traffic Authority shall reject a traffic plan which causes unnecessary or undue disruption of traffic and pedestrians.

4.10.4 The approved (by the Traffic Authority) traffic accommodation plan shall be submitted by the Service Owner to the DTS for final approval/acceptance.

4.10.6 No work may commence until the traffic accommodation plan has been approved and traffic is accommodated in accordance with the plan.

4.10.7 Safe pedestrian movement shall be accommodated at all times and works shall be clearly delineated at all times. Where pedestrians are required to use opposite sidewalks the deviation of pedestrian must be clearly signed and delineated to ensure the safety of pedestrians.

4.10.8 Vehicular- and pedestrian access to affected properties must be ensured at all times or as agreed to by the wayleave holder and the affected owner or lessee.

4.10.9 Every excavation that is accessible to the public or that is adjacent to a public road or thoroughfare or whereby the safety of persons may be endangered, shall be adequately protected by a barrier or fence at least 1,0 m high and as close to the excavation as practicable and red warning lights or any other clearly visible boundary indicators shall be provided at night or when visibility conditions are poor.

4.10.10 Information signage must be erected during the construction period, indicating the name of the Service Owner (name of company) and contact details of the appointed Engineer and Contractor.

4.11 HEALTH & SAFETY, ENVIRONMENTAL MANAGEMENT

4.11.1 The Service Owner must ensure that all legislative and contractual requirements in terms of Occupational Health and Safety and Environmental Authorization are adhered to for the full duration of the project.

4.12 AS-BUILT INFORMATION

4.12.1 The Service Owner must provide the Municipality with as-built information pertaining to the installed infrastructure, in a file format as prescribed by the DTS as-built specifications.

4.12.2 The Municipality shall provide this as-built information to other service owners, municipal departments, entities, and other occupants of municipality property, for the purpose of limiting damage to, or disruption of the facilities and other assets of those involved.

4.13 TARIFFS, FINANCIAL EXCLUSIONS, GUARANTEES AND TERM TENDERS

4.13.1 External Applications:

4.13.1.1 All external Service Owners are required to pay an Administrative and Supervision Fee, which is based on Council Approved Tariffs. Payment of the Administrative fee must be made upfront with submission of the wayleave application, with all other fees payable upon wayleave approval.

4.13.1.2 A Refundable Deposit is payable by the Service Owner when open trenching is proposed inside the road reserve, which includes the verge, sidewalk and/or roadway/blacktop area. Rates are charged in terms of approved Council Tariffs.

4.13.1.3 The onus is on the Service Owner to initiate a request for the refunding of the deposit, once the completion certificate has been submitted and signed off by the DTS.

4.13.1.4 A Non-refundable payment (Roadway Trench Fee) is charged in the event of open trenching inside the roadway/blacktop area. Payment calculations are charged in terms of approved Council Tariffs. This amount must be paid upon wayleave approval and before commencement of work.

4.13.1.5 In the event that planned directional drilling is unsuccessful and/or due to site conditions, and where open excavation was done in the roadway with prior approval by the DTS, fees will be charged according to the approved Council tariffs. The final Non-refundable amount payable will be determined after reconciliation has been done at the end of the project, prior to final completion certificate being issued.

4.13.1.6 The Service Provider will be charged a Penalty for any unauthorized work inside the road reserve, regardless of whether the Municipality later issues a wayleave. Rates will be in terms of approved Council tariffs.

4.13.2 Internal Applications:

4.13.2.1 All internal Departments or State Funded Projects (National or Provincial), where the infrastructure will be taken over by the Municipality, will be exempted from paying the Administrative & Supervision Fee, Refundable Deposits, Non-refundable Payments and/or Penalties.

4.14 DEFECTS LIABILITY PERIOD

4.14.1 The Service Owner shall be responsible for all defects resulting from the works for a period of one years after the final completion certificate has been submitted and signed off by the DTS.

4.15 INDEMNIFICATION

4.15.1 All Service Owners must indemnify Municipality against any third party liability claims of whatever nature resulting from their works or presence of infrastructure in a public road reserve.

4.16 REMEDIAL WORKS

4.16.1 Where failure of pavements or any other defects occur resulting from the installation and operations of a service after the defects liability periods has lapsed, the Service Owner must commence with remedial works within 14 days of being notified by the Municipality. The Service Owner will be held liable for any claims as a result of such failure.

4.16.2 The Defect Liability Period as defined in section 4.14 of this Policy shall apply to all remedial works.

4.17 RELOCATION OF SERVICES

4.17.1 Where services were not installed in accordance with approved plans, relocation of such services to correct positions must be done by the Service Owner at their cost immediately on instruction by the Municipality.

4.18. COMPLETION NOTICE AND CERTIFICATE OF COMPLETION

4.18.1 On completion of the work concerned the authorised person must fill in a completion notice and return it to the Road Authority within twenty-four (24) hours. The Way leave holder will then arrange a site meeting with the authorised person to do an inspection and to issue a certificate of completion if all requirements have been met. The twelve (12) month guarantee period for permanent reinstatement by the wayleave holder, commences on the day after the date of issue of the certificate of completion.

4.18.2 Completion of the work means that all work has been completed and that all material, equipment and rubble have been removed and the site is completely cleared and cleaned and that the permanent reinstatement, as applicable, has been done by the authorised person.

4.18.3 If work involves more than one street link (street block), a completion notice must be submitted after completion of each link.

4.19. IMPLEMENTATION AND REVIEW OF THIS POLICY

4.19.1 This policy shall be implemented once approved by Council. All future wayleave applications must be considered in accordance with this policy.

4.19.2 The policy will be reviewed on a regular basis as the wayleave approval process is refined

5. PROCESS FLOW PROCEDURE FOR WAYLEAVE APPLICATION

STEP 1: SERVICE ENQUIRY

During the Service Enquiry phase the applicant needs to obtain as-built information from the relevant Directorates and external parties, in an effort to determine a viable route for the newly proposed infrastructure.

During this Phase, no formal application is made and no fees are charged, except when the applicant needs to introduce trial holes or other invasive investigations.

Any trial hole inside the verge of the road or inside the black top area of the road reserve must be approved through a wayleave application.

STEP 2: APPLICATION

The following documents must be prepared and submitted with the wayleave application.**(See Form 1)**

(a) Application letter: On applicant's letterhead and signed by an authorized person and indicating contact details (address/tel/cell/e-mail) and project details and scope;
(b) Layout plan / Engineering Plans with cross-section indicating proposed services to scale and dimensioned from either erf boundary or kerb line, details of proposed services, existing and proposed structures, existing fibre installations of all service providers along full route.
(c) Civil Engineering Professional appointment;
(d) Confirmation that all Network Licensees have been contacted regarding the proposed installation and possible trench share; if applicable
(e) Proof of payment of the applicable fees and tariffs;
(f) Proof of contractor CIDB registration; and
(g) Confirmation of quantities regarding proposed trenching.

STEP 3: INDEMNIFICATION

All applicants must indemnify Municipality against any third party liability claims of whatever nature resulting from their works or presence of infrastructure in a public road reserve. **(see Form 1.1)**

STEP 4: TRAFFIC/PEDESTRIAN ACCOMMODATION

A Traffic/Pedestrian Accommodation Plan is to be submitted for approval before construction work commences. Refer to **Appendix B.**

STEP 5: HEALTH & SAFETY,

Submit Health and Safety Plan that comply with the Occupational Health and Safety Act (Act No. 85 of 1993) (OHS Act), prepared in terms of the latest Construction Regulations. Refer to **Appendix D.**

STEP 6: ENVIRONMENTAL MANAGEMENT

If applicable, submit Environmental Authorization that comply with the National Environmental Management Act. (Act No. 107 of 1998), as amended.

STEP 7: WAYLEAVE ADMINISTRATION

A wayleave Administration Fee will be applicable in terms of the Council Approved Tariff System. Payment of the Administrative fee must be made upfront with submission of the wayleave application, with all other fees payable upon wayleave approval.

The Wayleave Control officer will check whether all requirements have been met. The Wayleave Control officer will register the application. When it has been registered a wayleave number will be allocated.

STEP 8: APPROVAL

If the Wayleave Control officer is satisfied that all requirements were met the wayleave will be recommended to the Director: Technical Services for approval. If the Director: Technical Services is satisfied that all requirements were met the wayleave will be issued.

The applicant must collect the wayleave prior to commencement of works. The wayleave will only be issued once all required documents have been received and all fees/deposits have been paid in full.

STEP 9: SUPERVISION

The Wayleave Control office will forward the details of the approved wayleave to the relevant Superintendent: Streets and Stormwater in whose area the works will take place.

STEP 10: COMMENCEMENT OF WORK

The relevant Superintendent of the Department: Streets and Stormwater must be informed 48 hours prior to the commencement of any works in the road reserve.

STEP 11: QUALITY CONTROL

The Superintendent: Streets and Stormwater will monitor the site and make sure that the correct standards and the Code is adhered to during the works. The Superintendent: Streets and Stormwater

must be present when the process control testing: DCP, nucleonic and core tests are done to approve the reinstatements. **Appendix C**

STEP 12: COMPLETION NOTICE

On completion of the work the applicant must notify the Superintendent: Streets and Stormwater to arrange a site meeting to sign off the completed work. **(see Form 1.2).**

STEP 13: CERTIFICATE OF COMPLETION

A certificate of completion will be issued once all requirements have been met. The 12 month guarantee period for permanent reinstatements by the wayleave holder commences on the day after the date of issue of the certificate of completion. **(see Form 1.2)**

During this Phase additional costs can be incurred by the applicant in terms of unplanned open trenching or penalties. These charges can be determined in advance if known, or otherwise will be calculated by a Witzenberg Municipal representative during the completion inspection.

STEP 14: CLOSE-OUT

The wayleave form, or a copy thereof, must be returned to the wayleave officer within 24 hours after completion of the work with the completion notice, certificate of completion signed by all parties and must be accompanied by the DCP, nucleonic and core tests results as required in **Appendix C.**

6. TECHNICAL SPECIFICATIONS

TABLE 1: ROAD CLASSIFICATION

Class		Equivalent terminology
1	Expressway	Freeway, trunk road, highway, primary metropolitan distributor
2	Primary Arterial	Urban freeway, motorway, metropolitan arterial, major/ principal arterial, primary distributor, metropolitan distributor
3	Secondary Arterial	Minor arterial, major collector, higher mobility activity spine, urban district distributor
4	Minor road	Local distributor, minor collector, neighbourhood connector, CBD road, industrial road, lower mobility activity spine, urban collector
5	Residential street	Minor street, local street, urban local access activity street, urban access street

6.1 General

6.1.1 Any trenching activity disturbs the structural integrity of a road or footway. Reinstatement must therefore be done in such a way as to ensure that the reinstated trench and its immediate surroundings do not fail structurally, thus resulting in road user discomfort and increased costs.

6.1.2. In addition to this Specification the following specifications shall be applicable to the works:

SABS 1200 DB	–	1989: Earthworks (Pipe trenches)
SABS 1200 GA	–	1982: Concrete (Small works)
SABS 1200 LB	–	1983: Bedding (Pipes)
SABS 1200 LC	–	1981: Cable ducts
SABS 1200 M	–	1996: Roads (General)
SABS 1200 ME	–	1981: Subbase
SABS 1200 MFL	–	1996: Base (Light pavement structures)

SABS 1200 MG	–	1996: Bituminous surface treatment
SABS 1200 MH	–	1996: Asphalt base and surfacing
SABS 1200 MJ	–	1984: Segmented paving
SABS 1200 MK	–	1983: Kerbing and channeling
SABS 1200 MM	–	1984: Ancillary roadworks

All work shall, as far as they are applicable, be carried out in accordance with the above specifications.

6.1.3 The contractor shall, at least 48 hours before commencing work on any class of road, notify the Road Authority of the impending work. The contractor shall submit to the Road Authority, as may be required, the proposed location for storage and spoil sites, the working space required, details of proposed subbase, base and asphalt materials, mix designs for asphalt and the proposed working hours. The reinstatement designs to be used (pavement layers'/surfacing thickness and materials) shall be confirmed.

6.1.4 The Contractor shall permit the Road Authority access to the works at any time for the purpose of inspecting and assessing the reinstatement of trenches and pavements and verges.

6.2 Excavations

6.2.1 The area which is excavated must always be kept to a minimum. The width of the trench must be uniform in length and in depth, in other words the sides must be parallel and vertical. The top of the trench must be cut with a saw to ensure smooth, uniform edges.

6.2.2. The minimum depth that any service may be placed under a road is 800 mm measured from the level of the surfacing of the road to the top of the service. The minimum depth at any other place in the road reserve, e.g. on a verge, is also 800 mm measured from the level of the surfacing of the road and not from natural ground level. Any services not subject to being laid at a specific grade such as water pipes and cables, should not be placed at a depth in excess of the 800 mm as this could interfere with a future service that has to be laid at a specific grade, such as sewers and stormwater pipes.

6.2.3. All excavated material and equipment must be placed and demarcated in such a way as to cause the minimum disruption to vehicles and pedestrians. A safe passage must be kept open for pedestrians at all times.

6.2.4. The wayleave holder will be responsible for any damage to any existing service. Any service, indicated on the drawings or on site by a representative from any service provider, must be opened by careful hand digging. If the service cannot be found, the relevant service provider must be contacted again for further instructions. Under no circumstances may an authorised person dig with mechanical equipment before every known service have been found and marked. When found, a service must be marked and protected or supported as required by the service provider. If any service needs to be moved, instructions from the service provider must be followed carefully. The wayleave holder will be responsible for all reasonable expenses incurred in moving services costs. If any service is damaged during excavations, the relevant Service Owner must be contacted immediately.

6.2.5. Adequate preventative measures must be taken to ensure that no water (e.g. due to rain) flows into the open trenches since this will result in the weakening of the structural layers of the road. Any water that is present in a trench must be pumped out before backfilling. Water must be pumped into the stormwater system and not into a sewer manhole. Any material that has become wet must be removed from the bottom of the trench before backfilling.

6.2.6. The wayleave holder must prevent any foreign material from entering any drain and ensure that silting does not occur either from pumping operations or as a result of rain. If any silting or other contamination does occur, the wayleave holder must clean the drain.

6.2.7. If an excavation is made through entrances to properties, access must be maintained by using steel plates, planks or other temporary bridges of sufficient strength and properly secured against movement. The occupants of the properties must be kept informed at all times of how their access will be affected.

6.3 Micro-trenching

6.3.1 Micro-trenching will not be allowed in roads. Micro trenching will only be allowed in verges where the investigation (test holes or ground penetrating radar, etc.) indicates that no services will be damaged by micro-trenching.

6.3.2 All micro trenching allowed in sidewalks/verges will share the same 1.0m space allocated to telecommunication services irrespective of methodology followed, being 1,0m from the property boundary, unless otherwise approved.

6.3.3 Where possible, the micro trench should be within 400 mm from the property boundary, wall or fence.

6.3.4 No micro trenching will be allowed directly behind the road kerb and no trench will be allowed closer than 300mm behind the kerb.

6.3.5 Trenchless technology must be done at road crossings and open trenching will only be considered if all other viable options have been investigated and proofed impractical or impossible.

6.3.6 The relevant planning and design process prescribed must still be followed and all surfaces shall be scanned using Ground Penetrating Radar to determine the existing underground services. Where risk of damaging such services exists open trench methodology must be used.

6.3.7 The minimum depth from top of surface layer to invert of trench is 300mm.

6.3.8 The minimum permissible cover to any cable/duct installed by micro trenching must be 200mm.

6.3.9 The maximum permissible width for the micro trench shall be 50mm and where an asphalt surface is disturbed / breakout occur, the surfacing cut shall be increased to at least 150mm to replace the surfacing layer.

6.3.10 The reinstatement must be in a straight continuous line and should include the breakout width of the connection boxes and/or widest breakout point. Only one scar will be allowed. Where the remaining section of sidewalk is less than 1,0 m, the full width of the sidewalk must be reinstated.

6.3.11 The positioning of connections boxes and the placement thereof must be indicated on the drawing and must carry the approval of the relevant property owner.

6.3.12 Where micro-trenching is allowed by the DTS, the Service Owner shall submit a specific design and specification for the micro-trenching to be evaluated and approved. This design must be surfacing specific to existing conditions. All specifications must be generic and should not specify proprietary products by name, as this may be applied Municipal-wide on concept.

6.3.13 A-frame project boards displaying at least the name and cell phone number of the contractor and appointed engineer must be erected at least at both ends of the project during the full duration of the operation.

6.3.14 Micro trenching may only be done with a recognised mechanical machine capable of cutting a clean trench to varied depth and width.

6.4 Reinstatement Designs

6.4.1 Pavement Layers

The types of reinstatement applicable to the classes of road are indicated in Table 2.

TABLE 2: REINSTATEMENT REQUIREMENTS

Reinstatement Type	Description	Road Class				
		1	2	3	4	5
ROADWAYS						
Type A1	Road	* SEE NOTE 1		√ * SEE NOTE 2		
Type A2	Road			√ * SEE NOTE 2	√	
Type A3	Road					√
FOOTWAYS (SIDEWALKS) AND CARRIAGEWAY CROSSINGS FOR PEDESTRIANS OR VEHICLES						
Type A4/1 to Type A7/2	Footways and carriageway crossings	*SEE NOTE 3 AND REFER TO TABLE 5 FOR ALL ROAD CLASSES				
VERGES						
Type A8	Verges	APPLICABLE TO ALL ROAD CLASSES				

Notes:

*1 Not applicable as trenching not permitted without specific approval.

*2 For Class 3 roads generally a Type A2 reinstatement shall be used unless a Type A1 reinstatement or a site specific pavement design is required by the Road Authority and confirmed in writing.

*3 Type of pavement to be used shall be determined by the type of facility (residential, factory etc.) to be served by the carriageway crossing as shown in Table 5 or shall match the existing layer works and surfacing as agreed by the Road Authority.

6.4.2 Backfill (Subgrade)

Four types of backfill are applicable to the classes of road as indicated in Table 3. Types B1 and B2 are backfill to trenches subject to traffic loads and Types B3 and B4 are backfill to sidewalks and verges not subject to traffic loads.

TABLE 3: BACKFILL REQUIREMENTS

Backfill Type	Description	Road Class				
		1	2	3	4	5
Type B1	Road	* SEE NOTE 1		√	√	
Type B2	Road					√
Type B2	Vehicle carriageway crossings (asphalt or brick surfacing	NOT APPLICABLE	REFER TO TABLE 6			
Type B3	Footways(sidewalks)and pedestrian carriageway crossings	REFER TO TABLE 6 FOR ALL ROAD CLASSES				
Type B4	Verges or unpaved areas	APPLICABLE TO ALL ROAD CLASSES				

Notes:
*1 Not applicable as trenching not permitted without specific approval.

6.5 Reinstatement Types and Descriptions

The pavement and backfill types indicated in Table 2 and Table 3 shall be constructed as follows:

6.5.1 Road Reinstatements

Type A1 40 mm continuously graded medium asphalt wearing course
80 mm continuously graded asphalt base (BTB)
250 mm subbase (G5) cement stabilised to form a C3 layer placed in at least two layers

Type A2 40 mm continuously graded medium asphalt wearing course
150 mm G2 base
250 mm subbase (G5) cement stabilised to form a C3 layer placed in at least two layers

Type A3 40 mm continuously graded medium asphalt wearing course
150 mm G2 base
150 mm subbase (G5) cement stabilised to form a C3 layer

6.5.2 Carriageway Crossings for Vehicles (Also refer to Table 5 in this regard)

Type A4/1 73 mm brick or 80 mm blocks
25 mm sand bedding
200 mm G2 base placed in at least two layers

Type A4/2 50 mm continuously graded medium asphalt wearing course
250 mm G2 base

Type A5/1 73 mm brick or 80 mm blocks
25 mm sand bedding
100 mm G5 subbase

Type A5/2 40 mm continuously graded medium asphalt wearing course
150 mm G5 subbase

Type A6/1 73 mm Brick or 80 mm blocks
25 mm sand bedding
100 mm G5 subbase

Type A6/2 25 mm continuously graded fine asphalt wearing course
100 mm G5 subbase

6.5.3 Footways (Sidewalks) and Pedestrian Crossings (Also refer to Table 5 in this regard)

Type A7/1 73 mm brick or 80 mm blocks
25 mm sand bedding
100 mm G5 subbase

Type A7/2 25 mm continuously graded fine asphalt wearing course
100 mm G5 subbase

6.5.4 Verges

Type A8 150 mm (minimum) topsoil

6.6 Backfill

6.6.1 Roads and Carriageway Crossings for Vehicles Reinstatement

Type B1 G9 material from trench excavation (or G7 material if imported) stabilized with cement

Type B2 G9 material from trench excavation (or G7 material if imported)

6.6.2 Footways (Sidewalks) and Pedestrian Crossings

Type B3 Material from trench excavation (or G9 material if imported)

6.6.3 Verges

Type B4 Material from trench excavation

The depth or thickness of backfill(subgrade) Types B1 to B4 will be determined by the trench excavation depth, the bedding and blanket thickness and the pavement layer depths given above.

6.7 Materials

6.7.1 Backfill (Subgrade)

Trench backfill material shall consist of a suitable material of similar or better quality than that originally excavated from the trench. Material excavated from trenches may be used as backfill in all areas, provided only that it contains little or no organic material and that it can be placed without significant voids and compacted to specification. Material containing more than 10% of rock or hard fragments that are retained on a sieve of nominal aperture size 100 mm, and material containing large lumps that do not break up under the action of the compaction equipment being used, will be regarded as unsuitable for use in backfilling and any material from trench excavations which cannot be compacted in accordance with the requirements of this specification shall be considered to be unsuitable and shall be replaced.

Notwithstanding the above materials used for backfilling of trenches subject to traffic loads (roads and vehicular carriageway crossings etc) shall be free of clay and shall meet the requirements of a G9 material as indicated in Table 4.

If the excavated material cannot be used for backfill material shall be imported. Where the backfill is to be placed under road carriageways or any other areas subject to vehicular traffic loads material the imported material shall comply with the requirements of a G7 material in accordance with SABS 1200 M (see Table 4). Where the backfill is to be placed in other areas not subject to vehicular loads the material shall comply with the requirements of a G9 material as indicated in Table 4.

TABLE 4: BACKFILL MATERIAL

Criteria	Type G7 material	Type G9 material
Parent material	Natural material (soil, sand or gravel)	Natural material (soil, sand or gravel)
Strength	CBR at 93% of Mod. AASHTO max. density shall	CBR at 93% of Mod. AASHTO max. density shall

	be at least 7%. Swell at 100% of Mod. AASHTO max. density shall not exceed 1,5%	be at least 7%. Swell at 100% of Mod. AASHTO max. density shall not exceed 1,5%.
Atterberg limits	PI shall not exceed 12 or a value equal to 3 times the grading modulus plus 10, whichever is the higher value.	PI shall not exceed 12 or a value equal to 3 times the grading modulus plus 10, whichever is the higher value.
Size	Two thirds of the compacted layer thickness or 75 mm for crushed material.	Two thirds of the compacted layer thickness.
Grading modulus (GM)	2,7 >= GM >= 0,75	2,7 >= GM >= 0,75

Backfill Type B1 shall be mixed with 2,5 % cement by mass. The cement used with backfill shall be at least type CEM II 32,5.

6.7.2 Subbase

Subbase material shall comply with the requirements with of SABS 1200 M for a G5 material.

Cement used for stabilization shall be type CEM II 32,5.

6.7.3 Base

Base material shall comply with the requirements of SABS 1200 M for a G2 material with a 26,5 mm maximum aggregate size.

6.7.4 Asphalt

6.7.4.1 Binders:

Binders shall comply with the requirements of SABS 1200 MH. Material for prime, as may be required, shall be either MC 30 or RTH1/4P. Material for tack coats shall be 30% stable grade bitumen emulsion. The bituminous binder for asphalt shall be 60/70 penetration grade bitumen for base and wearing course and MC 3000 cut-back bitumen for sidewalk asphalt.

6.7.4.2 Mix specifications:

(a) Asphalt Base (BTB)

Asphalt for base shall comply with the requirements of SABS 1200 MH for continuously graded asphalt with a 26,5 mm maximum aggregate size. Hot mix asphalt shall be used.

(b) Wearing Course Areas Subject to Traffic Loads

Asphalt for wearing course shall comply with the requirements of SABS 1200 MH for continuously graded medium asphalt (CCC type A mix). Hot mix asphalt shall be used.

(c) Surfacing for Footways (Sidewalks)

Asphalt for footway surfacing shall comply either with the requirements of SABS 1200 MH for continuously graded fine asphalt or with the requirements in (d) below. Hot or cold mix asphalt may be used.

(d) Footway asphalt specification

The bituminous binder shall be MC 3000 or other approved cut-back bitumen.

The aggregate shall be composed of clean, hard, sound particles of an approved durable material, free from organic and calcarious matter and other impurities, and shall contain a mixture by mass of 85% of 6,7 mm aggregate mixed with 15% of an approved crusher dust graded from 3,4 mm to dust. Not more than 2% of the total mix shall pass a 0,075 mm sieve.

The aggregate shall be properly screened, cubical in shape, free of dust and shall conform to the requirements of Grade 2 stone in Table 1 SABS 1200 M: 1996. The grading shall comply with Table 1 for 6,7 mm aggregate.

The proportions of the mix shall be 94,5 % aggregate and dust and 5,5 % binder by mass.

6.7.4.3 Material Sources and Mix Designs:

Asphalt from approved commercial sources shall be used. Proposed mix designs for the materials to be supplied. Examples of test results obtained on previous contracts where similar mixes were used shall be provided to the Road Authority on request.

Test results from the supplier demonstrating the compliance, of the asphalt actually supplied to the works, with the requirements of this specification shall be provided to the Road Authority.

If commercial sources are not to be used, mix design proposals shall be submitted for approval prior to the commencement of any work.

6.7.5 Segmented Paving and Edgings

6.7.5.1 Pavers:

Where existing paving has to be reinstated the existing type shall be matched as far as possible in terms of shape, colour, type and surface texture. Otherwise the type of reinstatement shall be in accordance with this specification and the standard materials indicated below shall be used as agreed with the Road Authority.

Standard brick pavers shall be 222 mm x 106 mm x 73 mm and shall conform to SABS 227: Burnt Clay Masonry Units (latest edition) as applicable to Class FBX – E-30 bricks.

Standard concrete block pavers shall be of a type specifically manufactured for paving. They shall be approximately 200 mm long and 100 mm wide. Their thickness shall be 80 mm. The blocks shall conform to SABS 1058: Standard Specification for Cement Paving Blocks (latest edition) Class 35 or the Precast Concrete Block Paving Construction guidelines. In residential areas standard 100 mm x 100 mm precast concrete cobbles may be used.

Cast In-situ concrete: All cast in-situ concrete must comply with the relevant requirements of Section 6400: Concrete for Structures of the COLTO Standard Specification for Roads and Bridge Works. All cast in-situ concrete must be Class 25/19.

Precast concrete paving slabs: All concrete paving slabs must comply with the requirements of SABS 541-1971, as amended or replaced from time to time.

6.7.5.2 Edgings:

Where existing edging has to be reinstated the existing type shall be matched as far as possible in terms of shape and type. Otherwise the type of edging shall be in accordance with this specification and the standard materials indicated below shall be used as agreed with the Road Authority.

Standard edging bricks shall not be of lesser quality than Grade NFX (as per the current edition of SABS 227: Burnt Clay Masonry Units).

Standard precast concrete edgings shall be of cross sectional 0 mm x 100 mm or 150 mm x 75 mm complying with the relevant requirements of SABS 927. Cross sections of precast footway edgings are shown on the standard drawing RO/2272/1.

The standard length edgings shall be 1 m except as specified hereinafter. Where the radius of a bend has a value between 600 mm and 30 m, the precast sections shall be supplied in 300 mm lengths and laid in segments to form the circular curve.

6.8 Plant

6.8.1 Compaction Equipment

The contractor shall use mechanical compaction equipment and he shall select such equipment and operate it in such a manner that the service in the trench, including pipes, ducts or cables is not stressed or damaged. In this regard the contractor shall be responsible for ensuring that he is, prior commencing compaction, aware any particular limitations on the type of compaction (vibration permitted etc) or the type of equipment (size, mass) which the relevant service owner/s may impose while working over or near their service/s.

6.9 Construction

6.9.1 Safeguarding of Excavations

Should the depth of an excavation or the nature of the material excavated render the sides of the excavation liable to movement that might endanger the works or the workmen engaged on the works the sides of the excavation shall be supported by suitable timber or other sheeting with adequate struts and braces, all being assembled properly and having sufficient strength and stiffness to prevent movement in the materials supported (shoring).

The contractor shall make good any fall of rock or earth due to rain, floods, insufficient timbering or other cause, and shall fill in any cavities so formed.

Without relieving the contractor in any way of his responsibility the Road Authority may order additional lateral support for the sides of any excavation.

All timbering and sheeting shall be removed from the excavation before the completion of the work, unless the written permission of the Road Authority is obtained to allow any portion to remain.

6.9.2 Protection of Structures

Where work is to be carried out in the proximity of buildings, bridges, tanks or structures, the contractor shall take all necessary precautions, including shoring where necessary, to ensure the safety of the structures that are at risk.

6.9.3 Stormwater and Groundwater

The contractor shall properly deal with and dispose of water to ensure that the works are kept sufficiently dry for their proper execution. The contractor's responsibility will be held to include the provision of adequate protection against flooding and damage by stormwater, flow from springs, and seepage, and to include provision for the repair of any damage to the works may arise as a result of the inadequacy of the protection provided.

6.9.4 Excessive Pollution

The contractor shall take all reasonable measures to minimize excessive dust nuisance, pollution of streams and inconvenience to or interference with the public or others because of the execution of the works.

6.9.5 Excavated Material not to Endanger or Interfere

All excavated material shall be so deposited as not to interfere with or endanger the works (for example, by causing the sides of an excavation to collapse), other property or traffic.
The Road Authority may order the contractor to remove any material that is liable to endanger or to interfere with the works, private property, traffic or pedestrians, and to order that such material be placed at some other approved location.

All material that is unsuitable or not required for backfilling shall be removed from the site.

6.9.6 Protection of Overhead and Underground Services

Prior commencing with any work the contractor shall ensure that all relevant wayleaves and permissions have been obtained to work on the site. Also refer to section 1.

The contractor will be held responsible for any damage to known services (ie services that are within the site of the works and are shown on the drawings or have been indicated to the contractor) and he shall take all necessary measures to protect them. All work or protective measures shall be subject to approval of the relevant service owner or authority.

In the event of a service being damaged, the contractor shall immediately notify the owner or authority concerned. The contractor shall not repair any such service unless instructed to do so.

6.9.7 Ground and Access to Works

The contractor shall occupy only such ground as is necessary to carry out the work. He shall provide and maintain such access to the various sections of the works as he requires for the proper execution of the work. All fences and other structures that have been damaged or interfered with by the contractor shall be restored to a condition at least equivalent to their original condition.

6.9.8 Damage to Road Surface

Where, during the execution of the works, any road or paved surface adjacent to a trench has been damaged in any way whatsoever by the contractor, he shall at his own expense and as soon as is practicable, repair and restore such surface to a condition at least equivalent to that previously existing, and to the satisfaction of the Road Authority.

6.9.9 Excavation and Backfill (Subgrade)

6.9.9.1 Excavation of Temporary Material before Reinstatement:

It may be necessary to re-excavate trenches to remove temporary material placed in a trench in order to place the permanent backfill and/or pavement layers. The contractor shall ensure that he

is aware of any possible restrictions relevant service owners may impose on excavation work (use of hand excavation only etc).

The sides of an excavation shall be as near vertical as possible while following safe excavation practise for the excavation depth and the material conditions.

No tree roots encountered in trenches may be cut without prior permission from the Directorate: Community Services.

6.9.9.2 Compaction:

(a) Areas Subject to Traffic Loads (Backfill Type B1 and Type B2)

In areas subject to road traffic loads trenches shall be backfilled in layers of thickness (after compaction) not exceeding 150 mm and the material shall be compacted to 93 % of modified AASHTO maximum density (or 100 % in the case of sand) for backfill Type B1, and 95 % of modified AASHTO maximum density (or 100 % in the case sand) for backfill Type B2. See also section 15.8.9.3 regarding backfill Type B1.

(b) Areas not Subject to Traffic Loads (Backfill Type B3 and Type B4)

Trenches shall be backfilled in layers of thickness (after compaction) not exceeding 300 mm and the material shall be compacted to the same density as that of undisturbed surrounding ground or to 90% of modified AASHTO maximum density (or 100 % in the case of sand) whichever is the higher for backfill Type B3.

Trenches shall be backfilled in layers of thickness not exceeding 300 mm and the material shall be lightly compacted to reduce settlement for backfill Type B4.

6.9.9.3 Backfilling:

Backfilling of trenches shall commence after the service has been laid and firmly bedded in the specified cradle and the blanket has been placed and adequately compacted over the service to the height of blanket cover specified for the applicable type of service.

Backfilling shall be carried out over the full extent of the actual trench excavation and to original ground level, except where other pavement layers are to be placed. Unless prior approval has been obtained, no filling shall be placed in water.

Type B1 backfill (for work under Class 3 and 4 road carriageways) shall be thoroughly mixed with 2,5 % cement by mass prior to watering and compaction.

6.9.9.4 Temporary reinstatement of excavated areas.

It may be necessary, due to traffic or safety or any other conditions, to temporarily backfill a trench and/or temporarily reinstate a roadway. The Road Authority shall be informed of all such instances. Where trenches across areas subject to vehicular traffic loads are backfilled on a temporary basis the backfilling must be done with G9 material from trench excavation (or G7 material if imported) stabilized with cement up to a level of 440mm beneath the surface of the road. The remaining 440mm must be filled up with chrusher dust material up to the road surface.

The backfilled surface shall be maintained in a safe condition for pedestrian and vehicular traffic until the final pavement layers are placed.

6.9.9.5 Disposal of Surplus Material:

Excavation material from the trench, which is unsuitable or has become surplus because of bulking, displacement or importation, shall be disposed of off-site at an approved location.

6.9.9.6 Deficiency of Backfill Material:

Any deficiency of backfill material from trench excavation may be made up from suitable surplus material from other excavations nearby. If there is still a shortage of suitable material, backfill shall be imported.

6.9.9.7 Completion of Backfilling:

The contractor shall complete backfilling of trenches expeditiously and in reasonable approved lengths. The Contractor shall clean the road surface or paved area (as applicable) adjacent to the trench on completion of the work.

6.9.10 Subbase

6.9.10.1 Compaction:

(a) Placing, Watering and Mixing

The material shall be placed and spread in a trench in such a manner as to minimize segregation of the various sizes of aggregate in the material. In order to increase the moisture content of the material to the optimum for the compaction equipment employed and the density required the requisite quantity of water shall be added uniformly to the material and thoroughly mixed into the material until a homogenous mixture is obtained.
Dry compaction shall not be permitted. If necessary, due to the nature of the compaction equipment to be employed, the full layer thickness shall be achieved by placing and compacting successive thinner layers.

(b) Specified Density

Subbase to trench reinstatement within a road carriageway, to carriageway crossings and to sidewalks shall be compacted to 95% of Mod AASHTO maximum density.

6.9.10.2 Construction:

(a) Stabilization

Where specified subbase material shall be stabilized with 3 % cement by mass. The cement shall be thoroughly mixed into the subbase material before water is added and compaction commences.

6.9.11 Base

6.9.11.1 Compaction:

(a) Placing, Watering and Mixing

The requirements of section 15.8.10.1(a) shall apply.

(b) Specified Density

Base to trench reinstatement within a road carriageway and to carriageway crossings shall be compacted to 98% of Mod AASHTO maximum density.

6.9.12 Reinstatement of asphalt surfaced areas

6.9.12.1 General:

Where long lengths of trench are to be reinstated, asphalt work shall be programmed to follow the completion of the rest of the layers so that the period that a completed trench is left unsurfaced is limited as far as possible.

The edges of the excavation through existing asphalt surfacing shall be uniformly cut along neat straight lines on both sides over the entire length of the trench. Wherever practical the straight edges shall be parallel to the trench being prepared for reinstatement. All areas of intrusion/overlap into the adjoining surfacing shall be cut to a rectangular shape.

Where the excavation is through a road surfaced with asphalt the existing wearing course shall be removed an additional 100 mm beyond the edge of the trench so that the joint in the surfacing will not be above the edge of the trench.

The joint formed between the old and the new surfacing shall be cleaned and all loose material and dust removed. For all excavations through road carriageway surfaces a tack coat shall be applied at a rate of 0,6 litres per square metre to the full width of the area to be surfaced including the face of the joint formed. The tack coat shall be applied at least 30 minutes before and not more than 24 hours before surfacing.

All works adjacent to the tack spraying operation (including kerbs, brick paving etc.) shall be protected appropriately. All entries to drainage structures shall be blocked to prevent entry of bitumen.

After reinstatement of layer works the surface layer shall be neatly cut to produce a straight line. The final cut lines must ensure that straight and parallel lines are achieved giving a square block finish. Asphalt surfaces on roads must preferably be cut with jack hammers or other devices to produce a bond edge. Asphalt surfaces on sidewalks must be saw-cut producing straight lines.

Where the width of the sidewalk is less than 1.5 m, the entire width of the surfacing shall be replaced.

Where the width of the sidewalk exceeds 1.5 m, the minimum reinstatement width shall be 1.5 m, provided that there is only one scar and the un-reinstated strip left over is more than 500 mm.

Where any strip of asphalt less than 500mm wide remains, it shall be replaced simultaneously with the trench asphalt.

6.9.12.2 Placing:

In order to achieve a dense impervious layer asphalt should as far as possible, and particularly for asphalt placed to reinstate road carriageways, be placed at as near as possible to the recommended working temperatures for the applicable mix.

The asphalt mixture shall be dumped on shovelling plates, or other approved clean surfaces, and shall not be dumped on the area on which it is to be spread. The mixture shall be placed with shovels in the desired position and shall be levelled off with rakes to a depth which will provide not less than the required thickness after compaction.

6.9.12.3 Compaction:

In areas where the larger rollers cannot be used, compaction shall be carried out with hand operated mechanical compaction equipment and, where there is sufficient space, approved smaller vibratory rollers.

The edges of all asphalt areas shall be compacted with an approved hand stamper, and the contractor shall ensure that the asphalt lies flush with the top of the adjacent surfacing or formed edges.

Asphalt base and wearing course shall have a minimum density of 94 % of Marshall density. Asphalt surfacing for footways (sidewalks) shall be finished and compacted so that the surface appears smooth, uniform and dense.

6.9.13 Segmented Paving and Edgings

6.9.13.1 Removing and Replacing Units:

Where a trench crosses a segmented block paved area the existing units must be carefully removed in complete units and kept safe for re-use.

Reinstated bricks and blocks shall be placed on a sand bedding as indicated in Table 5 and shall be cut by means of a mechanically driven saw only. Brick portions with any side of less than 30 mm may not be used.
The joint openings between the individual bricks / blocks may not exceed 5 mm in width.

Reinstated bricks/blocks shall be vibrated to final level with a suitable plate compactor and again vibrated after the application of dry jointing sand. Joints shall not be grouted with a cement/sand mixture.

Where it is necessary to leave a gap between the abutting row of bricks and poles or manhole covers etc. the gap must be filled with asphalt.

When reinstating the brick surface, bricks and cuttings shall be carefully replaced to match the existing pattern. Jointing sand (no cement) in accordance with the SANS 1200 MS specification shall be broomed into the joints for the full depth of the bricks prior to undertaking the final compaction of the brick surface using a vibratory plate compactor and a rubber tyre pneumatic roller in areas with heavy vehicular traffic.

The paving pattern of the reinstated brick surface must be visually equal to or better than the existing brick paving.

After compaction, the replaced bricks shall tie into the existing bricks within a tolerance of 3mm.

No collapsing or sagging as a result of the works will be accepted. Any settlement at the end of the 1 year defects liability period shall be made good by removing the bricks, re-compacting the fill and base layers and replacing the brick surface.

6.9.13.2 Edging:

Where a trench crosses an edging the units must be carefully removed in complete units and kept safe for re-use. Edgings may be re-used provided that re-used and new units are not interspersed over short distances. All the precast edgings shall be re-layed true to line and to such grades and levels as to properly reinstate the disturbed edges.

Edging shall be laid on a bed of 15 MPa concrete and pressed firmly into place so that there shall be a minimum thickness of 50 mm of concrete under the whole of the base of the edgings. The

concrete bedding shall be haunched up behind the edging for at least two-thirds the height of the unit and the back slope of this haunch shall not be steeper than 1:1. The width of joint between edgings shall be 10 mm and each joint shall be grouted solid with mortar composed of 1 part cement to 4 parts sand and neatly pointed on all exposed surfaces.

6.9.14 Reinstatement of concrete surfaced areas

After reinstatement of layer works the existing concrete edges shall be neatly cut to produce a straight line. The final cut lines must ensure that straight and parallel lines are achieved giving a square block finish.

6.9.15 Reinstatement of driveways

After reinstatement of layer works the surface layer shall be neatly cut to produce a straight line. The final cut lines must ensure that straight and parallel lines are achieved giving a square block finish. The same surface finish must be implemented in the reinstatement in order to tie into the existing appearance and functionality.

Where any strip of existing surface treatment, between the road edge/kerb line and trench is less than 300mm wide, it shall be replaced simultaneously with the trench reinstatement.

No collapsing or sagging as a result of the works will be accepted. Any settlement at the end of the 1 year defects liability period shall be made good to Municipal Standards.

6.9.16 Verges and other Unpaved Areas

6.9.16.1 Verges:

When trenching through unpaved areas all the existing topsoil shall be kept in a separate stockpile for subsequent re-use. It should be noted that where a hardening or gravel layer has been placed on a verge this shall not be treated as an unpaved area and reinstated as specified in this section. In such cases the type of reinstatement required shall be agreed with the Road Authority and the normal requirement shall be that the hardening or gravel layer shall be reinstated to match the thickness and type of material removed.

Trenches through verges and other unpaved areas can be backfilled with the excavated material. The top layer of each trench that shall be backfilled without compaction with all the topsoil that is available. The finished surface of backfilling left proud of the surrounding ground to allow for initial settlement shall be not more than 75 mm above the surrounding ground. Verges and other unpaved areas affected by trenching shall be reinstated to the existing profile, width and grade within the road reserve.

Where road construction layers, structural courses, foundations, kerbs and/or backing providing edge support to road structures extend into verges or unpaved areas and are affected by trenching, such layers, backing etc shall be fully reinstated.

6.9.16.2 Reinstatement of non-surfaced/grassed vegetation covered areas

Unless otherwise agreed, cultivated areas containing shrubs, plants or bulbs affected by trenching shall be reinstated using the same or similar species.

Grassed areas shall be reinstated using the original turf, replacement turf or an equivalent seed, depending on weather and growing season.

Where grassed areas have previously been mown, the reinstated surface shall be demonstrably free from stones greater than 20 mm nominal size. All other debris arising from the works shall be removed from the site.

If any unconstructed verge has an established lawn, this must be removed, stored and replaced in sods in such a way that the lawn is in the same condition after reinstatement as it was before excavation. If the sods are allowed to dry out or become damaged in any way, they must be replaced with similar sods.

If an unconstructed verge has been planted with garden vegetation other than lawn, the owner of the adjacent property must be consulted before excavation, to obtain instructions on what to do with the plants that are affected. Every effort must be made to preserve all plants.

Trench widths and depths shall be the same as for surfaced areas.

Bedding sand and bedding blanket shall be the same as for trenches in surfaced areas.

The excavated material which is used for backfill must be compacted to match the density of the neighbouring undisturbed areas but with a minimum of 93% of MDD up to 100mm from the top of the trench.

Reinstate surface (final 100mm) as per existing surface. Once the backfill is compacted, carefully replace the grass / vegetation ensuring no depressions in the surface along the trench route. Grass should be firm and compacted into place using a heavy roller.

6.9.16.3 Ditches, drains and drainage courses:

Ditches, open drains and drainage courses affected by trenching shall be restored to their original profile, unless otherwise agreed.

6.9.17 Reinstatement of unsuccessful drill operations

In the event that directional drilling is unsuccessful, the drill tunnel must be filled / pumped with concrete. The mixture used must be pre-approved by the DTS.

6.9.18 Other Construction Requirements

6.9.18.1 Placing Material:

Completed backfill shall be free of contaminants prior to and during the placement of pavement materials. Before placement of any pavement layer materials and as part of the backfill works, the sides of the trench to receive the pavement layers shall be cut clean to achieve a uniform plane surface, free of any loose or foreign material.

Appropriate construction mixing methods shall be applied to ensure uniformity of all the specified material qualities when the materials are laid along the trench length. The surface of all pavement layers shall be in a tight and uniformly bound condition with no evidence of layering, cracking or disintegrating and free of loose, dusty, stony areas.

All materials shall be compacted using mechanical compactors. Hand operations may be used in confined areas, however, self-propelled driven mechanical plant shall be used where trench area allows.

6.9.18.2 Stormwater Damage:

Should disturbance or demolition of existing stormwater pipes or structures occur due to the trench works they shall be reinstated in accordance with the specification to be obtained by the contractor from the Road Authority.

6.9.18.3 Kerbs and Other Precast Components:

Where kerbs or other precast components are affected by trenching they shall be carefully removed and stored for re-use. Unless otherwise agreed by the Road Authority all recovered precast units or components to be incorporated in the reinstated works shall be in good condition and free of cracks, chips and deformities. Any items damaged by the contractor during removal shall be rejected, removed from the site and replaced with new materials. All kerbs or other precast components shall be reinstated in accordance with the requirements of the applicable section of SABS 1200. Tunnelling under kerbs, channels and edging is prohibited and all such elements shall be removed during excavation and reinstated. All cast in-situ concrete must be Class 25/19.

6.9.18.4 Resurfacing Footways and Carriageway Crossings:

Where the area of the trench damage is greater than 75% of a footway or a carriageway crossing area the Road Authority may require that the whole crossing area be resurfaced to match the existing surface levels and material type (the existing surfacing shall be removed as necessary).

If a private driveway and footway with non-standard materials are to be excavated, the owner of the property concerned must be informed in advance and in writing of the intended work. The owner must then [supply/specify to] the authorised person [with] the materials that are to be used for the reinstatement.

6.9.18.5 Cracking:

Where parallel cracking or settlement of the existing carriageway surface occurs along the edge of a trench after excavation the pavement layer reinstatement shall be widened to a line 200 mm beyond the extremity of the cracking.

6.9.18.6 Reinstatement of Road Signs and Markings:

All road markings that have been removed or damaged by the works shall be repainted upon reinstatement of a trench to surfacing level. All markings shall be in accordance the South African Road Traffic Signs Manual (SARTSM) or according to the original colours, lengths and widths as instructed by the Road Authority. All work shall be in accordance with SABS 1200 MM. Any road studs removed shall be replaced.

All road signs removed in carrying out the works shall be reinstated and any signs damaged during removal or lost shall be replaced by the contractor.

6.9.18.7 Other Reinstatement and Cleaning:

All peripheral damage caused by any excavation, backfilling or reinstatement operations including but not limited to damage to adjacent surfaces caused by poles or pegs placed shall be repaired as required by the Road Authority and all surfaces affected by the work shall be properly cleaned on completion of the work. All waste shall be removed from site.

Where other features, such as drainage channels or pipes across footways are affected, they shall be reinstated such that they function properly and to the satisfaction of the Road Authority.

6.10 Tolerances

6.10.1 Levels

Unless otherwise agreed all trenches shall be reinstated to same levels, falls and grades as existed before the disturbance. Notwithstanding this requirement finished surface levels shall be adjusted locally to ensure that the reinstated areas are free draining as there may be locations particularly on flat roads where previous consolidation has created un-drained areas isolated from the main drainage points. Where it may be necessary to adjust the lines and levels for reinstatement for other reasons the Road Authority shall issue specific instructions to the contractor.

At the edge of a resurfaced area the edge of the new surfacing shall match or be slightly proud of the adjoining surfacing, kerbing or edging.

6.10.2 Layer Thickness

The average thickness of any layer shall not be less than the specified thickness and in no place shall the actual thickness differ from the specified thickness as follows:

Subbase Plus or minus 15 % of the specified layer thickness
Base Plus or minus 15 % of the specified layer thickness
Asphalt Plus or minus 20 % of the specified layer thickness

6.10.3 Smoothness

When a 3 m straight edge is laid on a finished road carriageway surface, the distance between the surface and the straight edge shall nowhere exceed 6 mm.

6.11 Testing

6.11.1 Proof of Compliance

The contractor shall carry out process control testing to ensure that all materials and works are in accordance with the specification. The Road Authority shall be provided with copies of the results of such testing as required in **Appendix C**. If no test results are provided the Road Authority reserves the right to call for such results. The results shall then be produced within two days of being requested. Such tests shall be done at the contractor's expense. If no test results are provided as requested the Road Authority reserves the right to consider the work in question to be out of specification and the work shall be rejected and may have to be redone.

6.11.2 Materials and Mix Design

Process control testing shall be carried out on all materials supplied for trench reinstatement. Routine testing carried out by suppliers shall be acceptable provided that the frequency of testing complies with the requirements of the applicable section of SABS 1200.

Refer to section 15.6.4.3 regarding asphalt mix designs.

6.11.3 Density Testing

The density of backfilling (subgrade), subbase and base shall routinely be tested using a Dynamic Cone Penetrometer (DCP) although nucleonic or sand replacement testing may be required to confirm the achievement of the specified densities.

DCP testing shall be carried out on trenches in areas subject to vehicular traffic loads (roads and carriageway crossings) after every 1,0 m depth of backfill, or part thereof if the total thickness of backfill is less than 1,0 m, has been placed and compacted.

The backfill (subgrade), subbase and base shall be tested by DCP every ten linear metres of trench or such greater interval as agreed with the Road Authority.

An indication of probable acceptance on most roads can be obtained from the typical DCP Penetration diagram shown below in TABLE 7

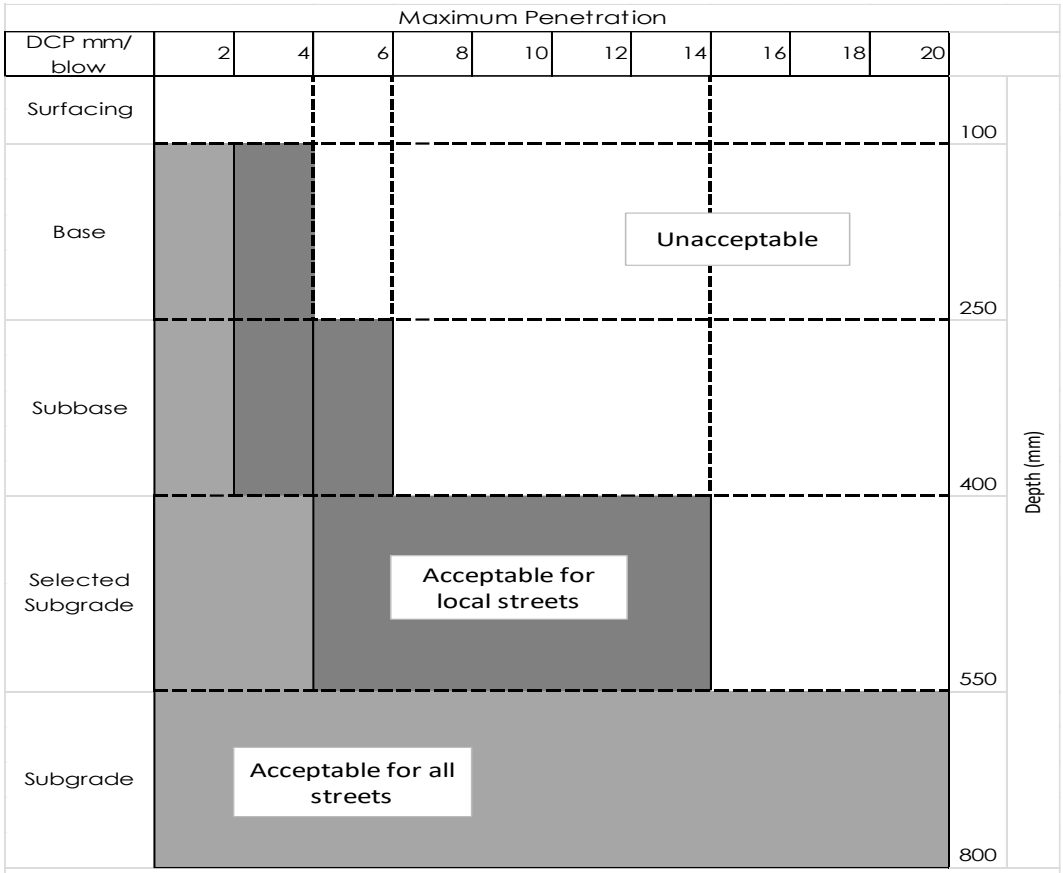

TABLE 7: TYPICAL DCP PENETRATION DIAGRAM

Asphalt layers shall routinely be tested using nucleonic methods although core testing may be required to confirm the achievement of the specified densities. Standard maximum dry density and Marshall density values may be used for the various materials used to reduce the amount of sampling and testing. Such standard values shall be agreed with the Road Authority as and when required. The frequency of density testing required on the layers will be determined by the Road Authority taking into account the size and nature of the work. The testing frequency shall be one test per 100 square metres of completed layer unless another frequency is agreed with the Road Authority prior to commencement of the work. A minimum of three tests will be required.

6.11.4 Test Standards

All testing shall be carried out in accordance with TMH1: Standard Methods of Testing Road Construction Materials.

6.11.5 Routine Inspections

The Road Authority may carry out routine inspections of the works as they are completed. To allow such inspections the contractor shall advise the Road Authority when excavation work is to commence and when it has been completed.
The Road Authority may carry out independent density tests to determine the compaction of the backfilling or other layers and may take samples of any materials being used for further testing. Such testing shall not relieve the contractor of his responsibility to carry out process control testing.

6.11.6 Acceptance or Rejection of Works

6.11.6.1 General:

Should any contractor's testing and re-testing indicate that the works, or part of the works, fails to meet the specification then further working (including scarifying, remixing and/or recompaction as necessary or the replacement of materials) shall be carried for the entire section rejected and retests carried out, all at the contractor's expense. Re-testing shall be carried out at the same frequency as the original testing.

6.11.6.2 Asphalt:

Areas of asphalt defective with respect to the specified requirements for mix quality, density, percentage voids, surface finish, surface smoothness or thickness shall be removed and replaced by the Contractor unless the Road Authority permits the layer to be sealed with an agreed product. The extent of the defective area shall include all the asphalt in the test lot containing the failed test(s) unless defective areas can be suitably isolated by additional testing (where necessary) by the contractor. The contractor shall remove and replace areas of asphalt which show signs of either ravelling, cracking, deflection, subsidence and instability, for any reason, at the discretion of the Road Authority. Immediate repairs shall be carried out by the contractor as necessary to maintain the safety of the site. Patches shall be prepared by cutting and removing the defective asphalt to the full depth of the layer such that the sides of the area are at right angles or parallel to the direction of traffic and the edges are vertical and the patch shall be completed by placing and compacting new asphalt in accordance with the specification.

6.11.7 Performance Specifications/Defects liability

6.11.7.1 The performance of any trench permanently reinstated by the authorised person will be monitored for twelve (12) months, during which period the authorised person will be held responsible for any remedial work that may be required.

6.11.7.2. The tests that were used for quality control (density or shear strength) will be used to determine whether or not the work was done according to specifications. The Road Authority may do additional tests if the quality control tests are not considered to be adequate.

6.11.7.3. Remedial work will be required if any of the following defects exists:
(a) Depressions;
(b) humps (crowning);
(c) edge depression (trips, vertical discontinuities) at the interface; or
(d) cracking.

6.11.7.4. Any depression or hump will be measured with a straight edge across the reinstatement and will require remedial work if the following limits are exceeded over 100 mm or more of the length of the trench:

Reinstatement Width (mm)	*Height of Deformation or Hump as measured with straight edge (mm)*
Up to 400	10

400 to 500	12
500 to 600	14
600 to 700	17
700 to 800	19
800 to 900	22
Over 900	25

6.11.7.5. Remedial work will also be required if a depression results in standing water wider than 500 mm or exceeding one square metre, two hours after rain has stopped.

6.11.7.6. Any edge depression exceeding 10 mm over 100 mm or more of the length of the trench will require remedial work.

6.11.7.7. Any open crack wider than 3 mm and longer than 100 mm will require remedial work.

6.12 Manholes and structures for Telecommunications

6.12.1 Only brick built manholes (preferred in areas of heavy traffic) or prefabricated GRP manholes will be allowed.

6.12.2 Brick manholes shall have walls constructed from NFX bricks using stretcher or Flemish bond and shall be 220/230mm thick.

6.12.3 All manhole covers and frames must comply with the relevant SANS specification and shall have a minimum load bearing capacity of 400kN.

6.12.4 Manhole sizes on primary networks may not exceed 900mm external dimension;

6.12.5 Manhole sizes on secondary networks may not exceed 600mm external dimension;

6.12.6 Boundary chamber sizes on tertiary networks may not exceed 300mm external dimension;

6.12.7 All manholes and structures must be accommodated in the space allocated for the trench (1.0m);

6.12.8 No above ground structures that could interfere with sight distance will be allowed on splays or within 25m of a splay;

6.12.9 No above ground structures will be allowed in pedestrian access ways or at pedestrian crossings;

6.12.10 No above or underground structures will be allowed at intersections and universal access positions to ensure unimpeded travel for handicapped persons. This will generally imply that manhole positions must be a minimum of 10.0 m from intersections and access points and positions of manholes must allow sufficient space for handicapped persons and wheelchairs to utilize the sidewalks;

6.12.11 The minimum permissible spacing for manholes shall be 45.0m c/c after all Network Licensees have installed their infrastructure and a maximum of 2 manholes at any given position will be allowed. Therefore, the design must consider existing and future Network Licensee's;

6.12.12 All manhole/boundary chamber covers must bear the name of the company in embossed letters to clearly define the different service provider's infrastructure.

6.13 Boundary Boxes for Telecommunications

6.13.1 Boundary boxes must be robust and durable and may not exceed 300mm in dimension;

6.13.2 The new boundary box must be placed next to the existing Telkom AJB (Manhole);

6.13.3 Only one boundary box per 2 erven will be allowed for house connections. Where a second network provider services the same property a maximum of 2 boundary boxes per position will be allowed;

6.13.4 Boundary boxes for house connections may be placed in the road reserve verge but shall not be further than 200mm from the erf boundary. Boundary boxes may be mounted on walls with the permission of the property owner.

TABLE 5: FOOTWAYS (SIDEWALKS) AND CARRIAGEWAY AND PEDESTRIAN ACCESS CROSSINGS: PAVEMENT STRUCTURES

TYPE OF PAVEMENT STRUCTURE	A7/2	A6/2	A5/2	A4/2	A7/1	A6/1	A5/1	A4/1
TYPE OF SURFACE	BITUMINOUS PREMIX (ASPHALT)				CLAY BRICK OR CONCRETE BLOCK			
TYPE OF CROSSING	FOOTWAYS AND PEDESTRIAN CROSSINGS	CARRIAGEWAY CROSSING			FOOTWAYS AND PEDESTRIAN CROSSINGS	CARRIAGEWAY CROSSING		
DUTY OF CROSSING		LIGHT	HEAVY	EXTRA HEAVY		LIGHT	HEAVY	EXTRA HEAVY
USAGE OF CROSSING	Pedestrian only	Single residential	Flats church, School, etc.	Warehouse, Factory, Loading area, Service Station	Pedestrian only	Single residential	Flats church, School, etc.	Warehouse, Factory, Loading area, Service Station
TYPE OF EDGING	Brick stretcher on edge or 150 x 75 mm precast concrete (side and boundary edging			250 x 100 mm precast concrete	Brick stretcher on edge or 150 x 75 mm precast concrete (side and boundary edging			250 x 100 mm precast concrete
THICKNESS OF **Premix**	25 mm	25 mm	40 mm	50 mm				
Bricks					73 mm	73 mm	73 mm	73 mm
Blocks					80 mm	80 mm	80 mm	80 mm
SAND BED THICKNESS (Uncompacted)	Nil	Nil	Nil	Nil	25 mm	25 mm	25 mm	25 mm
THICKNESS OF GRAVEL COMPACTED **Subbase (G5*)**	100 mm	100 mm	150 mm		100 mm	100 mm	100 mm	
Base (G2*)				250 mm				200 mm
OVERALL DEPTH OF COMPACTED LAYERS AND OF EXCAVATION **Premix**	125 mm	125 mm	190 mm	300 mm				
Bricks					198 mm	198 mm	200 mm	300 mm
Blocks					205 mm	205 mm	205 mm	305 mm
ADDITIONAL EXCAVATION WHERE CLAYEY MATERIAL IS ENCOUNTERED	0 mm	150 mm	150 mm	200 mm	0 mm	150 mm	150 mm	200 mm
COMPACTION OF PAVEMENT LAYERS **Subbase**	95%	95%	95%		95%	95%	95%	
Base				98%				98%

* The standard for Subbase (G5) and Base (G2) shall be in accordance with SABS 1200 M.

** 100% for sand.

TABLE 6: FOOTWAYS (SIDEWALKS) AND CARRIAGEWAY AND PEDESTRIAN ACCESS CROSSINGS: BACKFILL TYPES

BACKFILL TYPE	**TYPE B3**	**TYPE B2**			**TYPE B3**	**TYPE B2**		
TYPE OF SURFACE	**BITUMINOUS PREMIX (ASPHALT**				**CLAY BRICK OR CONCRETE BLOCK**			
TYPE OF CROSSING	FOOTWAYS AND PEDESTRIAN CROSSINGS	CARRIAGEWAY CROSSING			FOOTWAYS AND PEDESTRIAN CROSSINGS	CARRIAGEWAY CROSSING		
DUTY OF CROSSING		LIGHT	HEAVY	EXTRA HEAVY		LIGHT	HEAVY	EXTRA HEAVY
USAGE OF CROSSING	Pedestrian only	Single residential	Flats Church, School, etc.	Warehouse, Factory, Loading area, Service Station	Pedestrian only	Single residential	Flats Church, School, etc.	Warehouse, Factory, Loading area, Service Station
COMPACTION OF BACKFILL	In situ material or G9 quality material if imported. Compaction 100% for sand or 90% or same as surrounding material (whichever is greater) for other materials.	In situ material at least G9 quality or G7 quality if imported. Compaction 95% or 100% for sand			In situ material or G9 quality material if imported. Compaction 100% for sand or 90% or same as surrounding material (whichever is greater) for other materials.	In situ material at least G9 quality or G7 quality if imported. Compaction 95% or 100% for sand		

Appendix A: List of active Network Licensees in Witzenberg Municipal area

Name	Contact Person	Contact Number	Date notified	Response Date	Response Received
Telkom					
MTN					
Vodacom					
Vinet Internet Solutions					
Breedenet					
OTHER: (Please indicate)					

APPENDIX C

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

44, Ceres, 6835
50 Voortrekker Str Str, Ceres, 6835
Suid Afrika/ South Africa
+27 23 316 1854
+27 23 316 1877
admin@witzenberg.gov.za
www.witzenberg.gov.za

DCP Test Result Sheet

SITE: _____ **Wayleave Number** _____

DATE: _____ **Town/Street Name** _____

	SPECIFICATION:	One drop < 20mm penetration	One drop < 14mm penetration	One drop < 6mm penetration	One drop < 4mm penetration	
Position	**Area**	**Layer 4 - Insitu Material**	**Layer 4 - Insitu Material**	**Layer 3 Sub-Base**	**Layer 2 - Base**	**Approved / Signed Off**

ADDITIONAL TESTS REQUIRED:

1. Provide Grading, Indicator and CBR data sheets compared to the relevant specification on all layerworks.
2. Provide Nuclear Density Report sheets compared to the relevant specification of the Asphalt, Base and Subbase on request.
3. Provide Density of Asphalt Core data sheets compared to the relevant specification on request.

APPENDIX C

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

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Suid Afrika/ South Africa
+27 23 316 1854
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admin@witzenberg.gov.za
www.witzenberg.gov.za

DCP Test Result Sheet

SITE: _____ **Wayleave Number** _____

DATE: _____ **Town/Street Name** _____

	SPECIFICATION:	One drop < 20mm penetration	One drop < 14mm penetration	One drop < 6mm penetration	One drop < 4mm penetration	
Position	**Area**	**Layer 4 - Insitu Material**	**Layer 4 - Insitu Material**	**Layer 3 Sub-Base**	**Layer 2 - Base**	**Approved / Signed Off**

ADDITIONAL TESTS REQUIRED:

1. Provide Grading, Indicator and CBR data sheets compared to the relevant specification on all layerworks.
2. Provide Nuclear Density Report sheets compared to the relevant specification of the Asphalt, Base and Subbase on request.
3. Provide Density of Asphalt Core data sheets compared to the relevant specification on request.

APPENDIX D: OCCUPATIONAL HEALTH & SAFETY SPECIFICATION FOR CONSTRUCTION WORKS CONTRACTS

Contents

1. Scope
2. Definitions
3. Requirements
   - 3.1 General requirements
   - 3.2 .1 notification of intention to commence construction work
   - 3.2.2 Copy of the Act
   - 3.2.3 Good standing with the compensation fund or a licensed compensation insurer
   - 3.2.4 Emergency procedure
   - 3.2.5 Health & safety file
4. Appointments
5. Health and safety agent
6. Risk assessments
7. Health and safety plans

Occupational health and safety specification for construction work contracts

1 Scope

This specification establishes general requirements to enable the employer and the contractor to satisfy to Occupational Health and Safety Act, 1993 (Act No. 85 of 1993) and the Construction Regulations, 2003.

The Construction Regulations, 2003, require an Employer to stop any Contractor from executing construction work which is not in accordance with the Contractor's health and safety plan for the site or which poses to be a threat to the health and safety of persons.

This specification established generic health and safety requirements site specification requirements for health and safety are stated in the scope of work associated with a contract.

2 Definitions

Act: The Occupational Health and Safety Act, 1993 (Act No. 85 of 1993)

Competent person: any person having the knowledge, training and experience specific to the work or task being performed

Employers Health and Safety Agent: the person appointed as agent by the Employer in terms of Regulation 4(5) of the Construction regulations and named in the contract data as the being the employer's agent responsible for health and safety matters

Ergonomics: the application of scientific information concerning humans to the design of objects, systems and environment for human use in order to optimise human well-being and overall system performance

Hazard: a source of exposure to danger

Hazard identification: the identification and documenting of existing or expected hazards to the health and safety of persons, which are normally associated with the type of construction work being executed or to be executed.

Health and safety plan: a documented plan which addresses hazards identification and includes safe work procedures to mitigate, reduce or control the hazard identified

Healthy: free from illness or injury attributable to occupational causes

Incident: an event or occurrence occurring at work or arising out of or in connection with the activities of persons at work, or in connection with the use of plant or machinery, in which, or in consequence of which:

a) Any persons that dies, become unconscious, suffers the loss of a limb or part of a limb or is otherwise injured or becomes ill to such a degree that he is likely either to die or to suffer a permanent physical defect or likely to be unable for a period of at least 14 days either to work or to continue with the activity for which he was employed or is usually employed:
b) A major incident occurred; or
c) The health or safety of any person was endangered and where:
    i. A dangerous substance was spilled;
    ii. The uncontrolled release of any substance under pressure took place;
    iii. Machinery or any part thereof fractured or failed resulting in flying, falling or uncontrolled moving objects, or machinery ran out of control

Inspector: a person designated as such under section 28 of the Act

Major Incident: an occurrence of catastrophic proportions, resulting from the use of plant or machinery, or from activities at workplace

Reasonable practicable: practicable having regard to:

a) The severity and scope of hazards or risk identified
b) The state of knowledge reasonable available concerning that hazard or risk and of any means removing or mitigating that hazards or risk;
c) The availability and sustainability of means to remove or mitigate that hazard or risk; and
d) The cost of removing or mitigating that hazard or risk in relation to the benefits deriving therefrom;

Registered person: a person registered in terms of the Electrical Installation Regulations

Risk: The probability that injury may or damage will occur

Safe: free from any hazard

Scaffold: any temporary elevated platform and supporting structure used for providing access to and supporting workmen or materials or both.

Structure

a) Any building, steel or reinforced concrete structure (not being a building), railway line or siding, bridge, waterworks, reservoir, pipe or pipeline, cable, sewer, sewage works, fixed vessels, road, drainage works, earthworks, dam, wall, mast, tower, tower crane, batching plants, pylon, surface and underground tanks, earth retaining structure or any structure designed to preserve or alter any natural feature, and any other similar structure;

b) Any framework, false work, scaffold or other structure designed or used to provide support or means of access during construction work; or

c) Any fixed plant in respect of work which includes the installation, commissioning, decommissioning or dismantling and where any such work involves a risk of a person falling tow metres or more.

Substance: any solid, liquid, vapour, gas or aerosol, or combination thereof

Suitable: capable of fulfilling or having fulfilled the intended function or fit for its intended purpose

Workplace: any premises or place where a person performs work in the course of his employment

3 Requirements

3.1 General Requirements

The contractor shall:

a) Create and maintain a safe and healthy work environment,

b) Execute the works in a manner that complies with all the requirements of the Act and all its associated regulations, and in so doing, minimize the risk of incidents occurring; and

c) Respond to the notices issued by the Employer's Health and Safety Agent as follows:
    1) Improvement Notice: improve health and safety performance over time so that repeat notices are not issued;
    2) Contravention Notice: rectify contravention as soon as possible:
    3) Prohibition Notice: terminate affected activities with immediate effect and only recommence activities when it is safe to do so.

3.2 Administration

3.2.1 Notification of Intention to commence construction work

3.2.1.1 The Contractor shall notify the Provincial Director of Labour in writing using a form similar to that contained in Annexure A of the Construction Regulations issued in terms of the Act before construction work commences and retain a copy of such notification in the health and safety file where such work:

a) Involves the demolition of a structure exceeding a height of 3m;
b) Involves the use of explosives to perform construction work;
c) Involve the dismantling of fixed plant at height greater than 3m;
d) Exceed 30 days or will involve more than 300 person days of construction work; and includes:
    i. Excavation work deeper than 1m; or
    ii. Working at height greater than 3m above ground or a landing.

3.2.1.2 The Contractor shall ensure that no work commences on an electrical installation which requires a new supply or an increase in electricity supply before the person who supplies or contracts or agrees to supply electricity to that electrical installation has been notified of such work.

3.2.1.3 The Contractor shall ensure that no asbestos work is carried out before the Provincial Director of the Department of Labour has been notified in writing.

3.2.2 Copy of the Act

The contractor shall ensure that a copy of the Act and relevant regulations is available on site for inspection by any person engaged in any activity on site.

3.2.3 Good standing with the compensation fund or any licensed compensation insurer

The Contractor shall before commencing with any works on site provide the Employer's Health and Safety Representative with a proof of good standing with the compensation fund or with a licensed compensation insurer.

3.2.4 Emergency Procedures

3.2.4.1 The Contractor shall submit for acceptance to the Employer's Health and Safety Agent an emergency procedure which include but not limited to fire, spills, accidents to employees, exposure to hazardous substances, which:

a) Identifies the key personnel who are to be notified of any emergency
b) Sets out details including contact particulars of available emergency services: and
c) The sections or steps which are to be taken during emergency.

3.2.4.2 The Contractor shall within 24 hours of an emergency taking place notify the Employer's Health and Safety Agent in writing of the emergency and briefly outline what happened and how it was dealt with.

3.2.5 Health and safety file

3.2.5.1 The Contractor shall maintain on site a health and safety file which contains copies of the following:

a) Documents required prior to commencing with physical construction activities

1) The Contractor's health and safety policy, signed by the Chief Executive Officer, which outline the Contractor's objectives and how the will be achieving and implemented by the Contractor;

2) The notification made to the Provincial Director of Labour, and if relevant, the notification of the person who supplies or contracts or agree to supply electricity to that electrical installation;

3) The letter of appointment as relevant, of the construction supervisor for the site in respect of construction works covered by the Construction Regulations and the registered person responsible for electrical installation covered by the Electrical Installation Regulations;

4) A copy of the certificate of registration of the registered person responsible for the electrical installation covered by the Electrical Installation Regulations;

5) The approval of the design of the part of an electrical installation which has a voltage in excess of 1 KV by a person deemed competent in terms of the Electrical Installation Regulations;

6) Proof of registration of the electrical contractor who undertakes the electrical installation in terms of the Electrical Installations Regulations;

7) The preliminary hazards identification undertaken by a competent person;

8) The organogram which outlines the roles and responsibilities of the construction supervisor's assistants and safety officers; and

9) The contractor's health and safety plan;

10) The emergency procedures;

11) The procedure for the replacement of lost, stolen, worn or damage personal protective clothing and

12) Proof of the contractors if is registered and in good standing with the compensations fund or with a licensed insurer;

4 Appointments and Competent persons

4.1 The Contractor shall appoint in writing competent persons to supervise, operate or inspect, as relevant, any of the following;

- Assigning of Duties (16.2) by CEO
- Designation of Construction Work Supervisor (6.1)
- Subordinate Construction Supervisor (6.2)
- Health & Safety Representative(s)
- First Aider Appointment
- Incident Investigator
- Risk assessment co-ordinator
- Emergency Plan Coordinator
- Appointment of SHE Officer
- Excavation Supervisor
- Lifting Equipment Inspector
- Lifting Equipment Operator
- Batch Plant Inspector
- Mobile Plant Operator

- Hand Tools Inspector
- Fire Equipment Inspector
- Stacking and storage Inspector
- Concrete Mixer Operator
- Portable Electrical Tools Inspector
- Hazardous Chemical Substances Assessor
- Traffic Accommodation Officer
- Health and Safety Committee Members
- Stacking and Storage Supervisor
- Welding/Flame cutting Equipment Inspector
- Ladder Inspector
- Formwork and Support Work Supervisor
- Formwork and Support Work Inspector
- Scaffold Supervisor
- Scaffold Inspector
- Radiation Equipment Inspector (Troxler)

5. Employer's health and safety agent

The Employer's Health and Safety Agent shall:

a. Audit the Contractors compliance with the requirements of this specification prior to the commencement of any physical construction activities on the site;
b. Accept or reject all safety plans, giving reasons for rejecting such plans;
c. Monitor the effective implementation of all safety plans;
d. Conduct periodic and random audits on the health and safety file to establish compliance with the requirements of this specification;
e. Visits the site at regular intervals to conduct site inspections, and based upon such visits issue, wherever necessary, Improvement Notices, Contravention Notices and Prohibition Notices.

6. Risk Assessment

The Contractor shall before the commencement of any work on site and during construction work, cause a risk assessment to be performed by a competent person appointed in writing. Such assessment shall as a minimum:

- Identify the risks and hazards to which persons may be exposed to;
- Analyse and evaluate the identified risks and hazards;
- Document a plan of safe work procedures, including the use of any personal protective equipment or clothing and the undertaking of periodic "toolbox talks" or inductions before undertaking hazardous work, to mitigate, reduce or control the risks and hazards that have been identified;
- Provide a monitoring plan; and
- Provide a review plan.

Note: A risk assessment is an important step in protecting workers as well as complying with the law. It helps to focus on the risks that really matter in a particular workplace – the ones with the potential to cause real harm. Workers and others have a right to be protected from harm caused by a failure to take reasonable control measures. The following four steps are recommended:

1) **Identify the hazards**
2) **Identify who may be harmed and how**

3) **Evaluate the risks and decide on precautions**
4) **Record the findings**

i. The Contractor shall ensure that as far as is reasonable practicable, ergonomic related hazards are analysed, evaluated and addressed in the risk assessment.

ii. Notwithstanding the provisions of the fall protection plan, the Contractor shall ensure that:

a) All unprotected openings in floors, edges, slabs, hatchways and stairways are adequately guarded, fenced, or barricaded or that similar means are used to safeguard any person from falling through such opening;
b) No person works in an elevated position, unless that work is performed safely by working from a scaffold or ladder;
c) Notice are conspicuously placed at all openings where possibility exists that a person might fall through such opening;
d) Fall prevention and fall arrest equipment is suitable and sufficient strength for the purpose and securely attached.

7. Health and safety plans

The Contractor shall prior to commencing the works to which this specification applies, submit to the Employer's Health and Safety Agent for approval a suitable and sufficiently documented health and safety plan, based on this specification and the risk assessment that is conducted.

FORM 1: WAYLEAVE APPLICATION FORM

Application is hereby made by the undersigned to do work in the road reserve as detailed below. The applicant undertakes to do the work according to the latest edition of the CODE OF PRACTICE FOR WORK IN THE ROAD RESERVE.

No work may commence before a wayleave is issued in respect thereof.

APPLICANT

AGENCY/DEPARTMENT/PRIVATE: _____

CONTACT PERSON: _____CONTACT TEL: _____

CONTACT CELL: _____E-mail: _____

CONSULTING ENGINEERS: _____

CONTRACTOR: _____ PROJECT NO: _____

REINSTATEMENT ORDER NO: _____

PROVISIONAL DATES

STARTING DATE: _____ COMPLETION DATE: _____

DRAWING NUMBER: _____

LOCATION OF WORK (give full details)

SUBURB: _____STREET NAME: _____

STREET (FROM): _____STREET (TO): _____

ERF NO'S: _____

HOUSE NO'S: _____

EXCAVATION DETAILS:

LENGTH OF EXCAVATION: RIDING SURFACE_____m²: KERBS m²_____

ASPHALT FOOTWAY: _____m² INTERNAL BLOCK _____m²:

UNPAVED FOOTWAYS_____m²

THE FOLLOWING AGENCIES ARE AWARE THAT THE APPLICANT WILL BE WORKING WITHIN THE VICINITY OF THEIR SERVICES, HAVE GIVEN THE APPLICANT THEIR CONDITIONS FOR WORKING WITHIN THE VICINITY OF THEIR SERVICES AND THEREFORE HAVE NO OBJECTION TO APPLICANT APPLYING FOR A WAYLEAVE.

AGENCY	***REMARKS/SIGNATURE /DATE***
ELECTRICAL	
WATER AND SANITATION	
STREETS AND STORMWATER	
PARKS	
TOWN PLANNING	
ESKOM	
TELKOM	
OTHER	

WAYLEAVE CONTROL OFFICER (office use):

RECOMMENDED:

YES	NO	WAYLEAVE NO:	

_____ _____ _____

SIGNATURE **NAME OF OFFICIAL** **DATE RECEIVED**

FORM 1.1UNDERTAKING/INDEMNITY: ……

FORM 1.1: UNDERTAKING / INDEMNITY:

I, the undersigned hereby,

- acknowledge the receipt of the forms containing the procedures and conditions pertaining to wayleave applications and understand that it will be my responsibility to contact the relevant service agencies within and outside the area of jurisdiction of Witzenberg Municipality, undertake to adhere to the conditions not applicable to this Department, e.g. TELKOM, ESKOM, etc.

- Undertake to furnish the relevant service agencies with all necessary application forms and information obtained as a result of this application, in order to obtain final wayleave approval and permission to work within the road reserve,

  - Acknowledge that service information is given in good faith and that the accuracy of this information is not guaranteed.

  - Guarantee all backfilling and permanent reinstatement work done by Contractor, for a period of 12 months that will start 14 days after the work is signed off as completed by the Superintendent: Streets and Stormwater.

  - Accepts responsibility for all costs associated with the work, including any damage to other services, backfilling and reinstatements of trenches, the cost of any tests that may be required and any claims that may result from the work done by the Contractor until the work is taken over by the Municipality and the permanent reinstatement is completed.

  - Accept the terms and conditions of the aforesaid Code of Practice for Work in the Road Reserve.

SIGNATURE OF APPLICANT	**NAME OF APPLICANT**	**DATE**

FORM 1.2: CERTIFICATE OF INSPECTION AND COMPLETION: ……

FORM 1.2: CERTIFICATE OF INSPECTION AND COMPLETION

WAYLEAVE NO: _____

COMPLETION NOTICE

The Wayleave Control office is hereby informed that:

- The work done in terms of the above wayleave has been completed according to the conditions as prescribed in the wayleave.

AND

- The permanent reinstatement has been done in accordance with the specifications in the Code of Practice for work in the Road Reserve.

NAME: _____ **SIGNED:** _____ _____
WAYLEAVE HOLDER **DATE**

CERTIFICATE OF COMPLETION

The Superintendent: Streets and Stormwater must sign this form. The signature is just for administrative control and by no means implies that the work has been done according to the specifications and conditions of the wayleave. The onus and responsibility of ensuring that the service has been correctly installed, is that of the applicant.

It is hereby certified that the site of the work carried out in terms of the above wayleave was inspected on the above date and that:

- The work has been completed; and
- The site has been cleared and cleaned; and
- The wayleave holder did the permanent reinstatement and the 12 month guarantee period commences from date.

OR

- The wayleave holder did a temporary reinstatement. A Departmental Work order was received from the wayleave holder.

SITE INSPECTIONS

REMARKS:_____
_____

DEPARTMENTAL WORK ORDER No. (if applicable): _____

The Superintendent: Streets and Stormwater was present when the DCP, nucleonic and core tests were done (see site inspection remarks).

NAME: _____ **SIGNED:** _____ _____
SUPERINTENDENT: **DATE**
STREETS AND STORMWATER

WITZENBERG

MUNISIPALITEIT **UMASIPALA** **MUNICIPALITY**

- MEMORANDUM -

AAN / TO Municipal Manager

VAN / FROM: Manager Housing

DATUM / DATE: 6 August 2018

VERWYS/REF.: 5/06/1

HOUSING: WITZENBERG MUNICIPAL HOUSING PIPELINE FOR 2018/19

COMMITTEE FOR CONSIDERATION:

Committee for Housing Matters.

DELIBERATON:

Attached a letter from the Department of Human Settlements requesting for the Witzenberg Municipal 2018/19 Housing Pipeline for Departmental Evaluation and Future Project Funding Consideration.

The attached proposed pipeline for consideration.

RECOMMENDATION:

For consideration.

CJ MACKENZIE
MANAGER HOUSING:

MUNICIPALITY
WITZENBERG
- 6 AUG 2018
MUNISIPALITEIT

Approved/Not-approved
DIRECTOR: COMMUNITY SERVICES

✉ 44 Ceres 6835 ☎ (023) 316 1854 ✆ (023) 316 1877 admin@witzenberg.gov.za

3 YEAR DELIVERY PLAN

Municipal Planning - 06 March 2019
2019/20 - 2021/22 HSDG

	PROGRAMME	2019/2020			2020/2021			2021/2022		
Average Site Cost (R'000)	60	SITES SERVICED	HOUSES BUILT	FUNDING R '000	SITES SERVICED	HOUSES BUILT	FUNDING R '000	SITES SERVICED	HOUSES BUILT	FUNDING R '000
Average Unit cost (R'000)	130									
Witzenberg		120	200	33 200	536	320	77 260	188	200	40 010
Ceres Vredebes (3022 services and 2163 units) IRDP	IRDP									
Ceres Vredebes (3022 Ph1 600 top structures) IRDP	IRDP		200	26 000		200	26 000		200	26 000
Ceres Vredebes (3022 Ph H 536 Enhanced Serviced Sites services) IRDP	IRDP				536		32 160			
ISSP Ceres Nduli Infills ESS (188 sites) UISP	UISP						3 000	188		11 280
Tulbagh (225) IRDP	IRDP / Land									730
Tulbagh Land Acquisition Farm 224 either Portion 3 or 7	Land									
Wolseley Pine Valley (500) IRDP	IRDP						500			2 000
Wolseley Pine Valley 2A IRDP	IRDP	120		7 200		120	15 600			
Kleinbegin	IRDP									
Prince Alfred's Hamlet "Die Bossie"	Land									
Wolseley Montana (700)	IRDP									

5161

Western Cape Government
Human Settlements

REFERENCE: H/13/Planning/2018
ENQUIRIES: L Welgemoed

Mr David Nasson (Municipal Manager)
Witzenberg Municipality
PO Box 44
Ceres
6835

MUNICIPALITY
WITZENBERG
3 - APR 2018
MUNISIPALITEIT

For attention: Mr Nasson

FORMAL REQUEST FOR THE WITZENBERG MUNICIPAL 2018/19 HOUSING PIPELINE FOR DEPARTMENTAL EVALUATION AND FUTURE PROJECT FUNDING CONSIDERATION

Good day Mr Nasson as part of the Western Cape Provincial Department of Human Settlement's (DHS) Standard Operating Procedures (SOP) it is required that Local Municipalities submit council approved Housing Pipelines at the beginning of every provincial financial year. These Housing Pipelines must provide the Department with a list of current and future housing projects that the relevant Local Municipality intends to pursue in the next five to ten years.

The Directorate: Planning (DHS) have been working closely with the relevant municipal housing officials at Witzenberg Municipality to compile such a Housing Pipeline. **This letter serves as the official DHS request for the submission of the council approved Witzenberg Municipal Housing Pipeline for the 2018/19 Financial Year.** It is requested that this Housing Pipeline reach the DHS **no later than 31 May 2018.**

Please feel free to contact Mr Louis Welgemoed (021 483 4962) at the Sub-Directorate: Municipal Planning (contact details page 1 footer) if there are any further queries related to this matter.

Yours faithfully

L Welg

REGIONAL PLANNER: CAPE WINELANDS & CENTRAL KAROO: MR L WELGEMOED
DATE: 28/02/2018

CC **Ms Jo-Ann Kriege (Director: Community Services)**
Ms Charlotte Mackenzie (Manager: Housing)

27 Wale Street, Cape Town, 8001
tel: +27 21 483 4962 fax: +27 21 483 5510
Municipal HSP Planning & Support

Private Bag X9083, Cape Town, 8000
Louis.Welgemoed@westerncape.gov.za
www.westerncape.gov.za

WITZENBERG

MUNISIPALITEIT UMASIPALA MUNICIPALITY

- MEMORANDUM -

TO: Municipal Manager
FROM: Director: Community Services
DATE: 6 April 2018
REF: 7/1/4/1

RENEWAL OF LEASE AGREEMENT: VROLIKE VINKIES

Purpose:

To request Council's consideration for the renewal of the lease agreement with Vrolike Vinkies situated on Erf 2019, Ceres also known as the Eiland and consideration for the erection of 2 Nutech buildings on the premises of Vrolike Vinkies crèche in Ceres.

Background & Deliberation:

The crèche started during 2001. The crèche as a registered Non-profit organization and receives a subsidy from Department Social development. The crèche is registered for 122 children between the ages of 6 months and 5 years of which 32 are disabled. Children from Bella Vista, Nduli, Hamlet, Ceres and surrounding farms are enrolled at the crèche. They follow a day program approved by the Department. The crèche is functioning well and is managed by a governing body, represented by parents from the community. The governing body meets bi-monthly. The crèche seems to be managed well. The personnel consist of a principal,2 assistant managers, 1 supervisor, 3 practitioners, 4 special needs practitioners, 3 assistants, 1 cook, 1 assistant cook.

During August 2015 the council granted the usage of the extra building previously used as café to be utilized as a unit for children with special needs. This unit started with 9 children but currently accommodate 24 children from all towns in die Witzenberg area. The disability of the children includes cerebral, Down syndrome, epilepsy, blindness, intellectual and other disabilities. The children are supported by regular input from the physiotherapist and occupational therapist from Department Health. This is the only facility in the Witzenberg Municipal area that includes children with special needs in the mainstream.

The practitioners receive training to stimulate the children with suitable exercise. Subsidy is received from the Department of Health. The Department Education is also involved with screening and placing of children. Currently they have a waiting list of 27 children that cannot be accommodated in the current building due to lack of space.
The current building contains of only 2 rooms. Extra space is needed to ensure optimal care for children with special needs.

An option is currently available and that is the erection of Nutech buildings on the open space next to the current ECD building. The crèche has applied for Lotto funding and received acknowledgement of application for funding but the Lotto request for a 99 years lease agreement base on sustainability. They also applied at Breadline for the construction of the buildings. Build It and Amazing Pies are also involved as sponsors in this project. Vrolike Vinkies will take responsibilities for the maintenance of the building.

Witzenberg Municipality currently has a valid lease agreement with Vrolike Vinkies, but it expired. Rental and services are paid up to date and the current rental amount is R876.04 per year.

Current Maintenance challenges:

There is currently emergency repair work that could potentially hold danger for children.
The following observations were made:

- Skirting's that are getting loose in the ceiling
- Panels in the ceiling must be replaced, which is currently slowly peeling off
- Yellow panels against the wall is peeling off and may hold a threat to fall on a child
- The outside of the roof (panels under the roof) is tearing off which also looks like a potential danger for children
- The paint is also tearing off – a coat is needed in the near future

Once the building inspector has submitted an official report, any health &safety hazard will be deliberated on.

Photos: Inside building

Photos: Outside building

In the light of this major maintenance challenge the building don't seems conducive to host the Early childhood development program for these vulnerable children. In addition Council still have to take a decision on the future of Die Eiland and the sustainability of this program is therefore a major concern.

Community Value
Vrolike Vinkies is currently the only facility accommodating children with special needs in the Witzenberg area. Children from all areas have the opportunity to be exposed to early childhood development in a facility where vulnerable children are safe and protected.

Sustainability:
Department Social Development and Department Health will ensure the sustainability of the daily operations.

Legislation:
The extension of a lease agreement must be considered by Council.

Recommendation:

a) That Council consider the request for the renewal of the lease agreement and the erection of Nutech building in relation to the future plans for Die Eiland

For consideration.

DIRECTOR: COMMUNITY SERVICES
MS JO-ANN KRIEGER

WITZENBERG

DRAFT AIR QUALITY MANAGEMENT PLAN

(REVIEW 2019)

GLOSSARY OF ACRONYMS, TERMS AND UNITS

The following terms, abbreviations and acronyms have been used, or are referred to in this document.

AFIS	Advanced Fire Information System
AQM	Air Quality Management
AQMP	Air Quality Management Plan
AQO	Air Quality Officer
AQOF	Air Quality Officer's Forum
CE	Controlled Emitter
CH_4	Methane
CO	Carbon Monoxide
CO_2	Carbon Dioxide
CWDM	Cape Winelands District Municipality
DEFF	Department of Environment, Forestry and Fisheries
GHG	Greenhouse gas
GN	Government Notice
HAP	Hazardous Air Pollutant
HFO	Heavy Fuel Oil
HC	Hydrocarbons
IDP	Integrated Development Plan
NEM:AQA	National Environmental Management Air Quality Act, 39 of 2004
NO_2	Nitrogen Dioxide
NMVOC	Non-methane volatile organic compounds
NO_x	Oxides of nitrogen (NO_x = NO+ NO_2)
O_3	Ozone
Pb	Lead
PM	Particulate matter
PM_{10}	Particulate matter with a diameter less than 10 microns
$PM_{2.5}$	Particulate matter with a diameter less than 2.5 microns
SO_2	Sulphur Dioxide
$\mu g/m^3$	Micrograms per cubic meter
TSP	Total suspended particulates, all sizes of particles suspended within the air smaller than 100 µm.
VOC	Volatile organic compounds
WHO	World Health Organisation

CONTENT **PAGE**

1.	INTRODUCTION	5
2.	WITZENBERG MUNICIPALITY	5
3.	AIR QUALITY MANAGEMENT PLAN FOR WITZENBERG MUNICIPALITY	7
3.1	VISION	7
3.2	MISSION	7
3.3	GOALS	7
4.	CONTEXT OF THE WITZENBERG MUNICIPALITY	8
4.1	NATIONAL LEVEL	8
4.1.1	National Environmental Management: Air quality Act (39 of 2004)	8
4.1.2	National Framework for Air Quality Management in South Africa (2007, Revised 2012, 2017)	8
4.1.3	Regulation and / or Guidelines Gazetted under NEM: AQA	9
5	PROVINCIAL LEVEL	10
6	LOCAL LEVEL	10
7.	ATMOSPHERIC EMISSIONS	11
7.1	Industrial emissions	11
7.2	Motor vehicles	11
7.3	Residential fuel burning	12
7.4	Agricultural emissions	12
7.5	Biomass burning	12
7.6	Pesticide use	12
8.	AIR POLLUTANTS AND THEIR EFFECTS	13
8.1	Sulphur dioxide	13
8.2	Nitrogen dioxide	13
8.3	Carbon monoxide	14

8.4 Ozone 14

8.5 Lead 14

8.6 Particulate matter 14

8.7 Benzene 15

9. AIR QUALITY CONTROL IN WITZENBERG MUNICIPALITY 15

9.1 CAPACITY 15

9.2 ROLES AND RESPONSIBILITIES 15

9.3 IMPLEMENTATION PLAN 16

10 REVIEW 19

11 REFERENCES 19

1. INTRODUCTION

Section 15 (2) of the National Environmental Management: Air Quality Act, 39 of 2004, placed an obligation on Municipalities to developed Air Quality Management Plans (AQMPs) to manage air quality in their regions. Witzenberg Municipality's 1st Generation AQMP was developed and approved in 2014. This document serves as Witzenberg Municipality's 5 year review and update of the latter. This 2nd Generation Witzenberg Municipality AQMP is based on the above (2014) plan.

2. WITZENBERG MUNICIPALITY

Witzenberg is a category B-municipality – comprising of Ceres, Op-Die Berg, Tulbagh, Wolseley and Prince Alfred's Hamlet (Fig.1) – within the Cape Winelands District Municipality. Witzenberg is the smallest municipality with a population of 130548 in 2016. The municipality has steadfastly been improving access to basic services for all households through the implementation of sound governance and administrative practices. The administration is actively ensuring the optimum utilization of municipal resources, optimal and effective management of municipal finances and good governance.

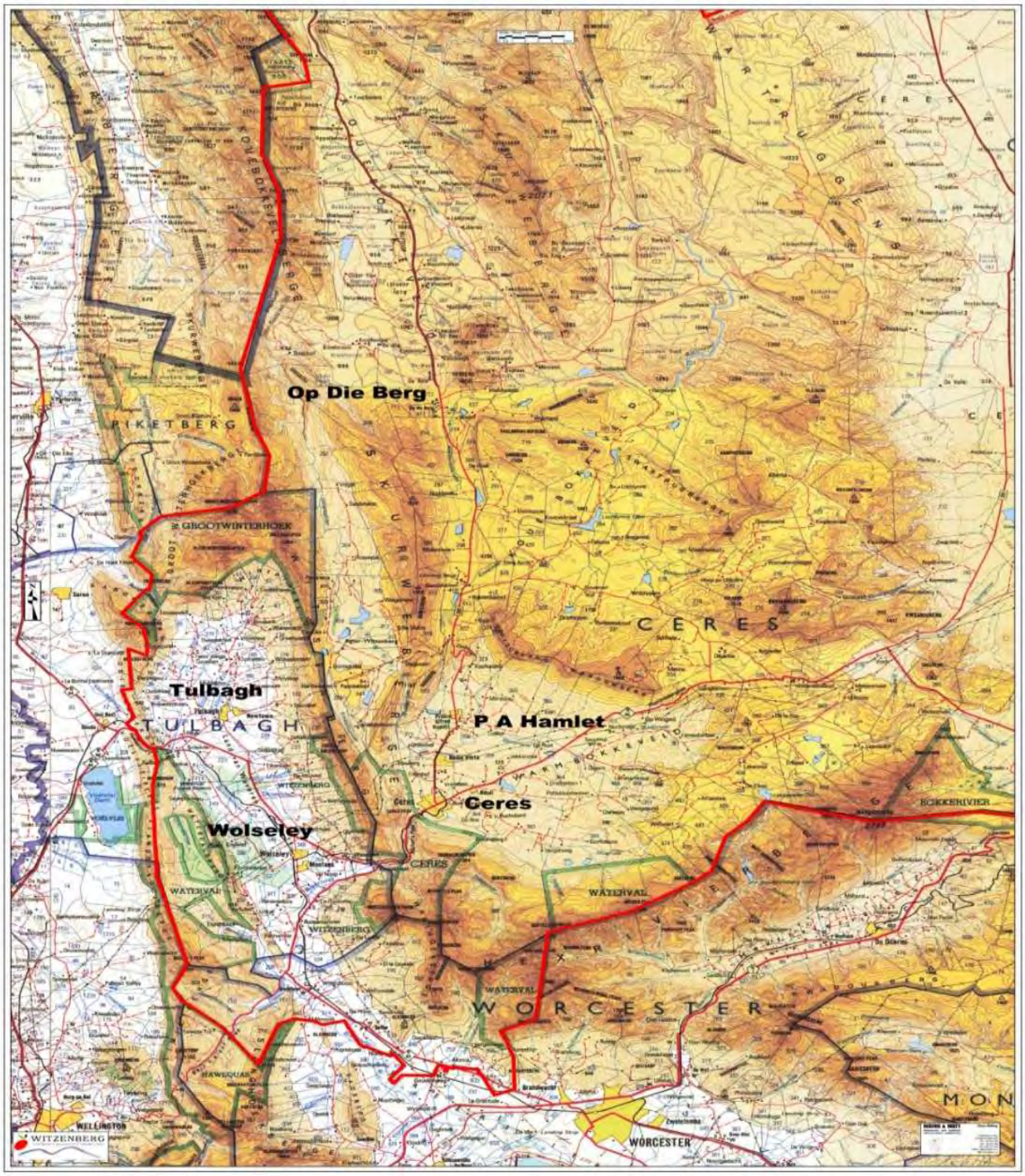

Op Die Berg
PIKETBERG
GROOTWINTERHOEK
CERES
Tulbagh
TULBAGH
P A Hamlet
Ceres
Wolseley
WATERVAL
WORCESTER
WITZENBERG

FIG. 1

3. AIR QUALITY MANAGEMENT PLAN FOR WITZENBERG MUNICIPALITY

3. 1 VISION

To be the local municipality with the cleanest air in the Cape Winelands District which will contribute to the well-being of all our communities.

3. 2 MISSION

To implement sustainable air quality management practices throughout the municipality to progressively achieve air quality goals.

3. 3 GOALS

Goal 1: **Air quality governance meets requirements to effectively implement the AQMP**

This goal addresses the regulatory framework and the institutional capacity required in the Municipality to carry out the air quality function. This links directly to the goal in AQMP for the Western Cape to 'Ensure effective and consistent air quality management' and the goal in the CWDM AQMP of 'Effective air quality management'.

Goal 2: **Reduce atmospheric emissions of harmful pollutants**

This goal aims to manage activities that impact on air quality to reduce the emissions of harmful pollutants and associated impacts on human health and well-being. This links directly to the Provincial AQMP goal to 'Ensure effective and consistent compliance monitoring and enforcement' and 'To ensure that health-based air quality standards are attained and continually met'. It also links to the CWDM AQMP goal of 'Effective air quality management' through an 'Emission reduction strategy'.

Goal 3: **Systems and tools are established to effectively implement the AQMP**

This goal refers to the systems and tools required for effective AQMP implementation, the cornerstone of which is an Air Quality Management System. The development of an AQMS, links directly to the Provincial AQMP goal 'To ensure effective and consistent air quality management' through the development of AQM systems. It also links to the CWDM AQMP goal to develop and AQMS. An AQMS is the fundamental unit towards the management of air quality in an area, incorporating the necessary technical elements that provide information on the status of air quality (D: EA&DP, 2010).

4. CONTEXT OF THE WITZENBERG MUNICIPALITY AQMP

The Witzenberg Municipality AQMP was prepared taking into consideration the national provincial and local context of air quality management. The various plans, frameworks and policies applicable are summarized below:

4. 1 NATIONAL LEVEL

4.1.1 National Environmental Management: Air Quality Act (39 of 2004)

The National Environmental Management: Air Quality Act, 39 of 2004 (NEM: AQA), is a Specific Environmental Management Act published under the National Environmental Management Act, 107 of 1998. It's purpose is to protect the environment by providing reasonable measures for the prevention of air pollution and to provide for national norms and standards regulating air quality monitoring, management and control by all spheres of government.

4.1.2 National Framework for Air Quality Management in South Africa (2007, Revised 2012, 2017)

In terms of Section 7 of NEM: AQA, the National Department of Environmental Affairs developed the National Frameworks for Air Quality Management to ensure the efficient and effective implementation of the NEM: AQA throughout the country. The purpose of the National Framework is to achieve the objectives of NEM: AQA. As such the National Framework provides a medium – to long-term plan of the practical implementation of NEM: AQA.

4.1.3 Regulations and / or Guidelines Gazetted under NEM: AQA

Table 1 contains the various regulations and guidelines published under NEM: AQA

Table 1: Gazetted Regulations and Guidelines

LEGISLATION	COMMENCEMENT DATE
National Ambient Air Quality Standards	24 December 2009 (GN 1210 of GG No.32816)
List of Activities which Result in Atmospheric Emissions which have or may have a Significant Detrimental Effect on the Environment, including Health, Social Conditions, Economic Conditions, Ecological Conditions or Cultural Heritage	01 April 2010 (GN 248 of GG No. 33064)
National Ambient Air Quality Standard for Particulate Matter with Aerodynamic Diameter less than 2.5 micron metres ($PM_{2.5}$)	29 June 2012 (GN 486 of GG No.35463)
National Dust Control Regulations	01 November 2013 (GN 827 of GG No.36974)
Declaration of a small boiler as a controlled emitter and establishment of emission standards	01 November 2013 (GN 831 of GG No.36973)
Regulations Prescribing the Format of the Atmospheric Impact Report	2 April 2015 (GN 747 of No R284)
Amendments to Regulations Prescribing the Format of the Atmospheric Impact Report	02 April 2015 (GN R284 of No. 38633)
National Atmospheric Emission Reporting Regulations	02 April 2015 (GN 283 of GG No. 38633)
Amendments to the List of Activities which Result in Atmospheric Emissions which have or may have a Significant Detrimental Effect on the Environment, including Health, Social Conditions, Economic Conditions, Ecological Conditions or Cultural Heritage	12 June 2015 (GN 551 of GG No. 38863)
Declaration of Small-scale Char And Small-scale Charcoal Plants as Controlled Emitters and Establishment of Emission Standards	18 September 2015 (GN 602 of GG No. 39220)
Regulations Prescribing the Atmospheric Emission Licence Processing Fee	11 March 2016 (GN 250 of GG No. 39805)
Air Quality Offsets Guideline	18 March 2016 (GN 333 of GG No. 39833)
Regulations for the Procedure and Criteria to be followed in the Determination of an Administrative Fine in terms of section 22 A of the Act	18 March 2016 (GN 332 of GG No 39833)

5. PROVINCIAL LEVEL

The 2nd Generation provincial AQMP, dated 2016, has been completed with a vision of “clean and healthy air for all in the Western Cape”. The goals, on the road of achieving this vision, as included in the above plan are:

Goal 1: Ensure effective and consistent air quality management

- Strengthen and build capacity in air quality management and compliance and enforcement
- Promote cooperation amongst all spheres of government, business, industry and civil society
- Develop institutional mechanisms to improve air quality and climate change response
- Develop, implement and maintain air quality management systems
- Ensure adequate funding for the implementation of air quality management by Municipalities

Goal 2: Continually engage with stakeholders to raise awareness with respect to air quality management and climate change response

- Develop comprehensive education and communication mechanisms, strategies and programmes with respect to air quality management and climate change response

Goal 3: Ensure effective and consistent compliance monitoring and enforcement improved air quality compliance monitoring and enforcement

- Promote continuous improvement in respect of industry air quality compliance
- Develop and implement air quality regulatory processes
- Improve air quality compliance monitoring and enforcement

Goal 4: Support air quality and climate change response programmes, including promoting and facilitating the reduction of greenhouse gas emissions

- Reduce ozone depleting substances and greenhouse gas emissions, in line with national and international requirements

6. LOCAL LEVEL

The Witzenberg Municipality 2nd Generation AQMP, will include the following goals:

Goal 1: Efficient Air Quality Management

- Ensure effective and consistent air quality management
- Develop, implement and maintain an air quality management system
- Establish an annual AQMP review system
- Establish an emission reduction strategy

Goal 2: Promote communication in relation to air quality management

- Establish an air quality forum in order to ensure proper communication between local and provincial government, business and industry as well as interested and effected parties

Goal 3: Compliance monitoring

- Establish a compliance monitoring system within the Witzenberg Municipality

Goal 4: Support climate change protection programs, including:

- Promoting and Facilitating the Reduction of Greenhouse Gas Emissions
- Reduce ozone depleting substances and greenhouse gas emissions, in line with national and international requirement

7. ATMOSPHERIC EMISSIONS

A complaints reporting register will be implemented. The register will entail all detail with regards to the complaint, date and time thereof, and the outcome.
The main categories of atmospheric emissions that occur in the Witzenberg Municipality are from the following sources:

7. 1 Industrial emissions

Atmospheric emissions from industrial processes are typically associated with the combustion of fuel for heat or steam generation. These fuels may be coal, wood, heavy fuel oil (HFO), diesel or gas. Ceres have 4 boilers (coal fired) 1 Boiler (HFO fired), which are declared Controlled Emitters. The boilers at the remaining facilities are regulated by Witzenberg Municipality as fuel burning appliances if they have a design capacity of less than 10 MW heat input (DEA,2012).

The pollutants that are emitted from fuel burning devices depend primarily on the fuel and could include SO_2, NOX, CO, particulates and VOCs. The quantity of pollutants emitted depends on the fuel consumption, the combustion device and the efficiency of installed air pollution abatement equipment.

7. 2 Motor vehicles

Air pollution from motor vehicles arise from the by-products of the combustion process (emitted via the exhaust system) and from evaporation of the fuel itself from the fuel tank. Particulate matter (PM) is also emitted from brake, tyre and road wear. Key pollutants that are emitted from motor vehicles are Nitrogen oxides (NO_x), carbon monoxide (CO), particulate matter (PM_{10}, $PM_{2.5}$), sulphur dioxide (SO_2), hydrocarbons (HC) (represented by NMVOC) and lead (Pb). Emissions of carbon dioxide (CO_2), a greenhouse gas (GHG), also occurs.

7. 3 Residential fuel burning

The majority of households in Witzenberg Municipality use electricity for cooking, heating and lighting purposes with some use of gas, paraffin, wood and other energy sources. As such, energy use in the Municipality is not strongly associated with air pollution as electricity, gas and paraffin are clean sources of energy. However, there are some households, particularly in the informal settlements that do not have access to electricity where wood, paraffin and alternative fuels are used. Wood burning is associated with several consequences for indoor and ambient air quality and for human health. Smoke resulting from incomplete combustion of wood contains many chemical substances that are harmful such as hazardous air pollutants (HAPs), fine particle pollution (ash), and volatile organic compounds (VOC).

7. 4 Agricultural emissions

Agricultural activities includes fruit-, vegetable-, olive-, and livestock farming.
Emissions from agricultural activities are most often associated with greenhouse gas emissions such as nitrous oxide (N_2O) from soil management and methane (CH_4) from livestock and livestock management. Vegetation and crop residue burning results in the emission of CO, NO_x and particulates. Pesticide usage is very often necessary to maintain agricultural productivity. The drift of spray and dust from pesticide applications can expose people, wildlife, and the environment to pesticide residues that can cause health and environmental effects.

7. 5 Biomass burning

Biomass burning is an important source of atmospheric emissions. Uncontrolled and controlled burning of natural vegetation, agricultural residue and waste are the main types of biomass burning that occur in the Municipality. Agricultural burning in the Municipality is a seasonal practice and is done under specific guidelines when a permit from the local Fire department is issued. Fires can emit large volumes of particulate matter, ranging from coarse smuts that deposit on surfaces and are a nuisance, to fine inhalable particulate matter (PM_{10}). Gases emitted include CO, NO_x and VOCs. Biomass burning emissions can be estimated using fire data or burnt area estimates and emission factors for the vegetation type. The Advanced Fire information System (AFIS) determines the size and location of active fires, which may be used as a proxy for area burnt. In turn, the area burnt and the location may be used to estimate the type and amount of vegetation burnt. Emissions of particulates and gases are estimated using emission factors.

7. 6 Pesticide use

Pesticides are categorised into four main substituent chemicals namely herbicides, fungicides, insecticides and bactericides. The three main forms of pesticides are liquids (usually mixed with water and then sprayed), solids (usually in the form of pastes, pellets, dust and powder and may be applied directly as solids) and gases.

Pesticide drift refers to the unintentional diffusion of pesticides and associated potential negative effects of pesticide application. It occurs when pesticides suspended in the air as particles are carried by wind to other areas, potentially contaminating them. The

airborne nature of spray drift from the application of pesticides implies an air quality issue. Spray drift is, however, not addressed in the NEMAQA. Pesticide use is regulated under the Fertilizer Farm Feeds Agriculture and Remedy's Act (36 of 1947), regulated and administrated by Department Agriculture, Forestry and Fisheries (DAFF). The statutory obligation in terms of the National Environmental Management Act, 107 of 1998, and the registration and prescription for the application of agrichemicals is legislated and administrated by DAFF.

8. AIR POLLUTANTS AND THEIR EFFECTS

8.1 Sulphur dioxide

The major source of SO_2 is the combustion of fossil fuels such coal, oil and diesel which contain sulphur. On inhalation, most SO_2 only penetrates as far as the nose and throat as it is readily soluble in the moist lining of the upper respiratory system, with minimal amounts reaching the lungs, unless the person is breathing heavily, breathing only through the mouth, or if the concentration of SO_2 is high. The acute response to SO_2 is rapid, within 10 minutes in people suffering from asthma (WHO, 2005). SO_2 reacts with cell moisture in the respiratory system to form sulphuric acid. This can lead to impaired cell function and effects such as coughing, bronco-constriction, exacerbation of asthma and reduced lung function. Effects such as a reduction in lung function, an increase in airway resistance, wheezing and shortness of breath, are enhanced by exercise that increases the volume of air inspired, as it allows SO_2 to penetrate further into the respiratory tract (WHO, 1999). SO_2 has the potential to form sulphurous acid or slowly form sulphuric acid in the atmosphere via oxidation by the hydroxyl radical. The sulphuric acid may then dissolve in water droplets and fall as precipitation.

8.2 Nitrogen dioxide

Nitrogen dioxide (NO_2) is formed simultaneously in combustion processes and other high temperature operations such as metallurgical furnaces, blast furnaces, and internal combustion engines. The route of exposure to NO_2 is inhalation and the seriousness of the effects depends more on the concentration than the length of exposure. The site of deposition for NO_2 is the distal lung, as NO_2 does not readily dissolve in the moist upper respiratory system, it reacts with moisture in the fluids of the lower respiratory tract to form nitrous and nitric acids (WHO, 1997). About 80 to 90% of inhaled nitrogen dioxide is absorbed through the lungs (CCINFO, 1998). NO2 present in the blood as the nitrite ion oxidises unsaturated membrane lipids and proteins, which results in the loss of cell permeability control. NO2 causes decrements in lung function, particularly increased airway resistance. People with chronic respiratory problems and people who work or exercise outside will be more at risk to NO2 exposure. In the atmosphere, NO2 reacts with water vapour to produce nitric acid. This acidic pollution can be transported over long distances by wind and deposited as acid rain, causing the acidification of soils, lakes, and streams, accelerated corrosion of buildings and monuments and damages paintwork. NO2 is also a major source of secondary fine particulate pollution which decreases visibility, and contributes to surface ozone formation through its reaction with VOCs in the presence of sunlight.

8.3 Carbon monoxide

Carbon monoxide (CO) is a product of the incomplete combustion of fossil fuels. It is predominantly formed in internal combustion engines of motor vehicles, but the combustion of any carbon-based material can release CO. Chemical reactions in the atmosphere may also lead to the formation of CO by the oxidation of other carbon-based gases such as methane. Decomposition of organic material within soils can also result in the release of CO. When inhaled, CO enters the blood stream by crossing the alveolar, capillary and placental membranes. In the bloodstream approximately 80-90% of absorbed CO binds with haemoglobin to form carboxyhaemoglobin. The haemoglobin affinity for CO is approximately 200-250 times higher than that of oxygen. Carboxy haemoglobin reduces the oxygen carrying capacity of the blood and reduces the release of oxygen from haemoglobin, which leads to tissue hypoxia. This may lead to neurological effects and sometimes severe neurological effects that may include impaired coordination, vision problems, reduced vigilance and cognitive ability, reduced manual dexterity, and difficulty in performing complex tasks (WHO, 1999).

8.4 Ozone

A colourless gas which carries a harsh odour, ozone occurs naturally in the lower stratosphere as the ozone layer. This layer protects the earth from shortwave ultraviolet radiation. Near the earth's surface, ozone is a secondary pollutant and a major constituent of photochemical smog. The formation of ozone is dependent on the availability of NOx, hydrocarbons and sunlight. Thus, ozone may not be related directly to any source. Rather it may be associated with the sources of its precursor gases (NOx and hydrocarbons). Ozone may also reach the lower troposphere from the stratosphere, mostly associated with deep frontal systems or with deep convective storms. O3 is a very reactive gas and a strong oxidant, associated with a number of health effects. These include respiratory system effects such as coughing, aggravation of asthma and reduced lung function

8.5 Lead

Lead (Pb) is a metal that occurs naturally in small amounts in the earth's crust. It is used in the production of some types of batteries, ammunition, metal products (such as solder and pipes) ceramic glazes and paint. Chemicals containing lead, such as tetraethyl lead and tetramethyl lead are used as gasoline additives. In the atmosphere, lead exists primarily in the particulate form and is removed from air by wet and dry deposition. Nearly all environmental exposure to lead is to inorganic compounds. Exposure to Pb may be through inhalation of contaminated air and ingestion of contaminated food, water and soil. Hand-mouth contact is the main route of exposure for children. Lead can accumulate in plants and animals. The half-life of lead in human blood (it affects haemoglobin synthesis in the blood) is 28 to 36 days, but lead accumulates in the bones and teeth where it can stay for decades and be released again. Children absorb more and excrete less of the absorbed lead than adults.

8.6 Particulate matter

Particulate matter is a broad term used to describe the fine particles found in the

atmosphere, including soil dust, dirt, soot, smoke, pollen, ash, aerosols and liquid droplets. The most distinguishing characteristic of PM is the particle size and the chemical composition. Particle size has the greatest influence on the behaviour of PM in the atmosphere with smaller particles tending to have longer residence times than larger ones. PM is categorised, according to particle size, into TSP, PM10 and PM2.5. Total suspended particulates (TSP) consist of all sizes of particles suspended within the air, smaller than 100 micrometres (µm). TSP is useful for understanding nuisance effects of PM, e.g. settling on houses, deposition on and discolouration of buildings, and reduction invisibility.PM10 describes all particulate matter in the atmosphere with a diameter equal to or less than 10 µm. PM2.5 describes all particulate matter in the atmosphere with a diameter equal or less than2.5 µm.

8.7 Benzene

Benzene is a natural component of crude oil, petrol, diesel and other liquid fuels and is emitted when these fuels are combusted. Diesel exhaust emissions therefore contain benzene. After exposure to benzene, several factors determine whether harmful health effects will occur, as well as the type and severity of such health effects.

9. AIR QUALITY CONTROL IN WITZENBERG MUNICIPALITY

9. 1 CAPACITY

In terms of NEMAQA local authorities must:

i) Designate a municipal Air Quality Officer (AQO) from its administration.

Ii) Develop an AQMP for inclusion in its Integrated Development Plan (IDP) in accordance with Chapter 5 of the Municipal Systems Act.

iii) Prepare an annual report including progress regarding the implementation of the AQMP and compliance with the plan. Since the adoption of the 1st Generation AQMP for Witzenberg Municipality the AQMP has been included in the IDP and an AQO has been appointed and designated. This official submits annual reports to the AQO at CWDM on progress with the implementation of the AQMP and compliance thereto. The draft Air Quality By-Law has been compiled.

9.2 ROLES AND RESPONSIBILITIES

Witzenberg Municipality has got defined air quality control responsibilities. The air quality management function in Witzenberg Municipality has been assigned to the Directorate: Community Services. Witzenberg Municipality's AQO works closely with that of the CWDM in the management of air quality in the area, reporting on the implementation of the AQMP, accompanying the CWDM on AEL compliance inspections and attending the quarterly provincial AQO forum.

The designated AQO is responsible for the functions listed below:

- Develop an AQMP for inclusion in the IDP
- Regulate non-listed fuel burning appliances
- Enforcing the Air Quality by-law
- Compilation of an emissions inventory

- Prepare an annual report

9.3 IMPLEMENTATION PLAN

Goal 1: Air quality governance meets requirements to effectively implement the AQMP		
Objective	Activities [Assessment / Status]	Timeframes
1. Sufficient capacity and competence exists to perform the Air Quality Management (AQM) function.	Identify capacity and competency needs.	Continuous
2.The AQMP included in the IDP.	Prepare AQ inputs for inclusion in the IDP.	Annually
3. To have a regulatory framework for the Municipality.	Air quality by-law (for approval by Council)	Short term
4. Strengthen internal relationships with regards to Air Quality Management.	Promote AQM across all sections in the Municipality, emphasising integration.	Long term
5.Intergovernmental relationship for AQM is defined and strengthened.	Define roles and responsibilities for AQM in the Municipality. Report annually. Air Quality should inform all development and planning decisions. Continual awareness created in the drafting of policy and assessment of applications for new development.	Ongoing
6.Address the effects of emissions from the use of fossil fuels in residential applications and industrial sources.	Awareness raising campaigns to be launched in informal housing settlements and new housing developments	Ongoing

Goal 2: Reduce atmospheric emissions of harmful pollutants		
Objective	Activities [Status / Timeframe]	Timeframes
1. Emissions from waste burning are reduced.	Introduce awareness programmes and public education of waste minimisation and recycling initiatives. Promote efficient service delivery in order to reduce waste burning.	Ongoing
	Enforcement of the by-law- once approved	
2. Emissions from agricultural burning are reduced.	Introduce awareness programmes on the effects of agricultural burning on air quality. [To be undertaken in partnership with the local Fire Department]	Ongoing
3. Spray-drift is reduced.	Encourage optimal application methods for safe and sustainable pesticide use.	Ongoing

Goal 3: Systems and tools are established to effectively implement the AQMP

Objective	Activities	Timeframes
1. An Air Quality Management System for Witzenberg Municipality.	Develop a comprehensive emissions inventory. Sources of emissions to be captured on the municipal GIS]	Ongoing
	Acquire monitoring equipment, identify sites and install equipment [Equipment acquired as requirements are identified]	
	Establish complaints register for air quality and advise stakeholders on complaints recording and follow-up. [Complaints register continually improved, maintained and reported on]	Ongoing
	Develop an integrated information system for air quality data including emissions, ambient data and complaints.	
	Prepare annual report on progress with AQMP implementation and state of air quality including emissions and ambient data and complaints.	Annually
	Develop procedure to register fuel burning appliances.	
2. Stakeholders participation in Air Quality Management.	Report annually to the forum on AQ status and progress with AQMP implementation.	Annually

10. REVIEW

This plan is reviewed on a 5 year basis to determine the success of the AQMP implementation, shortcomings and strengths evident in implementation. This provides the opportunity to adjust the AQMP or parts of the AQMP if the desired outcome is not being achieved. Annual reviews are also conducted as part of reporting submitted to the CWDM AQO as required in terms of Section 17 of the NEMAQA.

11. REFERENCE

NATIONAL ENVIRONMENTAL MANAGEMENT: AIR QUALITY ACT, 2004 (ACT NO. 39 OF 2004)

DEA (2008): Manual for Air Quality Management Planning, Department of Environmental Affairs.

DEA (2009): National Ambient Air Quality Standards, Government Gazette, 32861, Vol.1210, 24 December 2009.

CWDM (2018): Cape Winelands District Municipality Air Quality Management Plan, www.capewinelands.gov.za

DEA (2016): Western Cape, Air Quality Management Plan 2016

8.3.1 Allocation of land for informal traders
(17/18/1)

The following items refer:

(a) Item 6.6 of the meeting of the Committee for Local Economic Development and Tourism, held on 21 September 2017, refers.

(b) Item 7.3.1 of the Executive Mayoral Committee meeting, held on 1 December 2017.

A memorandum from the Director: Community Services, dated 1 September 2017, is attached as annexure **8.3.1**.

The Committee for Local Economic Development and Tourism resolved on 20 September 2017 to recommend to the Executive Mayor and Mayoral Committee and Council:

(a) that Council takes notice of the status quo report on Informal Traders.

(b) that Council approves that the area situated at Voortrekker Street, Ceres, erf 1055, adjacent to the Traffic Department, be earmarked for the operation of small businesses.

(c) that the type of facilities for the upgrading and the new site be further investigated and an item be tabled to Council for consideration.

(d) that Council grants approval that the vacant municipal building, situated on erf 372 / 175, Stasieweg, Prince Alfred's Hamlet be utilised as an economic hub.

The following recommendation was tabled to the Executive Mayoral Committee:

That the Executive Mayoral Committee recommends to Council:

(a) that Council takes notice of the status quo report on Informal Traders.

(b) that Council approves that the area situated at Voortrekker Street, Ceres, erf 1055, adjacent to the Traffic Department, be earmarked for the operation of small businesses.

(c) that the type of facilities for the upgrading and the new site be further investigated and an item be tabled to Council for consideration.

(d) that Council grants approval that the vacant municipal building, situated on erf 372 / 175, Stasieweg, Prince Alfred's Hamlet be utilised as an economic hub.

The Executive Mayoral Committee unanimously resolved on 1 December 2017:

That the Executive Mayoral Committee recommends to Council:

(a) that Council takes notice of the status quo report on Informal Traders.

(b) that the type of facilities for the upgrading and the new site be further investigated and an item be tabled to Council for consideration.

(c) that Council grants approval that the vacant municipal building, situated on erf 372 / 175, Stasieweg, Prince Alfred's Hamlet be utilised as an economic hub.

(d) that the matter in respect of the area situated at Voortrekker Street, Ceres, erf 1055, adjacent to the Traffic Department, be held in abeyance.

RESOLVED

(a) that Council takes notice of the status quo report on Informal Traders.

(b) that the type of facilities for the upgrading and the new site be further investigated and an item be tabled to Council for consideration.

(c) that Council grants approval that the vacant municipal building, situated on erf 372 / 175, Stasieweg, Prince Alfred's Hamlet be utilised as an economic hub.

(d) that the matter in respect of the area situated at Voortrekker Street, Ceres, erf 1055, adjacent to the Traffic Department, be held in abeyance.

TO: Municipal Manager
FROM: Director: Community Services
DATE: 1 September 2017

ALLOCATION OF LAND FOR INFORMAL TRADERS

In terms of the prescribed requirements of legislation, local government have to create a climate for economic development to support iniatives that create jobs.

1. PURPOSE:

To give a status quo report to Council regarding the Informal Traders across the municipal area and to obtain Council's approval for making the land adjacent to the Traffic Centre available for the upgrading of Informal Traders and the vandalised building in PA Hamlet as an economic hub. In addition to obtains Council's approval for the type of facilities for Informal traders.

2. BACKGROUND

The upgrading of Informal Trading facilities derives from the requests from Councillors over the past decade as well as the outcomes of the Small Town Regeneration programme that was launched in December 2015. The Small Town Regeneration programme is an initiative to meet socio-economic challenges in the various communities of the town. A participatory approach is utilised where community members, business, civic organisations identify, implement and take ownership of identified projects in their town. The Municipality only play a facilitation and administrative role, in association with SALGA (South-African Local Government Agency).

Four goals were identified, namely Economic Growth, Social cohesion, Education and Governance.

The first goal is to promote Economic Growth through the development of Dignified and accessible trading facilities and the upgrading of and Informal trader infrastructure.

Informal trading is currently regulated under the Bylaw regarding Informal trading (PK 5923 from 16 August 2002). The declared/approved demarcated trading areas is found in PK 5978 of 31 January 2003. The municipal bylaws is currently in review.

In Witzenberg area the following Informal traders is operating:

	NAME	PHYSICAL ADDRESS	TRADING AREA	CATEGORY	FEE
1.	M Van Huffel	Station 6, PA Hamlet	Undercover stand 44, Pretorius Street, Ceres	Manufacturing	R275
2.	N Sampi	Buckingham Crescent 44, Ceres	Undercover stand 52, Pretoriusstreet, Ceres	Manufacturing & Commercial	R275
3.	M Tizora	Flat 7, Voortrekker Street, Ceres	Undercover stand 35, Pretorius Street, Ceres	Manufacturing & Commercial	R275
4.	R Meyer	Trichardt Street 31, Ceres	Open stand 59, Munnik Street, Ceres	Manufacturing & Commercial	R680
5.	L Williams	77 Main Road, Pniel	Undercover stands 2 & 3, Pretorius Street, Ceres	Manufacturing & Commercial	R550
6.	AO Abdi	Fiesta Flats 6, Ceres	Undercover stand 31, Ceres	Manufacturing	R275

7.	HO Hassan	Fiesta Flats 6, Ceres	Undercover stand 32, Ceres	Manufacturing & Commercial	R275
8.	GE Kirya	Fiesta Flats 7, Ceres	Open stand 15, Op-Die-Berg	Manufacturing & Commercial	R680
9.	O Nhembe	Geelhout Street 69, Bella Vista	Undercover stand 14, Pretorius Street, Ceres	Manufacturing	R275
10.	S Tizora	Flat no7, Voortrekker Street, Ceres	Undercover stand 5, Pretorius Street, Ceres	Manufacturing & Commercial	R275
11.	MP Matiea Nyombane	Gilli Avenue 11, N'duli	Undercover stand 8, Pretorius Street, Ceres	Manufacturing & Commercial	R275
12.	L Chigwedere	Lyell Street 45, Ceres	Undercover stand 10&36, Pretorius Street, Ceres	Manufacturing & Commercial	R550
13.	P Van Wyk	Eufees Street 15, Wolseley	Open stand 2, Voortrekker Street, Wolseley	Manufacturing & Commercial	R680
14.	RW Davids	Tulp Street 58, Bella Vista	Undercover stand 21&22, Pretorius Street, Ceres	Commercial	R550
15.	D Pietersen	Lotus Street 9, Ceres	Undercover stand 38&39, Ceres	Commercial	R550
16.	AO Mahamed	Fiesta flats 2, Ceres	Undercover stand 30, Ceres	Manufacturing	R275
17.	SA Stuurman	Zenzelestreet C92, N'duli	Undercover stand 01, N'duli taxirank	Commercial & Agriculture	R1100
18.	MD Jonana	Zenzele Street 647, N'duli	Undercover stand 05, N'duli Taxirank	Commercial	R1 100
19.	M Mahlatsi	Slovo Street 35, N'duli	Open stand, Vina sentrum, Ceres	Commercial & Agriculture	R680
20.	M Lesua	Thando Street 7216, N'duli	Undercover stand 2, N'duli taxirank, Ceres	Commercial & Agriculture	R1 100
21.	E Davids	Duiker Road 318, Bella Vista	Open stand 1, Fabriek Street, Ceres	Agriculture	R680
22.	G Fredericks	Kwikkie Street 2, Wolseley	Open stand 9, Voortrekker Street, Ceres	Agriculture	R680
23.	C Ford	Naude Street 3, Ceres	Undercover stand 41, Pretorius Street, Ceres	Manufacturing & Commercial	R275
24.	C Willemse	Paradys Street 22, Wolseley	Open stand 52, Munnik Street, Ceres	Manufacturing	R680
25.	ME Marais	Tall Timber Avenue 19, Ceres	Open stand 2, Fabriek Street, Ceres	Manufacturing & Commercial	R680
26.	J Smith	Tweede Avenue 22, Grassy Park	Open stand 55, Munnik Street, Ceres	Manufacturing & Commercial	R680
27.	ED Fortuin	Melkweg Street 224, Ceres	Undercover stand 04, Pretorius Street, Ceres	Manufacturing	R275
39.	N Khalif	Kort Street 6, Wolseley	Undercover stand 27, Pretorius Street, Ceres	Manufacturing	R275
40.	M Ntshwaxu	Zibonele Avenue 43, N'duli	Undercover stand 18, Pretorius Street, Ceres	Manufacturing	R275
41.	M Molibeli	C210 Eluxolweni Street, N'duli	Undercover stand 07, Voortrekker Street, Ceres	Commercial	R1 100

42.	NL Bityene	Zimasa Street 8, N'duli	Undercover stand 03, Voortrekker Street, Ceres	Agriculture	R1 100
43.	M Johannes	38 Waboom Avenue, PA Hamlet	Undercover stand 12, Pretorius Street, Ceres	Manufacturing	R275
44.	LJ Klazen	Dahlia Street 8, Wolseley	Undercover stand 53, Pretorius Street, Ceres	Manufacturing	R275
45.	P Klazen	Dahlia Street 8, Wolseley	Undercover stand 54, Pretorius Street, Ceres	Manufacturing	R275
46.	MA Farah	Fiesta flats 3, Ceres	Undercover stand 53, Pretoriusstreet, Ceres	Manufacturing	R275
47.	S Molibeli	Slovo Street 35, N'duli	Undercover stand 07, Voortrekker Street, Ceres	Manufacturing	R1 100
48.	A Qolo	C160 Eluxolweni Street, N'duli	Undercover stand 14, Fabriek Street, Ceres	Agriculture	R680
49.	D Ngwane	Phakamiso Street, N'duli	Undercover stand 04, Voortrekker Street, N'duli	Agriculture	R680
50.	S Gning	6 Swartbooi Street, Bella Vista	Open stand 36, Vina Sentrum, Fabriek Street, Ceres	Agriculture	R680
51.	G Karriem	69 Tracey road, Colorado Park, Mitchells Plein	Open stand 70 & 71, Ceres Spar	Agriculture	R1 360

Challenges of informal traders

- Homeless people causes a lot of public nuisance (befoul/misuse area as a toilet; use abusive/threatening language) at the undercover stands.
- During rainy days the selling items/products gets wet at the undercover stands.
- Fees increase each year but the informal areas does not upgrade.
- Roaming hawkers don't pay a tariff
- Illegal hawkers that are not from the Witzenberg must be fined
- There is a need for more hawker areas in the main road of Ceres.
- Existing hawker stands are too small and must be upgraded to larger areas.
- There is a need for permanent hawker stands that can be locked in the main road of Ceres.
- Ablution facilities must be managed properly.
- There is a need for hawker stands in the main road of PA Hamlet.

Establishment of committee

An Informal Traders Committee has been established on 8 August 2017 and is as follows:

- Adam Vergotine is designated as the committee member for the Ceres Spar hawkers.
- Rhowan Vergotine & Margaret Tizora is designated as the committee members at the undercover stands at Pretorius Street.
- Day Ngwane & MD Jonana is designated as the committee members at the undercover N'duli Taxirank stands.
- MA Farah is designated as committee member at the stands in Munnik & Orange Street.
- M Mahlatsi is designated at the open stands at Ackermans.
- Dave May, Leeward Chigwedere & Catherine Geldenhuys is designated as committee members for the hawkers at private business owner's premises.

Ten committee members serves on the committee.

3. DELIBERATIONS:

3.1 CERES TOWN

3.1.1 NDULI TAXI RANK IN VOORTREKKER STREET CERES: Erf 1052 Voortrekkerstreet, Ceres

The Taxi rank currently has 8 approved demarcated undercover stands. These areas are annually leased by the same permit holders. There is a great demand from local entrepreneurs for more stands at the abovementioned area. Twenty-one more stands have been earmarked for additional permit holders. Seven of these identified will be paved stands. Ablution facilities on the area consist of 4 female and 3 male toilets.

MAP	PHYSICAL STRUCTURE

3.1.2 PRETORIUS STREET: Shoprite under-roof stands, Erf 2425 Vosstreet, Ceres

The existing stands amount to 58. Currently 40 are occupied and 18 are still available to permit holders. Ablution facilities are onsite available: 3 female and 4 male toilets.

MAP	PHYSICAL STRUCTURE
Voortrekker St Pretorius St Voss St Pretorius St Pretorius St Pretorius

EXISTING HAWKER STANDS : <u>NDULI TAXI RANK IN VOORTREKKER STREET CERES &</u> PRETORIUS STREET: Shoprite under-roof stands

The Informal traders request for the upgrading of the existing stands through close up facilities and the extension of stands.

3.1.3 BASSON TRENCH IN CILLIERS STREET CERES

The Basson trench area was identified and has the potential to accommodate 35 stands.

MAP	PHYSICAL STRUCTURE

3.1.4 ERF 1055 VOORTREKKER STREET (ADJACENT TO TRAFFIC DEPARTMENT)

Erf 1055 is vacant and owned by Council. The site however has also been earmarked for development as a Community facility and informal trading area.

MAP	AREA

CERES INFORMAL TRADING AREAS

Cnr of Voortrekker & Orange Street

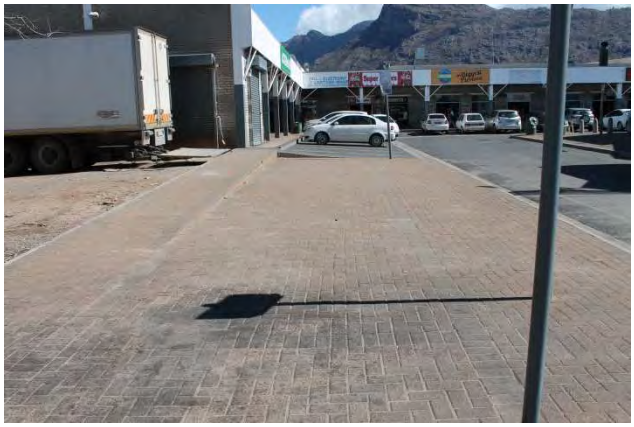
Nine hawker stands exist on this area. Six stands are occupied by informal traders. There are sufficient ablution facilities on site, consisting of 4 female and 3 male toilets.

Behind Ackermans, Fabriek Street

Fifteen hawker stands exist on site. Six stands are occupied by informal traders. Ablution facilities are on site available, consisting of 3 female and 2 male toilets.

Vina Centre, Cnr of Fabriek & Voortrekker Street

Seven hawker stands are on site. Three stands are occupied by informal traders. Ablution facilities are onsite, consisting of 3 female and 2 male toilets.



Cnr of Voortrekker and Owen Street (Ceres Spar & Post Office)

Eighteen hawker stands are available on site. Currently three stands are occupied by informal traders. The only ablution facilities on site are at Ceres Spar.

3.1.4 (i) TYPE OF FACILITIES FOR BASSON TRENCH IN CILLIERS STREET CERES VOORTREKKER STREET ADJACENT TO TRAFFIC:

On 25 January 2013 a site visit was done at Overstrand Municipality to visit the economic hubs in the areas of Gansbaai, Stanford, Hawston and Hermanus.

GANSBAAI

Masakhane Taxi Rank: Gansbaai

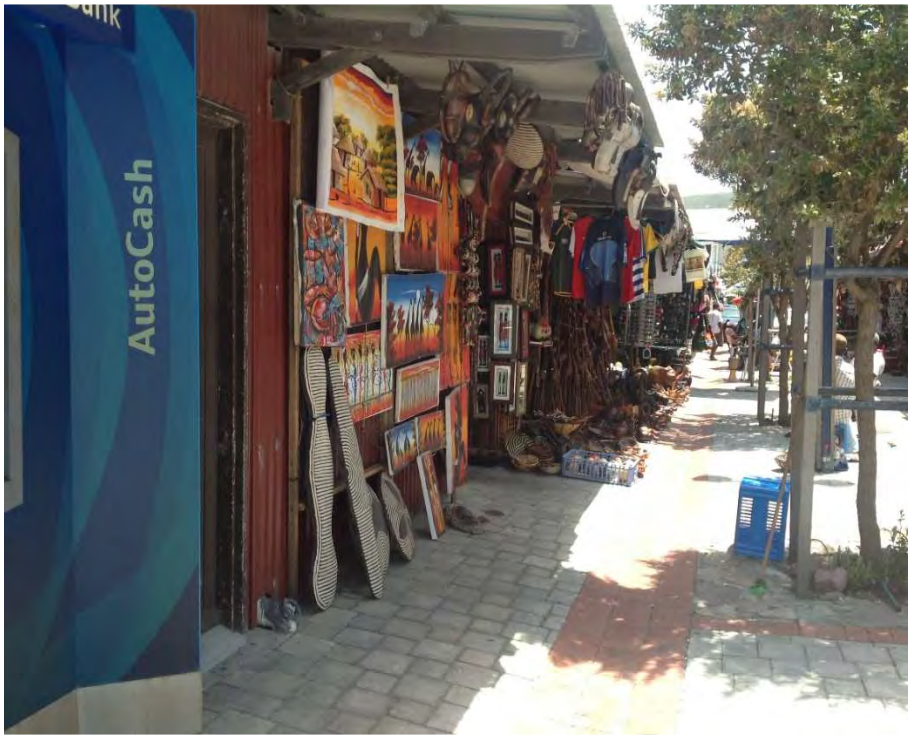
- 6m X 2.5m second hand freight containers - R 18 000
- insolade containers fit windows, doors and service hatches - R 7 000
- errect timber frame and shade cloth canopy over container - R 5 000
- electricity; 1 plug + 1 light (Excl pay meter) - R 2 500

STANFORD & HAWSTON

Hawston Taxi Rank: Market stalls: R 110 000

STANFORD – INFORMAL TRADERS

HERMANUS CBD



ZWELIHLE, HERMANUS

Zwelihle Taxi Rank: Double market stalls structures (with two services hatches and opposite sides and 110 mm brick screen divider) - R61 000 per structure.

ZWELIHLE, HERMANUS

3.2 PRINCE ALFRED HAMLET INFORMAL TRADING AREAS

3.2.1 Voortrekker Street, PA Hamlet

Twelve (12) demarcated stands are available in PA Hamlet. All the stands are still available for lease by the public. The stands must still be numbered. There are sufficient ablution facilities on the site, consisting of 4 female and 3 male toilets.

3.2.2 First Avenue, Kliprug

Twenty-six (26) hawker stands exists on this area. The stands are not demarcated or numbered due to the establishment of the new play park on the same site. There is no interest from the public to do business on this specific area (up to date no applications for hawker stands was received). Since the ceasing of the SASSA pay point, interest faded.

3.2.3 P.A HAMLET VACANT MUNICIPAL BUILDING: ERF: 372/175, STASIE WEG

BUILDING STRUCTURE & HISTRORICAL BACKGROUND

SURROUNDING: The building is situated left of the R310 in P.A Hamlet. The date of erection of the building is unknown aswell as the use of it. It was apperently only used as a garage units.

Outside walls are a 280mm brick wall that consists of 110mm clay brick and 110 goldbrown face brick.

The walls are rounded of with plaster both in and outside with a cement floor.

Iron windows size 1,146 x 0,62m is build into each unit with glas sizes (460 x 300mm).

The roof consists of 50 x 75mm roof pulins with corrigated roof sheets with no ceiling.

REMARKS AND RECOMMENDATIONS:

Wall:

No serious cracks in the walls.

Face brick on the corners on the north side has been taken out but can be replaced.

Grafitti is on the walls but can be cleaned with spirit of salts.

Roof purlins at the entrance must be removed and replaced with lintels (110 x 150mm).

Inside walls must be replaced with new plaster.

2 x iron window frames were removed and must it be replaced.

Glass in window (460 x 300 mm) must be replaced with putty.

Roof component

The roof must be replaced with new roof purlins and new corrigated roof sheets .

Facia boards, gutters and down pipes must be replaces

CONCLUSION:

The structure can be reused and thus a complete building plan is required to assess whether it will comply with the National Building Regulation (Reg. 103 of 1977) & Sans 10400.

3.3 TULBAGH INFORMAL TRADING AREAS

3.3.1 Market and Piet Retief Street

There are twenty-nine demarcated hawker stands in Market- and Piet Retief Street. No ablution facilities are available. No applications have been received and all these stands are still available. Hawkers prefer to do business in the main road of Tulbagh because of visibility.

3.3.2 Witzenville, Karee Street

Currently twenty-one demarcated hawker stands are onsite. No ablution facilities are available. There is no interest from the public to do business on this specific area (up to date no applications for hawker stands was received). Since the ceasing of the SASSA pay point, interest faded.

3.4 WOLSELEY INFORMAL TRADERS

3.4.1 Voortrekker Street

Twelve existing stands are currently onsite. The only ablution facility is at the municipal office (closed during weekends). The marking and numbering of the stands must still be done after the upgrading of the tarred area.

3.4.2 Church Street

Twenty-six (26) existing stands are onsite. The closest ablution facilities are at the municipal swimming pool and the library. Until now did not show interest in obtaining any stands.

3.5 OP-DIE-BERG INFORMAL TRADERS

3.5.1 De Keur Street

Currently fifteen (15) stands are onsite. The nearest ablution facilities are about 80m away, which is the municipal public ablution facility. Only two stands are currently occupied. This area needs to be upgraded.

4. INPUT FROM DEPARTMENT TECHNICAL SERVICES:

4.1 Town planning
In principle no objection provided that ship containers not be used for stall structures on Erf 1055.

4.2 Water & Sewerage Services:
None.

4.3 Roads & Storm water:
None.

4.4 Electricity:
None.

4.5 General comments on Infrastructure / Municipal Services

Witzenberg Municipality will be responsible for the maintenance of the immovable property (Stands/Economic hubs). The cost of basic services will be the responsibility of the lessee.

Water

Existing Municipal water connection points will be needed, which will supply water to the stalls and ablution facilities as required. The exact extent of the water supply will be established and confirmed, in collaboration with the Municipality, during the design stages.

Sewerage (Ablution Facilities)

Fully waterborne communal ablution facilities will be needed with hand-basins. No shower facilities will be available in the ablution facilities.

Parking, Walkways and storm water

The areas identified to be paved are the parking areas and possibly the walkways (depending on the facility option chosen for the development).

Fencing

Perimeter fencing will increase the level of security of the proposed facilities, minimizing the chances of the facilities being vandalised. It also creates a better controlled environment, minimizing theft and other associated crimes.

Maintenance

Witzenberg Municipality will be responsible for the overall maintenance of all immovable properties on this specific site.

5. LEGAL REQUIREMENTS:

Informal traders have to be regulated in terms of the bylaws approved by Council.
The legal department will deal with all legal issues and lease agreements including renting fees.

6. FINANCIAL IMPLICATIONS:

Funding for upgrading of Informal traders infra structure will be source from possible government departments and funders.

7. COMMUNITY VALUE:

The initiative gives small businesses the opportunity to create jobs and contribute to the economic growth of the area.

8. SUSTAINABILITY:

To sustain the viability of the project each entrepreneur will sign a lease agreement with the Witzenberg Municipality.

This will only be after the proposal has been approved.

To ensure the sustainability of the businesses each entrepreneur will be introduced to various business skills training and workshops.

8.1 Stakeholder Involvement

The Informal Trader Committee and all stakeholders from Government, private sector, businesses and the community which is part of the Small Town Regeneration Committee will be engaged in this economic development initiative.

8.2 Access to finance

Funding proposals will be presented to the following stakeholders.

- Provincial Government
- National Government
- International Partners
- Local business
- Loan funding will be a last option.

8.3 Improvement / Impact assessment

Improvement assessments will be done on a monthly basis to determine if the Informal Trader Infrastructure development had a positive impact on the following.

1. Business income
2. Profit
3. Cost
4. Employment creation

9. RECOMMENDATION:

That Council take notice of the status quo report on Informal Traders.

That Council approved that the following areas be earmarked for the operation of Small Businesses

- *Voortrekkers street (Adjacent to Traffic Department)- Erf 1055*

That the type of facilities for the upgraded and new sites be further investigated and an item be brought to Council for approval.

That Council approve the vandalised PA Hamlet building as an Economic hub.

JS KRIEGER
DIRECTOR: COMMUNITY SERVICES

David Nasson

From: Trevor Abrahams
Sent: Tuesday, 19 November 2019 9:54 AM
To: David Nasson
Subject: Vergadering met Smouse van Tulbagh op 6 Nov. 2019

Beste MM.
Hiermee my notes uit bg.vergadering.

TEENWORDIG
Les Wee
John William's
Odwa Zendhan
William Adam's
Katrina Januarie
W. Tabane
David Frederick's
Nic Ontong
Jan Maans
Stephan Nyanga

INSETTE DEUR AFVAARDIGING

WILLIAM ADAMS
Kla oor die huidige staanplekke wat min besigheid lewer agv SASSA wat direk in begunstigdes se rekeninge betaal word.
Kla ook oor Law enforcement
Vra dat hulle in van der Stelstraat geakkomodeer word

JAN MAANS
Verkoop droee vis
Kla oor Wettoepassers
Plaaswerkers is sy kliente en hulle kom nie daar waar die staanplekke is nie
Naby Spar is vir hom die beste verkoopspunt
Noem dat daar genoegspasie op die oostekaant van van der Stel straat is omdat die sy paadjie breed is

WISEMAN
Kla ook oor wetstoepassing
Kla ook oor die boetes wat hy ontvang het
Hy staan tans voor die kerk met sy produkte

DIE ANDER PERSONE SE INSETTE REFLEKTEER DIESELFDE KLAGTES EN VERSOEKE.

BESLUITE
1. T. ABRAHAMS sal met MM vergader om die groep se insette oor te dra
2. Die lede van Tulbagh SMME forum sal met Rhodes vergader asook ander besighede in Van Der Stel straat om hul behoeftes te kommunikeer
3. Die groep versoek dat T. Abraham's die MM versoek om na die By- law te kyk en hulle toelaat om in V.D Stel straat besigheid te doen.

MM EK WAS SATERDAG 16 NOVEMBER 2019 IN TULBAGH OM MYSELF TE VERGEWIS RAKENDE DIE SMOUS HANDEL DAAR . EK HET VAN DIE PERSONE WIE DIE VERGADERING MET MY BYGEWOON HET SIEN BESIGHEID DOEN IN VD STEL STRAAT EN ALLES HET RUSTIG EN ORDELIK VOORGEKOM.

DIE Uwe
T. Abrahams

Sent from Samsung tablet.

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

M E M O R A N D U M

AAN / TO: MAYCO & COUNCIL

VAN / FROM: ACTING SOCIO-ECONOMIC DEVELOPMENT MANAGER

DATUM / DATE: 2 MARCH 2020

VERW. / REF.: 17/18/1

ALLOCATION OF LAND FOR INFORMAL TRADERS

PURPOSE

To investigate and consider the allocation of a more viable trading space for informal traders in Tulbagh, as per Committee for Local Economic Development and Tourism resolution minutes on 20 November 2019 17/18/1 (attached).

BACKGROUND AND DELIBERATION

Informal Traders in Tulbagh requested that they be allowed to do business in town, due to most of their customers being farmworkers from surrounding towns.

It was requested in the minutes of the Committee for Local Economic Development and Tourism (20 November 2019)
, that a site inspection of the area in front of the Öu Sendingkerk" in Van der Stel Street be conducted for the purpose of informal trading.

Please see below inputs from Acting Manager: Socio-Economic Development, Manager: Town Planning & Building Control and Manager: Streets and Storm water.

INPUTS:

1. **Socio-Economic Development**
   - A site visit was conducted in February 2020
   - The area in front of the "Ou Sending Kerk" is approximately 5 meter wide.
   - During the majority of the farmworkers' paydays, people tend to stand in rows close to the nearby ATM's, making the area highly viable for informal traders
   - It must be mentioned that Tulbagh has a big tourism sector and that cognisance must be taken that the "Old Sendingkerk" is also a tourist attraction. Therefore the entrance of the "Old Sendingkerk" must be accessible for tourists to visit. To this extent, input may be obtained from the Local Tourism Association in Tulbagh.
   - See photos of the above mentioned area:

Standard Bank

The current trade area

The current trade area allocated to the informal traders that is the closest to the Central Business District area is located adjacent to the Tulbagh Municipal offices, in front of Tulbagh High School (both in Market Street) and at the back of a parking bay of a business centre (corner Market & Piet Retief Street).

The trade spaces adjacent to the Municipal Offices is located on the sidewalk, but has a downward slope, making it difficult for the traders to trade in these demarcated spaces. The trade space in front of Tulbagh High School is taking away parking space for the school and positioned is on a storm water lid. This area does not seem to be a viable economic space for the informal traders. The space at the back of the parking bay also does not seem to attract the informal traders preferred clientele either. Please see below photos taken of the current trading spaces closest to the CBD area.

2. <u>INPUTS FROM: TOWN PLANNING& BUILDING CONTROL</u>

- No objection

3. <u>INOUTS FROM STREETS AND STORMWATER</u>

- No objection, subjected to the marked areas for the traders next to the garden area be marked in order to ensure free access for pedestrians adjacent to the Ervin border.

<u>RECOMMENDATIONS:</u>

- For MAYCO & Council to consider demarcating a trading space for informal trading in the area of the "Old Sendingkerk" to informal traders in Tulbagh.

TRIM

WITZENBERG

MUNISIPALITEIT UMASIPALA MUNICIPALITY

- MEMORANDUM -

AAN / TO : Municipal Manager (MM)

VAN / FROM : Manager Amenities and Environment

DATUM / DATE : 24 October 2019

VERW. / REF 17/9/2

WITZENBERG MUNICIPALITY: INVASIVE SPECIES MONITORING, CONTROL AND ERADICATION PLANS FOR PRINCE ALFRED HAMLET AND OP DIE BERG

Purpose:

To inform Council that Aurecon Pty (Ltd) completed the Invasive Alien Species Monitoring, Control and Eradication plans for Op die Berg and Prince Alfred Hamlet and to request an opportunity for Aurecon Pty Ltd to workshop the **final** draft plans with Council.

Background and deliberation:

In terms of the National Environmental Management: Biodiversity Act 10 of 2004 (NEMBA) each organ of state is responsible for preparing an Invasive Alien Species Monitoring, Control and Eradication (IASMC&E) plan within their area of jurisdiction and for controlling listed invasive species on municipal owned land

Aurecon Pty (Ltd) developed the Strategy and Plans for Ceres Nature Reserve and the Wolseley Commonage in 2017.

Aurecon Pty (Ltd) submitted the **final** draft Plans of the Prince Alfred Hamlet and Op die Berg Commonage for Council's approval. The mentioned was also submitted to the Department of Environmental Affairs for their approval in terms of Section 76(2) and 73(2) of NEMBA.

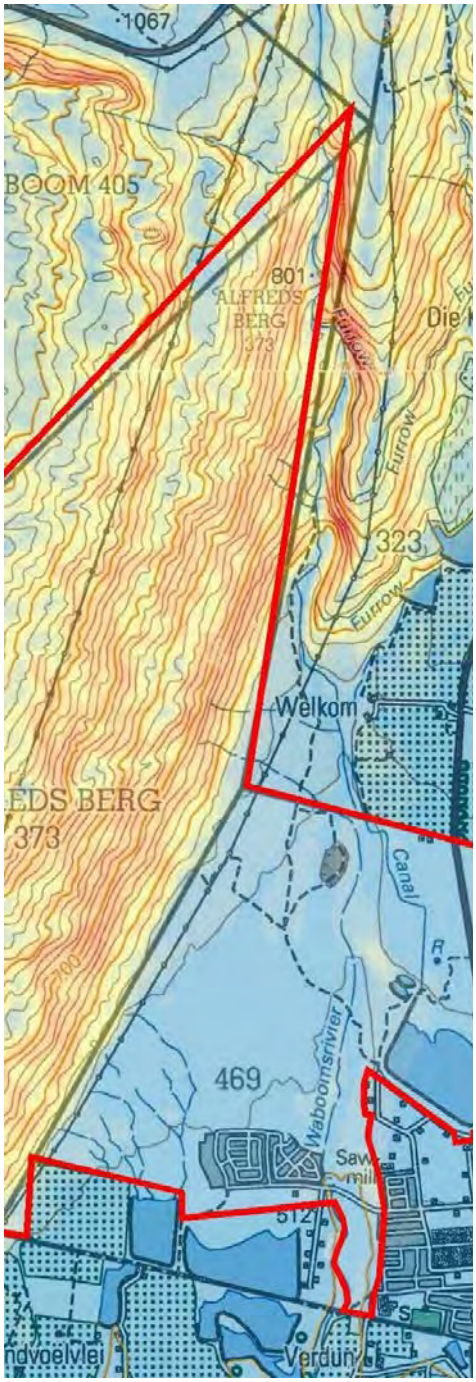
Recommendation:

That Aurecon Pty Ltd be invited to the next council meeting to workshop the plans and for the plans to be approved by Council.

H TRUTER
Manager Amenities and Environment

David Nasson
Municipal Manager

MUNICIPALITY WITZENBERG 28 OCT 2019 MUNISIPALITEIT



CAPENSIS

aurecon

WITZENBERG
Municipality • Munisipaliteit • U Masipala Wase

Invasive Species Monitoring, Control & Eradication Plan: Prince Alfred Hamlet

Witzenberg Local Municipality

10 September 2019
Revision: 0
Reference: 506014

Document control record

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Rev	**Date**	**Revision details/status**	**Author**	**Approver**
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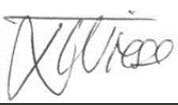
Current revision		**0**		

Approval			
Author signature		Approver signature	
Name	Franci Gresse	Name	Jeanne-Louise Wiese
Title	Senior Consultant	Title	Senior Consultant

Invasive Species Monitoring, Control & Eradication Plan

Date 10 September 2019
Reference 506014
Revision 0

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Contents

Invasive Species Monitoring, Control & Eradication Plan 3

1 Context 1

1.1 Introduction 1

1.1.1 Focus on Listed Invasive Alien Plant Species 1

1.1.2 Strategic Alignment 2

1.2 Legislative Framework 2

1.2.1 Alien and Invasive Species Regulations GN. R No. 10244 3

1.2.2 NEM:BA Alien and Invasive Species Lists - 29 July 2016 4

1.3 Approach 4

1.3.1 Appointment of a IAP Advisor 4

1.3.2 Stakeholder Engagement 5

1.3.3 Methodology 5

1.3.4 Limitations 6

2 Overview of Prince Alfred Hamlet 7

2.1 Description of site 7

2.2 Key Vulnerabilities to Invasion 10

2.2.1 Invasion pathways and vectors 10

2.2.2 Impacts 10

2.3 Management History 12

2.3.1 Efficacy of Previous Control & Eradication Methods 12

2.3.2 Potential Partnerships 12

3 IAP Management Units 15

3.1 Management Units 15

3.2 Management Objectives 16

3.2.1 Implement 17

3.2.2 Collaborate 18

3.2.3 Prevent 19

3.2.4 Detect 20

3.2.5 Rapid Response 21

3.2.7 Restore and Rehabilitate 22

3.2.9 Monitor 23

3.3 Listed IAPs Present 24

3.3.1 Distribution per management unit 27

3.4 Prioritisation of Management Units 37

3.5 Systematic clearing programme 39

3.5.1 Develop a sustainable approach to clearing 39

3.5.2 Determine what management units to target 40

3.5.3 Determine where to start 41
3.5.4 Develop a schedule 60
3.5.5 Determine a suitable method 60
4 Responsibilities & Reporting Requirements 62
4.1 Overall Structure 62
4.2 IAS Task Team 63
4.2.1 Purpose 63
4.2.2 Responsibilities 63
4.2.3 Structure 63
4.3 Working Group 63
4.3.1 Purpose 63
4.3.2 Responsibilities 63
4.3.3 Structure 64
4.4 Implementation Agencies 64
4.4.1 Purpose 64
4.4.2 Responsibilities 64
4.4.3 Structure 64
5 Monitoring & Evaluation 65
References 66

Annexures

Annexure A: Maps

Annexure B: Control Methods for Aquatic Species

Figures

Figure 1: Map indicating the locality of Prince Alfred Hamlet in the context of the Witzenberg Local Municipality, Western Cape 1
Figure 2: Map showing the conservation management objectives identified in terms of the 2017 Western Cape Biodiversity Spatial Plan 8
Figure 3: Map indicating the Management Units for the Prince Alfred Hamlet control area 15
Figure 4: High cover of Canary pine (*Pinus canariensis*) in PAH-47. This species resprouts if burned or cut down without treatment 27
Figure 5: A map indicating the assigned priorities to each of the management units 38
Figure 6: Organizational model to manage roles and responsibilities in the WLM in terms of invasive species control 62

Tables

Table 1: Categories of Listed Invasive Species as described in GN. R 10244, Chapter 2 3
Table 2: Description of the Prince Alfred Hamlet site 7
Table 3: A summary of the occurrence of Listed IAP species in the Prince Alfred Hamlet control area 24
Table 4: Listed IAP infestations noted, recorded, or reported for Prince Alfred Hamlet, their approximate age category and their estimated percentage cover 28
Table 5: Prioritization of Management Units 37
Table 6: Identified invasive plants occurring in management units of Prince Alfred Hamlet 42
Table 7: Monitoring measures for assessing success of the ISMC&E Plan 65

Glossary of Terms

"Alien species" as defined in National Environmental Management: Biodiversity Act, No. 10 of 2004 refers to:

(a) *A species that is not an indigenous species; or*
(b) *An indigenous species translocated, or intended to be translocated, to a place that is outside its natural distribution range in nature, but not an indigenous species that has extended its natural distribution range by natural means of migration or dispersal without human intervention.*

"Biodiversity" as defined in the National Environmental Management: Biodiversity Act, No. 10 of 2004 refers to the variability among living organisms from all sources including terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part, and also includes diversity within species, between species, and of ecosystems.

"Biological control" as defined in Regulations (GNR No. 10244) pursuant to the National Environmental Management: Biodiversity Act, No. 10 of 2004 means the use of specimens of one species for the purpose of preying on, parasitising on, damaging, killing, supressing or controlling a specimen of another species.

"Competent Authority" as defined in the National Environmental Management: Biodiversity Act, No. 10 of 2004 in relation to the control of an alien or invasive species means:

(a) *The Minister*
(b) *An Organ of State in the national, provincial or local sphere of government designated by regulation as a competent authority for the control of an alien species or a listed invasive species in terms of* NEM:BA.

"Containment" as defined by the National Strategy for Dealing with Biological Invasions in South Africa (DEA, National Strategy for dealing with Biological Invasions in South Africa, 2014) refers to actions taken with the aim of reducing the spread of invasive species, e.g. by preventing incursions into new areas, and extirpating any species that are found outside a defined area or beyond a defined line.

"Control" as defined in the National Environmental Management: Biodiversity Act, No. 10 of 2004 means:

(a) *To combat or eradicate an alien or invasive species; or*
(b) *Where such eradication is not possible, to prevent, as far as may be practicable, the recurrence, re-establishment, re-growth, multiplication, propagation, regeneration or spreading of an alien or invasive species*

"Eradication" as defined by the National Strategy for Dealing with Biological Invasions in South Africa (DEA, National Strategy for dealing with Biological Invasions in South Africa, 2014) refers to the removal of an entire population of an alien species within a designated management unit where re-colonization is unlikely to occur.

"Indigenous species" as defined in the National Environmental Management: Biodiversity Act, No. 10 of 2004 refers to a species that occurs, or historically occurred, naturally in a free state in nature within the borders of the Republic, but excludes a species that has been introduced to the republic as a result of human activity.

"Invasive species" as defined in the National Environmental Management: Biodiversity Act, No. 10 of 2004 refers to any species whose establishment and spread outside of its natural distribution range:

(a) Threatens ecosystems, habitats or other species or has demonstrable potential to threaten ecosystems, habitats or other species; and

(b) May result in economic or environmental harm or harm to human health.

"Invasive Species Monitoring, Control and Eradication Plan" as defined in Regulations (GNR No. 10244) pursuant to the National Environmental Management: Biodiversity Act, No. 10 of 2004 refers to a plan contemplated in Section 76 of the Act and in Regulation 8.

Abbreviations & Acronyms

"IAP"	Invasive Alien Plant
"IAS"	Invasive Alien Species
"CAPE"	Cape Action for People and the Environment
"DEA"	National Department of Environmental Affairs
"ISMC&E"	Invasive Species Monitoring, Control and Eradication
"NEMA"	National Environmental Management Act, No. 107 of 1998
"NEM:BA"	National Environmental Management: Biodiversity Act, No. 10 of 2004
''PAH''	Prince Alfred Hamlet
"SANBI"	South African National Biodiversity Institute
"SMART"	Specific, Measurable, Assignable, Realistic and Time-bound
"WLM"	Witzenberg Local Municipality

Executive Summary

This Invasive Species Monitoring, Control and Eradication (ISMC&E) Plan applies to approximately 1,067 ha of land at Prince Alfred Hamlet that falls under the jurisdiction of the Witzenberg Local Municipality (WLM).

The ISMC&E Plan has been compiled in accordance with the requirements of regulations and lists pursuant to the National Environmental Management: Biodiversity Act, No. 10 of 2004 (NEMBA), and as required in terms of the Guidelines for Species Listed as Invasive (DEA, 2015). The ISMC&E Plan for Prince Alfred Hamlet has also been aligned with the Invasive Alien Species Strategy: Towards 2035 prepared for the WLM (Aurecon, 2017), and is an important tool in implementing the strategic mission such that the strategic vision can be realised. The vision describes the WLM in 2035 where the efforts to control invasive species in priority areas are underway. The mission is to achieve coordinated and sustainable interventions in priority areas that are supported by the community, to actively challenge all stages of invasion in these areas, and to fulfil the WLMs legal mandate in managing invasive species on land under its control. The ISMC&E Plan provides objectives, goals and actions for the next 10 years and needs to be reviewed every five years.

The presence of invasive alien fauna or other organisms in the Prince Alfred Hamlet area have not as yet been recorded as problematic. This ISMC&E Plan is therefore focussed on invasive alien plants, specifically on those that are listed in national legislation and occur within or pose a threat to the WLM. The ISMC&E Plan can be updated to include for fauna and other organisms if ever required.

The document is structured as follows:

- *Chapter 1 - Context:* This chapter provides an introduction to the context and purpose of the ISMC&E Plan, the legislative framework within which the document has been compiled, and the approach taken to realise the ISMC&E Plan.
- *Chapter 2 - Overview of Prince Alfred Hamlet:* This chapter provides an overview of Prince Alfred Hamlet, information on the key vulnerabilities to invasion, including the invasion pathways and vectors, and the invasive plant management history and efforts.
- *Chapter 3 - IAP Management Units for Prince Alfred Hamlet:* This chapter provides the management units and management objectives for invasive plant species in Prince Alfred Hamlet, the listed plant species that have been reported or recorded as problematic, the prioritisation of the management units and the process required to develop a systematic clearing process.
- *Chapter 4 – Responsibilities and Reporting Requirements:* This chapter describes the responsibilities and reporting requirements necessary to implement the ISMC&E Plan.
- *Chapter 5 – Monitoring & Evaluation:* This chapter describes the targets for monitoring and evaluation.

1 Context

1.1 Introduction

Aurecon South Africa (Pty) Ltd (Aurecon) has been appointed by the Witzenberg Local Municipality (WLM) to prepare an Invasive Species Monitoring, Control and Eradication (ISMC&E) Plan for Prince Alfred Hamlet, as required in terms of national South African legislation. A major contributor to this study is Capensis Ecological Consulting (Pty) (Capensis) for matters pertaining to invasive plant species.

The survey area surrounds the town of Prince Alfred Hamlet which is under the jurisdiction of the WLM, located in the Cape Winelands District of the Western Cape and includes the following three areas:

- part of the Skurweberge mountain range;
- the Prince Alfred Hamlet commonage; and
- the Prince Alfred Hamlet landfill site.

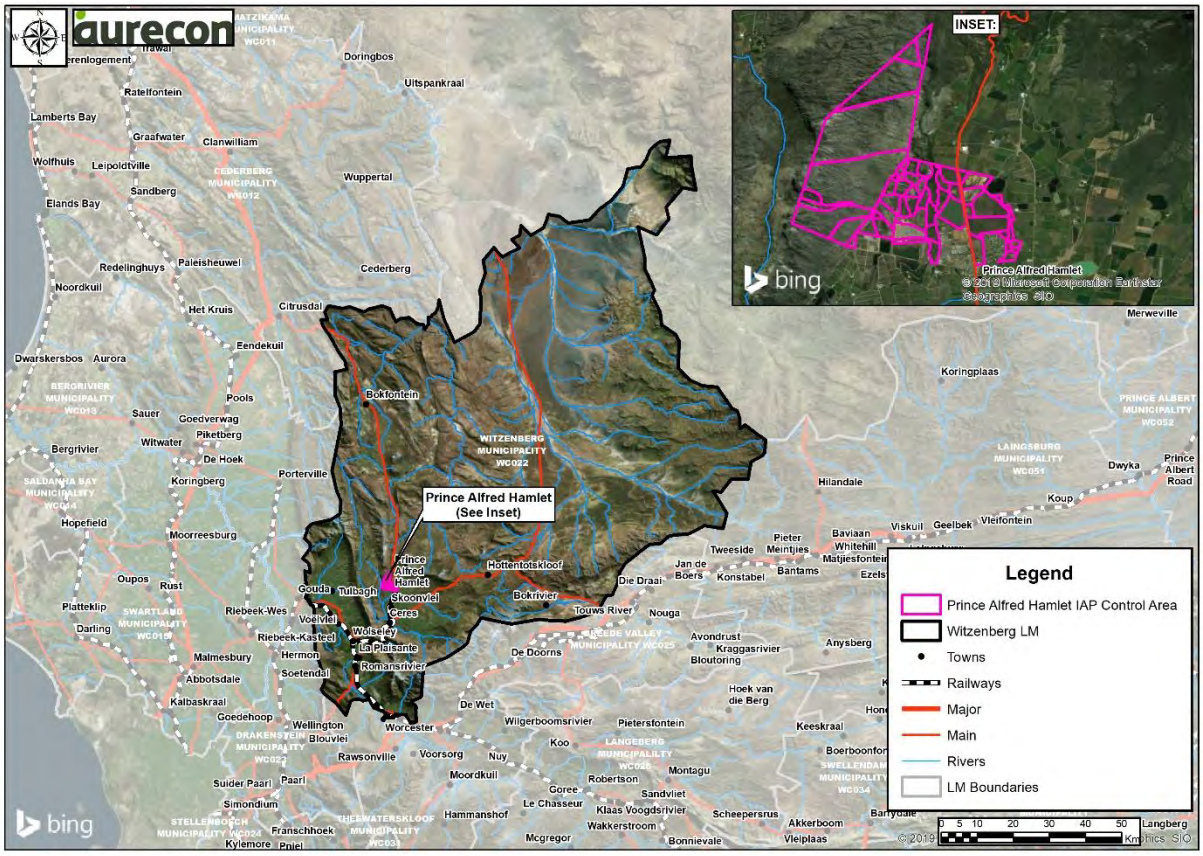


Figure 1: Map indicating the locality of Prince Alfred Hamlet in the context of the Witzenberg Local Municipality, Western Cape (an A3 version of this figure is provided as an Annexure to this report for better legibility)

1.1.1 Focus on Listed Invasive Alien Plant Species

National South African legislation has recognised and listed more than 550 alien species that are considered invasive species in this country and are required to be eradicated, controlled or permitted, depending on their categorisation. An **alien species** is one that is not an indigenous species and is considered an **invasive species** when it has spread outside of its natural distribution range to the extent

that it threatens, or has the potential to threaten, ecosystems, habitats or other species. This threat may result in economic or environmental harm, or harm to human health (NEM:BA, 2004).

Invasive alien species (IAS) include the whole spectrum of life forms: micro-organisms (microscopic algae, free-living protozoans, virus, bacteria, fungus, yeasts, etc.); all levels of plant groups (marine, freshwater and terrestrial); invertebrates (terrestrial and aquatic molluscs; arthropods including marine and freshwater crustaceans, spiders; insect pests and disease vectors); and vertebrates (fish, amphibians; reptiles; birds; and mammals) (Emerton & Howard, 2008).

Invasions within terrestrial systems have received the most attention to date, a bias that arises from the general perception that these have the greatest ecological and economic consequences (CAPE, 2009). Natural and important processes such as nutrient cycles, hydrological cycles, fire frequency and intensity, erosion and sedimentation cycles and purification processes are interrupted or negatively altered by rampant alien plant species.

Invasive species that have been identified as problematic in Prince Alfred Hamlet are predominantly terrestrial plant species. The presence of invasive alien fauna or other organisms in Prince Alfred Hamlet have not as yet been recorded as problematic.[1]

This ISMC&E Plan is therefore focussed on invasive alien plants (hereafter referred to as ***invasive alien plants*** (IAPs), specifically on those that are listed in national legislation and occur within or pose a threat to the WLM. The ISMC&E Plan can be updated to include for fauna and other organisms if ever required.

1.1.2 Strategic Alignment

The ISMC&E Plan for Prince Alfred Hamlet has been aligned with the Invasive Alien Species Strategy: Towards 2035 prepared for the WLM (Aurecon, 2017), and is an important tool in implementing the strategic mission such that the strategic vision can be realised. The vision describes the WLM in 2035 where the efforts to control invasive species in priority areas are underway. The mission is to achieve coordinated and sustainable interventions in priority areas that are supported by the community, to actively challenge all stages of invasion in these areas, and to fulfil the WLMs legal mandate in managing invasive species on land under its control. The ISMC&E Plan provides objectives, goals and actions for the next 10 years (2020 – 2030), as this allows the WLM sufficient time to mobilise and implement the plan.

1.2 Legislative Framework

The National Environmental Management: Biodiversity Act, No. 10 of 2004 (NEM:BA) aims to provide for the management and conservation of South Africa's biodiversity, the protection of species and ecosystems that warrant national protection, the sustainable use and equitable sharing of indigenous biological resources, and the establishment and function of a South African National Biodiversity Institute (SANBI).

Chapter 5 of NEM:BA pertains to species and organisms posing potential threats to biodiversity and is intended to prevent the unauthorised introduction and spread of invasive species, to manage and control invasive species, to eradicate invasive species from ecosystems and habitats where they are causing harm, and to regulate environmental assessments pertaining to permits.

[1] According to the 2011 State of Rivers Report: Rivers of the Breede Water Management Area, alien fish species such as sharptooth catfish and smallmouth bass occurs in the Upper Breede River and its tributaries and are considered problematic. No literature was however found on the occurrence of these species in the Waboomsrivier.

- Chapter 5, Part 2, Section 76(2)(a) of NEM:BA requires that all organs of state in all spheres of government prepare an Invasive Species Monitoring, Control & Eradication (ISMC&E) Plan for land under their control.
- Chapter 5, Part 2, Section 76(2)(b) of NEM:BA requires that this ISMC&E Plan form part of the municipality's Integrated Development Plan (IDP).

The Act (NEM:BA) together with its Regulations, Lists and Guidelines described in subsequent sections of this document, address the absence of South African legislation focussing on the management of biological invasions.

1.2.1 Alien and Invasive Species Regulations GN. R No. 10244

On 1 August 2014, the Alien and Invasive Species Regulations (GN. R No. 10244) pursuant to NEM:BA were promulgated and came into effect on the 1 October 2014. Chapter 2 of the regulations provide categories of Listed Invasive Species namely, Category 1a, Category 1b, Category 2 and Category 3 and describes the responsibilities of the person in control of such species (Table 1).

Table 1: Categories of Listed Invasive Species as described in GN. R 10244, Chapter 2

Category	Description	Requirement
Category 1a	Species that are anticipated to be a potential threat and, as such, must be **combatted or eradicated**.	A person in control of a Category 1a species must: ■ Notify the competent authority of the species. ■ Take steps to control or eradicate such species. ■ Take steps to prevent or minimise harm to biodiversity. ■ Permit an authorised official to enter land to monitor, assist with, or implement the combatting or eradication measures. ■ Control species as per an invasive species management programme (if developed).
Category 1b	Established species that are a threat and must be prevented from spreading and as such must be **controlled**.	A person in control of a Category 1b species must: ■ control such species – by means of methods that are appropriate; – in a manner that causes the least possible harm to biodiversity; and – in a manner that prevents reestablishment, and prevents the species from producing offspring, forming seed, regenerating or regrowing ■ Permit an authorised official to enter land to monitor, assist with, or implement the combatting or eradication measures. ■ Control species as per an invasive species management programme (if developed).
Category 2	Species that require a **permit** for **restricted activities** within specified areas.	No person may carry put a restricted activity in respect of a Category 2 species without a permit, and must: ■ Ensure that specimens of the species do not spread outside of the specified area or the land over which they have control (specific exemptions may apply). ■ Control species as per an invasive species management programme (if developed).
Category 3	Species which are subject to **exemptions** and **prohibitions.**	■ Plants identified as Category 3 must be considered as Category 1b species if they occur within a riparian area and must be managed accordingly. ■ A person must control such species as per an invasive species management programme (if developed).

In terms of Chapter 4 of the Regulations, management authorities of protected areas, and organs of state must prepare ISMC&E Plans and must submit these to the Minister for approval within one year of the publication of guidelines for the development of such plans. Guidelines were published on the 30 September 2015 by the Department of Environmental Affairs (DEA, 2015).

1.2.2 NEM:BA Alien and Invasive Species Lists - 29 July 2016

In terms of the NEM:BA Regulations, an updated set of Invasive Species Lists were published on 29 July 2016. This legislation came into effect on the 1 October 2016 and replaced all earlier Invasive Species Lists. The Alien and Invasive Species Lists comprise four notices, the latter two have relevance for ISMC&E Plans:

- **Notice 3:** Provides the *National Lists of Invasive Species*. The List categorises a total of 559 alien species as invasive, (of which 379 are terrestrial and freshwater plant species).
- **Notice 4:** Provides the *Prohibited Alien Species* List. The List categorises a total of 560 species as prohibited (species that may not occur in South Africa) (of which 238 are terrestrial and freshwater plant species).

1.3 Approach

Aurecon was appointed by the WLM to compile the ISMC&E Plan for Prince Alfred Hamlet. A number of key activities were required to achieve the plan, including:

- The appointment of a IAP Advisor.
- A stakeholder engagement exercise.
- A combination of methodologies to delineate the management units, determine the status quo, the nature and extent of the IAP problem, and the prioritisation of management units including a desktop review, stakeholder consultation, aerial and satellite imagery scrutiny, and field reconnaissance of priority areas with extensive ground-truthing.

1.3.1 Appointment of a IAP Advisor

Mr Paul Emms of Capensis Ecological Consulting (Pty) (Capensis) was appointed by Aurecon as the IAP Advisor for matters pertaining to invasive plant species and is a major contributor to this Plan.

1.3.1.1 Tasks

The following tasks were undertaken by the IAP Advisor toward the development of the ISMC&E Plan for Prince Alfred Hamlet:

1. Assign and map management unit compartments that are appropriate for the budget abilities of the WLM.
2. Compile a list of Invasive Species for each management unit:
    a. Describe parts of the land that are infested with listed species, as well as an indication of the extent of the infestations; and
    b. Report on the efficacy of previous control measures.
3. Prioritize the management units.
4. Provide current measures to manage listed species.
5. Provide measurable indicators of progress and success.

The task included a field reconnaissance of the priority areas which took place on 28 May, 29 May, 4 June 5 June and 12 June.

1.3.2 Stakeholder Engagement

1.3.2.1 Stakeholders

The following key stakeholders were identified with the WLM and contacted for information on historical and current IAP control projects taking place in the Prince Alfred Hamlet area:

- Breede-Gouritz Catchment Management Agency
- Ceres Business Initiative
- Department of Agriculture, Forestry and Fisheries: LandCare
- Department of Environmental Affairs
- Eskom
- Freshwater Research Centre
- Witzenberg Local Municipality (Fire and Disaster Management and Planning and Projects)
- Wolseley Water Users Association
- World Wildlife Foundation

1.3.3 Methodology

The approach to the study was undertaken in accordance with the *Guidelines for Monitoring, Control, & Eradication Plans* (DEA, 2015). The following methods were used:

1 *Management unit delineation:*
Management units were delineated with Google Earth aerial imagery, using features such as slope categories and habitat types (riparian, river, terrestrial). The management unit boundaries are defined by elements such as topography and geology (e.g. sandstone distinguished from shale bands). Prominent watercourses are separated from terrestrial areas as far as possible. Roads and property boundaries were also used to define the unit boundaries. Definable and practical land parcels were assigned, considering that management units will be cleared systematically and require practical and realistically-sized management units.

2 *Invasive species list and infestation status quo:*
This required a combination of methods:

a. No information datasets relating to the invasive species distribution was available. The Wolseley Water User Association was however forthcoming in providing information on historical clearing activities in the area. Local knowledge was thus gathered pertaining to known areas of infestation (see Section 1.3.2).
b. Mapping was performed using a combination of field reconnaissance and desktop verification. The field reconnaissance involved extensive ground-truthing of all areas except the mountainous areas where accessibility was difficult. However, several pre-determined points on the mountain were accessed on foot whereby samples of infestation levels could be determined, and further estimations could be made via desktop analysis.
c. Google Earth satellite imagery available from 2019 was found to be of sufficient resolution to verify the percentage cover estimations for each IAP species. A printed aerial image, with the overlaid management units, was used to assign percentage cover estimation in the field. The percentage cover estimations were checked via desktop after the field estimations were made.

d. In order to ascertain the extent of cover by each of the Listed Invasive Plant Species in a management unit, the percentage of land that is invaded by the species was approximated as recommended by the Guidelines (DEA, 2015).
   - For larger tree species, it is recommended that an estimate be given for the percentage canopy cover by each species on the land under their control in the management unit compartments.
   - For herbaceous species, an estimate should merely be made of the percentage of land invaded by each species on the land under their control in the management unit compartments.

3 *Management unit prioritisation:*
The species distribution maps were used to categorize the management units according to areas of Low, Medium and High Priority as described in Section 3.4.

1.3.4 Limitations

It is important to note the key limitations of the study:

1 Due to the extensive area of the Prince Alfred Hamlet Commonage and the mountainous area to the west of the commonage (1,067 ha), the mapping exercise relies on a combination of estimations and assumptions regarding the levels of IAP cover. The PAH Commonage and landfill was surveyed more extensively than the mountainous area, but accurate estimations were still difficult given the complexities of the site and species composition. The IAP percentage cover estimations were thus achieved using a combination of field and desktop analysis. Due to the difficulty in accessing the rugged mountainous area only a few sample points could be made. Parts of the mountainous area were accessed on foot (for the south and north sides respectively) but due to the extremely rugged terrain it was difficult to cover great distances. The cover estimations were nonetheless obtained with a high level of confidence.

2 The estimations of pine tree cover at a desktop level was difficult since these were often present as scattered populations over extensive areas, specifically the mountainous area. Furthermore, cover estimations from satellite imagery was hampered by various limiting factors such as shadow casting (off rocks and steep south-facing mountains), cloud cover and the presence of indigenous species with similar appearance to pine. Large indigenous species such as *Protea laurifolia, Maytenus oleoides* and *Protea nitida* may be confused with pine species from an aerial perspective.

3 Google Earth satellite imagery available from 2019 was found to be of sufficient resolution to verify the percentage cover estimations for each IAP species. This method is however not error proof since certain plant groups such as pines cannot be determined to species level from aerial imagery.

2 Overview of Prince Alfred Hamlet

2.1 Description of site

The survey area encompasses 1,067 ha of land surrounding the town of Prince Alfred Hamlet as described in Table 2 below.

Table 2: Description of the Prince Alfred Hamlet site

Category	Mountainous	Commonage	Landfill
General:	A section of the surveyed area includes part of the Skurweberge mountain range (also referred to as Alfreds Berg), which is extremely rugged with moderate to steep slopes.	The Prince Alfred Hamlet commonage consists of open, generally flat, undeveloped land with the Waboomsrivier crossing through the property. The commonage is bordered by Alfreds Berg in the west and the R303 in the east. An informal settlement is located at the southern site boundary. The commonage extends south of the landfill site and includes both intact vegetation and heavily disturbed land to the south and east side.	The Prince Alfred Hamlet landfill site is located north of the town.
Land use:	The mountainous area is very rugged and managed for its ecological value.	The commonage is informally used for grazing, as a landfill site, sand mining and wood gathering. An Eskom servitude also crosses the site.	Domestic waste disposal (including garden waste).
Vegetation:	This area is covered with Winterhoek Sandstone Fynbos which is listed as Least Threatened (Government Gazette, 2011).	Vegetation belongs to the Ceres Shale Renosterveld type and is listed as Vulnerable (Government Gazette, 2011).	Remaining vegetation belongs to the Ceres Shale Renosterveld type and is highly disturbed. (Note that intact vegetation does occur at the site boundary).
Conservation management:	The portion located between the Skurweberg and the Waboomsrivier comprises a mosaic of disturbed habitats characterized by terrestrial and wetland zones. According to the 2017 Western Cape Biodiversity Spatial Plan (CapeNature, 2017), the entire Prince Alfred Hamlet control area is considered a category 1 Ecological Support Area (ESA 1). ESA 1 areas are generally in a natural/ near-natural or moderately degraded condition and play an important role in supporting the function		

Category	Mountainous	Commonage	Landfill
	of protected areas and/or Critical Biodiversity Areas, as well as the provision of ecosystem services. Note that the Skurweberg properties are located within a protected area, namely the Winterhoek Mountain Catchment Area. Furthermore, the site has been identified as a Strategic Water Source Area for both groundwater recharge and surface water runoff. Please see Section 2.2.2.3 for more information on Strategic Water Source Areas.		
Other:	Dumping within the freshwater systems was frequently observed and is a major cause of pollution and water contamination. Flower pickers were also observed leaving the site.		Numerous IAPs were observed at the landfill and which some may have been introduced through the disposal of garden waste.

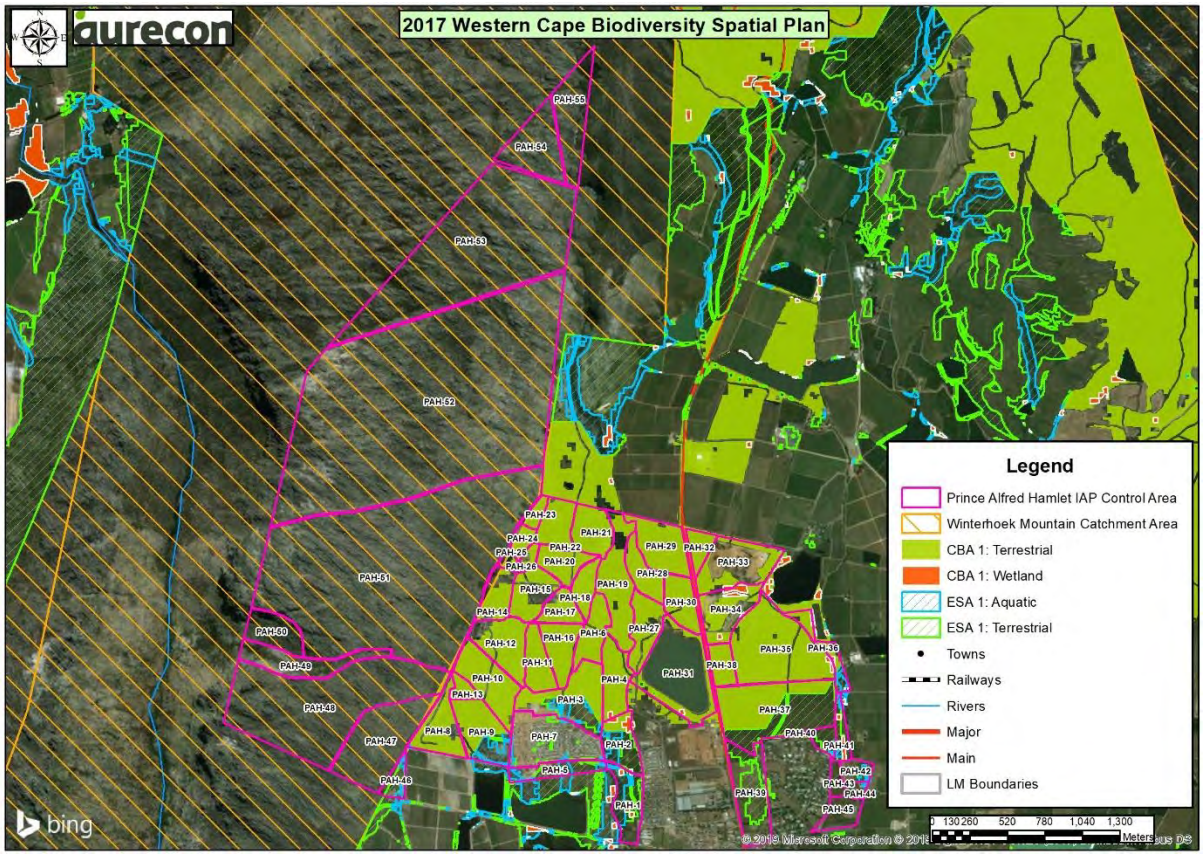
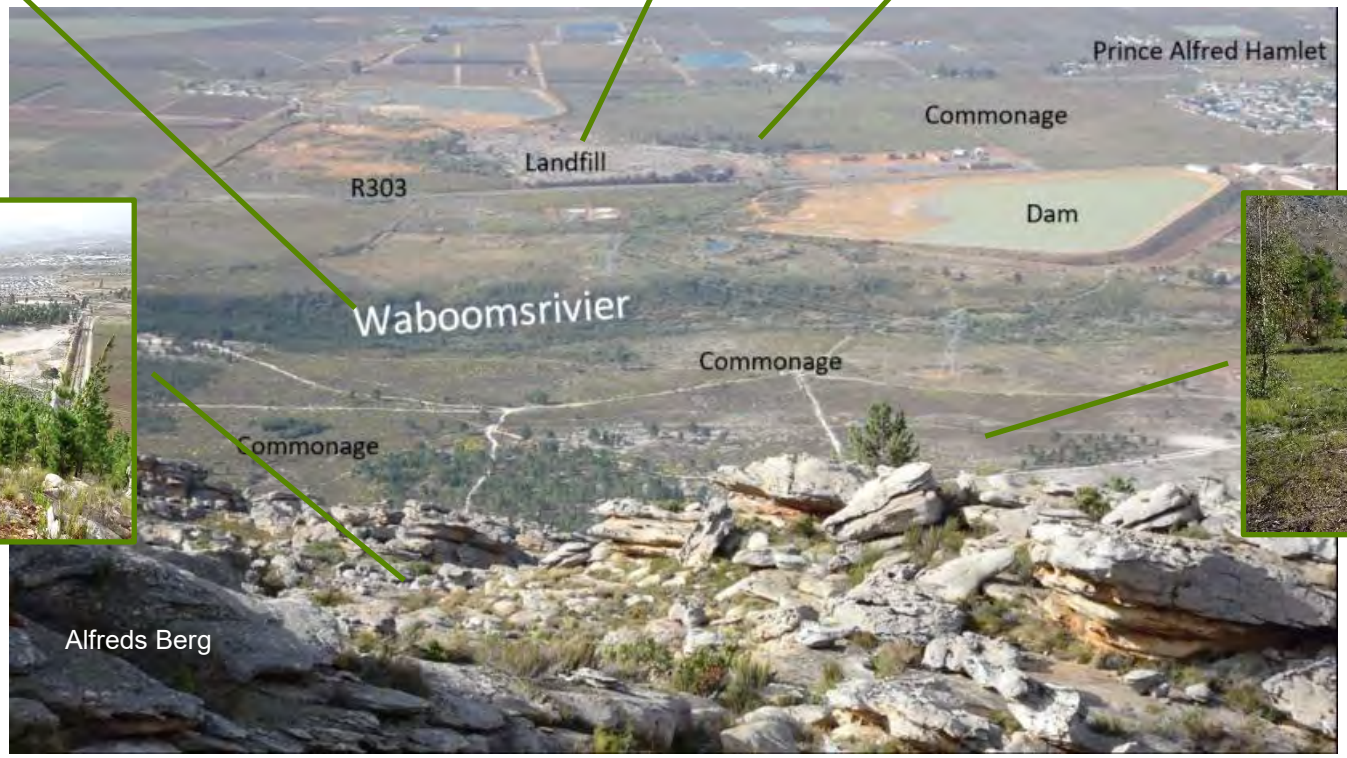


Figure 2: Map showing the conservation management objectives identified in terms of the 2017 Western Cape Biodiversity Spatial Plan (an A3 version of this figure is provided as an Annexure to this report for better legibility)


Prince Alfred Hamlet
Commonage
Landfill
R303
Dam
Waboomsrivier
Commonage
Commonage
Alfreds Berg

2.2 Key Vulnerabilities to Invasion

2.2.1 Invasion pathways and vectors

Invasion pathways are the means by which invasive species colonize or spread through an area. Plant propagules (e.g. seed, roots, stems) are the source whereas wind, animals, watercourses and disturbance are the means through which these spread. In the case of the study area human-induced disturbance and IAPs occurring in residential dwellings are the primary invasion pathways. Disturbance is limited almost exclusively to the edge of the developed parts of the town. The following invasion pathways were identified in addition to the aforementioned:

- **Wood cutting:** This is the most common activity on the commonage. The dense stands of black wattle are used as a source for building informal houses, livestock enclosures or 'hokkies', and fire wood. In this regard, the invasive black wattle is a source for many people's livelihoods but also contributes to the expansion of illegal occupation of land. The increasing disturbance of the land is a contributing factor to spreading IAP's.
- **Illegal sand mining:** The act of excavating sand creates disturbed patches that are rapidly colonized by IPAs.
- **Livestock grazing:** The commonage is used by people from the informal settlements to graze their livestock. This leads to degradation of the natural vegetation and allows for opportunistic IAPs to colonize and spread.
- **Human trampling:** A multitude of paths results in disturbance that allows for colonization of IAPs along these pathways.
- **Fire:** Fires may inadvertently be started by illegal woodcutters and the informal settlement, which exacerbates the spread of invasive species. Moving and spreading of felled material may also lead to further spread into existing or uninvaded areas.
- **Dumping and pollution:** Dumping and pollution is a source of nutrient inputs within wetland and terrestrial habitats. Increases in nutrients such as nitrates and phosphates are not only detrimental to fynbos that is adapted to nutrient-poor soils but enhances the growth rate and spread of IAP's.
- **Wind:** Winged seeds (e.g. pine seeds) are transported by gusts of wind that may spread seed great distances from an initial invasion point or aid the progressive spread of populations.
- **Water:** Seeds and propagules are transported along watercourses.
- **Human transport:** Seeds can stick to clothes and transported along paths that are already disturbed and susceptible to IAPs.
- **Animal transport:** Seeds can stick to fur, be ingested, carried and expelled by various animal (e.g. baboons, birds).
- **IAPs:** the presence of IAPs and their effect on the natural environment often leads to further spread due to seed generation, changes in soil nutrient load and erosion.

2.2.2 Impacts

Invasive species flourish in the absence of natural enemies. These species may rapidly reproduce and spread, consuming and eventually depleting valuable resources such as water, food and space from indigenous species. Invariably the invasive species may outcompete indigenous species and cause significant negative environmental impact. Some of the most notable environmental impacts associated

with IAP in the Prince Alfred Hamlet site include fire risk, loss of biodiversity, water depletion and human activity.

2.2.2.1 Fire risk

The escalating effect of IAP infestation often leads to an increase in secondary risks such as wild fires. Not only can infestation of IAPs increase the prevalence of fires as a result of density-dependent factors, but they may also increase fuel loads which lead to increased burning temperatures, which may in turn damage soil structure and lead to increased erosion.

IAPs attain a high biomass and accumulate a higher than normal fuel load, and fires through these infestations typically burn at higher temperature than a wild fire would in indigenous fynbos. While fire is an essential ecological process maintaining fynbos, fires that burn too hot can cause damage to the soil seed bank and soil integrity. Higher fire intensities make wild fires more difficult to control. This has a number of unfavourable implications:

- The seedbank of naturally occurring species may be severely negatively impacted and decreased. This enables the invader species to further outcompete the natural plants.
- Natural resprouting species e.g. some *Leucadendron* species can be killed by high intensity fires.
- Fires are able to burn in areas where, under fynbos, they would not have been able to impact e.g. pine infestations up gorges and on cliff faces.
- The soil can be negatively impacted by a greater intensity fire through an IAP infestation than a typical wild fire through fynbos. The higher fire intensity on invaded areas can result in the development of water-repellent layers in the soil. This in turn leads to severe erosion during the following rainy season, degrading catchment areas and leading to flood damage.

Some of the most successful terrestrial invasive plants in the Fynbos Biome originate from fire-prone ecosystems. Since these already have a competitive advantage in terms of growth rate, the added benefit of being fire-stimulated intensifies the problem.

2.2.2.2 Loss of Biodiversity

IAPs pose a significant threat to biodiversity since they outcompete the indigenous species, potentially transforming an area to a single or suite of alien species dominating the landscape. The potential loss of ecosystem services may lead to increased pressure on fulfilling basic needs such as food, water, clean air, and medicine.

Competitive advantage can be due to a combination of traits such as preferable climatic condition, ability to change soil conditions to favour the invasive species, and lack of natural predators (even though biocontrol agents have been introduced to several species). Certain species (such as Australian *acacias*) alter the soil by increasing nitrogen (N) levels in the soil due to high organic content and the presence of N-fixing bacteria in their roots. Fynbos species are sensitive to changes in nutrient levels such as nitrogen.

2.2.2.3 Water Depletion

Research has proven that IAPs in South Africa, especially in dense stands along rivers, use more water than indigenous vegetation. This results in a reduction in water availability, which could translate to approximately 4% to 16% in invaded areas. Nationwide efforts to control IAPs are thus essential to safeguard South Africa's limited water resources. Freshwater ecosystems are vulnerable to human activities, and these activities can exacerbate the IAP problem which can lead to irreversible damage (e.g. indigenous or endemic species extinctions) or to long-term, gradual, cumulative changes (e.g. accelerated erosion and sedimentation, pollution). This is of specific to concern to the Prince Alfred

Hamlet site since it's classification as a Strategic Water Source Area by the Water Research Commission in 2017 (SANBI, 2017b). Strategic Water Source Areas either:

a) *"supply a disproportionate (i.e. relatively large) quantity of mean annual surface water runoff in relation to their size and so are considered nationally important; or*
b) *have high groundwater recharge and where the groundwater forms a nationally important resource; or*
c) *areas that meet both criteria (a) and (b)."*

Prince Alfred Hamlet is a Strategic Water Source Area in terms of option (c) listed above. Invasive alien species management thus makes up a critical aspect of freshwater ecosystem management and conservation. The purpose of freshwater ecosystem management is to conserve biodiversity pattern (i.e. species numbers and distributions) and ecological processes (e.g. sediment supply, hydrological regime, organic matter inputs) and to maintain natural variability (Shine, 2008).

1.6.2.4. Human activity

Woody IAPs provide a readily available source of fuel and construction materials on the PAH Commonage. The activities associated with accessing and harvesting wood has resulted in an impact on the natural vegetation. The main disturbances include human trampling. Areas containing black wattle (*Acacia mearnsii*) and gum species appear to be the most heavily impacted. The inability for natural recovery of indigenous vegetation to occur is a concern since this not a concern for illegal wood cutters. Harvested areas may also proliferate since herbicide is not applied to cut stems.

2.3 Management History

2.3.1 Efficacy of Previous Control & Eradication Methods

Documented information pertaining to previous clearing activities is not available. Various stakeholders were contacted, including the Mr Ryno Pienaar of the Wolseley Water who confirmed that information regarding past clearing activities does not exist and that no known past clearing activities have been carried out.

2.3.2 Potential Partnerships

2.3.2.1 Breede-Gouritz Catchment Management Agency (BGCMA)

The BGCMA has been involved with various clearing initiatives in the Breede River catchment has made funding available in the past to assist with clearing initiatives along a 30km stretch of the Breede River near Wolseley.	Contact Person: Elkerine Rossouw Tel: 023 346 8000 Email: erossouw@bgcma.co.za

2.3.2.2 CapeNature

CapeNature (officially the Western Cape Nature Conservation Board) is a government organisation responsible for maintaining wilderness areas and public nature reserves in the Western Cape. CapeNature provides invasive alien management in these areas to ensure a sustainable water supply and to make cleared land productive again. The biomass from certain targeted species is used in various initiatives such as furniture making. Through the CapeNature alien vegetation removal programme, people from local disadvantaged communities are trained in plant	Contact Person: Marx-Lenin Nagan Tel: 072 644 8154 Email: mnagan@capenature.co.za

identification, chainsaw use, health and safety, herbicide use, personal finance, nutrition, drug awareness, site management, educating peers, and field safety and survival.	

2.3.2.3 Cape Winelands District Municipality

The Cape Winelands District Municipality (CWDM) is one of 44 district municipalities in South Africa and includes five local municipalities; namely Witzenberg, Drakenstein, Stellenbosch, Langeberg, and Breede Valley. The CWDM has tackled invasive species management in the district and has awarded labour intensive clearing work along to private contractors in recent years.	**Contact Person:** Quinton Balie Tel: 021 8885194 Email: quinton@capewinelands.gov.za

2.3.2.4 Department of Agriculture, Forestry and Fisheries: LandCare

The Department of Agriculture, Forestry and Fisheries gives support for natural resource management through the LandCare Programme aims to encourage communities and individuals to adopt an ecologically sustainable approach to the management of South Africa's environment and natural resources, while improving livelihoods. Through the programme, approaches to natural resource management are developed and implemented, and one of the core focus areas for the programme is IAP management and control.	**Contact Person:** Chris Meintjies Tel: 082 619 3316 Email: ChrisM@elsenberg.com

2.3.2.5 Eskom

Eskom has a servitude crossing the site and is responsible for the maintenance thereof, which includes the removal and management of IAPs.	**Contact Person:** *Bruce Titus (Maintenance & Operations)* Tel: 021 980 3825 / 082 928 7800 Email: bruce.titus@eskom.co.za *Danie Bloem (Work co-ordinator)* Tel: 023 316 6416 / 072 030 7737 Email: Bloemdj@eskom.co.za

2.3.2.6 Natural Resource Management Programmes: Working for Water

Working for Water is a government-funded poverty-relief initiative, founded in 1995 to manage invasive alien plants (mainly trees and shrubs) in catchment areas to reduce impacts on water resources. The programme is currently one of several "Natural Resource Management" subdivisions of the Department of Environmental Affairs.	**Contact Person:** Mr Wessel Wentzel Tel: 021 940 6000 Email: WWentzel@environment.gov.za

2.3.2.7 Upper Breede Collaborative Extension Group (UBCEG)

The UBCEG is a forum for various departments, conservation bodies, non-government organisations, etc. which aims, amongst other, to support each other in achieving their mandates and to build capacity. Permanent members include, but is not limited to: Working for Water, CapeNature, the BGCMA, CWDM, WLM, WWF-SA and the Department of Agriculture: LandCare.	Contact Person: Rudolph Röscher (Chair) Tel: 021 808 7801 / 083 675 1315 Email: RudolphR@elsenburg.com

2.3.2.8 Wolseley Water Users Association

The Wolseley Water User Association (WWUA) is an association of about 50 landowners in the Cape Winelands that works closely with LandCare to combat IAPs in the region.	Contact Person: Ryno Pienaar Tel: 064 903 1860 Email: r.pienaar@hotmail.com

2.3.2.9 World Wide Fund for Nature – South Africa (WWF-SA)

The Breede Catchment Water Stewardship Programme was started in the upper Breede catchment during 2015/2016 by WWF-SA. This initiative focused on "*actions that have at their core the responsible use of water in socially equitable, environmentally sustainable and economically beneficial ways"* and is heavily dependent on the involvement of local communities and stakeholders. This included formation of the *Witzenberg Water Savers* which consists of volunteers from the Prince Alfred Hamlet and Nduli townships. The initiative specifically highlights the importance of collective action between farms, the WLM and the community to protect and conserve the biodiversity and water resources at the Prince Alfred Hamlet Commonage (Schachtschneider, 2016).	Contact Person: Klaudia Schacht Tel: 021 657 6600 / 082 534 2306 Email: KSchacht@wwf.org.za

3 IAP Management Units

3.1 Management Units

Prince Alfred Hamlet (1,067 ha) is divided into 55 management units that are assigned alphanumeric identities with the abbreviated acronym PAH (Prince Alfred Hamlet) followed by the numbers 1 to 55 (i.e. PAH-1 to PAH-55). These units were assigned according a combination of the following criteria:

- **Natural and artificial landscape features:** Including drainage lines, roads, dams, boundaries, extent of infestations.
- **Definable and practical land parcels:** Considering that management units will be cleared systematically it is important to make the units as definable as possible for practical purposes. Apart from the mountainous area, where management units were assigned in large parcels, (these can be further divided if required), the management units are smaller rather than large.

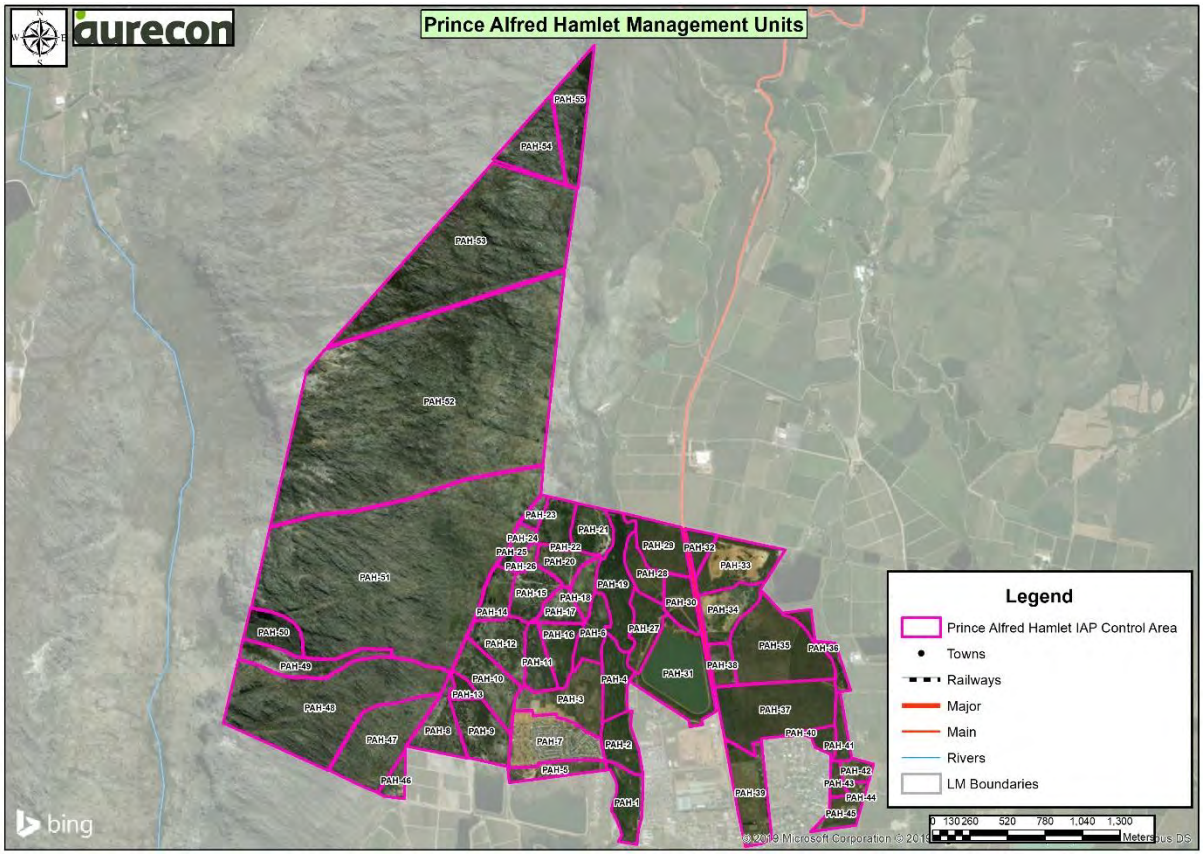


Figure 3: Map indicating the Management Units for the Prince Alfred Hamlet control area (an A3 version of this figure is provided as an Annexure to this report for better legibility)

3.2 Management Objectives

The following key management objectives have been identified:

1 ***Implement:*** Ensure that the Prince Alfred Hamlet site is in a maintenance phase (i.e. requiring only follow-up clearing) by 2025 by implementing a systematic integrated control plan according to schedule.

2 ***Collaborate:*** Obtain and grow support network with stakeholders such as the CWDM, CapeNature and Working for Water to effectively manage direct and indirect IAP introduction pathways and high-altitude areas to prevent re-infestation during the maintenance phase.

3 ***Prevent:*** Prevent the introduction of new IAPs by identifying and monitoring critical direct and indirect introduction pathways.

4 ***Detect:*** Detect new invasive species (fauna and flora) introductions through regular surveys and community reporting and implement a rapid response mechanism to remove these species before they become an established and viable community that requires intensive and expensive management actions.

5 ***Rapid response:*** Develop and implement a rapid response protocol with effective mechanisms to deal with "emergency" situations (e.g. veld fire) to prevent reinvasion and/or new invasive species to form an established community.

6 ***Restore and rehabilitate:*** Encourage natural restoration and rehabilitation of fynbos in IAP infested areas through continues control, maintenance and monitoring of Prince Alfred Hamlet for new invasive plants and the implementation of strategic interventions where additional assistance is required.

7 ***Monitor:*** Identify and monitor key biodiversity areas, critical introduction pathways and maintenance areas to ensure that the Prince Alfred Hamlet control plan remains applicable and effective.

It is necessary to identify specific, measurable, assignable, realistic and time-bound actions, often referred to by the acronym for the list as SMART actions and goals. The following categories have been populated per objective in Sections 3.2.1 to 3.2.13 below to assist in developing SMART actions and goals for the objectives:

- Deliverables (i.e. what needs to be achieved – *Specific and Realistic*)
- Indicators (i.e. how to measure the level of success – *Measurable*)
- Monitoring Tools (i.e. means to achieve and monitor the success of the relevant deliverable - *Measurable*)
- Responsibility (i.e. who will be responsible – *Assignable*)
- Timeframe (i.e. period within which the deliverable is required – *Time-bound*).

Furthermore, it will also be important to note that the objectives will need to be updated on an ongoing basis in response to changes in the natural, social and economic environment as highlighted by the monitoring programmes.

3.2.1 Implement

Objective

Ensure that Prince Alfred Hamlet is in a maintenance phase (i.e. requiring only follow-up clearing) by 2030 by implementing a systematic integrated control plan according to schedule.

Deliverable(s)	Indicator(s)	Monitoring tools	Responsibility	Timeframe
Initial clearing of all high priority areas by 2024.	Number of hectares undergoing follow-up clearing.	• Database of management units • Schedule • Monthly reports	• IAS Task Team • Working Groups • Implementation agencies	2020-2024
Initial clearing of all medium priority areas by 2026.	Number of hectares undergoing follow-up clearing.	• Database of management units • Schedule • Monthly reports	• IAS Task Team • Working Groups • Implementation agencies	2024-2026
Initial clearing of all low priority areas by 2030.	Number of hectares undergoing follow-up clearing.	• Database of management units • Schedule • Monthly reports	• IAS Task Team • Working Groups • Implementation agencies	2026-2030

3.2.2 Collaborate

Objective

Obtain and grow support network with stakeholders such as the CWDM, CapeNature and WfW to effectively manage direct and indirect IAS introduction pathways and high altitude areas to prevent re-infestation during the maintenance phase.

Deliverable(s)	Indicator(s)	Monitoring tools	Responsibility	Timeframe
Conduct meeting with CapeNature and WfW to undertake high altitude removal of IAP.	Number of control projects in high altitude areas.	• Minutes of meetings. • Stakeholder database.	• IAS Task Team	2020-2030
Conduct meeting with CWDM to raise awareness of critical direct and indirect introduction pathways.	Number of new invasive species reported.	• Meeting minutes. • Awareness material.	• IAS Task Team	2020-2030
Engage with upstream and surrounding landowners regarding the removal and control of IAPs on their properties.	Regular meetings with upstream and surrounding landowners	• Key notes from meetings.	• IAS Task Team	2020-2030

3.2.3 Prevent

Objective *Prevent the introduction of new IAPs by identifying and monitoring critical direct and indirect introduction pathways.*

Deliverable(s)	Indicator(s)	Monitoring tools	Responsibility	Timeframe
Monitoring of critical direct and indirect introduction pathways.	Number of new IAPs reported.	• Database and maps of direct and indirect introduction pathways. • Monitoring programme and schedule.	• IAS Task Team • Working Group	2020-2030
No introductions of new IAPs within the Prince Alfred Hamlet site.	Number of new IAPs reported.	• Database and maps of direct and indirect introduction pathways. • Database of target species. • Monitoring programme and schedule.	• IAS Task Team • Working Group	2020-2030
Raise awareness among farmers, residents and businesses within the WLM.	Number of new IAPs reported that are escaped ornamental plants.	• Database and maps of direct and indirect introduction pathways. • Monitoring programme and schedule. • Database of target species. • Awareness material.	• IAS Task Team • Working Group	2020-2030

3.2.4 Detect

Objective

Detect new IAS (fauna and flora) introductions through regular surveys and community reporting and implement a rapid response mechanism to remove these species before they become an established and viable community that require intensive and expensive management actions.

Deliverable(s)	Indicator(s)	Monitoring tools	Responsibility	Timeframe
Regular surveying of critical direct and indirect pathways.	Number and frequency of surveys undertaken.	• Database and maps of direct and indirect introduction pathways. • Monitoring programme and schedule.	• IAS Task Team • Working Group	2020-2030
Record of new IAS introductions.	Number of new IAS recorded.	• Database of target species. • Monthly reports, inclusive of survey records.	• IAS Task Team • Working Group	2020-2030
Monitor control areas for target species and remove plants immediately upon re-occurrence.	• List of species removed. • Number species and/or size of area cleared. • Response time between detection and removal.	• Database of target species. • Monthly reports.	• IAS Task Team • Working Groups • Implementation agencies	2020-2030

3.2.5 Rapid Response

Objective *Develop and implement a rapid response protocol with effective mechanisms to deal with "emergency" situations (e.g. veld fire) to prevent reinvasion and/or new invasive species to form an established community.*

Deliverable(s)	Indicator(s)	Monitoring tools	Responsibility	Timeframe
Rapid response protocol/ plan	• Number species and/or size of area cleared. • Response time between detection and removal.	• Monthly reports.	• IAS Task Team • Working Groups	2020-2030
Follow up clearing within 6 to 12 months following a fire event (depending on the IAPs).	• Number of fire events mapped. • Updated fire incidence map. • Species density and age.	• Fire incidence map. • Database of target species. • Monthly reports.	• IAS Task Team • Working Groups • Implementation agencies	Post-fire
Monitor control areas for target species and remove plants immediately upon re-occurrence.	• List of species removed. • Species density and age. • Extent of post fire regeneration per management unit. • Response time between detection and removal.	• Database of target species. • Monthly reports.	• IAS Task Team • Working Groups	2020-2030

3.2.7 Restore and Rehabilitate

Objective

Encourage natural restoration and rehabilitation of fynbos in IAS infested areas through continues control, maintenance and monitoring of the Prince Alfred Hamlet for new invasive plants and the implementation of strategic interventions where additional assistance is required.

Deliverable(s)	Indicator(s)	Monitoring tools	Responsibility	Timeframe
Monitor control areas to determine natural revegetation rate.	Extent of indigenous vegetation in control areas.	• Database of indigenous species. • Vegetation coverage map. • Monthly reports.	• IAS Task Team • Working Groups	2020-2030
Identify and monitor erosion sites and/or sites with a high erosion potential.	Number and extent of erosion problems within control areas.	• Erosion map. • Monitoring plan. • Monthly reports.	• IAS Task Team • Working Groups	2019-2030
Implement and monitor erosion mitigation measures.	• Extent of indigenous vegetation in control areas. • Number and extent of erosion control measures. • Number of approved interventions[2].	• Database of erosion interventions. • Maintenance schedule for erosion interventions. • Vegetation coverage map.	• IAS Task Team • Working Groups	2019-2030

[2] Note that some interventions may require environmental authorisation in terms of the National Environmental Management Act, No. 107 of 1998 (NEMA), depending on the nature/type, location and size of the intervention. It may also be necessary to obtain approval for an erosion management plan (in terms of NEMA) due to the extent of the erosion problem which will allow for long term implementation of interventions and the management thereof.

3.2.9 Monitor

Objective

Identify and monitor key biodiversity areas, critical introduction pathways and maintenance areas to ensure that the Prince Alfred Hamlet control plan remains applicable and effective.

Deliverable(s)	Indicator(s)	Monitoring tools	Responsibility	Timeframe
Frequent reviews and updates to the control plan for Prince Alfred Hamlet.	Extent of IAS within the Prince Alfred Hamlet site.	• Monitoring reports.	• IAS Steering Committee • IAS Task Team	Annually for the 2020 - 2030 duration.
Monitor key biodiversity areas for introduction of IAS.	Number of new IAS reported.	• Database of critical biodiversity areas. • Monitoring programme and schedule.	• IAS Task Team • Working Group	2020-2030
Monitor critical direct and indirect introduction pathways.	Number of new IAS reported.	• Database and maps of direct and indirect introduction pathways. • Monitoring programme and schedule.	• IAS Task Team • Working Group	2020-2030
Monitor control areas to determine natural revegetation rate.	Extent of indigenous vegetation in control areas.	• Database of indigenous species. • Vegetation coverage map. • Monthly reports.	• IAS Task Team • Working Groups	2020-2030

Deliverable(s)	Indicator(s)	Monitoring tools	Responsibility	Timeframe
Monitor control areas for target species and remove plants immediately upon re-occurrence.	• List of species removed. • Species density and age. • Extent of post fire regeneration per management unit. • Response time between detection and removal.	• Database of target species. • Monthly reports.	• IAS Task Team • Working Groups	2020-2030

3.3 Listed IAPs Present

A total of 35 IAP species were identified within the survey area as listed in Table 3 below.

Table 3: A summary of the occurrence of Listed IAP species in the Prince Alfred Hamlet control area

Scientific name	Common name	Terrestrial/ aquatic[3] sp.	Occurrence in Management Unit
Acacia baileyana	Bailey's wattle	Terrestrial	PAH-33
Acacia longifolia	Long-leaved wattle	Terrestrial	PAH-2, PAH-33
Acacia mearnsii	Black wattle	Terrestrial	PAH-1, PAH-2, PAH-6, PAH-7, PAH-12, PAH-14, PAH-15, PAH-17, PAH-18, PAH-19, PAH-20, PAH-21, PAH-22, PAH-23, PAH-24, PAH-25, PAH-26, PAH-27, PAH-28, PAH-29, PAH-30, PAH-31, PAH-33, PAH-34, PAH-35, PAH-36, PAH-37, PAH-39, PAH-41, PAH-45
Acacia melanoxylon	Australian blackwood	Terrestrial	PAH-35
Acacia pycnantha	Golden wattle	Terrestrial	PAH-4, PAH-20, PAH-33

[3] Please refer to Annexure B for proposed control methods of aquatic species.

Scientific name	Common name	Terrestrial/ aquatic[3] sp.	Occurrence in Management Unit
Acacia saligna	Port Jackson willow	Terrestrial	PAH-1, PAH-6, PAH-12, PAH-14, PAH-17, PAH-18, PAH-21, PAH-27, PAH-29, PAH-30, PAH-31, PAH-32, PAH-33, PAH-34, PAH-35, PAH-37, PAH-39
Agave americana	Spreading century pant	Terrestrial	PAH-27, PAH-41
Amelia azederach	Seringa	Terrestrial	PAH-33, PAH-39
Arundo donax	Spanish reed	Aquatic	PAH-39, PAH-42, PAH-44
Canna indica	Indian shot	Aquatic	PAH-7
Casuarina cunninghamiana	Beefwood	Terrestrial	PAH-1, PAH-7, PAH-31, PAH-32, PAH-33, PAH-34, PAH-45
Cirsium vulgare	Spur thistle	Terrestrial	PAH-1, PAH-2
Convolvulus arvensis	Field bindweed	Aquatic	PAH-34
Cylindropuntia imbricata	Imbricate prickly pear	Terrestrial	PAH-45
Echium plantagineum	Paterson's curse	Terrestrial	PAH-1, PAH-2, PAH-4, PAH-27, PAH-31, PAH-33, PAH-34, PAH-39, PAH-43, PAH-45
Eucalyptus diversicolor	Karri	Terrestrial	PAH-19
Eucalyptus camaldulensis	River red gum	Terrestrial	PAH-21, PAH-22, PAH-25, PAH-27, PAH-31, PAH-33, PAH-34, PAH-35, PAH-36, PAH-39, PAH-41, PAH-42, PAH-44, PAH-46
Eucalyptus cladocalyx	Sugar gum	Terrestrial	PAH-1, PAH-6, PAH-14
Gleditsia tricanthos	Honey locust	Terrestrial	PAH-44
Hakea sericea	Silky hakea	Terrestrial	PAH-17, PAH-18
Opuntia ficus-indica	Mission prickly pear	Terrestrial	PAH-7, PAH-21, PAH-33
Pennisetum clandestinum	Kikuyu grass	Terrestrial	PAH-39
Pinus canariensis	Canary pine	Terrestrial	PAH-36, PAH-37, PAH-40, PAH-47, PAH-48, PAH-52, PAH-53

Scientific name	Common name	Terrestrial/ aquatic[3] sp.	Occurrence in Management Unit
Pinus elliotii	Slash pine	Terrestrial	PAH-39
Pinus halepensis	Aleppo pine	Terrestrial	PAH-35, PAH-37, PAH-41, PAH-51
Pinus pinaster	Cluster pine	Terrestrial	PAH-3, PAH-5, PAH-8, PAH-9, PAH-10, PAH-11, PAH-12, PAH-13, PAH-14, PAH-15, PAH-16, PAH-17, PAH-19, PAH-21, PAH-22, PAH-23, PAH-24, PAH-25, PAH-26, PAH-31, PAH-32, PAH-33, PAH-46, PAH-48, PAH-49, PAH-50, PAH-51, PAH-52, PAH-53, PAH-54, PAH-55
Pinus radiata	Radiata pine	Terrestrial	PAH-14, PAH-15, PAH-18, PAH-20, PAH-25, PAH-33, PAH-35, PAH-37, PAH-47
Populus x canescens	Grey poplar	Terrestrial/ aquatic	PAH-1, PAH-1, PAH-2, PAH-4
Ricinus communis	Castor-oil plant	Terrestrial	PAH-1, PAH-7, PAH-33, PAH-34, PAH-35, PAH-46
Rubus cuneifolius	American bramble	Terrestrial	PAH-19, PAH-26
Sesbania punicea	Red sesbania	Terrestrial/ aquatic	PAH-1, PAH-42, PAH-44, PAH-45
Solanum mauritianum	Bugweed	Terrestrial	PAH-7
Verbena bonariensis	Wild verbena	Terrestrial	PAH-1
Xanthium strumarium	Large cocklebur	Terrestrial	PAH-33, PAH-34

The above species and their estimated percentage cover are listed in Table 1. The most important and widespread species are black wattle *(Acacia mearnsii),* cluster pine *(Pinus pinaster)* Canary pine *(Pinus canariensis)*, radiata pine *(Pinus radiata),* Port Jackson willow *(Acacia saligna)* and sugar gum *(Eucalyptus camaldulensis).* The various pine species are the most widespread and occur throughout the mountains and commonage. High densities occur within PAH-47 while the remainder of the site contains scattered pines. These infestations include the aforementioned pine species in addition to the Allepo pine *(Pinus halepensis).*

Figure 4: High cover of Canary pine (*Pinus canariensis*) in PAH-47. This species resprouts if burned or cut down without treatment (Photo: Paul Emms)

Black wattle also occurs widespread across the commonage and landfill but is not found in the mountains. The species occurs in wetland and terrestrial areas but **is of specific concern along the watercourses and wetlands.** The highest density infestation occurs along the Waboomsrivier and has an estimate coverage of 80% in PAH-19.

Port Jackson usually occurs in confined but dense stands. The species is particularly problematic in PAH-17, PAH-33, PAH-35 and PAH-30.

River red gum usually co-occurs with black wattle. It is present in dense stands within PAH-22 and occurs sporadically across the commonage. A high number of the species occur adjacent to and on the east side of the landfill at PAH-35.

3.3.1 Distribution per management unit

The IAPs occurring in Prince Alfred Hamlet is summarised in Table 3 below with more detailed descriptions (per management unit), including estimated densities, provided in Table 4.

Table 4: Listed IAP infestations noted, recorded, or reported for Prince Alfred Hamlet, their approximate age category and their estimated percentage cover[4]

MUnit	Area (ha)	*Scientific name*	Common name	NEMBA Category	*Estimated % cover/ density	Seedlings	Juvenile	Mature
PAH-1	9.100	*Echium plantagineum*	Paterson's curse	1b	2.0000	x		
PAH-1	9.100	*Acacia mearnsii*	Black wattle	2	3.0000			x
PAH-1	9.100	*Rubus cuneifolius*	American bramble	1b	0.1000			x
PAH-1	9.100	*Cirsium vulgare*	Spur thistle	1b	0.0100			x
PAH-1	9.100	*Populus x canescens*	Grey poplar	2	0.0100			x
PAH-1	9.100	*Eucalyptus cladocalyx*	Sugar gum	1b	0.0100			x
PAH-1	9.100	*Acacia saligna*	Port Jackson willow	1b	0.0100			x
PAH-1	9.100	*Ricinus communis*	Castor-oil plant	2	0.0100			x
PAH-1	9.100	*Sesbania punicea*	Red sesbania	1b	0.1000			x
PAH-1	9.100	*Verbena bonariensis*	Wild verbena	1b	0.0010			x
PAH-1	9.100	*Casuarina cunninghamiana*	Beefwood	2	0.0010			x
PAH-2	8.310	*Echium plantagineum*	Paterson's curse	1b	0.1000	x		
PAH-2	8.310	*Cirsium vulgare*	Spur thistle	1b	0.0010			x
PAH-2	8.310	*Acacia mearnsii*	Black wattle	2	3.0000			x
PAH-2	8.310	*Acacia longifolia*	Long-leaved wattle	1b	0.0100			x
PAH-2	8.310	*Rubus cuneifolius*	American bramble	1b	0.0010			x
PAH-3	17.000	*Pinus*	Cluster pine	1b	0.0010			x
PAH-4	9.160	*Populus x canescens*	Grey poplar	2	0.0100			x
PAH-4	9.160	*Echium plantagineum*	Paterson's curse	1b	0.0100			x
PAH-4	9.160	*Acacia pycnantha*	Golden wattle	1b	0.0010			x

[4] Desktop analysis employed canopy cover estimation.

MUnit	Area (ha)	*Scientific name*	Common name	NEMBA Category	*Estimated % cover/ density	Seedlings	Juvenile	Mature
PAH-5	6.350	*Pinus pinaster*	Cluster pine	1b	0.0100			x
PAH-5	6.350	*Pinus radiata*	Radiata pine	1b	0.1000			x
PAH-6	7.570	*Eucalyptus cladocalyx*	Sugar gum	1b	0.0100			x
PAH-6	7.570	*Acacia mearnsii*	Black wattle	2	5.0000			x
PAH-6	7.570	*Pinus radiata*	Radiata pine	1b	0.0001			x
PAH-6	7.570	*Acacia saligna*	Port Jackson willow	1b	0.0100	x		x
PAH-7	18.600	*Casuarina cunninghamiana*	Beefwood	2	0.0010			x
PAH-7	18.600	*Ricinus communis*	Castor-oil plant	2	0.0010			x
PAH-7	18.600	*Amelia azederach*	Seringa	3	0.0010			x
PAH-7	18.600	*Agave americana*	Spreading century pant	3	0.0010			x
PAH-7	18.600	*Solanum mauritianum*	Bugweed	1b	0.0010			x
PAH-7	18.600	*Canna indica*	Indian shot	1b	0.0010			x
PAH-7	18.600	*Acacia mearnsii*	Black wattle	2	0.0100			x
PAH-7	18.600	*Opuntia ficus-indica*	Mission prickly pear	1b	0.0010			x
PAH-8	10.200	*Pinus pinaster*	Cluster pine	1b	4.0000			x
PAH-8	10.200	*Pinus radiata*	Radiata pine	1b	1.0000			x
PAH-9	13.000	*Pinus pinaster*	Cluster pine	1b	20.0000			x
PAH-9	13.000	*Pinus radiata*	Radiata pine	1b	10.0000			x
PAH-10	13.000	*Pinus pinaster*	Cluster pine	1b	4.0000			x
PAH-10	13.000	*Pinus radiata*	Radiata pine	1b	1.0000			x
PAH-11	7.180	*Pinus pinaster*	Cluster pine	1b	3.0000			x
PAH-12	11.900	*Acacia saligna*	Port Jackson willow	1b	0.1000			x
PAH-12	11.900	*Pinus pinaster*	Cluster pine	1b	10.0000			x
PAH-12	11.900	*Acacia mearnsii*	Black wattle	2	1.0000			x

MUnit	Area (ha)	*Scientific name*	Common name	NEMBA Category	*Estimated % cover/ density	Seedlings	Juvenile	Mature
PAH-13	2.400	*Pinus pinaster*	Cluster pine	1b	0.5000			x
PAH-14	6.820	*Acacia mearnsii*	Black wattle	2	0.5000			x
PAH-14	6.820	*Pinus pinaster*	Cluster pine	1b	3.0000			x
PAH-14	6.820	*Eucalyptus cladocalyx*	Sugar gum	1b	0.0100			x
PAH-14	6.820	*Pinus radiata*	Radiata pine	1b	0.0100			x
PAH-14	6.820	*Acacia saligna*	Port Jackson willow	1b	0.1000			x
PAH-15	9.100	*Pinus pinaster*	Cluster pine	1b	30.0000			x
PAH-15	9.100	*Pinus radiata*	Radiata pine	1b	2.0000			x
PAH-15	9.100	*Acacia mearnsii*	Black wattle	2	5.0000			x
PAH-16	8.180	*Pinus pinaster*	Cluster pine	1b	3.0000			x
PAH-17	5.230	*Pinus pinaster*	Cluster pine	1b	2.0000			x
PAH-17	5.230	*Acacia saligna*	Port Jackson willow	1b	2.0000			x
PAH-17	5.230	*Acacia mearnsii*	Black wattle	2	0.1000			x
PAH-17	5.230	*Hakea sericea*	Silky hakea	1b	0.0100			x
PAH-18	4.920	*Hakea sericea*	Silky hakea	1b	0.0100			x
PAH-18	4.920	*Acacia mearnsii*	Black wattle	2	2.0000			x
PAH-18	4.920	*Acacia saligna*	Port Jackson willow	1b	0.1000			x
PAH-18	4.920	*Pinus radiata*	Radiata pine	1b	0.0100			x
PAH-19	15.600	*Acacia mearnsii*	Black wattle	2	80.0000			x
PAH-19	15.600	*Eucalyptus diversicolor*	Karri	1b	0.0100			x
PAH-19	15.600	*Rubus cuneifolius*	American bramble	1b	0.1000			x
PAH-19	15.600	*Pinus pinaster*	Cluster pine	1b	2.0000			x
PAH-20	6.630	*Acacia mearnsii*	Black wattle	2	10.0000			x
PAH-20	6.630	*Pinus radiata*	Radiata pine	1b	3.0000			x

MUnit	Area (ha)	*Scientific name*	Common name	NEMBA Category	*Estimated % cover/ density	Seedlings	Juvenile	Mature
PAH-20	6.630	*Acacia pycnantha*	Golden wattle	1b	0.0100			x
PAH-21	8.530	*Acacia mearnsii*	Black wattle	2	40.0000			x
PAH-21	8.530	*Eucalyptus camaldulensis*	River red gum	1b	2.0000			x
PAH-21	8.530	*Pinus pinaster*	Cluster pine	1b	0.1000			x
PAH-21	8.530	*Acacia saligna*	Port Jackson willow	1b	0.1000			x
PAH-21	8.530	*Opuntia ficus-indica*	Mission prickly pear	1b	0.0010			x
PAH-22	7.510	*Acacia mearnsii*	Black wattle	2	35.0000			x
PAH-22	7.510	*Eucalyptus camaldulensis*	River red gum	1b	5.0000			x
PAH-22	7.510	*Pinus pinaster*	Cluster pine	1b	0.5000			x
PAH-23	2.200	*Pinus pinaster*	Cluster pine	1b	2.0000			x
PAH-23	2.200	*Acacia mearnsii*	Black wattle	2	2.0000			x
PAH-24	2.650	*Pinus pinaster*	Cluster pine	1b	5.0000			x
PAH-24	2.650	*Acacia mearnsii*	Black wattle	2	0.1000			x
PAH-25	1.330	*Pinus radiata*	Radiata pine	1b	0.1000			x
PAH-25	1.330	*Pinus pinaster*	Cluster pine	1b	5.0000			x
PAH-25	1.330	*Eucalyptus camaldulensis*	River red gum	1b	0.1000			x
PAH-25	1.330	*Acacia mearnsii*	Black wattle	2	15.0000			x
PAH-26	1.900	*Pinus pinaster*	Cluster pine	1b	0.1000			x
PAH-26	1.900	*Rubus cuneifolius*	American bramble	1b	0.1000			x
PAH-26	1.900	*Acacia mearnsii*	Black wattle	2	0.1000			x
PAH-27	8.910	*Acacia mearnsii*	Black wattle	2	20.0000			x
PAH-27	8.910	*Agave americana*	Spreading century pant	3	0.0100			x
PAH-27	8.910	*Acacia saligna*	Port Jackson willow	1b	0.1000			x
PAH-27	8.910	*Eucalyptus camaldulensis*	River red gum	1b	0.0100			x

MUnit	Area (ha)	*Scientific name*	Common name	NEMBA Category	*Estimated % cover/ density	Seedlings	Juvenile	Mature
PAH-27	8.910	*Echium plantagineum*	Paterson's curse	1b	0.1000	x		
PAH-28	6.580	*Acacia mearnsii*	Black wattle	2	5.0000			x
PAH-29	11.400	*Acacia mearnsii*	Black wattle	2	2.0000			x
PAH-29	11.400	*Acacia saligna*	Port Jackson willow	1b	0.5000			x
PAH-30	7.360	*Acacia mearnsii*	Black wattle	2	10.0000			x
PAH-30	7.360	*Acacia saligna*	Port Jackson willow	1b	1.0000			x
PAH-31	25.500	*Acacia mearnsii*	Black wattle	2	4.0000			x
PAH-31	25.500	*Pinus pinaster*	Cluster pine	1b	2.0000			x
PAH-31	25.500	*Casuarina cunninghamiana*	Beefwood	2	0.0010			x
PAH-31	25.500	*Acacia saligna*	Port Jackson willow	1b	1.0000			x
PAH-31	25.500	*Eucalyptus camaldulensis*	River red gum	1b	0.0100			x
PAH-31	25.500	*Echium plantagineum*	Paterson's curse	1b	0.0100	x		x
PAH-32	3.680	*Acacia saligna*	Port Jackson willow	1b	0.1000			x
PAH-32	3.680	*Casuarina cunninghamiana*	Beefwood	2	0.0100			x
PAH-32	3.680	*Pinus pinaster*	Cluster pine	1b	0.1000			x
PAH-33	15.800	*Pinus radiata*	Radiata pine	1b	1.0000			x
PAH-33	15.800	*Acacia saligna*	Port Jackson willow	1b	5.0000			x
PAH-33	15.800	*Eucalyptus camaldulensis*	River red gum	1b	2.0000			x
PAH-33	15.800	*Casuarina cunninghamiana*	Beefwood	2	0.0010			x
PAH-33	15.800	*Acacia mearnsii*	Black wattle	2	0.1000			x
PAH-33	15.800	*Acacia pycnantha*	Golden wattle	1b	0.0010			x
PAH-33	15.800	*Acacia baileyana*	Bailey's wattle	3	0.0100			x
PAH-33	15.800	*Melia azederach*	Seringa	1b	0.0100			x
PAH-33	15.800	*Pinus pinaster*	Cluster pine	1b	1.0000			x

MUnit	Area (ha)	*Scientific name*	Common name	NEMBA Category	*Estimated % cover/ density	Seedlings	Juvenile	Mature
PAH-33	15.800	*Opuntia ficus-indica*	Mission prickly pear	1b	0.0010			x
PAH-33	15.800	*Echium plantagineum*	Paterson's curse	1b	0.0100	x		x
PAH-33	15.800	*Ricinus communis*	Castor-oil plant	2	0.0100			x
PAH-33	15.800	*Acacia longifolia*	Long-leaved wattle	1b	0.0010			x
PAH-33	15.800	*Xanthium strumarium*	Large cocklebur	1b	0.0100			x
PAH-34	11.500	*Eucalyptus camaldulensis*	River red gum	1b	1.0000			x
PAH-34	11.500	*Casuarina cunninghamiana*	Beefwood	2	1.0000			x
PAH-34	11.500	*Acacia mearnsii*	Black wattle	2	0.0010			x
PAH-34	11.500	*Echium plantagineum*	Paterson's curse	1b	0.0100	x		
PAH-34	11.500	*Spartium junceum*	Spanish broom	1b	0.0010			x
PAH-34	11.500	*Acacia saligna*	Port Jackson willow	1b	0.0100			x
PAH-34	11.500	*Convolvulus arvensis*	Field bindweed	1b	0.0010			x
PAH-34	11.500	*Ricinus communis*	Castor-oil plant	2	0.0100			x
PAH-34	11.500	*Xanthium strumarium*	Large cocklebur	1b	0.0010			x
PAH-35	29.300	*Ricinus communis*	Castor-oil plant	2	0.0100			x
PAH-35	29.300	*Acacia saligna*	Port Jackson willow	1b	0.1000			x
PAH-35	29.300	*Acacia mearnsii*	Black wattle	2	3.0000			x
PAH-35	29.300	*Eucalyptus camaldulensis*	River red gum	1b	4.0000			x
PAH-35	29.300	*Acacia melanoxylon*	Australian blackwood	2	0.0100			x
PAH-35	29.300	*Pinus radiata*	Radiata pine	1b	0.0100			x
PAH-35	29.300	*Pinus halepensis*	Aleppo pine	3	0.0100			x
PAH-36	4.750	*Pinus canariensis*	Canary pine	3	3.0000			x
PAH-36	4.750	*Eucalyptus camaldulensis*	River red gum	1b	8.0000			x
PAH-36	4.750	*Acacia mearnsii*	Black wattle	2	2.0000			x

MUnit	Area (ha)	*Scientific name*	Common name	NEMBA Category	*Estimated % cover/ density	Seedlings	Juvenile	Mature
PAH-37	30.000	*Spartium junceum*	Spanish broom	1b	0.0010			x
PAH-37	30.000	*Pinus halepensis*	Aleppo pine	3	0.0010			x
PAH-37	30.000	*Acacia mearnsii*	Black wattle	2	0.5000			x
PAH-37	30.000	*Acacia saligna*	Port Jackson willow	1b	0.0100			x
PAH-37	30.000	*Pinus canariensis*	Canary pine	3	0.1000			x
PAH-37	30.000	*Pinus radiata*	Radiata pine	1b	0.0100			x
PAH-38	4.610	*No IAPs*	No IAPs	No IAPs	0.0000			x
PAH-39	15.000	*Melia azederach*	Seringa	1b	0.0100			x
PAH-39	15.000	*Arundo donax*	Spanish reed	1b	0.0100			x
PAH-39	15.000	*Eucalyptus camaldulensis*	River red gum	1b	0.0100			x
PAH-39	15.000	*Pennisetum clandestinum*	Kikuyu grass	1b	5.0000			x
PAH-39	15.000	*Echium plantagineum*	Paterson's curse	1b	1.0000	x		
PAH-39	15.000	*Acacia mearnsii*	Black wattle	2	0.1000			x
PAH-39	15.000	*Pinus elliotii*	Slash pine	1b (unless sterile)	0.1000			x
PAH-39	15.000	*Acacia saligna*	Port Jackson willow	1b	0.0010			x
PAH-40	3.130	*Pinus canariensis*	Canary pine	3	3.0000			x
PAH-41	3.520	*Acacia mearnsii*	Black wattle	2	1.0000			x
PAH-41	3.520	*Pinus halepensis*	Aleppo pine	3	5.0000			x
PAH-41	3.520	*Eucalyptus camaldulensis*	River red gum	1b	3.0000			x
PAH-41	3.520	*Agave americana*	Spreading century pant	3	0.0100			x
PAH-42	3.100	*Eucalyptus camaldulensis*	River red gum	1b	0.1000			x
PAH-42	3.100	*Arundo donax*	Spanish reed	1b	0.1000			x
PAH-42	3.100	*Sesbania punicea*	Red sesbania	1b	0.1000			x

MUnit	Area (ha)	*Scientific name*	Common name	NEMBA Category	*Estimated % cover/ density	Seedlings	Juvenile	Mature
PAH-43	2.200	*Fraxinus americana*	American ash	3	0.0100			x
PAH-43	2.200	*Echium plantagineum*	Paterson's curse	1b	0.1000			x
PAH-44	1.500	*Eucalyptus camaldulensis*	River red gum	1b	0.5000			x
PAH-44	1.500	*Arundo donax*	Spanish reed	1b	0.1000			x
PAH-44	1.500	*Sesbania punicea*	Red sesbania	1b	0.5000			x
PAH-44	1.500	*Gleditsia tricanthos*	Honey locust	1b	0.1000			x
PAH-45	5.150	*Casuarina cunninghamiana*	Beefwood	2	0.0100			x
PAH-45	5.150	*Echium plantagineum*	Paterson's curse	1b	0.1000			x
PAH-45	5.150	*Acacia mearnsii*	Black wattle	2	0.1000			x
PAH-45	5.150	*Cylindropuntia imbricata*	Imbricate prickly pear	1b	0.0010			x
PAH-45	5.150	*Sesbania punicea*	Red sesbania	1b	0.1000			x
PAH-46	3.270	*Pinus pinaster*	Cluster pine	1b	3.0000			x
PAH-46	3.270	*Ricinus communis*	Castor-oil plant	2	0.0100			x
PAH-46	3.270	*Eucalyptus camaldulensis*	River red gum	1b	0.1000			x
PAH-47	24.700	*Pinus radiata*	Radiata pine	1b	3.0000			x
PAH-47	24.700	*Pinus canariensis*	Canary pine	3	30.0000			x
PAH-48	63.800	*Pinus canariensis*	Canary pine	3	2.0000			x
PAH-48	63.800	*Pinus pinaster*	Cluster pine	1b	0.1000			x
PAH-49	11.700	*Pinus pinaster*	Cluster pine	1b	0.1000		x	
PAH-50	8.600	*Pinus pinaster*	Cluster pine	1b	2.0000			x
PAH-51	170.000	*Pinus halepensis*	Aleppo pine	3	0.1000			x
PAH-51	170.000	*Pinus pinaster*	Cluster pine	1b	0.5000			x
PAH-52	221.000	*Pinus canariensis*	Canary pine	3	0.2500			x
PAH-52	221.000	*Pinus pinaster*	Cluster pine	1b	0.2500			x

MUnit	Area (ha)	*Scientific name*	Common name	NEMBA Category	*Estimated % cover/ density	Seedlings	Juvenile	Mature
PAH-53	90.800	*Pinus canariensis*	Canary pine	3	0.1000			x
PAH-53	90.800	*Pinus pinaster*	Cluster pine	1b	0.1000			x
PAH-54	14.700	*Pinus pinaster*	Cluster pine	1b	0.0100			x
PAH-55	15.200	*Pinus pinaster*	Cluster pine	1b	0.0100			x

3.4 Prioritisation of Management Units

Prioritization of the management units was based on two criteria, namely (a) habitat importance, and (b) species distribution. Since species distribution was not of any major priority in any of the management units, habitat importance was assigned as the primary prioritization criterion. Management Units were categorized categorize the management units according to areas of Low, Medium and High Priority (Figure 5). The categories and the rationale for prioritization included:

a. High Priority:
   - All infestations occurring in Protected Areas, along watercourses or wetlands are assigned to this category due to the threat to water resources.
   - Low level, initial infestations and inaccessible areas (i.e. high altitude and steep slopes).
   - Species with long-lived, high seed outputs.
   - Coppicing species that can potentially survive herbicide treatment and low-level felling.

b. Moderate Priority:
   - Moderate density infestations.
   - Moderate inaccessibility.
   - Do not necessarily comprise new populations but usually occurring adjacent to area of low or high-density infestations.

c. Low Priority:
   - Areas under control of that contain very dense infestations, unlikely to impact adjoining area if not dealt with immediately. Note that these areas still require urgent attention but that Low Priority is assigned as a relative means of prioritizing the most problematic management units.
   - Easily to moderate accessibility that allows for rapid response if required.

The table provides a summary of the management units assigned to each priority category (Table 5).

Table 5: Prioritization of Management Units

	Low Priority	Medium Priority	High Priority
Management Units	*PAH-3, PAH-5, PAH-7, PAH-32, PAH-33, PAH-34, PAH-35, PAH-36, PAH-37, PAH-38, PAH-39, PAH-40, PAH-41, PAH-42, PAH-43, PAH-44, PAH-45,*	*PAH-6, PAH-8, PAH-9, PAH-10, PAH-11, PAH-12, PAH-14, PAH-15, PAH-16, PAH-17, PAH-18, PAH-20, PAH-21, PAH-22, PAH-23, PAH-24, PAH-25, PAH-26, PAH-27, PAH-28, PAH-29, PAH-30, PAH-31, PAH-46*	*PAH-1, PAH-2, PAH-4, PAH-13, PAH-19, PAH-47, PAH-48, PAH-49, PAH-50, PAH-51, PAH-52, PAH-53, PAH-54, PAH-55*

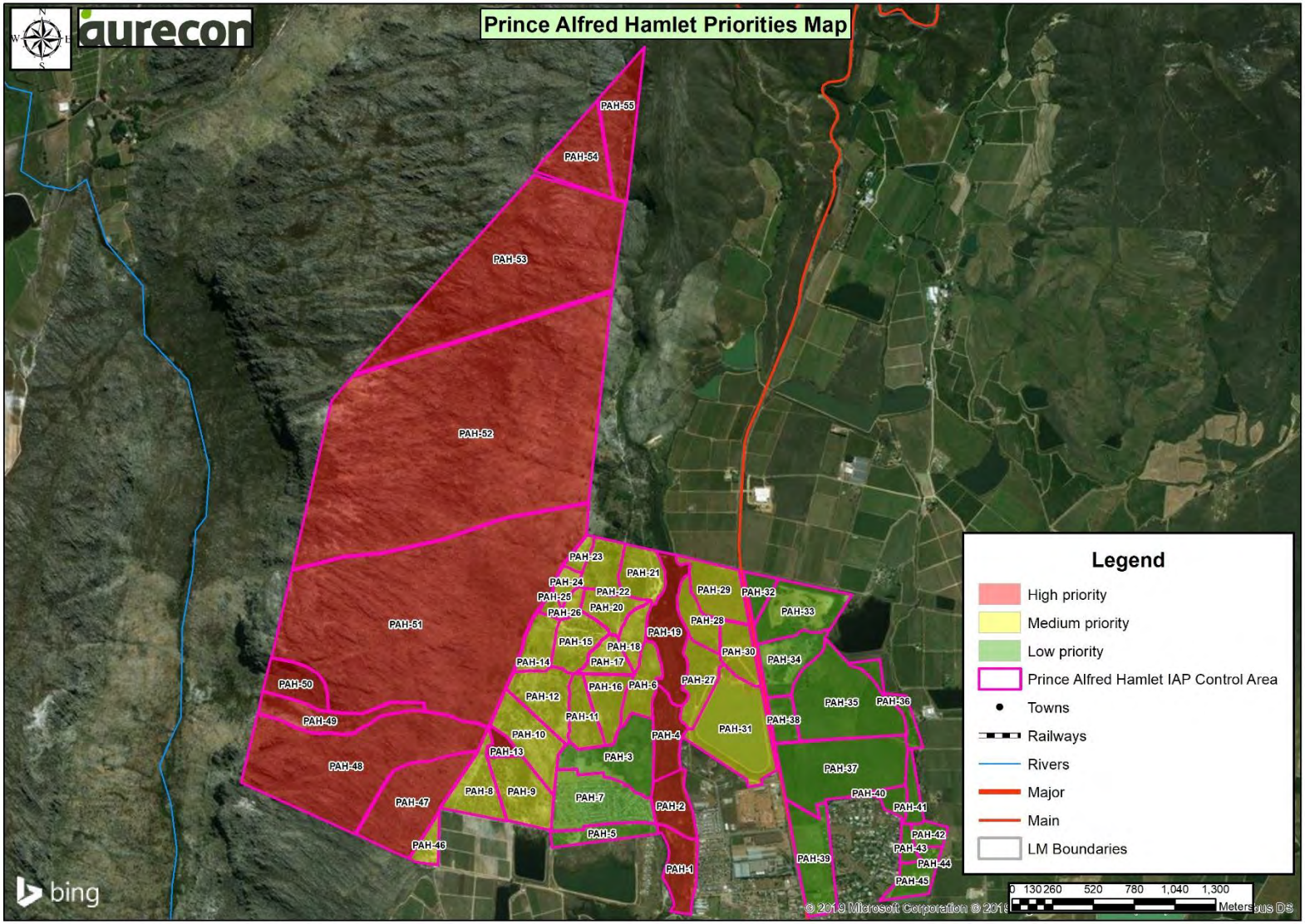


Figure 5: A map indicating the assigned priorities to each of the management units (an A3 version of this figure is provided as an Annexure to this report for better legibility)

3.5 Systematic clearing programme

3.5.1 Develop a sustainable approach to clearing

Before embarking on a clearing program, it is crucial to consider the potential impacts that clearing may have on the natural vegetation and related biodiversity. It is tempting to develop an action plan that rapidly addresses the overall infestations in one go and has a drastic reduction in the overall population, but it is important that such a plan considers the impact to the indigenous species and ecosystems, and adjusts the goals and methods to a longer, more systematic approach that allows the indigenous plant species an opportunity to gain a competitive advantage. The textbox below provides a hypothetical scenario illustrating the importance of a systematic approach to clearing.

Textbox 1: A hypothetical scenario to illustrate the importance of a systematic approach to clearing

A fire event leads to post-fire stimulation of Port Jackson Willow seedlings (± 20 mm high). The seedlings will co-occur with seedlings of indigenous species that have germinated after the fire.

If immediate action is taken by spraying the Port Jackson Willow seedlings with herbicide, the indigenous seedlings and saplings, and mycorrhizae (symbiotic root fungi associated with many fynbos species) will be inadvertently killed. It could be argued that this is a worthwhile trade-off in order to address the infestation swiftly. However, such an approach might result in the need for intensive follow-up treatments. The reason for this is that in the absence of indigenous seedlings and saplings, the dormant Port Jackson Willow seed bank is able to rapidly re-emerge thereby defeating the purpose of the initial clearing activity. Ultimately dense regrowth of indigenous vegetation must be encouraged to occupy soil area and root space as this inhibits further IAP infestations.

Under this scenario coppice regrowth on plants with a stem diameter greater than 20 mm should be sprayed whereas plants with a diameter less than 20 mm should be lopped below ground level.

3.5.1.1 General principles

The following general principles apply to the clearing programme:

- IAPs occurring along the urban edge, close to houses or other structures should be prioritised for clearing.
- Clearing should start in low-density areas so as to contain the further spread of IAPs into other areas.
- Clearing should be carried out from the highest point, working downwards (i.e. downslope or downstream).
- The upper reaches of watercourses and bare steep slopes should be targeted so prevent spread and establishment of new infestations downstream and downslope.
- Previously cleared sites or areas where partial clearing has occurred should be followed up to prevent densification of infestations.
- Uprooted seedlings or propagules such as cut material should not be left in situ to re-root.
- Felled plants should be stacked in piles along the contours and removed where practicably possible and feasible.
- Once steep slopes or erosion-prone areas have been cleared, erosion control measures should be put in place. These may include use of geotextiles or other materials. Methods should be adapted to the local situation.

- A higher degree of vigilance and longer-term strategy should be adopted for species with long-lived seeds.

3.5.1.2 Site specific mitigation measures

The following mitigation measure should be considered:

- Management Unit PAH-47 includes rugged terrain that is very difficult to access. Dense stands of Canary pine (*Pinus canariensis)* infestations occurs in this management unit and may not be felled and removed since this would have a negative impact on the indigenous vegetation should attempts be made to remove the felled trees. **Note that this is a coppicing species and applying appropriate control measures are essential.** The following control methods are thus recommended:
  - **Mature trees:** It is recommended that the mature trees are ringbarked before being treated with an herbicide. These trees shall be left standing to reduce disturbance impacts on the soil and indigenous vegetation, as well as reduce the potential impact of felled trees burning in the event of a fire[5].
  - **Juvenile trees**: Juvenile trees should be slashed, and stumps must be treated with a registered broadcast spray herbicide (which includes a dye to ensure proper cover and treatment with the herbicide).
- Herbicide treatment must be carried out with a high level of caution since the commonage and mountain catchment are listed as strategic surface and groundwater areas. Only registered herbicides may be used that are appropriate to the specific habitat (e.g. aquatic vs. terrestrial
- Indigenous species shall not be disturbed, destroyed and or damaged during IAP control implementation. Areas and specific plants that needs to be avoided during control activities shall be identified and marked prior to the activities commencing by the Environmental Manager for the WLM. These areas and species shall be confirmed with CapeNature where necessary.
- Where IAP are remove from the site caution must be taken not to damage the indigenous vegetation. A light footprint approach shall be taken, and contractors shall be aware of the potential damage that can be imposed by trampling and temporarily stock-piling vegetation.

3.5.2 Determine what management units to target

The initial clearing programme needs to take place according to prioritization of the management units. High Priority areas must be cleared first, followed by Medium and Low Priority areas. The table below provides an action plan based on priority management units, including estimated targets and estimated timeframes (Table 6). Note that due to the extensive size and difficulty in estimating species percentage cover, these timeframes must be subject to adjustment as management units are systematically cleared. It is emphasized that the optimal approach to clearing of High Priority areas is to begin clearing of several units simultaneously. Monitoring would be required in perpetuity across Prince Alfred Hamlet since infestation is likely to emerge sporadically in remote areas and along the invasion pathways.

[5] It should be noted that in order for felled mature logs to burn this would require a high indigenous fuel load which is not available in PAH-47.

3.5.3 Determine where to start

It is generally an accepted practice to start a clearing operation on the outer perimeter of the infestation, typically on the upper slopes or in the upstream reaches:

- Terrestrial areas should be cleared from the highest point (altitude) and from the lowest density of infestation towards the lower slopes and highest density of infestation wherever practical.
- Riparian areas should be cleared from the upstream reaches and from the lowest density of infestation towards the downstream reaches and highest density of infestation wherever practical.

Table 6: Identified invasive plants occurring in management units of Prince Alfred Hamlet

MUnit	Priority	*Scientific name*	Common name	NEMBA Category	Area occupied (m^2)	*Estimated % cover/ density	Target	Proposed Timeframe	Action	Follow-up and maintenance[6]
PAH-1	High	*Echium plantagineum*	Paterson's curse	1b	1820.000	2.0000	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-1	High	*Acacia mearnsii*	Black wattle	2	2730.000	3.0000	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-1	High	*Rubus cuneifolius*	American bramble	1b	91.000	0.1000	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-1	High	*Cirsium vulgare*	Spur thistle	1b	9.100	0.0100	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-1	High	*Populus x canescens*	Grey poplar	2	9.100	0.0100	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-1	High	*Eucalyptus cladocalyx*	Sugar gum	1b	9.100	0.0100	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-1	High	*Acacia saligna*	Port Jackson willow	1b	9.100	0.0100	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-1	High	*Ricinus communis*	Castor-oil plant	2	9.100	0.0100	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-1	High	*Sesbania punicea*	Red sesbania	1b	91.000	0.1000	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity

[6] Within 4–6 months after initial clearing.

MUnit	Priority	*Scientific name*	Common name	NEMBA Category	Area occupied (m^2)	*Estimated % cover/ density	Target	Proposed Timeframe	Action	Follow-up and maintenance[6]
PAH-1	High	*Verbena bonariensis*	Wild verbena	1b	0.910	0.0010	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-1	High	*Casuarina cunninghamiana*	Beefwood	2	0.910	0.0010	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-2	High	*Echium plantagineum*	Paterson's curse	1b	83.100	0.1000	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-2	High	*Cirsium vulgare*	Spur thistle	1b	0.831	0.0010	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-2	High	*Acacia mearnsii*	Black wattle	2	2493.000	3.0000	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-2	High	*Acacia longifolia*	Long-leaved wattle	1b	8.310	0.0100	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-2	High	*Rubus cuneifolius*	American bramble	1b	0.831	0.0010	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-3	Low	*Pinus pinaster*	Cluster pine	1b	1.700	0.0010	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-4	High	*Populus x canescens*	Grey poplar	2	9.160	0.0100	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-4	High	*Echium plantagineum*	Paterson's curse	1b	9.160	0.0100	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-4	High	*Acacia pycnantha*	Golden wattle	1b	0.916	0.0010	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity

MUnit	Priority	*Scientific name*	Common name	NEMBA Category	Area occupied (m^2)	*Estimated % cover/ density	Target	Proposed Timeframe	Action	Follow-up and maintenance[6]
PAH-5	Low	*Pinus pinaster*	Cluster pine	1b	6.350	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-5	Low	*Pinus radiata*	Radiata pine	1b	63.500	0.1000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-6	Medium	*Eucalyptus cladocalyx*	Sugar gum	1b	7.570	0.0100	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-6	Medium	*Acacia mearnsii*	Black wattle	2	3785.000	5.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-6	Medium	*Pinus radiata*	Radiata pine	1b	0.076	0.0001	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-6	Medium	*Acacia saligna*	Port Jackson willow	1b	7.570	0.0100	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-7	Low	*Casuarina cunninghamiana*	Beefwood	2	1.860	0.0010	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-7	Low	*Ricinus communis*	Castor-oil plant	2	1.860	0.0010	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-7	Low	*Amelia azederach*	Seringa	3	1.860	0.0010	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-7	Low	*Agave americana*	Spreading century pant	3	1.860	0.0010	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-7	Low	*Solanum mauritianum*	Bugweed	1b	1.860	0.0010	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity

MUnit	Priority	*Scientific name*	Common name	NEMBA Category	Area occupied (m^2)	*Estimated % cover/ density	Target	Proposed Timeframe	Action	Follow-up and maintenance[6]
PAH-7	Low	*Canna indica*	Indian shot	1b	1.860	0.0010	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-7	Low	*Acacia mearnsii*	Black wattle	2	18.600	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-7	Low	*Opuntia ficus-indica*	Mission prickly pear	1b	1.860	0.0010	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-8	Medium	*Pinus pinaster*	Cluster pine	1b	4080.000	4.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-8	Medium	*Pinus radiata*	Radiata pine	1b	1020.000	1.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-9	Medium	*Pinus pinaster*	Cluster pine	1b	26000.000	20.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-9	Medium	*Pinus radiata*	Radiata pine	1b	13000.000	10.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-10	Medium	*Pinus pinaster*	Cluster pine	1b	5200.000	4.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-10	Medium	*Pinus radiata*	Radiata pine	1b	1300.000	1.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-11	Medium	*Pinus pinaster*	Cluster pine	1b	2154.000	3.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-12	Medium	*Acacia saligna*	Port Jackson willow	1b	119.000	0.1000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity

MUnit	Priority	*Scientific name*	Common name	NEMBA Category	Area occupied (m^2)	*Estimated % cover/ density	Target	Proposed Timeframe	Action	Follow-up and maintenance[6]
PAH-12	Medium	*Pinus pinaster*	Cluster pine	1b	11900.000	10.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-12	Medium	*Acacia mearnsii*	Black wattle	2	1190.000	1.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-13	High	*Pinus pinaster*	Cluster pine	1b	120.000	0.5000	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-14	Medium	*Acacia mearnsii*	Black wattle	2	341.000	0.5000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-14	Medium	*Pinus pinaster*	Cluster pine	1b	2046.000	3.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-14	Medium	*Eucalyptus cladocalyx*	Sugar gum	1b	6.820	0.0100	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-14	Medium	*Pinus radiata*	Radiata pine	1b	6.820	0.0100	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-14	Medium	*Acacia saligna*	Port Jackson willow	1b	68.200	0.1000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-15	Medium	*Pinus pinaster*	Cluster pine	1b	27300.000	30.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-15	Medium	*Pinus radiata*	Radiata pine	1b	1820.000	2.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-15	Medium	*Acacia mearnsii*	Black wattle	2	4550.000	5.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity

MUnit	Priority	*Scientific name*	Common name	NEMBA Category	Area occupied (m^2)	*Estimated % cover/ density	Target	Proposed Timeframe	Action	Follow-up and maintenance[6]
PAH-16	Medium	*Pinus pinaster*	Cluster pine	1b	2454.000	3.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-17	Medium	*Pinus pinaster*	Cluster pine	1b	1046.000	2.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2026 ongoing in perpetuity
PAH-17	Medium	*Acacia saligna*	Port Jackson willow	1b	1046.000	2.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2026 ongoing in perpetuity
PAH-17	Medium	*Acacia mearnsii*	Black wattle	2	52.300	0.1000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2026 ongoing in perpetuity
PAH-17	Medium	*Hakea sericea*	Silky hakea	1b	5.230	0.0100	Complete initial clearing by 2023	2020 - 2023	Delayed action	2026 ongoing in perpetuity
PAH-18	Medium	*Hakea sericea*	Silky hakea	1b	4.920	0.0100	Complete initial clearing by 2023	2020 - 2023	Delayed action	2026 ongoing in perpetuity
PAH-18	Medium	*Acacia mearnsii*	Black wattle	2	984.000	2.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2026 ongoing in perpetuity
PAH-18	Medium	*Acacia saligna*	Port Jackson willow	1b	49.200	0.1000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2026 ongoing in perpetuity
PAH-18	Medium	*Pinus radiata*	Radiata pine	1b	4.920	0.0100	Complete initial clearing by 2023	2020 - 2023	Delayed action	2026 ongoing in perpetuity
PAH-19	High	*Acacia mearnsii*	Black wattle	2	124800.000	80.0000	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-19	High	*Eucalyptus diversicolor*	Karri	1b	15.600	0.0100	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity

MUnit	Priority	*Scientific name*	Common name	NEMBA Category	Area occupied (m^2)	*Estimated % cover/ density	Target	Proposed Timeframe	Action	Follow-up and maintenance[6]
PAH-19	High	*Rubus cuneifolius*	American bramble	1b	156.000	0.1000	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-19	High	*Pinus pinaster*	Cluster pine	1b	3120.000	2.0000	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-20	Medium	*Acacia mearnsii*	Black wattle	2	6630.000	10.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-20	Medium	*Pinus radiata*	Radiata pine	1b	1989.000	3.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-20	Medium	*Acacia pycnantha*	Golden wattle	1b	6.630	0.0100	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-21	Medium	*Acacia mearnsii*	Black wattle	2	34120.000	40.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-21	Medium	*Eucalyptus camaldulensis*	River red gum	1b	1706.000	2.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-21	Medium	*Pinus pinaster*	Cluster pine	1b	85.300	0.1000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-21	Medium	*Acacia saligna*	Port Jackson willow	1b	85.300	0.1000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-21	Medium	*Opuntia ficus-indica*	Mission prickly pear	1b	0.853	0.0010	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-22	Medium	*Acacia mearnsii*	Black wattle	2	26285.000	35.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity

MUnit	Priority	*Scientific name*	Common name	NEMBA Category	Area occupied (m^2)	*Estimated % cover/ density	Target	Proposed Timeframe	Action	Follow-up and maintenance[6]
PAH-22	Medium	*Eucalyptus camaldulensis*	River red gum	1b	3755.000	5.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-22	Medium	*Pinus pinaster*	Cluster pine	1b	375.500	0.5000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-23	Medium	*Pinus pinaster*	Cluster pine	1b	440.000	2.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-23	Medium	*Acacia mearnsii*	Black wattle	2	440.000	2.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-24	Medium	*Pinus pinaster*	Cluster pine	1b	1325.000	5.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-24	Medium	*Acacia mearnsii*	Black wattle	2	26.500	0.1000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-25	Medium	*Pinus radiata*	Radiata pine	1b	13.300	0.1000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-25	Medium	*Pinus pinaster*	Cluster pine	1b	665.000	5.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-25	Medium	*Eucalyptus camaldulensis*	River red gum	1b	13.300	0.1000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-25	Medium	*Acacia mearnsii*	Black wattle	2	1995.000	15.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-26	Medium	*Pinus pinaster*	Cluster pine	1b	19.000	0.1000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity

MUnit	Priority	*Scientific name*	Common name	NEMBA Category	Area occupied (m^2)	*Estimated % cover/ density	Target	Proposed Timeframe	Action	Follow-up and maintenance[6]
PAH-26	Medium	*Rubus cuneifolius*	American bramble	1b	19.000	0.1000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-26	Medium	*Acacia mearnsii*	Black wattle	2	19.000	0.1000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-27	Medium	*Acacia mearnsii*	Black wattle	2	17820.000	20.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-27	Medium	*Agave americana*	Spreading century pant	3	8.910	0.0100	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-27	Medium	*Acacia saligna*	Port Jackson willow	1b	89.100	0.1000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-27	Medium	*Eucalyptus camaldulensis*	River red gum	1b	8.910	0.0100	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-27	Medium	*Echium plantagineum*	Paterson's curse	1b	89.100	0.1000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-28	Medium	*Acacia mearnsii*	Black wattle	2	3290.000	5.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-29	Medium	*Acacia mearnsii*	Black wattle	2	2280.000	2.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-29	Medium	*Acacia saligna*	Port Jackson willow	1b	570.000	0.5000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-30	Medium	*Acacia mearnsii*	Black wattle	2	7360.000	10.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity

MUnit	Priority	*Scientific name*	Common name	NEMBA Category	Area occupied (m^2)	*Estimated % cover/ density	Target	Proposed Timeframe	Action	Follow-up and maintenance[6]
PAH-30	Medium	*Acacia saligna*	Port Jackson willow	1b	736.000	1.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-31	Medium	*Acacia mearnsii*	Black wattle	2	10200.000	4.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-31	Medium	*Pinus pinaster*	Cluster pine	1b	5100.000	2.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-31	Medium	*Casuarina cunninghamiana*	Beefwood	2	2.550	0.0010	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-31	Medium	*Acacia saligna*	Port Jackson willow	1b	2550.000	1.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-31	Medium	*Eucalyptus camaldulensis*	River red gum	1b	25.500	0.0100	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-31	Medium	*Echium plantagineum*	Paterson's curse	1b	25.500	0.0100	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-32	Low	*Acacia saligna*	Port Jackson willow	1b	36.800	0.1000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-32	Low	*Casuarina cunninghamiana*	Beefwood	2	3.680	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-32	Low	*Pinus pinaster*	Cluster pine	1b	36.800	0.1000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-33	Low	*Pinus radiata*	Radiata pine	1b	1580.000	1.0000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity

MUnit	Priority	*Scientific name*	Common name	NEMBA Category	Area occupied (m^2)	*Estimated % cover/ density	Target	Proposed Timeframe	Action	Follow-up and maintenance[6]
PAH-33	Low	*Acacia saligna*	Port Jackson willow	1b	7900.000	5.0000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-33	Low	*Eucalyptus camaldulensis*	River red gum	1b	3160.000	2.0000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-33	Low	*Casuarina cunninghamiana*	Beefwood	2	1.580	0.0010	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-33	Low	*Acacia mearnsii*	Black wattle	2	158.000	0.1000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-33	Low	*Acacia pycnantha*	Golden wattle	1b	1.580	0.0010	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-33	Low	*Acacia baileyana*	Bailey's wattle	3	15.800	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-33	Low	*Melia azederach*	Seringa	1b	15.800	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-33	Low	*Pinus pinaster*	Cluster pine	1b	1580.000	1.0000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-33	Low	*Opuntia ficus-indica*	Mission prickly pear	1b	1.580	0.0010	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-33	Low	*Echium plantagineum*	Paterson's curse	1b	15.800	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-33	Low	*Ricinus communis*	Castor-oil plant	2	15.800	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity

MUnit	Priority	*Scientific name*	Common name	NEMBA Category	Area occupied (m^2)	*Estimated % cover/ density	Target	Proposed Timeframe	Action	Follow-up and maintenance[6]
PAH-33	Low	*Acacia longifolia*	Long-leaved wattle	1b	1.580	0.0010	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-33	Low	*Xanthium strumarium*	Large cocklebur	1b	15.800	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-34	Low	*Eucalyptus camaldulensis*	River red gum	1b	1150.000	1.0000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-34	Low	*Casuarina cunninghamiana*	Beefwood	2	1150.000	1.0000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-34	Low	*Acacia mearnsii*	Black wattle	2	1.150	0.0010	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-34	Low	*Echium plantagineum*	Paterson's curse	1b	11.500	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-34	Low	*Spartium junceum*	Spanish broom	1b	1.150	0.0010	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-34	Low	*Acacia saligna*	Port Jackson willow	1b	11.500	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-34	Low	*Convolvulus arvensis*	Field bindweed	1b	1.150	0.0010	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-34	Low	*Ricinus communis*	Castor-oil plant	2	11.500	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-34	Low	*Xanthium strumarium*	Large cocklebur	1b	1.150	0.0010	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity

MUnit	Priority	*Scientific name*	Common name	NEMBA Category	Area occupied (m^2)	*Estimated % cover/ density	Target	Proposed Timeframe	Action	Follow-up and maintenance[6]
PAH-35	Low	*Ricinus communis*	Castor-oil plant	2	29.300	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-35	Low	*Acacia saligna*	Port Jackson willow	1b	293.000	0.1000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-35	Low	*Acacia mearnsii*	Black wattle	2	8790.000	3.0000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-35	Low	*Eucalyptus camaldulensis*	River red gum	1b	11720.000	4.0000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-35	Low	*Acacia melanoxylon*	Australian blackwood	2	29.300	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-35	Low	*Pinus radiata*	Radiata pine	1b	29.300	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-35	Low	*Pinus halepensis*	Aleppo pine	3	29.300	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-36	Low	*Pinus canariensis*	Canary pine	3	1425.000	3.0000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-36	Low	*Eucalyptus camaldulensis*	River red gum	1b	3800.000	8.0000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-36	Low	*Acacia mearnsii*	Black wattle	2	950.000	2.0000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-37	Low	*Spartium junceum*	Spanish broom	1b	3.000	0.0010	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity

MUnit	Priority	*Scientific name*	Common name	NEMBA Category	Area occupied (m^2)	*Estimated % cover/ density	Target	Proposed Timeframe	Action	Follow-up and maintenance[6]
PAH-37	Low	*Pinus halepensis*	Aleppo pine	3	3.000	0.0010	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-37	Low	*Acacia mearnsii*	Black wattle	2	1500.000	0.5000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-37	Low	*Acacia saligna*	Port Jackson willow	1b	30.000	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-37	Low	*Pinus canariensis*	Canary pine	3	300.000	0.1000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-37	Low	*Pinus radiata*	Radiata pine	1b	30.000	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-38	Low	*No IAPs*	No iaps	No IAPs	0.000	0.0000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-39	Low	*Melia azederach*	Seringa	1b	15.000	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-39	Low	*Arundo donax*	Spanish reed	1b	15.000	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-39	Low	*Eucalyptus camaldulensis*	River red gum	1b	15.000	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-39	Low	*Pennisetum clandestinum*	Kikuyu grass	1b	7500.000	5.0000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-39	Low	*Echium plantagineum*	Paterson's curse	1b	1500.000	1.0000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity

MUnit	Priority	*Scientific name*	Common name	NEMBA Category	Area occupied (m^2)	*Estimated % cover/ density	Target	Proposed Timeframe	Action	Follow-up and maintenance[6]
PAH-39	Low	*Acacia mearnsii*	Black wattle	2	150.000	0.1000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-39	Low	*Pinus elliotii*	Slash pine	1b (unless sterile)	150.000	0.1000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-39	Low	*Acacia saligna*	Port Jackson willow	1b	1.500	0.0010	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-40	Low	*Pinus canariensis*	Canary pine	3	939.000	3.0000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-41	Low	*Acacia mearnsii*	Black wattle	2	352.000	1.0000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-41	Low	*Pinus halepensis*	Aleppo pine	3	1760.000	5.0000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-41	Low	*Eucalyptus camaldulensis*	River red gum	1b	1056.000	3.0000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-41	Low	*Agave americana*	Spreading century pant	3	3.520	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-42	Low	*Eucalyptus camaldulensis*	River red gum	1b	31.000	0.1000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-42	Low	*Arundo donax*	Spanish reed	1b	31.000	0.1000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-42	Low	*Sesbania punicea*	Red sesbania	1b	31.000	0.1000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity

MUnit	Priority	*Scientific name*	Common name	NEMBA Category	Area occupied (m^2)	*Estimated % cover/ density	Target	Proposed Timeframe	Action	Follow-up and maintenance[6]
PAH-43	Low	*Fraxinus americana*	American ash	3	2.200	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-43	Low	*Echium plantagineum*	Paterson's curse	1b	22.000	0.1000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-44	Low	*Eucalyptus camaldulensis*	River red gum	1b	75.000	0.5000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-44	Low	*Arundo donax*	Spanish reed	1b	15.000	0.1000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-44	Low	*Sesbania punicea*	Red sesbania	1b	75.000	0.5000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-44	Low	*Gleditsia tricanthos*	Honey locust	1b	15.000	0.1000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-45	Low	*Casuarina cunninghamiana*	Beefwood	2	5.150	0.0100	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-45	Low	*Echium plantagineum*	Paterson's curse	1b	51.500	0.1000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-45	Low	*Acacia mearnsii*	Black wattle	2	51.500	0.1000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-45	Low	*Cylindropuntia imbricata*	Imbricate prckly pear	1b	0.515	0.0010	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity
PAH-45	Low	*Sesbania punicea*	Red sesbania	1b	51.500	0.1000	Complete initial clearing by 2025	2022 - 2025	Delayed action	2026 ongoing in perpetuity

MUnit	Priority	*Scientific name*	Common name	NEMBA Category	Area occupied (m^2)	*Estimated % cover/ density	Target	Proposed Timeframe	Action	Follow-up and maintenance[6]
PAH-46	Medium	*Pinus pinaster*	Cluster pine	1b	981.000	3.0000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-46	Medium	*Ricinus communis*	Castor-oil plant	2	3.270	0.0100	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-46	Medium	*Eucalyptus camaldulensis*	River red gum	1b	32.700	0.1000	Complete initial clearing by 2023	2020 - 2023	Delayed action	2024 ongoing in perpetuity
PAH-47	High	*Pinus radiata*	Radiata pine	1b	7410.000	3.0000	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-47	High	*Pinus canariensis*	Canary pine	3	74100.000	30.0000	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-48	High	*Pinus canariensis*	Canary pine	3	12760.000	2.0000	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-48	High	*Pinus pinaster*	Cluster pine	1b	638.000	0.1000	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-49	High	*Pinus pinaster*	Cluster pine	1b	117.000	0.1000	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-50	High	*Pinus pinaster*	Cluster pine	1b	1720.000	2.0000	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-51	High	*Pinus halepensis*	Aleppo pine	3	1700.000	0.1000	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-51	High	*Pinus pinaster*	Cluster pine	1b	8500.000	0.5000	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity

MUnit	Priority	*Scientific name*	Common name	NEMBA Category	Area occupied (m^2)	*Estimated % cover/ density	Target	Proposed Timeframe	Action	Follow-up and maintenance[6]
PAH-52	High	*Pinus canariensis*	Canary pine	3	5525.000	0.2500	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-52	High	*Pinus pinaster*	Cluster pine	1b	5525.000	0.2500	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-53	High	*Pinus canariensis*	Canary pine	3	908.000	0.1000	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-53	High	*Pinus pinaster*	Cluster pine	1b	908.000	0.1000	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-54	High	*Pinus pinaster*	Cluster pine	1b	14.700	0.0100	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity
PAH-55	High	*Pinus pinaster*	Cluster pine	1b	15.200	0.0100	Complete initial clearing by 2021	2019 - 2021	Immediate	2020 ongoing in perpetuity

3.5.4 Develop a schedule

A systematic clearing programme involves the following three (3) steps:

- Initial control: drastic reduction of existing population.
- Follow-up control: control of seedlings, root suckers and coppice growth.
- Maintenance control: maintain low alien plant numbers and apply annual control.

Management Unit	Priority	IAP	Initial Clearing	Follow-up Schedule			
				1	2	3	n
PAH-1	High	*Echium plantagineum*	Insert date	Insert date	Insert date	Insert date	Insert date
PAH-1	High	*Acacia mearnsii*	Insert date	Insert date	Insert date	Insert date	Insert date
PAH-1	High	*Rubus cuneifolius*	Insert date	Insert date	Insert date	Insert date	Insert date
…							

3.5.4.1 Importance of follow-up clearing

Follow-up clearing will be required following the first clearing efforts. Follow-up clearing must follow a species-specific approach (i.e. optimal clearing time for each species, including factors such as post-clearing and post-fire regrowth). Follow-up clearing in areas where fires occur is also a priority because the exposed soil provides an opportunity to hand pull seedlings as they emerge. Fire events are inevitable and should thus be factored into the programme as they occur.

3.5.5 Determine a suitable method

A variety of methods can be used for clearing. The following general methods relevant to Prince Alfred Hamlet are:

- **Hand pulling**: Grip young plants (usually 30cm or less) low down and pull out by hand (using gloves). Wear gloves, pull hard, shake off soil, kick soil around crown (point where stem meets soil surface). Stack in piles or spread out depending on whether it would cause a fire hazard or not. Stack in piles or rows around contour lines to facilitate easy follow up and removal.
- **Ring barking:** Bark must be removed from the bottom of the stem to a height of 0.75-1.0 m. All bark must be removed to below ground level for good results (note this is not necessary for Monterey pine). Where clean de-barking is not possible due to crevices in the stem or where exposed roots are present, a combination of bark removal and basal stem treatments should be carried out. Pangas or axes should be used for debarking.
- **Frilling:** Using an axe or panga, make angled cuts downward into the cambium layer through the bark in a ring. Ensure complete encircling of the stem and apply herbicide into the cuts. Where trees can be felled and removed use chainsaws or brushcutters.

- **Cut-stump herbicide treatment**: Should the use of registered herbicides be the most effective option for control of alien invasive vegetation, and agreed to in terms of an approved Method Statement, then this shall be undertaken in compliance with the terms and conditions of the South African National Standards for handling, storage and disposal of pesticides (SANS 10206:2010, Edition 2.2), and **under the instruction and supervision of a certified Pest Control Officer (PCO)**.
    - Only herbicides registered for the particular plant species requiring control shall be used. Where no herbicide has been registered, the PCO is to select a suitable alternative (e.g. the least hazardous herbicide registered for a similar plant species).
    - Application rates shall comply with the product label of the herbicide used, unless the PCO has instructed differently.
    - Herbicide operators mixing and applying herbicides shall be appropriately trained and supervised and shall be equipped with the requisite personal protective clothing in accordance with the SANS requirements and the herbicide labels.
    - Supervisors shall be literate, shall understand the instructions on the herbicide labels, and shall ensure that the necessary safety protocols are implemented.
    - The use of diesel-based herbicides near watercourses shall not be permitted.
    - The requisite washing facilities and herbicide mixing area shall comply with the SANS requirements, as shall the transport, handling and storage of herbicides.
    - There is a very high risk of off-target damage from herbicides within riparian areas as many herbicides are toxic to aquatic systems, and only herbicides that are approved for use near a watercourse shall be used.
    - Herbicides shall not be used in windy or rainy conditions, and care shall be taken to avoid drift onto indigenous plants.
    - Stems should be cut as low as practicable, as stipulated on the herbicide product label.
    - Herbicide prescription shall only be undertaken by a certified PCO.

4 Responsibilities & Reporting Requirements

4.1 Overall Structure

Even though it is the mandate of the Environment and Amenities Department of the WLM to ensure compliance with the IAS requirements of NEM:BA, various WLM departments and stakeholders also share in some of the responsibilities and have an important role to play.

Due to this complexity of roles and responsibilities, it is very important to have a clearly defined governance structure that will ensure:

- Effective and efficient implementation of this strategy;
- Ownership of roles and responsibilities among the different role players and stakeholders; and
- Collaboration, by aligning expectations and common objectives.

There are four key elements in any successful invasive alien species programme:

- a sound strategy
- a realistic target
- an adequate budget
- good management.

"If any of these are missing, you are simply wasting your time and, generally, somebody else's money."

Dr Ian AW Macdonald, International Environmental Consultant.

To achieve the above, the organizational model depicted in Figure 6 has been adapted from the 2009 CAPE Invasive Alien Species Strategy for the WLM, and its relevance to this ISMC&E Plan for the Prince Alfred Hamlet will be discussed in more detail in subsections of this chapter.

Figure 6: Organizational model to manage roles and responsibilities in the WLM in terms of invasive species control

Note that the IAS Task Team and Working Groups may merely consist of only one or two individuals initially but has the potential to grow significantly in size over time, as funding becomes available.

4.2 IAS Task Team

4.2.1 Purpose

The task team will be the direct link between the stakeholders, implementers and working groups of the ISMC&EP, and the Steering Committee, with the main purpose of coordinating and facilitating the implementation of this plan.

4.2.2 Responsibilities

The main responsibilities of the IAS Task Team will be as follows:

- Coordinate:
  - Planning activities (executed by the Working Groups; see Section 4.3);
  - Implementation activities (executed by the Implementation Agencies; see Section 4.4);
  - Monitoring activities (executed by the Working Groups; see Section 4.3);
  - Capacity building and skills training; and
  - Awareness raising.
- Provide specialised services and support such as:
  - Integration of the business plan with tasks and activities to be performed by the Working Groups and Implementation Agencies;
  - Financial management;
  - Contract management;
  - Communication and reporting; and
  - Overall monitoring and evaluation.
- Manage and develop relationships with, and involvement of, key stakeholders, role players and partners.
- Appoint implementing agents.

4.2.3 Structure

The IAS Task Team will consist of specialised staff within the Environmental and Amenities Department of the WLM. A clear communication and reporting structure will need to be developed by the IAS Task Team leader that fits into the existing WLM management structure.

4.3 Working Group

4.3.1 Purpose

The Working Group for the Prince Alfred Hamlet ISMC&E will provide specialised services such as planning, monitoring, data management, awareness raising and capacity building.

4.3.2 Responsibilities

The Working Groups will mainly be responsible for the:

- The execution of planning and monitoring activities required for the implementation of the ISMC&E Plan.

- Providing sound research (e.g. monitoring data) and guidance that can be used for decision-making and prioritisation of management units in the future.
- Management of baseline data and knowledge to enable monitoring and future planning.
- Management and development of relationships with key stakeholders, role players and partners.
- Raising awareness and community support.

4.3.3 Structure

The Working Groups will report directly to the IAS Task Team. Working Groups should be identified and developed in terms of the Strategic Objectives. Members should mostly consist of WLM staff (inter- and intra- departmental), but it may also be necessary to appoint external specialists for specific tasks and/or to develop partnerships.

4.4 Implementation Agencies

4.4.1 Purpose

The purpose of the implementation agencies is to implement the control measures to address IAPs in the management units, focussing on those identified as a high priority first, and undertaking a systematic approach to clearing in accordance with the programme and schedule.

4.4.2 Responsibilities

The main responsibilities of the Implementation Agencies will be to:

- Implement IAP control measures including initial clearing, repeated follow-up and scheduled maintenance.
- Provide site specific knowledge/experience to the relevant Working Group that needs to be considered for future planning.

4.4.3 Structure

The implementing agents can be contractors, specialists, partners, etc., as identified and appointed by the WLM.

5 Monitoring & Evaluation

Regular monitoring of the progress and success of implementation of the ISMC&E Plan must be undertaken for each management unit. This should take the form of regular reports (monthly and annually) that allow for comparative monitoring and success at the various stages, including prior to and after each clearing phase. Workload assessments are to be carried out prior to every control operation. This information is collated and analysed in the five-year reports. The five-year report will provide an overview in terms of (a) what has been achieved in relation to the targets and (b) status quo of IAPs in the Prince Alfred Hamlet site. The table below provides a set of monitoring protocols to be implemented by contractors and used by the WLM to evaluate deliverables and success rates (Table 7).

Table 7: Monitoring measures for assessing success of the ISMC&E Plan

Phase	Objective	Measurable indicators	Action	Desired outcome
Phase 1: Workload assessment/ First clearing	Costing and action plan.	Fixed point photographs comparing before and after cover. Repeat	Deviations of 15% or more between planned versus completed work must be motivated with corrective steps.	Reach maintenance phase by attaining 95% reduction over the 10-year period.
Phase 2: First follow-up clearing	Costing and action plan.	Compare fixed point photographs, before and after cover. Repeat cover estimating and compare with cover prior to start of work. Monitor interval every 4–6 months after initial work.	Deviations of 15% or more between planned versus completed work must be motivated with corrective steps.	Reach maintenance phase by attaining 95% reduction over the 10-year period.
Maintenance Phase	Costing and action plan.	Compare fixed point photographs, before and after cover. Repeat cover estimating and compare with cover prior to start of work. Monitor interval every 4–6 months after initial work	Deviations of 15% or more between planned versus completed work must be motivated with corrective steps.	Continue regular sweep operations. Survey and assess the IAP status for the entire Prince Alfred Hamlet every year.

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Swaziland, Tanzania, Thailand, Uganda,
United Arab Emirates, Vietnam, Zambia,

ANNEXURE A

Maps

aurecon

MATZIKAMA MUNICIPALITY WC011

INSET:

Prince Alfred Hamlet

© 2019 Microsoft Corporation Earthstar Geographics SIO

bing

Trawal

Doringbos

Uitspankraal

Ratelfontein

Lamberts Bay

Graafwater

Clanwilliam

Wolfhuis

Leipoldtville

CEDERBERG MUNICIPALITY WC012

Wuppertal

Sandberg

Elands Bay

Redelinghuys

Paleisheuwel

Cederberg

Noordkuil

Het Kruis

Citrusdal

Eendekuil

Dwarskersbos

Aurora

BERGRIVIER MUNICIPALITY WC013

Pools

Sauer

Goedverwag

Piketberg

Witwater

Bergrivier

De Hoek

Porterville

Koringberg

SALDANHA BAY MUNICIPALITY WC014

Hopefield

Moorreesburg

Bokfontein

WITZENBERG MUNICIPALITY WC022

Prince Alfred Hamlet (See Inset)

Prince Alfred Hamlet

Hottentotskloof

Gouda

Tulbagh

Skoonvlei

Bokrivier

Oupos

Rust

Platteklip

SWARTLAND MUNICIPALITY WC015

Riebeek-Wes

Voëlvlei

Ceres

Darling

Riebeek-Kasteel

Wolseley

La Plaisante

Malmesbury

Hermon

Romansrivier

Soetendal

Abbotsdale

Kalbaskraal

Goedehoop

Wellington

Blouvlei

DRAKENSTEIN MUNICIPALITY WC023

Worcester

De Wet

Wilgerboomsrivier

Pietersfontein

Koo

LANGEBERG MUNICIPALILITY WC026

Rawsonville

Voorsorg

Nuy

Moordkuil

Robertson

Montagu

Suider Paarl

Paarl

Goree

Sandvliet

Simondium

Le Chasseur

Klaas Voogdsrivier

STELLENBOSCH MUNICIPALITY WC024

Franschhoek

Kylemore

Pniel

THEEWATERSKLOOF MUNICIPALITY WC031

Hammanshof

Wakkerstroom

Mcgregor

Bonnievale

Scheepersrus

Akkerboom

Vleiplaas

Barrydale

Langberg

Die Draai

Jan de Boers

Konstabel

Tweeside

Pieter Meintjies

Bantams

Baviaan

Whitehill

Matjiesfontein

Viskuil

Geelbek

Vleifontein

Koup

Dwyka

Prince Albert Road

Hilandale

LAINGSBURG MUNICIPALITY WC051

PRINCE ALBERT MUNICIPALITY WC052

Merweville

Touws River

Nouga

BREEDE VALLEY MUNICIPALITY WC025

De Doorns

Avondrust

Kraggasrivier

Bloutoring

Anysberg

Hoek van die Berg

Keeskraal

Boerboonfontein

SWELLENDAM MUNICIPALITY WC034

Koringplaas

Legend

- Prince Alfred Hamlet IAP Control Area
- Witzenberg LM
- Towns
- Railways
- Major
- Main
- Rivers
- LM Boundaries

0 5 10 20 30 40 50 Kmphics SIO

WITZENBERG

MUNISIPALITEIT UMASIPALA MUNICIPALITY

- MEMORANDUM -

AAN / TO : Municipal Manager (MM)

VAN / FROM : Manager Amenities and Environment

DATUM / DATE : 14 February 2020

VERW. / REF

WITZENBERG MUNICIPALITY: INVASIVE SPECIES MONITORING, CONTROL AND ERADICATION PLANS FOR PRINCE ALFRED HAMLET AND OP DIE BERG

Purpose:

To inform Council that Aurecon Pty (Ltd) completed the Invasive Alien Species Monitoring, Control and Eradication plans for Op die Berg and Prince Alfred Hamlet and to request an opportunity for Aurecon Pty Ltd to workshop the plans with Council.

Background and deliberation:

In terms of the National Environmental Management: Biodiversity Act 10 of 2004 (NEMBA) each organ of state is responsible for preparing an Invasive Alien Species Monitoring, Control and Eradication (IASMC&E) plan within their area of jurisdiction and for controlling listed invasive species on municipal owned land

Aurecon Pty (Ltd) developed the Strategy and Plans for Ceres Nature Reserve and the Wolseley Commonage in 2017.

Aurecon Pty (Ltd) submitted the **final** draft Plans of the Prince Alfred Hamlet and Op die Berg Commonage for Council's approval. The mentioned was also submitted to the Department of Environmental Affairs who approved the Plans on 31 October 2019 in terms of Section 76(2) and 73(2) of NEMBA.

The Executive Mayoral Committee recommended on 23 January 2020 that Messers Aurecon Pty Ltd be invited to the next Council meeting to do a presentation on the plans

Recommendation:

That Aurecon Pty Ltd be invited to the next council meeting to workshop the plans and for the plans to be approved by Council.

H TRUTER
Manager Amenities and Environment

David Nasson
Municipal Manager

Invite them for Mayoral meeting.

(e) *that the Municipal Manager and Acting Manager: Socio-Economic Development evaluate the success of the businesses when in operation.*

(f) *that the Committee for Local Economic Development and Tourism determine the criteria to evaluate the success of the businesses when in operation.*

7.3.3 Witzenberg Municipality: Invasive Species Monitoring, Control and Eradication Plans for Prince Alfred's Hamlet and Op-die-Berg (17/9/2)

Item 7.1 of the meeting of the Committee for Community Development, held on 21 November 2019, refers.

A memorandum from the Manager: Amenities and Environment, dated 24 October 2019, is attached as **annexure 7.3.3.**

The Committee for Community Development resolved on 21 November 2019 to recommend to the Executive Mayoral Committee and Council.

(a) that Messrs Aurecon Pty (Ltd) be invited to the next Council meeting to do a presentation regarding the final draft plans of the Prince Alfred's Hamlet and Op-die-Berg commonage.

(b) that the Invasive Species Monitoring, Control and Eradication Plans for Prince Alfred's Hamlet and Op-die-Berg commonage be approved.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

(a) *that Messrs Aurecon Pty (Ltd) be invited to the next Council meeting to do a presentation regarding the final draft plans of the Prince Alfred's Hamlet and Op-die-Berg commonage.*

(b) *that the Invasive Species Monitoring, Control and Eradication Plans for Prince Alfred's Hamlet and Op-die-Berg commonage be approved.*

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Dear Sir/Madam

APPROVAL OF MONITORING CONTROL AND ERADICATION PLAN

RE: **PRINCE ALFRED HAMLET WITZENBERG LOCAL MUNICIPALITY (Reference: 506014)**

Purpose

1 The purpose of this letter is to:

1.1 Inform you that the Department of Environmental Affairs, Forest and Fisheries ("the Department") has conducted an inspection on your property, to verify if information received in the Monitoring Control and Eradication are correct. The Plan Advise you of your duties in respect thereof.

1.2 Inform you that, I Stiaan Kotze, in the capacity of the National Control Biodiversity Officer: Competent Authority, approve this Plan for duration of period provided in the Plan.

1.3 That the Department will do inspections from time to time, on the properties provided in the Plan, to ascertain Compliance in accordance to the approved Plan.

Background

2 On 1 August 2014 and pursuant to the provisions of the National Environmental Management: Biodiversity Act 10 of 2004 (NEM:BA), the Department caused to be published Alien and Invasive Species Lists which identify certain invasive species ("the Lists"), as well as Alien and Invasive Species Regulations which, amongst others, set out the manner in which those listed invasive species must be controlled and/or eradicated ("the Regulations").[1]

3 Invasive species is defined in NEM:BA as follows:

> *""**Invasive species**" means any species whose establishment and spread outside of its natural distribution range-*
>
> *(a) threaten ecosystems, habitats or other species or have demonstrable potential to threaten ecosystems, habitats or other species; and*
>
> *(b) may result in economic or environmental harm or harm to human health"*

4 The Alien and Invasive Species Lists group invasive species into discrete categories as follows:-

Category 1a: Invasive species which must be combatted and eradicated. Any form of trade or planting is strictly prohibited.

Category 1b: Invasive species which must be controlled and wherever possible, removed and destroyed. Any form or trade or planting is strictly prohibited.

Category 2: Invasive species or species deemed to be potentially invasive, in which a permit is required to carry out a restricted activity. Category 2 species include commercially important species such as pine, wattle and gum trees.

Category 3: Invasive species which may remain in prescribed areas or provinces. Further planting, propagation or trade is however prohibited.

5 A person who is the owner of land on which a listed invasive species occurs has a duty to notify the relevant competent authority, in writing, of the presence of the listed invasive species on that land. It became apparent during the site inspection that you failed to comply with this duty.

[1] Government Notice Regulation 598 and Government Notice Regulation 599 of 1 August 2014.

6 In addition to the above, the land owner is required to take steps to control and eradicate the listed invasive species present and to prevent it from spreading. Harm to biodiversity must be prevented or at least minimised. You have failed to comply with this duty.

7 You are accordingly instructed forthwith to commence activities necesssary to control and eradicate the invasive alien plant species present on your property.

8 A person who fails to comply with these aforementioned duties, may be issued with a directive by the competent authority. The directive may, amongst others, include instructions to remedy any harm caused either by the actions of the person to whom the directive is issued, or by the occurrence of the listed invasive species present on the property.

9 In the event that the directive is not fully complied with, the competent authority may implement the instructions contained therein and recover all costs reasonably incurred by competent authority in implementing the directive from that person; or proportionally from that person and any other person who benefited from implementation of the directive.

10 Failure to comply with a directive is also a criminal offence which, upon conviction, carries a sentence of a fine not exceeding R10 million and/or imprisonment not exceeding 10 years. In addition or as an alternative, a fine of the estimated cost of clearing may be imposed.

Assistance rendered by the Department

11 Upon request, the Department may, where possible, provide you with a species management programme to guide you on how to control, combat and/or eradicate the listed invasive species.

12 The Working for Water office in your province is able to render technical advice on the clearing methods applicable to certain listed invasive species.

Yours faithfully

APPROVED

FULL NAME: STIAAN KOTZE
CONTROL BIODIVERSITY OFFICER:
COMPETENT AUTHORITY
REGULATORY COMPLIANCE AND SECTOR MONITORING
DEPARTMENT OF ENVIRONMENT FORESTRY & FISHERIES
14 Loop Street, Cape Town
DATE: 31/10/2019

Stiaan Kotze
Director: Biosecurity
Control Biodiversity Officer: Competent Authority
Environmental Management Inspector

environmental affairs
Department:
Environmental Affairs
REPUBLIC OF SOUTH AFRICA

Private Bag x447, Pretoria, 0001. 14 Loop Street, Cape Town, 8000
Tel: (+27 21) 441 2816 - Fax: 021 441 2751

Enq: Stiaan Kotze
E-mail: skotze@environment.gov.za

Dear Sir/Madam

APPROVAL OF MONITORING CONTROL AND ERADICATION PLAN

***RE:* OP DIE BERG WITZENBERG LOCAL MUNICIPALITY (Reference: 506014)**

Purpose

1 The purpose of this letter is to:

1.1 Inform you that the Department of Environmental Affairs, Forest and Fisheries ("the Department") has conducted an inspection on your property, to verify if information received in the Monitoring Control and Eradication are correct. The Plan Advise you of your duties in respect thereof.

1.2 Inform you that, I Stiaan Kotze, in the capacity of the National Control Biodiversity Officer: Competent Authority, approve this Plan for duration of period provided in the Plan.

1.3 That the Department will do inspections from time to time, on the properties provided in the Plan, to ascertain Compliance in accordance to the approved Plan.

Background

2 On 1 August 2014 and pursuant to the provisions of the National Environmental Management: Biodiversity Act 10 of 2004 (NEM:BA), the Department caused to be published Alien and Invasive Species Lists which identify certain invasive species ("the Lists"), as well as Alien and Invasive Species Regulations which, amongst others, set out the manner in which those listed invasive species must be controlled and/or eradicated ("the Regulations").[1]

3 Invasive species is defined in NEM:BA as follows:

> ***""Invasive species"*** *means any species whose establishment and spread outside of its natural distribution range-*
>
> *(a) threaten ecosystems, habitats or other species or have demonstrable potential to threaten ecosystems, habitats or other species; and*
>
> *(b) may result in economic or environmental harm or harm to human health"*

4 The Alien and Invasive Species Lists group invasive species into discrete categories as follows:-

Category 1a: Invasive species which must be combatted and eradicated. Any form of trade or planting is strictly prohibited.

Category 1b: Invasive species which must be controlled and wherever possible, removed and destroyed. Any form or trade or planting is strictly prohibited.

Category 2: Invasive species or species deemed to be potentially invasive, in which a permit is required to carry out a restricted activity. Category 2 species include commercially important species such as pine, wattle and gum trees.

Category 3: Invasive species which may remain in prescribed areas or provinces. Further planting, propagation or trade is however prohibited.

5 A person who is the owner of land on which a listed invasive species occurs has a duty to notify the relevant competent authority, in writing, of the presence of the listed invasive species on that land. It became apparent during the site inspection that you failed to comply with this duty.

[1] Government Notice Regulation 598 and Government Notice Regulation 599 of 1 August 2014.

6 In addition to the above, the land owner is required to take steps to control and eradicate the listed invasive species present and to prevent it from spreading. Harm to biodiversity must be prevented or at least minimised. You have failed to comply with this duty.

7 You are accordingly instructed forthwith to commence activities necesssary to control and eradicate the invasive alien plant species present on your property.

8 A person who fails to comply with these aforementioned duties, may be issued with a directive by the competent authority. The directive may, amongst others, include instructions to remedy any harm caused either by the actions of the person to whom the directive is issued, or by the occurrence of the listed invasive species present on the property.

9 In the event that the directive is not fully complied with, the competent authority may implement the instructions contained therein and recover all costs reasonably incurred by competent authority in implementing the directive from that person; or proportionally from that person and any other person who benefited from implementation of the directive.

10 Failure to comply with a directive is also a criminal offence which, upon conviction, carries a sentence of a fine not exceeding R10 million and/or imprisonment not exceeding 10 years. In addition or as an alternative, a fine of the estimated cost of clearing may be imposed.

Assistance rendered by the Department

11 Upon request, the Department may, where possible, provide you with a species management programme to guide you on how to control, combat and/or eradicate the listed invasive species.

12 The Working for Water office in your province is able to render technical advice on the clearing methods applicable to certain listed invasive species.

Yours faithfully

Stiaan Kotze
Director: Biosecurity
Control Biodiversity Officer: Competent Authority
Environmental Management Inspector

APPROVED

FULL NAME: STIAAN KOTZE
CONTROL BIODIVERSITY OFFICER:
COMPETENT AUTHORITY
REGULATORY COMPLIANCE AND SECTOR MONITORING
DEPARTMENT OF ENVIRONMENT FORESTRY & FISHERIES
14 Loop Street, Cape Town
DATE: 31/10/2019

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

POLICY FOR RENAMING OF STREETS, RESIDENTIAL AREAS, PUBLIC PLACES, NATURAL AREAS and COUNCIL-OWNED BUILDINGS, FACILITIES and ARTEFACTS

1. BACKGROUND AND INTRODUCTION

1.1 Background

Witzenberg belongs to all its citizens.

It is inadvisable for the Witzenberg Municipality to consider an application for renaming any of its streets, naming or renaming its public places, natural areas and Council-owned buildings, facilities or artefacts without an accepted policy and process.

"The relevant Portfolio Committee be given the brief of ***formulating a policy on Renaming of Streets,*** and that it should further be authorised to investigate and make recommendations to Council's Executive Mayoral Committee on the question of streets, buildings, public places, residential areas and other public entities or institutions whose current names may cause offence."

1.2 The importance of names

1.2.1 Names are essential acceptable locational tools and navigational aids for a predictable, manageable and orderly environment and create a 'sense of place'.

1.2.2 Names have powerful positive or negative meanings for people and provide opportunities to promote community harmony or perpetuate hurt and division.

1.2.3 Names are the beginnings and ends of journeys or destinations.

1.2.4 Names are place markers and focal points through symbolism, association and remembrance.

1.3 Policy objectives

The objectives of this policy are as follows:

1.3.1 To ensure an inclusive, consultative clear process that enjoys public and political support and which will stand the test of time, and which can be followed when a proposal for a name change is received.

1.3.2 To ensure that a transparent and community-driven process is undertaken when a name change is proposed.

1.3.3 To replace controversial and offensive names.

1.3.4 To guide renaming of public streets and Council-owned features which have names that are in conflict with the Council objectives.

2. POLICY CONSIDERATIONS

2.1 Categories of names that should be avoided

2.1.1 Offensive or insensitive names.

2.1.2 Names that are cumbersome in the sense that the name may be construed as unintelligible in the spoken or written form, and physically in the sense that the length of the name may be considered impractical on a street sign.

2.1.3 Linguistically corrupted or modified names.

2.1.4 Similar sounding names should be avoided within a five km radius (e.g. Names like Beach Avenue and Peach Avenue, or Apple Hill Road and Apple Road).

2.1.5 Names that could be construed as commercial advertising.

2.2 Guidelines for name selection

2.2.1 In addition to considerations of sensitivity and offensiveness, the renaming of a specific street, public place, residential area, natural area and Council-owned building, facility or artefact may be considered when duplication of the name occurs within the Witzenberg Municipality and/or when renaming would generally improve the Witzenberg's administration of essential services.

2.2.2 There shall preferably be no duplication of a name within the Witzenberg area or within five kilometre, where the name does not refer to the same street.

2.2.3 Consideration should be given to names of local area or historic significance.

2.2.4 Proposed names should meet one of the following:

(a) refer to fauna and flora;

(b) strengthen community identity;

(c) recognise indigenous and international flora, fauna or natural features relevant to the Witzenberg Municipality;

(d) promote improved place orientation and recognition;

(e) recognise the cultural diversity of Witzenberg;

(f) names of people who were in good standing with the community (with the exception of names of current councillors and officials).

3. PROCESS BY WHICH RENAMING CAN TAKE PLACE

3.1 Conditions for submitting renaming proposals

3.1.1 Each year Council will advertise a window period during which submissions can be made. In a renaming proposed for a previously disadvantaged community, advertising should be augmented by the use of community newspapers and by placing facilities, e.g. libraries, etc.

3.1.2 Any person, community or organisation within the boundaries of the Witzenberg Municipality shall be entitled to propose the renaming of a street or the naming or renaming of a public place, residential area, council-owned building, facility or artefact in accordance with the procedure outlined in this policy.

3.1.3 Proposals shall be in writing and shall include full details of the affected street, public place, residential area, council-owned building, facility or artefact as well as the proposer, proposed name change and fully motivated reasons which shall include research references and evidence of professional or community support. Where the Portfolio Committee is advised in advance that it is difficult for a written submission to be made due to illiteracy or other circumstances, it may use its discretion to entertain oral submissions according to the rules for public hearings.

3.1.4 Proposals may include the results of referenda or similar consultation within communities by way of evidence of support or opposition but shall not be considered as a defining criterion by the Portfolio Committee.

3.1.5 Applications will be assessed by the Portfolio Committee on an annual basis after the close of the window period each year.

3.1.6 No late submissions or emergency proposals will be considered outside of the window period.

3.2 Assessment of renaming proposals

3.2.1 Proposals will be received and processed by the relevant Department strictly according to advertised procedures.

3.2.2 The relevant department will scrutinise the proposals for compliance with the policy considerations contained in this policy. Renaming proposals that do not contain all the requisite information will be returned to the proposer with a request for the missing information.

3.2.3 A report containing all names received with a summary of relevant information will be prepared for submission to the Portfolio Committee. The report will be submitted to committee members at least 14 days prior to a scheduled meeting.

3.2.4 Proposals will be considered by the Portfolio Committee who will meet at maximum 4 (four) times during a year and then make recommendations to Council.

3.2.5 The recommended name changes arising out of the Portfolio Committee deliberations will be advertised and interested and affected parties will be given four weeks within which to submit comments.

3.2.6 Renaming proposals received will be scrutinised by the Portfolio Committee to ensure that they comply with the provisions of this policy. Then the submissions will be advertised to obtain public comment.

3.2.7 Comments received on the renaming proposals will be considered by the Portfolio Committee who will then make a recommendation to Council.

3.2.8 The renaming proposal/s, if still supported by the Portfolio Committee, will be submitted to the full Council via the Mayoral Committee or the relevant delegated authority.

3.2.9 The full Council of the Witzenberg Municipality will take the final decision on whether to accept the implementation of the proposed renaming.

3.2.10 Administrative errors and/or incorrect spelling of names may be rectified without going through the process contained in this policy.

DEPARTMENT OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

NO. 318 **18 MARCH 2020**

DISASTER MANAGEMENT ACT, 2002

REGULATIONS ISSUED IN TERMS OF SECTION 27(2)() OF THE DISASTER MANAGEMENT ACT, 2002.

I, Dr Nkosazana Dlamini Zuma, the Minister of Cooperative Governance and Traditional Affairs, designated under Section 3 of the Disaster Management Act, 2002 (Act No. 57 of 2002) ("the Act"), having declared a national state of disaster, published in Government Gazette No. 43096 on 15 March 2020, in terms of Section 27(2) of the Act, after consulting the relevant Cabinet members, hereby make the Regulations set out in the schedule hereto regarding the steps necessary to prevent an escalation of the disaster or to alleviate, contain and minimise the effects of the disaster.

NC Zuma

DR NKOSAZANA DLAMINI ZUMA, MP
MINISTER OF COOPERATIVE
GOVERNANCE AND TRADITIONAL
AFFAIRS
DATE: 17. 03. 2020.

SCHEDULE

Definitions

1. In these Regulations, unless the context otherwise indicates—

'adequate space' means not more than one person per square meter of floor space;

'COVID-19' means the Novel Coronavirus (2019-nCov) which is an infectious disease caused by a virus, which emerged during 2019 and was declared a global pandemic by the WHO during the year 2020 that has previously not been scientifically identified in humans;

Criminal Procedure Act' means the Criminal Procedure Act, 1977 (Act No. 51 of 1977);

'enforcement officer' includes a member of the South African Police Service, the South African National Defence Force and a peace officer as defined in section 1 of the Criminal Procedure Act;

'donor' means an individual, corporation or organisation that is a contributor of cash, kind and/or other assets;

'gathering' means any assembly, concourse or procession of more than 100 persons, wholly or partially in open air or in a building or premises;

'isolation' means separating a sick individual with a contagious disease from healthy individuals without that contagious disease in such a manner as to prevent the spread of infection or contamination;

'liquor' means—

(*a*) any liquor product, as defined in section 1 of the Liquor Products Act, 1979 (Act No. 60 of 1989);

(*b*) beer or traditional African beer; or

(*c*) any other substance or drink declared to be liquor under the Liquor Act, 2003 (Act No. 59 of 2003), but does not include methylated spirits;

'national state of disaster' means the national state of disaster declared by Government Notice No. R. 313 of 15 March 2020;

'partial care facility' means a facility offering partial care as defined in section 1 of the Children's Act, 2005 (Act No. 38 of 2005);

'quarantine' means separating asymptomatic individuals potentially exposed to a disease from non-exposed individuals in such a manner as to prevent the possible spread of infection or contamination;

'school' means a school as defined in section 1 of the South African Schools Act, 1984 (Act No. 84 of 1996); and

'the Act' means the Disaster Management Act, 2002 (Act No. 57 of 2002).

'WHO' means the World Health Organisation.

Release of resources

2. (1) The Department of Defence must, for the duration of the declared national state of disaster, within its available resources—

(a) release and mobilise any available resources, including human resources, stores, equipment, ships, aircraft platforms, vehicles and facilities; and

(b) ensure the delivery of essential services,

as may be required, to prevent, limit, contain, combat and manage the spread of COVID-19.

(2) National organs of state must, within their available resources release their personnel for the rendering of emergency services, as contemplated in section 27(2)*(b)* of the Act.

(3) Institutions within national, provincial and local government must make resources, other than funding, available to implement these Regulations or directions issued in terms of section 27(2) of the Act regarding the national state of disaster.

(4) Institutions within national, provincial and local government must—

(*a*) make funding available; and

(*b*) as far as possible, without affecting service delivery in relation to the realisation of the rights contemplated in sections 26 to 29 of the Constitution of the Republic of South Africa, 1996, shift funding,

within its budget to implement these Regulations or directions issued in terms of section 27(2) of the Act, regarding the national state of disaster.

(5) The National Treasury and provincial treasuries must take the necessary steps in terms of applicable legislation to implement these Regulations or directions issued in terms of section 27(2) of the Act, in relation to the national state of disaster.

(6) Donor funding received to assist with the national state of disaster must be—

(*a*) paid into the Reconstruction and Development Fund, established by the Reconstruction and Development Fund Act, 1994 (Act No. 7 of 1994); and

(*b*) used strictly for purposes of implementing these Regulations and directions issued in terms of section 27(2) of the Act in relation to the national state of disaster.

Prevention and prohibition of gatherings

3. (1) In order to contain the spread of COVID-19, a gathering is prohibited.

(2) An enforcement officer must, where a gathering takes place—

(*a*) order the persons at the gathering to disperse immediately; and

(*b*) if they refuse to disperse, take appropriate action, which may, subject to the Criminal Procedure Act, include arrest and detention.

(3) The assembly of more than 50 persons at premises where liquor is sold and consumed is prohibited.

Refusal of medical examination, prophylaxis, treatment, isolation and quarantine

4. (1) No person who has been clinically, or by a laboratory, confirmed as having COVID-19, or who is suspected of having contracted COVID-19, or who has been in contact with a person who is a carrier of COVID–19, may refuse consent to an enforcement officer for—

(*a*) submission of that person to a medical examination, including but not limited to the taking of any bodily sample by a person authorised in law to do so;

(*b*) admission of that person to a health establishment or a quarantine or isolation site; or

(*c*) submission of that person to mandatory prophylaxis, treatment, isolation or quarantine or isolation in order to prevent transmission:

Provided that if a person does not comply with the instruction or order of the enforcement officer, that person must be placed in isolation or quarantine for a period of 48 hours, as the case may be, pending a warrant being issued by a magistrate, on application by an enforcement officer for the medical examination contemplated in paragraph (*a*).

(2) A warrant contemplated in subregulation (1) may be issued by a magistrate, if it appears from information on oath or affirmation by an enforcement officer —

(*a*) that a person is confirmed as having been infected with COVID-19;

(*b*) who is on reasonable grounds suspected of having contracted COVID-19, or who has been in contact with, or on reasonable grounds suspected to have been in contact with a person who is a carrier or infected with COVID–19.

(3) The warrant may impose restrictions on the powers of the enforcement officer as the magistrate may deem fit.

(4) A warrant issued in terms of this regulation remains in force until —

(*a*) it is executed;

(*b*) it is cancelled by the person who issued it or, if such person is not available, by any person with like authority;

(*c*) the expiry of ninety days from the date of its issue; or

(*d*) the purpose for the issuing of the warrant has lapsed,

whichever occurs first.

(5) No person is entitled to compensation for any loss or damage arising out of any *bona fide* action or omission by an enforcement officer under this regulation.

Places of quarantine and isolation

5. (1) The Minister of Public Works and Infrastructure must identify and make available sites to be used as isolation and quarantine facilities as the need arises.

(2) The Members of the Executive Council responsible for public works must identify and make available sites to be used as isolation and quarantine facilities within each province, as the need arises.

(3) The accounting officers of municipalities must identify and make available sites to be used as isolation and quarantine facilities within their local areas, and provide the list to the Department of Health for resourcing.

Closure of schools and partial care facilities

6. Schools and partial care facilities must be closed by 18 March 2020 until 15 April 2020, which period may be extended for the duration of the national state of disaster by the cabinet member responsible.

Suspension of visits

7. All visits by members of the public to—

(*a*) Correctional Centres;

(*b*) Remand Detention Facilities;

(*c*) Holding Cells;

(*d*) Military Detention Facilities; and

(*e*) Department of Social Development facilities, including Child and Youth Care Centres, shelters, One Stop Centres, and Treatment Centres,

are suspended for a period of 30 days from the date of publication of this Notice, which period may be extended for any period, but not beyond the duration of the national state of disaster by the cabinet member responsible.

Limitation on the sale, dispensing or transportation of liquor

8. (1) All on-consumption premises selling liquor, including taverns, restaurants and clubs, must be closed with immediate effect, or must accommodate no more than 50 persons at any time: Provided that adequate space is available and that all directions in respect of hygienic conditions and limitation of exposure to persons with COVID-19, are adhered to.

(2) All premises selling liquor which provide accommodation must implement measures to stop the spread of COVID-19: Provided that adequate space is available and that all directions in respect of hygienic conditions and limitation of exposure to persons with COVID-19 are adhered to.

(3) No special or events liquor licenses may be considered for approval during the duration of the national state of disaster.

(4) All on-consumption premises selling liquor referred to in subregulation (1) must be closed —

(i) between 18:00 and 09:00 the next morning on weekdays and Saturdays; and

(ii) from 13:00 on Sundays and public holidays.

(5) All off-consumption premises selling liquor must be closed —

(i) between 18:00 and 09:00 the next morning on weekdays and Saturdays; and

(ii) from 13:00 on Sundays and public holidays.

Emergency Procurement Procedures

9. Emergency procurement for institutions is subject to —

(*a*) the Public Finance Management Act, 1999 (Act No. 1 of 1999), and the applicable emergency provisions in the Regulations or Instructions made under section 76 of that Act; and

(*b*) the Municipal Finance Management Act, 2003 (Act No. 56 of 2003), and the applicable emergency provisions in the Regulations made under that Act.

Authority to issue directions

10. (1) The Minister of Health may—

(*a*) issue directions to address, prevent and combat the spread of COVID-19 in any area of the Republic of South Africa, which directions may include the—

(i) recruitment and training of human resources from the Department of Health, and other entities responsible for the handling of COVID-19 mortal remains;

(ii) deployment of human resources from the Department of Health to identified sites to render services;

(iii) sourcing of human resources from the Expanded Public Works Programme retired health professionals and Non-Governmental Organisations to render services in identified sites;

(iv) provision of health equipment, sanitation materials and medical supplies;

(v) identification and establishment of mortuaries that will accommodate all COVID-19 mortal remains;

(vi) disposal of COVID-19 mortal remains; and

(*b*) vary the directions referred to in paragraph (*a*) as the circumstances require.

(2) The Minister of Justice and Correctional Services may—

(*a*) issue directions to address, prevent and combat the spread of COVID-19 in all Correctional Centres and Remand Detention Facilities in the Republic of South Africa;

(*b*) after consultation with the Chief Justice, where appropriate, issue directions to address, prevent and combat the spread of COVID-19 in all courts and court precincts in the Republic of South Africa; and

(*c*) vary the directions referred to in paragraphs (*a*) and (*b*) as the circumstances require.

(3) The Ministers of Basic and Higher Education may —

(*a*) issue directions to address, prevent and combat the spread of COVID-19 in all schools and institutions of higher learning; and

(*b*) vary the directions referred to in (*a*) as the circumstances require.

(4) The Minister of Police may—

(*a*) issue directions to address, prevent and combat the spread of COVID-19 in all police stations, police precincts, and holding cells; and

(*b*) vary the directions referred to in paragraph (*a*) as the circumstances require.

(5) The Minister of Social Development may—

(*a*) issue directions to address, prevent and combat the spread of COVID-19 in all Department of Social Development facilities; and

(*b*) vary the directions referred to in paragraph (*a*) as the circumstances require.

(6) The Minister of Trade and Industry may —

(*a*) issue directions to—

(i) protect consumers from excessive, unfair, unreasonable or unjust pricing of goods and services during the national state of disaster; and

(ii) maintain security and availability of the supply of goods and services during the national state of disaster;

(*b*) issue directions to address, prevent and combat the spread of COVID-19; and

(*c*) vary the directions referred to in paragraphs (*a*) and (*b*) as the circumstances require.

(7) The Minister of Transport may—

(*a*) issue directions to address, prevent and combat the spread of COVID-19 in matters falling within his mandate; and

(*b*) vary the directions referred to in paragraph (*a*) as the circumstances require.

(8) Any Minister may issue and vary directions, as required, within his or her mandate, to address, prevent and combat the spread of COVID-19, from time to time, as may be required, including—

(*a*) disseminating information required for dealing with the national state of disaster;

(*b*) implementing emergency procurement procedures;

(*c*) taking any other steps that may be necessary to prevent an escalation of the national state of disaster, or to alleviate, contain and minimise the effects of the national state of disaster; or

(*d*) taking steps to facilitate international assistance.

Offences and penalties

11. (1) For purposes of regulation 3, any person who—

(*a*) convenes a gathering;

(*b*) permits more than 50 persons at premises where liquor is sold and consumed; or

(*c*) hinders, interferes with, or obstructs an enforcement officer in the exercise of his or her powers, or the performance of his or her duties in terms of these Regulations,

is guilty of an offence and, on conviction, liable to a fine or to imprisonment for a period not exceeding six months or to both such fine and imprisonment.

(2) A person is guilty of an offence if that person fails to comply with or contravenes the provisions of regulations 6 and 9 of these Regulations.

(3) A person convicted of an offence mentioned in subregulation (2) liable on conviction to a fine or to imprisonment not exceeding six months or to both a fine and imprisonment.

(4) Any person who intentionally misrepresents that he, she or any other person is infected with COVID-19 is guilty of an offence and on conviction liable to a fine or to imprisonment for a period not exceeding six months or to both such fine and imprisonment.

(5) Any person who publishes any statement, through any medium, including social media, with the intention to deceive any other person about—

(*a*) COVID-19;

(*b*) COVID-19 infection status of any person; or

(*c*) any measure taken by the Government to address COVID-19,

commits an offence and is liable on conviction to a fine or imprisonment for a period not exceeding six months, or both such fine and imprisonment.

(6) Any person who intentionally exposes another person to COVID-19 may be prosecuted for an offence, including assault, attempted murder or murder.

Commencement

12. These Regulations come into operation on the date of publication.

DEPARTEMENT VAN SAMEWERKENDE REGERING EN TRADISIONELE SAKE

NO. 318 **18 MAART 2020**

WET OP RAMPBESTUUR, 2002

REGULASIES UITGEREIK INGEVOLGE ARTIKEL 27(2) VAN DIE WET OP RAMPBESTUUR

Ek, Dr Nkosazana Dlamini Zuma, die Minister van Samewerkende Regering en Tradisionele Sake, aangewys kragtens artikel 3 van die Wet op Rampbestuur, 2002 (Wet No. 57 van 2002) ("die Wet"), nadat 'n nasionale ramptoestand afgekondig is in *Staatskoerant* No. 43096 op 15 Maart 2020, ingevolge artikel 27(2) van die Wet, ná oorleg met die tersaaklike Kabinetslede, vaardig hierby die Regulasies luidens die bylae hierby uit oor die noodsaaklike stappe om 'n verergering van die ramp te voorkom of om die uitwerking van die ramp te verlig, te stuit en te minimaliseer.

DR NKOSAZANA DLAMINI ZUMA, LP

MINISTER VAN SAMEWERKENDE REGERING EN TRADISIONELE SAKE

DATUM: 17-03-2020

BYLAE

Woordomskrywing

1. In hierdie Regulasies, tensy dit uit die samehang anders blyk, beteken—

"afdwingingsbeampte" ook 'n lid van die Suid-Afrikaanse Polisiediens, 'n lid van die Suid-Afrikaanse Nasionale Weermag en 'n vredesbeampte, soos omskryf in artikel 1 van die Strafproseswet;

"afsondering" die skeiding van 'n siek persoon of 'n persoon wat met 'n oordraagbare siekte besmet is, van gesonde individue wat nie daardie oordraagbare siekte het nie, op so 'n wyse dat die verspreiding van infeksie of besmetting voorkom word;

"byeenkoms" enige vergadering, samedromming of optog van meer as 100 persone heeltemal of gedeeltelik in die opelug of in 'n gebou of perseel;

"COVID-19" die Nuwe Koronavirus (2019-nCov) wat 'n oordraagbare siekte is wat deur 'n virus veroorsaak word wat in 2019 verskyn het en tydens 2020 deur die WGO tot 'n globale pandemie verklaar is, wat voorheen nie wetenskaplik in mense geïdentifiseer is nie;

"die Wet" die Wet op Rampbestuur, 2002 (Wet No. 57 van 2002);

"drank" —

(a) enige drankproduk, soos omskryf in artikel 1 van die Wet op Drankprodukte, 1989 (Wet No. 60 van 1989);

(b) bier of tradisionele Afrika-bier;

(c) enige ander stof of drank tot sterk drank verklaar kragtens die "Liquor Act", 2003 (Wet No. 59 van 2003), maar sluit brandspiritus uit;

"gedeeltelikesorgfasiliteit" 'n fasiliteit waar gedeeltelike versorging verskaf word, soos in artikel 1 van die "Children's Act", 2005 (Wet No. 38 van 2005), omskryf;

"genoegsame spasie" nie meer as een persoon per vierkante meter vloerspasie nie;

"Grondwet" die Grondwet van die Republiek van Suid-Afrika, 1996;

"inrigtings vir hoër onderwys" 'n "kollege vir hoër onderwys" en "inrigting vir hoër onderwys" soos omskryf in artikel 1 van die Wet op Hoër Onderwys, 1997 (Wet No. 101 van 1997);

"kwarantyn" die skeiding van asimptomatiese individue, moontlik blootgestel aan 'n siekte, van nieblootgestelde individue, op so 'n wyse dat die moontlike verspreiding van infeksie of besmetting voorkom word;

"nasionale ramptoestand" die nasionale ramptoestand by Goewermentskennisgewing No. R. 313 van 15 Maart 2020, afgekondig;

"skenker" 'n individu, korporasie of organisasie wat kontant, goedere of ander bates bydra;

"skool" 'n skool soos in artikel 1 van die Suid-Afrikaanse Skolewet, 1984 (Wet No. 84 van 1996), omskryf; en

"Strafproseswet" die Strafproseswet, 1977 (Wet No. 51 van 1977).

"WGO" die Wêreldgesondheidsorganisasie.

Vrystelling van hulpbronne

2. (1) Die Departement van Verdediging moet, vir die duur van die afgekondigde nasionale ramptoestand, binne die departement se beskikbare hulpbronne—

(a) enige beskikbare hulpbronne, met inbegrip van menslike hulpbronne, voorrade, toerusting, skepe, lugvaartuigplatforms, voertuie en fasiliteite vrystel; en

(b) die lewering van noodsaaklike dienste verseker,

soos vereis mag word om die verspreiding van COVID-19 te voorkom, te beperk, te stuit, te bekamp en te bestuur.

(2) Nasionale staatsorgane moet binne hul beskikbare hulpbronne hulle personeel vrystel vir die lewer van nooddienste, soos in artikel 27(2)*(b)* van die Wet beoog.

(3) Instellings binne nasionale, provinsiale en plaaslike regering moet hulpbronne, behalwe fondse, beskikbaar stel om hierdie Regulasies of voorskrifte uitgereik ingevolge artikel 27(2) van die Wet aangaande die nasionale ramptoestand, in werking te stel.

(4) Instellings binne nasionale, provinsiale en plaaslike regering moet—

(*a*) fondse beskikbaar stel; en

(*b*) sover moontlik, sonder om dienslewering in verband met die verwesenliking van die regte beoog in artikels 26 tot 29 van die Grondwet van die Republiek van Suid-Afrika, 1996, te raak, fondse skuif,

binne hul begrotings om hierdie Regulasies of voorskrifte ingevolge artikel 27(2) van die Wet aangaande die nasionale ramptoestand uitgereik, in werking te stel.

(5) Die Nasionale Tesourie en provinsiale tesourieë moet die nodige stappe ingevolge toepaslike wetgewing doen om hierdie Regulasies of voorskrifte ingevolge artikel 27(2) van die Wet in verband met nasionale ramptoestand uitgereik, in werking te stel.

(6) Skenkerfondse ontvang vir bystand met die nasionale ramptoestand—

(*a*) moet in die Heropbou en Ontwikkelingsfonds, ingestel ingevolge die Wet op die Heropbou- en Ontwikkelings- programfonds, 1994 (Wet No. 7 van 1994), inbetaal word; en

(*b*) moet streng gebruik word vir die doeleindes van die inwerkingstelling van hierdie Regulasies of voorskrifte ingevolge artikel 27(2) van die Wet in verband met die nasionale ramptoestand uitgereik, in werking te stel.

Voorkoming van en verbod op byeenkomste

3. (1) Ten einde die verspreiding van COVID-19 te stuit, word 'n byeenkoms verbied.

(2) 'n Afdwingingsbeampte moet, waar 'n byeenkoms plaasvind—

(*a*) die persone by die byeenkoms beveel om onmiddellik uitmekaar te gaan; en

(*b*) as hulle weier om uitmekaar te gaan, gepaste stappe doen, wat, onderworpe aan die Strafproseswet, inhegtenisname en detensie kan insluit.

(3) Die vergadering van meer as 50 persone by 'n perseel waar sterk drank verkoop en verbruik word, word verbied.

Weiering van mediese ondersoek, profilakse, behandeling, afsondering en kwarantyn

4. (1) Niemand wat klinies, of deur 'n laboratorium bevestig is as iemand wat COVID-19 opgedoen het, of vermoedelik COVID-19 opgedoen het, of in direkte aanraking was met iemand wat 'n draer van COVID-19 is, mag toestemming aan 'n afdwingingsbeampte weier nie vir—

(*a*) onderwerping van daardie persoon aan 'n mediese ondersoek, met inbegrip van maar nie beperk nie tot die neem van enige liggaamlike monster deur iemand wat wetlik gemagtig is om dit te doen;

(*b*) opname van daardie persoon in 'n gesondheidsinstelling of kwarantynterrein of afsondertingsterrein; of

(*c*) onderwerping van daardie persoon aan verpligte profilakse, behandeling, afsondering of kwarantyn of afsondering ten einde oordrag te voorkom:

Met dien verstande dat indien iemand nie voldoen aan die instruksie of opdrag van die afdwingingsbeampte nie, daardie persoon vir 48-uur in afsondering of kwarantyn, na gelang van die geval, geplaas moet word hangende die uitreiking van 'n lasbrief deur 'n bevoegde landdros, by aansoek deur 'n afdwingingsbeampte vir die mediese ondersoek in paragraaf *(a)* beoog.

(2) 'n Lasbrief in subregulasie (1) beoog, kan deur 'n landdros uitgereik word, indien dit uit inligting onder eed of plegtige verklaring deur 'n afdwingingsbeampte blyk—

(a) dat bevestig is dat 'n persoon met COVID-19 besmet is;

(b) dat 'n persoon op redelike gronde vermoed word COVID-19 op te gedoen het, of wat in kontak was met, of op redelike gronde vermoed word in kontak te gewees het wat 'n draer van of besmet is met COVID-19.

(3) Die lasbrief kan beperkings oplê op die bevoegdhede van die afdwingingsbeampte soos die landdros gepas ag.

(4) 'n Lasbrief ingevolge hierdie regulasie uitgereik bly van krag totdat—

(a) dit uitgevoer is;

(b) dit deur die persoon wat dit uitgereik het, gekanselleer word of, indien sodanige persoon nie beskikbaar is nie, deur enige persoon met soortgelyke gesag;

(c) die verstryking van negentig dae vanaf die datum van uitreiking daarvan; of

(d) die doel van die uitreiking van die lasbrief verstryk het,

wat ook al eerste geskied.

(5) Niemand is geregtig op vergoeding vir enige verlies of skade na aanleiding van enige *bona fide* handeling deur 'n afdwingingsbeampte kragtens hierdie regulasie nie.

Plekke van kwarantyn en afsondering

5. (1) Die Minister van Openbare Werke en Infrastruktuur moet, waar nodig, terreine identifiseer en beskikbaar stel vir gebruik as afsonderings- en kwarantynfasiliteite.

(2) Die Lede van die Uitvoerende Raad verantwoordelik vir openbare werke moet, waar nodig, terreine identifiseer en beskikbaar stel vir gebruik as afsonderings- en kwarantynfasiliteite in elke provinsie.

(3) Die rekenpligtige beamptes van munisipaliteite moet terreine wat as afsonderings- en kwarantynfasiliteite gebruik gaan word binne hul plaaslike gebiede identifiseer en beskikbaar stel en die lys aan die Departement van Gesondheid voorsien vir hulpbronvoorsiening.

Sluiting van skole en gedeeltelikesorgfasiliteite

6. Skole en gedeeltelikesorgfasiliteite moet vanaf 18 Maart 2020 tot 15 April 2020, gesluit wees, welke tydperk vir die duur van die nasionale ramptoestand deur die verantwoordelike kabinetslid verleng kan word.

Opskorting van besoeke

7. Alle besoeke deur lede van die publiek aan—

(*a*) korrektiewe sentrums;

(*b*) uitstel-aanhoudingsfasiliteite;

(*c*) selle;

(*d*) militêredetensiefasiliteite; en

(*e*) fasiliteite van die Departement van Maatskaplike Ontwikkeling, met inbegrip van kinder- en jeugsorgsentrums, skuilings, eenstopsentrums en behandelingsentrums,

word vir 'n tydperk van 30 dae vanaf die datum van publikasie van hierdie Kennisgewing opgeskort, welke tydperk deur die verantwoordelike Kabinetslid vir enige tydperk, maar nie langer as die duur van die nasionale ramptoestand nie, verleng kan word.

Beperking op die verkoping, uitdeel of vervoer van drank

8. (1) Alle binneverbruikpersele waar drank verkoop word, met inbegrip van tavernes, restaurante en klubs, moet onmiddellik gesluit word, of moet hoogstens 50 persone 50 persone te eniger tyd akkommodeer: Met dien verstande dat genoegsame spasie beskikbaar is en dat aan alle voorskrifte ten opsigte van higiëniese toestande en die beperking van blootstelling aan persone met COVID-19 voldoen word.

(2) Alle persele waar drank verkoop word wat akkommodasie voorsien, moet maatreëls instel om die verspreiding van COVID-19 te stop: Met dien verstande dat genoegsame spasie beskikbaar is en dat aan alle voorskrifte ten opsigte van higiëniese toestande en beperking van blootstelling aan persone met COVID-19 voldoen word.

(3) Geen spesiale of geleentheidsdranklisensie mag vir die duur van die nasionale ramptoestand vir goedkeuring oorweeg word nie.

(4) Alle binneverbruikpersele waar drank verkoop word in subregualsie (1) moet toe wees—

(i) tussen 18:00 en 09:00 die volgende oggend op weeksdae en Saterdae; en

(ii) van 13:00 op Sondae en openbare vakansiedae.

(5) Alle buiteverbruikpersele waar drank verkoop word moet toe wees—

(a) tussen 1800 en 09:00 die volgende oggend op weeksdae en Saterdae; en

(b) van 13:00 op Sondae en openbare vakansiedae.

Noodverkrygingsprosedures

9. Noodverkryging vir instellings is onderworpe aan—

(*a*) die Wet op Openbare Finansiële Bestuur, 1999 (Wet No. 1 van 1999), en die toepaslike noodbepalings in die Regulasies of Instruksies uitgevaardig kragtens artikel 76 van daardie Wet; en

(*b*) die Wet op Plaaslike Regering: Munisipale Finansiële Bestuur, 2003 (Wet No. 56 van 2003), en die toepaslike noodbepalings in die Regulasies kragtens daardie Wet uitgereik.

Gesag om voorskrifte uit te reik

10. (1) Die Minister van Gesondheid—

(*a*) mag voorskrifte uitreik om die verspreiding van COVID-19 in enige area van die Republiek van Suid-Afrika te die hoof te bied, te voorkom en te bekamp, welke voorskrifte kan insluit—

(i) die werwing en opleiding van menslike hulpbronne van die Departement van Gesondheid, en ander entiteite verantwoordelik vir die hantering van COVID-19- stoflike oorskot;

(ii) ontplooiing van menslike hulpbronne van die Departement van Gesondheid na geïdentifiseerde terreine om dienste te lewer;

(iii) verkryging van menslike hulpbronne van die Uitgebreide Openbarewerkeprogram, afgetrede gesondheidsberoepslui en nieregeringsorganisasies om dienste in geïdentifiseerde plekke te lewer;

(iv) voorsiening van gesondheidstoerusting, materiaal vir sanitasie en mediese voorrade;

(v) identifikasie en stigting van lykshuise wat alle COVID-19- stoflike oorskot sal huisves;

(vi) beskikking oor COVID-19- stoflike oorskot; en

(*b*) mag die voorskrifte bedoel in paragraaf *(a)* verander soos omstandighede vereis.

(2) Die Minister van Justisie en Korrektiewe Dienste—

(*a*) mag voorskrifte uitreik om die verspreiding van COVID-19 in alle korrektiewe sentrums en uitstel-aanhoudingsfasiliteite in die Republiek van Suid-Afrika die hoof te bied, te voorkom en te bekamp;

(b) in oorleg met die Hoofregter, waar gepas, voorskrifte uitreik om die verspreiding van COVID-19 in alle howe en hofgebiede in die Republiek van Suid-Afrika die hoof te bied, te voorkom en te bekamp; en

(c) mag die voorskrifte in paragraaf *(a)* verander soos omstandighede vereis.

(3) Die Ministers van Basiese en Hoër Onderwys—

(*a*) mag voorskrifte uitreik om die verspreiding van COVID-19 in alle skole en inrigtings van hoër onderwys die hoof te bied, te voorkom en te bekamp; en

(*b*) mag die voorskrifte bedoel in *(a)* verander soos omstandighede vereis.

(4) Die Minister van Polisie—

(*a*) mag voorskrifte uitreik om die verspreiding van COVID-19 in alle polisiestasies, polisiegebiede en selle die hoof te bied, te voorkom en te bekamp; en

(*b*) mag die voorskrifte bedoel in paragraaf *(a)* verander soos omstandighede vereis.

(5) Die Minister van Maatskaplike Ontwikkeling—

(*a*) mag voorskrifte uitreik om die verspreiding van COVID-19 in alle fasiliteite van die Departement van Maatskaplike Ontwikkeling die hoof te bied, te voorkom en te bekamp; en

(*b*) mag die voorskrifte bedoel in paragraaf *(a)* verander soos omstandighede vereis.

(6) Die Minister van Handel en Nywerheid—

(*a*) mag voorskrifte uitreik om—

(i) verbruikers te beskerm teen uitermatige, onbillike, onredelike of onregverdige prysbepaling op goedere en dienste tydens die nasionale ramptoestand; en

(ii) sekuriteit en beskikbaarheid van die voorsiening van goedere en dienste voortspruitend uit die nasionale ramptoestand, handhaaf;

(b) voorskrifte uitreik om die verspreiding van COVID-19 aan te spreek, te voorkom en te bekamp; en

(*c*) die voorskrifte bedoel in paragraaf *(a)* verander soos omstandighede vereis.

(7) Die Minister van Vervoer—

(*a*) mag voorskrifte uitreik om die verspreiding van COVID-19 in aangeleenthede wat in sy mandaat val, die hoof te bied, te beperk en te bekamp; en

(*b*) mag die voorskrifte bedoel in paragraaf *(a)* verander soos omstandighede vereis.

(8) Enige Minister kan van tyd tot tyd, soos nodig, voorskrifte in sy of haar mandaat uitreik en verander om die verspreiding van COVID-19 die hoof te bied, te voorkom en te bekamp, met inbegrip van—

(*a*) verspreiding van inligting wat nodig is vir die hantering van die nasionale ramptoestand;

(*b*) inwerkingstelling van noodverkrygingsprosedures;

(*c*) die doen van enige ander stappe wat nodig mag wees om 'n verhewiging van die nasionale ramptoestand te voorkom, of om die uitwerking van die nasionale ramptoestand te versag, te stuit en te minimaliseer; of

(*d*) die doen van stappe om internasionale bystand te fasiliteer.

Misdrywe en strawwe

11. (1) By die toepassing van regulasie 3, is iemand wat—

(*a*) 'n byeenkoms saamroep;

(*b*) meer as 50 persone toelaat by 'n persoon waar drank verkoop en verbruik word; of

(*c*) 'n afdwingingsbeampte in die uitvoer van sy of haar bevoegdhede, of die verrigting van sy of haar pligte ingevolge hierdie Regulasies hinder, inmeng, of dwarsboom,

is skuldig aan 'n misdryf en, by skuldigbevinding, strafbaar met 'n boete of gevangenisstraf vir 'n tydperk van hoogstens ses maande of met beide daardie boete en daardie gevangenisstraf.

(2) Iemand is skuldig aan 'n misdryf indien daardie persoon versuim om te voldoen aan die bepalings van regulasies 6 en 9 van hierdie Regulasies of dit oortree.

(3) Iemand wat aan 'n misdryf in subregulasie (2) bedoel skuldig bevind word, is by skuldigbevinding strafbaar met 'n boete of met gevangenisstraf van hoogstens ses maande of met beide n boete en gevangenisstraf.

(4) Iemand wat doelbewus 'n wanvoorstelling maak dat hy, sy of enigiemand anders met COVID-19 besmet is, is skuldig aan 'n misdryf en is by skuldigbevinding strafbaar met 'n boete of met gevangenisstraf vir 'n tydperk van hoogstens ses maande of met beide daardie boete en gevangenisstraf.

(5) Iemand wat 'n verklaring, deur enige medium, ook sosiale media, publiseer met die bedoeling om enige ander persoon te mislei oor—

(a) COVID-19;

(b) COVID-19-infeksiestatus van iemand; of

(c) enige maatreël deur die Regering geneem om COVID-19 die hoof te bied,

pleeg 'n misdryf en is by skuldigbevinding strafbaar met 'n boete of gevangenisstraf vir 'n tydperk van hoogstens ses maande, of beide sodanige boete en gevangenisstraf.

(6) Iemand wat doelbewus iemand anders aan COVID-19 blootstel, kan vir 'n misdryf vervolg word, met inbegrip van aanranding, poging tot moord of moord vervolg word.

Inwerkingtreding

12. Hierdie Regulasies tree op die datum van publikasie in werking.

RETIREMENT POLICY

Human Resources Policies

The purpose of this policy is to establish the normal age of retirement and the principles for a fair and consistent assessment of applications for extension beyond retirement.

CONTENT PAGE NUMBER

1.	Introduction	2
2.	Purpose	2
3.	Legal Framework	2
4.	Applicability	3
5.	Principles	3
6.	Policy Provision	3
7.	Normal Retirement	3
8.	Early Retirement	3
9.	Extension beyond Normal Retirement Age	4
10.	Minimum Requirements	4
11.	Terms of Appointment	5
12.	Responsibility Framework	5
13.	Implementation of the Policy	5
14.	Monitoring	5
15.	Enforcement	5
16.	Commencement	5

1. INTRODUCTION

Section 187(2)(b) of the Labour Relations Act 66 of 1995 provides that: 'a dismissal based on age is fair if the employee has reached normal or agreed retirement age for persons employed in that capacity. An organization may therefore determine a normal or agreed retirement age.

The Municipality has adopted the normal retirement age of 65 years for its entire permanent staff (Males and Females) but recognizes the need to retain certain exceptional, highly skilled and productive staff, particularly those in scarce skill disciplines, beyond the age of 65 years. It accordingly permits extensions beyond retirement subject to the rules of the relevant retirement funds.

2. PURPOSE

The purpose of this policy is to clarify the different circumstances under which a permanent staff member may retire and the benefits associated with retirement and to identify the circumstances under which an individual may be appointed after reaching the retirement age of 65 years.

3. LEGAL FRAMEWORK

This policy is underpinned by the following pieces of legislation:

- The South African Constitution Act 108 of 1996

- The Labour Relations Act 66 of 1995

- Basic Conditions of Employment Act, Act 75 of 1997

4. APPLICABILITY

The policy applies to all new permanent staff employed by the Witzenberg Municipality as from date of approval of this Policy by Council. The policy excludes contract staff members as these are catered for in terms of the contract agreement signed with the employer. The policy further excludes the section 57 and 56 positions and Councillors of the Municipality.

5. PRINCIPLES

Staffs who are retiring shall be given at least one year's notice, of the decision to
Grant extension beyond retirement or not, in order to facilitate planning.

There shall be fairness, consistency and transparency in the criteria as set out in paragraph 6.3 and procedures for granting extensions beyond retirement.

All Directors shall provide detailed reasons for recommendations.

Applicants for extension beyond retirement shall be treated with sensitivity but no extension beyond retirement shall be granted purely on compassionate grounds.

All applications for extension beyond retirement shall be considered by the Municipal Manager, which shall make the final decision.

There shall be no appeals with respect to the decision of the Municipal Manager.

6. POLICY PROVISIONS

6.1 Normal Retirement

The Witzenberg Municipality values the contributions made by all staff regardless of neither age or gender. It nevertheless recognises that some level of staff turnover is essential in order to introduce new skills and approaches or to re-focus activities that impact on the success of the Municipality. Staff turnover is also imperative if the Municipality is to achieve its transformation goals.

The normal age of retirement for all permanent staff (male and female) shall accordingly be 65 years of age and shall take effect at the end of the month in which the staff member reaches the age of 65 years.

All contracts of employment of permanent staff, who are members of the Council's retirement funds, automatically terminate at the end of the month in which the staff member reaches the age of sixty-five years.

6.2 Early Retirement

Subject to the rules of the relevant retirement funds of the Witzenberg Municipality, staff at the age of fifty-five years (55 years) and older may apply to retire before their normal retirement age. If a staff member decides to do so, adequate notice must be given to the accountable Director and Municipal Manager.

6.3 Extensions beyond Normal Retirement Age

The Witzenberg Municipality recognises the need to retain certain exceptional, highly skilled and productive staff beyond the normal age of retirement. Accordingly, the Municipality may, grant an extension beyond normal retirement to a staff member who has reached normal retirement age, for a period of up to one (1) year, in the first instance, with the possibility of a further extension for up to two years.

Notwithstanding the period of extension granted, a staff member on extension beyond normal retirement age must meet or exceed the expectations for their post in the annual performance assessment process. Should their performance fall below expectation in any year of assessment, their fixed contract may be terminated. Extensions beyond retirement shall not be automatic and shall depend on:

Assessment of options for filling the post

Prior to assessing a potential retiree for an extension beyond retirement, the relevant senior managers shall consider:

The strategic, operational and or academic priorities of the relevant Directorate to determine if resources should be allocated to the post;

The need to use the post to enhance transformation, in terms of achieving employment equity goals of the Directorate;

The likelihood of filling the post taking into account any specialized skills required for the post as well as likely availability of a replacement given prevailing market trends.

If after assessing options for the post, it is confirmed that an extension beyond retirement is possible, the staff member shall have to be assessed in terms of the following criteria.

Minimum Requirements:

A sustained high level of performance by the staff member. This assessment shall be based largely on the annual performance reviews of the staff member once the Performance Management system has been implemented. In addition to the minimum criteria the incumbent must meet at least three of the following requirements.

Possession of specialized or scarce skills and qualifications that is difficult to
Replace through normal recruitment due to prevailing market factors.

Key level of involvement in a major project where continuity is imperative for success.

High ongoing productivity.

Proven record in terms of income generation.

Evidence of continuing professional development and adaptability to new

Trends and developments in his/her field.

6.4 Terms of Appointment

Remuneration

Where there is no change in the workload and level of responsibility, the staff member shall retain his/her salary as at normal retirement date and shall remain on pensionable service subject to rules of the relevant retirement fund.

Staff members who have previously retired from a retirement fund and have been re-appointed may not be reinstated onto The Council's retirement fund.

Dependent on the specific needs of the Section, it may be decided that the staff member be extended on a reduced workload basis. In such cases the salary shall be determined on a fractional basis, taking into account the recommendations of the Municipal Manager.

7. RESPONSIBILITY FRAMEWORK

Development and Review

The Corporate Services Department will be responsible for the development and review of this policy every 3 years except where circumstances dictate otherwise in terms of earlier review. Any changes to the policy shall be made by the Full Council

8. IMPLEMENTATION OF THE POLICY

All permanent staff members who are part of this policy in terms of its applicability above, managers and Directors will have to uphold the principles of this policy in terms of oversight and administration thereof.
Line Managers are responsible for managing their staff be on the alert for staff members who are reaching retirement age within the institution.

9. MONITORING

All Managers are responsible for monitoring this policy in their respective departments.

10. ENFORCEMENT

All Heads of Departments and Line Managers and supervisors must ensure that these provisions are strictly complied with and it is also the duty of the employees themselves to see to it that the policy is adhered to and that any irregularity in terms of the procedure of this policy is brought to the attention of the Management.

11. COMMENCEMENT

This policy will come into effect when adopted by Council.

Council Approval: …….. Date: ……

LEAVE POLICY

This policy serves to guide Management and Employees the application of different leave types as required by Witzenberg Municipality

Human Resources Policies

CONTENTS

NUMBER	DESCRIBTION OF LEAVE TYPE	PAGE NUMBER
1	PREAMBLE	2
2	PURPOSE	2
3	OWNERSHIP	2
4	TYPE OF POLICY	2
5	DEFINITIONS	2
6	APPLICATION FOR LEAVE	3
7	GRANTING OF LEAVE	3
8	ANNUAL LEAVE	3
9	ACCUMULATION OF LEAVE	4
10	PAYMENT OF ANNUAL LEAVE ON TERMINATION OF EMPLOYMENT	4
11	LEAVE FOR LONG SERVICE RECOGNITION	4
12	SICK LEAVE	5
13	ADDITIONAL SICK LEAVE	7
14	FAMILY RESPONSIBILITY LEAVE	7
15	MATERNITY LEAVE	8
16	ABSENCE FROM DUTY DUE TO INJURY ON DUTY	8
17	SPECIAL LEAVE	9
18	STUDY LEAVE	9
19	LEAVE OF ABSENCE FOR OBLIGATORY COURCES	10
20	TO ATTEND A COURT OF LAW	10
21	SPORTS PARTICIPATION	10
22	QUARINTINE AND ISOLATION	11
23	LEAVE WITHOUT PAY	11
24	TIME OFF FOR UNION ACTIVITIES	12
25	WORK STOPPAGES, TRANSPORT DTRIKES, COMMUNITY PROTEST ACTIONS, EXTREME WEATHER CONDITIONS AND OTHER UNUSUAL CIRCUMSTANCES	12
26	RELOCATION LEAVE	13
27	UNAUTHORISED ABSENCES	13
28	ADMINISTRATIVE MEASURES FOR MANAGERS AND CONTROL OF LEAVE	13
29	REVISION OF LEAVE	13

1. PREAMBLE

Witzenberg Municipality's employees will be granted leave in accordance with the Conditions of Service of the Municipality.

1.1 The Conditions of Service are based on and consistent with:

- 1.1.1 The Labour Relations Act (66 of 1995)
- 1.1.2 The Basic Conditions of Employment Act (75 of 1997)
- 1.1.3 Employment Equity Act (55 of 1998)
- 1.1.4 Compensation for Occupational Injuries and Diseases Act (130 of 1993)
- 1.1.5 Collective Agreement of the Western Cape – Conditions of Services

1.2. Leave of Absence is classified as follows:

- 1.2.1 Annual Leave
- 1.2.2. Sick Leave with Full or without pay
- 1.2.3. Family Responsibility Leave
- 1.2.4. Maternity Leave
- 1.2.5 Absence from work due to injury
- 1.2.6 Special Leave
- 1.2.7 Time off for Union Activities
- 1.2.8 Unusual Circumstances
- 1.2.9 Unauthorised Absence
- 1.2.10 Unpaid Leave

Witzenberg Municipality's Leave policy is in accordance with the Basic Conditions of Employment Act, Collective Agreement on Conditions of Services in the Western Cape and in some cases additional benefits have been added.

2. PURPOSE

The purpose of this policy is to regulate leave of absences and to provide guidelines for Witzenberg Municipality's management and Staff.

3. OWNERSHIP

The Human Resources Section is the custodian of this policy.

4. SCOPE OF PRACTICE

This policy applies when municipal employees seeks permission to be granted leave.

5. TYPE OF POLICY

This policy is of an operational nature.

6. DEFINITIONS

6.1 Accrued Leave :
Refers to leave days provided at an incremental rate of 2 days per month up to 24 days per annum

6.2 Accumulated Leave :
Refers to any untaken leave days which are carried forward

6.3 Calendar Month :

A period from the first to the last day of any of the twelve calendar months of the year, both dates included.

6.4 Employee :
An employee who is in the employment of Witzenberg Municipality on a permanent/Temporary Basis

6.5 Pay :
Refers to the applicable salary scale

6.6 Compulsory Leave :
Leave that need to be taken before or on 30 June annually, otherwise it will be forfeited automatically after the 30 June.

6.7 Ex Gratia Sick Leave :
Is additional sick leave granted to an employee in deserving circumstances at the discretion of the Municipal Manager

6.8 Religious Leave :
It is leave taken for the purpose of spiritual beliefs or observances

7. APPLICATION FOR LEAVE

7.1 An employee should, under normal circumstances, apply for annual leave at least 5 working days before the proposed date of leave.

7.2 This application for leave should be submitted on the SAMRAS PLUS ELECTRONIC LEAVE system if not activated yet on the municipality's official leave form.

7.3 If Special Leave is required, the specific type of leave must be indicated on the SAMRAS PLUS ELECTRONIC LEAVE system, if not activated on the municipality's official leave form.

7.4 An employee who has applied for annual leave may not be absent from office before receiving approval from the relevant Director

8. GRANTING OF LEAVE

8.1 Leave will be granted with due regard to the needs of the operational requirements in the directorate

8.2 An application for leave must be made on the SAMRAS PLUS ELECTRONIC system, if not yet activated on the municipality's official leave form.

8.3 The relevant Line Function Director approves leave before an employee may go on leave.

8.4 Subject to Consultation with the employee, leave already granted may at any time be changed or withdrawn, and the employee may be required to take the whole or a portion of the annual leave due to him or her at an alternative date as agreed.

9. ANNUAL LEAVE

9.1 NUMBER OF LEAVE DAYS

The Annual leave accrues on a Pro Rata basis at 2 days per month adding up to 24 days per year.

9.1.1 Annual Leave may not be taken in the first 17 days from the date of commencement of employment

9.1.2 After the 17 working days of employment, an employee will be entitled to 1 day on full remuneration

9.1.3 Compulsory leave may be granted to employees as per annual Council Resolutions for Business Closure Times over December Festive Season

Times. Annual Leave Forms need to be submitted by all Staff and these days falls within the 24 Annual Leave Days Staff members receives annually.

9.1.4 Employees must take a minimum of 16 consecutive working days per year cycle.

9.1.5 Any untaken accrued leave must be taken no later than six (6) months after the end of the annual leave cycle. Employees must manage their own leave wrt the 16 consecutive leave days.

9.1.6 An Employee should, under normal circumstances, apply for leave at least 5 working days before the proposed date of annual leave.

9.1.7 Annual Leave for shift workers should be planned and scheduled as far as possible, preferably at the beginning of a leave cycle (January of each year in conjunction with the shift roster)

9.2 ACCUMULATION OF LEAVE

9.2.1 No remuneration in Lieu of any accumulated leave will be paid whilst employed by Witzenberg Municipality.

9.2.2 Employees will be required to use the accumulated leave prior to leaving the employment of Witzenberg Municipality.

9.2.3 For Resignations, employees are required to serve their notice period of at least one (1) calendar month at work to ensure a smooth handover of their duties. This means that employees cannot use their accumulated leave in Lieu of the one (1) calendar month notice period that they must serve at work.

9.2.4 If an Employee gives notice over a period of leave or does not serve the one (1) calendar month notice period, contrary to policy, the employee will forfeit their salary for last month of service.

9.3 PAYMENT OF ANNUAL LEAVE ON TERMINATION OF EMPLOYMENT

9.3.1 Witzenberg Municipality will not pay out any leave except on termination of employment, which will be payable the month following month of termination.

9.3.2 In the case of Termination of Employment, a payment up to a maximum of 48 working days leave accrued will be paid to employees.

9.3.3 Annual Leave may not be taken in the employee's notice month.

9.4 LEAVE FOR LONG SERVICE RECOGNITION

In addition to normal annual leave, an employee shall qualify for the following additional leave as recognition for continuous long service at Witzenberg Municipality or legal predecessor which shall be credited once on the date on which the various periods of continuous service are completed

9.4.1 An employee must take the long Service leave within one (1) year or may wholly or partially encashed leave

9.4.2 10 years : Qualify for 10 working days
15 years : Qualify for 15 working days
20 years : Qualify for 20 working days
25 years : Qualify for 25 working days
30 years : Qualify for 30 working days plus 14th cheque
35 years : Qualify for 35 working days plus 14th cheque

40 years : Qualify for 40 working days plus 14th cheque
45 years : Qualify for 45 working days plus 14th cheque

10. SICK LEAVE

10.1 ACCRUAL OF SICK LEAVE

10.1.1 Sick Leave is granted in terms of working days. Each employee will be entitled to 80 working days paid sick leave in a three (3) year cycle.

10.1.2 During the first six (6) months of employment, an employee will be entitled to one (1) day's paid leave for every twenty-six (26) days worked.

10.2 GRANTING OF SICK LEAVE

10.2.1 Paid sick Leave will be granted only in respect of absence from duty of an employee due to an illness.

10.2.2 An employee who is absent due to ill- health must report his/her absence within 2 hrs of scheduled working starting time. Reporting should be on or before 10h00 am to his/her immediate Superior.

10.2.3 Submission of Sick Leave forms or via SAMRAS PLUS ELECTRONIC system should be done on the day employee returned to work and be same approved by Seniors.

10.3 SUBMISSION OF MEDICAL CERTIFICATE

10.3.1 If an employee is absent from duty for a continuous period of more than two (2) consecutive working days owing to illness, he/she may be granted sick Leave, only if he/she furnishes a valid medical certificate signed by a medical practitioner, dentist ,psychologist ,Registered Traditional Healers or any other person who is certified to diagnose and treat patients, and who is registered with a Professional Council for Medical Practitioners / Traditional Healers established by an Act of Parliament.

10.3.2 Witzenberg Municipality may, in accordance with the Basic Conditions of Employment Act, require the submission of a medical certificate in respect of a shorter period (i.e. two (2) consecutive working days or less) of absence due to illness. This applies in the cases of absence on a Friday or a Monday or the day preceding or following a public holiday.

10.3.3 Witzenberg Municipality may require a medical certificate before paying an employee who has been absent on more than two (2) occasions during an eight (8) week period.

10.3.4 Witzenberg Municipality will not pay an employee for the days on which he/she was absent from work for more than two (2) consecutive working days if he/she does not produce a valid medical certificate that complies with the prescribed medical standard.

10.3.5 Subject to any enquiry, Witzenberg Municipality may refuse to grant sick leave with pay in respect of any absence from duty to which a medical certificate relates (i.e. if an employee only visited a dr and not booked off). In such cases it may be determined that the absence is unauthorised and without pay and may result in disciplinary action being taken against the employee.

10.4 ACCEPTANCE OF MEDICAL CERTIFICATES

10.4.1 For purposes of normal sick leave medical certificates issued and signed by the practitioner and persons who are certified to diagnose and treat patients and who are registered with the following professional councils established by an Act of Parliament shall be accepted:

10.4.1.1 The Health Professions Council of South Africa
10.4.1.2 The South African Nursing Council
10.4.1.3 South Africa Traditional Healer's Practitioners Act 2007

10.4.2 The registration details of service providers could be confirmed with the above –mentioned councils

10.4.3 A medical certificate must contain the following information:

10.4.3.1.1 The name, address and qualification of the Medical Practitioner/ Dental Practitioner/ Traditional Healer registered with the council issuing the certificate
10.4.3.1.2 The Medical Practitioners contact number and physical address of practice
10.4.3.1.3 A Proper practice and registration number
10.4.3.1.4 Date of the medical Examination
10.4.3.1.5 Name of Patient
10.4.3.1.6 Words to the effect "I HAVE EXAMINED" (Name of Employee) and find him/her "TO BE UNFIT FOR WORK" for a period of (Date from till Date to). The Medical Practitioner does not have to give a diagnosis because of Doctor/ Patient privilege.
10.4.3.1.7 Signature of the Medical Practitioner.
10.4.3.1.8 The Medical Certificate must be an original document and it must be legible (No fake Medical Certificates)
10.4.3.1.9 Date of issuing certificate by the Medical Practitioner

10.5 NONE ACCEPTANCE OF MEDICAL CERTIFICATES

10.5.1 Medical Certificates with the following wording will NOT be accepted as Sick Leave, words to the effect of the following:

10.5.1.1 "I was INFORMED by the patient "that he/ she suffers some illness
OR
10.5.1.2 As "REPORTED" to me the patient is suffering from backaches and is Unable to work.

10.6 TYPES OF INSTANCES THAT DOES NOT QUALIFY FOR SICK LEAVE

10.6.1 Appointments to see Medical Practitioners
10.6.2 Collecting Medicine from the pharmacy/ Hospital/Clinic
10.6.3 Visits to Specialist
10.6.4 Tests
10.6.5 Medical Consultations
10.6.6 Routine Check ups
10.6.7 Routine medical Examinations
10.6.8 Routine Dental visits
10.6.9 Routine Eye Tests
10.6.10 Routine Dieticians Visits

10.6.11 Routine Therapy Sessions

10.7 SICK LEAVE WITHOUT PAY

If an employee has used all the sick leave provided for (80 days in a three (3) year cycle), he/she will be booked on sick leave without pay for the duration of such leave.

An Employee may use his /her annual leave days if available, to cover such sick leave.

10.7.1 Sick Leave without pay will also be granted to an employee if:

10.7.1.1.1 He/she absents him / herself for more than two (2) consecutive working days and he/she fails to provide the required medical certificate or

10.7.1.1.2 The Employee has been absent on more than two (2) occasions during an eight (8) week period and, despite a request from Witzenberg Municipality's Human Resources Section, does not produce the required medical certificate.

10.7.1.1.3 When an employee abuses the system during the normal sick leave (eg. A pattern of regular sick leave on Mondays, Fridays, before and after a Public Holiday) and fails to produce a valid medical certificate. A formal Process will be followed known as Incapacity Procedure.

10.8 SICK LEAVE DURING A PERIOD OF ANNUAL LEAVE

If an employee becomes ill while on paid annual leave, that portion of his/her annual leave may be converted into sick leave on condition that:

10.8.1 He/she applies for such conversion in writing on the day of return from his/her annual leave.

10.8.2 A valid medical certificate is submitted

11. **ADDISIONAL SICK LEAVE**

11.1 Employees who have not taken more than 20 day's sick leave at the end of the three (3) year sick leave cycle shall receive an additional ten (10) working days paid sick leave to which they will be entitled in the ensuing cycle.

11.2 No Employees shall become entitled to more than 120 working days' sick leave on full pay in a sick leave cycle.

12 **FAMILY RESPONSIBILITIY LEAVE**

12.1 An employee is entitled to five (5) paid working days per annum after been working for Witzenberg Municipality for longer than four (4) months.

12.2 No employee will qualify for this type of leave if period of employment is less than four (4) months.

12.3 An employee's unused entitlement to leave in terms of this section lapses at the end of the calendar year in which it falls.

12.4 Laps date will always be 31 December annually.

12.5 These days cannot be carried over to following calendar year that starts on the 1 January each year.

12.6.1 Employees may use these five (5) days for any of the following instances. It is noted that employees only receive five (5) working days for any instance and not per instance:

12.6.1.1 If an employee's Child is born

12.6.1.2 If the employee's child is sick

12.6.1.3 If the employee's spouse or life partner is sick

12.6.2 In cases of death:

12.6.2.1 If employee's spouse, Life Partner, Parent, Adoptive Parent, Parents in –Law, Grandparent, Child, Adopted Child, Grandchild or Sibling.

DOCUMENTARY PROOF MUST BE ACCOMPANIED BY ALL APPLICATIONS

13 MATERNITY LEAVE

13.1.1 An employee, including an employee adopting a child under three (3) months, shall be entitled to receive three (3) months paid maternity or adoption leave with no limit to the number of confinements or adoptions. This leave provision shall apply to an employee whose child is still –born.

13.1.2 Maternity leave may commence four (4) weeks before confinement. Or on a date from which a medical practitioner or a midwife certifies that it is necessary for the employee's health or that of her unborn child

13.1.3 To qualify for paid maternity leave, an employee must have one (1) year's continuous service with Witzenberg Municipality.

13.1.4 An Employee who has not completed one full year of continuous Employment with Witzenberg Municipality will be entitled to maternity leave without pay.

13.1.5 Witzenberg Municipality will provide such an employee with information and will assist with the submission of an application to the Unemployment Insurance Fund (UIF) which provides for payment of a portion of an employee's salary during maternity leave.

13.1.6 In cases where a baby is hospitalised, maternity leave may be interrupted for the period of such hospitalisation. Employee than have to take available annual leave if maternity leave has been exhorted. If no available leave, unpaid leave will be granted.

13.1.7 The application of maternity leave must be in writing, unless the employee is unable to do so, and must indicate the date on which the employee intends to commence maternity leave and return to work after maternity leave. This notification must be given at least four weeks before the employee intends to commence with maternity leave.

13.1.8 An employee may not work for six (6) weeks after the birth of her child, unless a medical practitioner or midwife certifies that she is fit to do so.

14. ABSENCE FROM DUTY DUE TO INJURY ON DUTY

14.1 Leave for Occupational accidents may be granted to an employee who is absent from duty due to:

14.1.1 An Injury sustained in an accident arising out of and in the course of his/her duties, or

14.1.2 A disease contracted in the course of and as a result of his/her duties

14.1.3 Leave for Occupational accidents will be granted with full pay for the period he/she is incapacitated for duty.

14.1.4 Leave for Occupational accidents will not be granted if injury in an accident is attributable to the serious and wilful misconduct the employee after investigations results.

14.1.5 An employee who has been granted Leave for Occupational Accidents must submit a medical certificate that indicates the nature of the injury or illness and the period necessary for recuperation.

14.1.6 Leave for Occupational accidents will only be granted for a period recommended by a medical practitioner who will also be expected to recommend medical boarding if the Leave for Occupational Accidents granted becomes too extended and disrupts work of the organisation.

14.1.7 Witzenberg Municipality reserves the right to seek a second opinion.

14.1.8 Leave for Occupational accidents will not impact on the employee's sick leave and will not be taken into account in the calculation of sick leave or any other leave.

14.1.9 A Leave application for this type of leave still needs to be completed for the period of absence and it must clearly indicate that it is leave due to Occupational Accidents.

15. **SPECIAL LEAVE**

15.1. The following types of leave falls within the category of Special Leave:

15.1.1 Study Leave

15.1.2 Leave of absence for Obligatory courses/ study Requirement

15.1.3 To attend court of law to give evidence on being summonsed as witness

15.1.4 Sports Participation

15.1.5 Quarantine and isolation under medical instruction

15.1.6 Leave without Pay

15.1.7 Application for Special Leave

15.1.1 **STUDY LEAVE**

15.1.1.1 Study Leave shall be granted in accordance with Council Policy.

15.1.1.2 Where no policy exist study leave shall be granted by the Municipal Manager or his assignee, which approval shall not be unreasonably withheld.

15.1.1.3 An employee is required to apply for approval of any Study Course in advance in writing to the Municipal Manager accompanied with the registration proof of study plus examination roster.

15.1.1.4 Study Leave shall be granted on the basis of one (1) day paid special leave for each day that an employee writes an examination plus an equivalent amount of days for Preparation for examinations. Eg When an employee writes 1 subject, the working day prior will be seen as 1 day preparation time.

15.1.1.5 When 2 Subjects / Modules are written on one day, Study Leave shall Be granted on the basis of one (1) day paid special leave for the day of Examination.

15 .1.1.6 When 2 Subjects/ Modules are written on one (1) day, The preparation time will be 2 paid days.

15.1.1.7 When an Employee is required to write only one (1) examination on one (1) day in a calendar year, he/she shall be entitled to three (3) days special

Paid leave which shall include the day of examination.

15.1.2 **LEAVE OF ABSENCE OF OBLIGATORY COURSE/STUDY REQUIREMENTS**

15.1.2.1 The fields of study must be approved in advanced in accordance with Council policy and must be in accordance with requirement of the curriculum of the approved course.

15.1.2.2 Where no policy exists the fields of study**),** the study course must be recommended in writing by the relevant line Manager; Director and approved by Municipal Manager. Which shall not be unreasonably withheld.

15.1.2.3 An employee attending a training or study course subject to Council policy Shall be granted ten (10) days and thereafter one (1) day's paid special leave for every day's leave taken by the employee.

15.1.2.4 All employees are required to complete the "Recommendation for Approval Form" to attend any Courses.

15.1.2.5 Leave for Supplementary examination shall be granted to a maximum of two days per subject/module only when sufficient proof is provided.

15.1.2.6 Compulsory Training as per Workplace Skills plan, an employee shall be granted paid special leave for the full duration of the obligatory attendance requirements

15.1.3 **TO ATTEND A COURT OF LAW TO GIVE EVIDENCE ON BEING SUMMONSED AS WITNESS**

15.1.3.1 An employee is required to complete a leave form with proof of written Subpoena to immediate Superior within a reasonable time for approval if not within the normal 10days prior of due date of summonsed.

15.1.3.2 This leave only applies if an employee is summonsed to attend court as a witness and paid special leave will be granted.

15.1.3.3 Any employee who is arrested and appears in court as a result of charges laid by Witzenberg Municipality and who is later acquitted shall be granted paid special leave for the period of incarceration.

15.1.4 **SPORTS PARTICIPATION**

Any employee who is elected by a recognised sports association, which sport association must be recognized by the South African Sports Confederation and Olympic Committee (SASCOC) to:

15.1.4.1 Represent South Africa or the Province as participant in SASCOC recognized International or national Sport competitions inside as well as outside the Republic of South Africa, (with relevant Proof)

15.1.4.2 Accompany teams that will represent South Africa at SASCOC recognised International sports competitions inside as well as outside the Republic of South Africa as COACH or MANAGER (with relevant proof)

15.1.4.3 Officiate at SASCOC recognized international sporting event where the employee represents South Africa and a National South African sport team participate.

15.1.4.4 Shall be granted paid special leave for the duration of the event for these purposes not exceeding 20 working days.

15.1.4.5 Request for absence must be completed for Approval by Municipal Manager or his assignee.

15.1.5 **QUARANTINE AND ISOLATION UNDER MEDICAL INSTRUCTION**

15.1.5.1 Where a registered medical practitioner has placed an employee under quarantine / in isolation in terms of the Public Health Act, 1977 (Act No 63 of 1977) or any regulation in force thereunder, such an employee shall be granted paid special leave, provided that the medical certificate issued details of the period of absence and the reason therefore.

15.1.5.2 The Special Paid leave days may exceed 20 working days provided with updated medical proof of status of employee.

15.1.6 **LEAVE WITHOUT PAY**

Leave without pay as approved by the Municipal Manager or his assignee, which approval shall not be reasonably withheld, shall be subject to the Following conditions:

15.1.6.1 Only if an employee has no Annual or Sick leave totals available.

15.1.6.2 Only than Special leave without pay will be granted that will not exceed 20 working days

15.1.6.3 For the period of leave without pay, Witzenberg Municipality shall continue to make employer's contributions only to the employee's Group Life Insurance Scheme, Pension and Medical Aid Fund with the Understanding provided that the employee also makes his contributions to the said funds.

15.1.6.4 If the employee fails to make the above payments, the employer will stop with payments referred to in clause 15.1.6.3.

16. **TIME OFF FOR UNION ACTIVITIES**

16.1 **ELECTION OF SHOPSTEWARDS**

16.1.1 Once agreement has been reached on the delimitation and demarcation of constituencies, the trade union concerned shall be given access to Witzenberg Municipality's premises to conduct shop steward elections.

16.1.2 Such access shall allow the trade union three (3) hours during working time, Per constituency, to explain the role and duties of shop stewards, to receive nominations and to conduct elections.

16.1.3 The three (3) hours need to be continuous and shall be held after lunch Breaks / knock off times.

16.1.4 Applications for Holding meetings must be submitted 7 working days prior required date.

16.1.5 No meeting will be held on a Monday afternoon, Friday Afternoon, Prior and After Public Holidays.

16.2 **MEETINGS AND FACILITIES**

16.2.1 The Shopsteward shall be entitled to meet with members in their respective constituencies for a period of two (2) hours per month.

16.2.2 The Shopsteward Committee shall be entitled to hold four (4) general meetings with members per year.

16.2.3 Any such meetings shall be held during working hours for not more than

two (2) hours during working time on a date to be approved by the employer, which approval shall not be unreasonably withheld.

16.2.4 The meeting shall take place after lunch time / knock- off time.

16.2.5 The Shopsteward Committee may request additional meetings / time and such request shall not be unreasonably refused.

16.2.6 A Shopsteward Committee shall be entitled to meet for a period not exceeding two (2) hours per month during working time

16.2.7 Applications for Holding meetings must be submitted 7 working days prior required date.

16.3 **TIME OFF FOR TRADE UNION ACTIVITIES AND TRAINING**

16.3.1 Shopstewards shall be entitled to Fifteen (15) working days per year with Full pay during working hours for trade union activities and training

16.3.2 Six (6) days of each Shopstewards annual entitlement of time off shall be Pooled and re-allocated at the Trade Unions discretion to the Shopstewards At the employer concerned, provided that no single Shopsteward may take more than twenty –one (21) days off per Financial Book year and that the total days in the pool are not exceeded.

16.3.3 The necessary leave forms must be submitted and approved by Line Manager and Relevant Director prior to taking time off for union leave.

17. **WORK STOPPAGES, TRANSPORT STRIKES, COMMUNITY PROTEST ACTION, EXTREME WEATHER CONDITIONS AND OTHER UNUSUAL CIRCUMSTANCES**

17.1 Witzenberg Municipality acknowledge that all of above circumstances may arise from time to time.

17.2 Where an employee is absent from duty as a result of above circumstances due to reasons outside employee and employers control, the “No work no pay” principle will apply

17.3 Witzenberg Municipality may agree on one or the following options:

17.3.1 That the employee takes the time/ day as a period of unpaid leave

17.3.2 That an employee works back the time /day of absences or

17.3.3 That the employee takes the time /day or days as annual Leave entitlements in order to receive full payment

17.4 Where employees refuse to complete Annual leave forms whilst receiving full salary. Deductions against the subsequent remuneration of such employee will be effected for period of absence.

17.5 All deductions will be a once off deduction

17.6 Where an employee is prevented to attend work and where evidence can be produced of prevention, special Leave will be allowed.

17.7 In cases of Health and Safety risks of Municipal Buildings that might course damage and harm to employees and cannot be opened due to Legislative compliances, Special paid leave will be issued to effected employees located at affected Buildings. This Special leave is in addition to the Collective Agreement that is in force.

18. **RELOCATION LEAVE**

An employee may have the need to supervise the packing /loading and offloading / unpacking of his/her personal effects on resettlement as a result of being newly appointed at the Witzenberg Municipality.

18.1 An employee may submit request for annual leave and the employer shall not unnecessary withheld approval of leave

18.2 A maximum of 2 annual leave approved days may be allowed.

19 **UNAURHORISED ABSENCES**

Unauthorised absences from duty will, apart from any disciplinary action that may be taken against an employee, be regarded as absence without pay.

20. **ADMINISTRATIVE MEASURES FOR MANAGING AND CONTROL OF LEAVE**

20.1 Each Line Manager, Relevant Director is responsible and accountable to Constantly monitor and review the leave of employees and to ensure that trends are noted early; leave credits are adequate and negative balances are not allowed; Leave applications submitted timeously.

20.2 Each Director is responsible and accountable that only officials who are authorised in terms of the delegated powers approved for Leave as per Council Resolution.

20.3 The delegated authority must determine whether the leave application submitted is accurate and correct before they authorize the leave application

20.4 Human Resources Section reserves the right to Reject Incomplete Leave Forms and Departments will be issued with a Non Compliance Letter.

21. **REVISION OF POLICY**

This policy will be revised every third (3rd) year after approval by Council.

Recommended by Senior Managers	Date……..
Recommended by Corporate and Finance Committee	Date……
Recommended by Local Labour Forum	Date…….
Approved by Council	Date……
Review Policy	Date……..

MAYORAL BURSARY FUND POLICY

Seeks to ensure that development, with specific emphasis on the youth of the Municipality, addresses the development needs and meets the ever growing need for goods and services, and to improve the standard of living and quality of life.

Human Resources Policies

1. PREAMBLE

The Mayoral Bursary Fund Policy -

1.1 Acknowledges that development is integral to the life of every young person.

1.2 Seeks to ensure that development, with specific emphasis on the youth of the Municipality, addresses the development needs and meets the ever growing need for goods and services, and to improve the standard of living and quality of life.

1.3 Will regard youth as any persons between the ages of 18 and 35 years.

2. CRITERIA FOR AWARDING OF MAYORAL BURSARIES

Mayoral Bursaries may annually be awarded –

2.1 To well-deserving students who meet the prescribed requirements of the academic institution and this Policy.

2.2 To students' resident within the area of jurisdiction of the Witzenberg Municipality, with the exception of children of employees as provided for in Clause 2.3 below.

2.3 To children of employees in the service of the WITZENBERG MUNICIPALITY, either appointed in a permanent capacity or in a fixed term contract for twelve (12) months or longer.

2.4 With due regard to the Employment Equity Act, Skills Development Act, LGSETA guidelines on scarce skills, people with disabilities and other relevant legislative arrangements, and any other factors as may be determined by the Council.

3. ACADEMIC INSTITUTIONS

The Council will only award bursaries to students studying at accredited South African academic institutions.

4. ALLOCATION OF BURSARIES

4.1 Bursary allocations shall be subject to the availability of funds.

4.2 In the event of an applicant who receives a bursary and or assistance from another institution but which does not cover full costs, such an application will be considered.

4.3 The Witzenberg Municipality will pay study fees directly to the relevant educational institution.

4.4 The term "study fees" will be deemed to include registration, class fees, examination fees, and study material, but will not include any penalties that are imposed by the educational institution or membership of any student body.

4.5 No travelling, accommodation or subsistence expenses and general expenses will be funded.

4.6 Students must submit documentary proof by means of a statement, account or invoice on which the registration, class fees, examination fees, and study material that are payable are fully specified and defined.

4.7 If a student has paid the registration, class fees, examination fees, and study material, he/she may claim reimbursement on submission of documentary proof of the said amount.

4.8 No payments will be approved or activated without the documentary proof as explained in clause 4.6 and clause 4.7 above.

5. ADMINISTRATION OF THE MAYORAL BURSARY FUND

5.1 The Mayoral Bursary Fund will be administered by the Human Resources
Division: Training and Performance Management.

5.2 An invitation for participation in the Mayoral Bursary Fund will be advertised annually in the Municipality newspapers during the first week of August.

5.3 The advertisement must make provision for a period of four (4) weeks for submission of applications.

5.4. Applications must reach the offices of the Witzenberg Municipality by the due date as stipulated in the advertisement.

5.5 All bursary applications must be completed on the prescribed form (attached) and must be accompanied by originally-certified true copies of the following:

(a) Student's academic record;
(b) Identity document;

(c) Proof of permanent residential address;
(d) Proof of monthly household income;
(e) Declaration that an applicant is not receiving a full bursary and or assistance form another institution; and
(f) Any other document(s) as may be required from time to time.

5.6 The closing date for applications will be regarded as the date on which requirements as stipulated in this Policy should be met by applicants.

5.7 Incomplete bursary applications which lack the required supporting documentation, or late applications shall not be considered.

5.8 Witzenberg Municipality shall not be held responsible for students not being registered, should the process, for any reason whatsoever, be delayed or withdrawn.

6. BURSARY COMMITTEE

6.1 In order to ensure efficiency and transparency, a Bursary Committee will be established consisting of five (5) councillors designated by the Executive Mayor, under the Chairmanship of the Deputy Executive Mayor and two (2) officials designated by the Municipal Manager.

6.2 The Bursary Committee must:

(a) Assess and evaluate the list of bursary applications in terms of this Policy

(b) Make bursary awards recommendations to the Executive Mayor for final approval; and

(c) Meet regularly to evaluate the progress and performance of students.

7. NUMBER OF YEARS FOR WHICH ASSISTANCE IS GRANTED

7.1 Students must re-apply annually for participation in the Mayoral Bursary Fund and submit their results for the previous academic year.

7.2 Bursary assistance will only be awarded to applicants who are studying towards the achievement of their first degree, diploma or certificate.

8. PARTNERSHIP BURSARY AWARDS

Witzenberg Municipality may choose to enter into a partnership with any organization or institution in providing a bursary.

9. WITHDRAWAL OF ASSISTANCE

9.1 Should Council be dissatisfied with a student's study performance based upon progress reports, it reserves the right to terminate any further payments and to disqualify such a student from future participation in the Mayoral Bursary Fund.

9.2 Progress reports referred to in clause 9.1 above must be submitted by students twice per year at the end of July and the end of January.

9.3 Submission of fraudulent information will lead to automatic disqualification and/or withdrawal of all financial assistance granted in terms of the Mayoral Bursary Fund, and/or a claim that all fees be paid back to the Witzenberg Municipality. In appropriate cases, the matter may also be reported to the South African Police Service.

10. GENERAL PROVISIONS

10.1 Students may not change from the courses and/or educational institution for which the Mayoral Bursary Fund has been allocated without prior consultation with and approval from, the Witzenberg Municipality and subject to the submission of full written reasons and motivation.

10.2 Bursary applicants must declare any relationship with either an employee(s) or a councillor(s) of the Witzenberg Municipality.

11. CONTRACTUAL OBLIGATIONS

11.1 Witzenberg Municipality may, where possible, provide the bursary holder(s) with practical work experience.

11.2 Students to whom participation in the Mayoral Bursary Fund have been granted will be obliged to sign a Study Agreement with the Witzenberg Municipality.

12. AMENDMENT OF THE POLICY

Witzenberg Municipality may from time to time amend this Policy and no one shall make a claim based on a previous policy.

MEMORANDUM OF AGREEMENT

Concluded
between

WITZENBERG MUNICIPALITY
(hereinafter called the
"MUNICIPALITY")

A
n
d

……
……..
(ID Number
……)
(hereinafter called the
"STUDENT")

WHEREAS the STUDENT wishes to undertake studies towards …… (hereafter called the "qualification").

AND WHEREAS the MUNICIPALITY has agreed to financially assist the STUDENT in regard to the attainment of the qualification, subject to the conditions of this agreement.

NOW THEREFORE THE PARTIES HERETO HAVE AGREED EACH WITH THE OTHER:

1. RESPONSIBILITIES OF THE WITZENBERG MUNICIPALITY

The WITZENBERG MUNICIPALITY undertakes to grant a bursary in the amount of R…… (……) to the successful STUDENT for the minimum duration of the qualification as stated herein, provided that –

1.1 The MUNICIPALITY undertakes to make available a bursary to the STUDENT for the minimum period prescribed by the academic institution for completing his/her qualification.

1.2 The MUNICIPALITY will make available a bursary which must be utilised for registration, class fees, examination fees and study material, however, excluding fees for any registration and/or subject that the STUDENT has failed.

1.3 The bursary will only be payable by the MUNICIPALITY if the MUNICIPALITY is satisfied that the STUDENT has enrolled and registered as a full time student and has produced official documentation in this regard.

1.4 Bursary assistance will only be awarded to STUDENTS who are studying towards the achievement of their first degree, diploma or certificate

1.5 No travelling, accommodation or subsistence expenses and general expenses will be funded.

1.6 If a STUDENT has paid the registration, class fees, examination fees, and study material, he/she may claim reimbursement on submission of documentary proof of the said amount.

1.7 No payments will be approved or activated without the prescribed documentary proof.

2. **OBLIGATIONS AND UNDERTAKING BY**

STUDENT

The STUDENT undertakes –

2.1 To enrol and register as a STUDENT at an accredited South African academic institution which has been approved by the MUNICIPALITY.

2.2 After enrolment and registration, to undertake all studies and do all such other things as may be necessary to qualify himself/herself for the qualification.

2.3 To complete the qualification within the minimum period prescribed by the academic institution.

2.4 To furnish the MUNICIPALITY with acceptable written proof of registration for the qualification at the commencement of each year of study.

2.5 To furnish the MUNICIPALITY with a certificate detailing his/her examination results and general progress in July and January of each academic year.

DATED and SIGNED at …… this …… day of ……20....

STUDENT

AS WITNESSES:

DATED and SIGNED at …… this …… day of ……20....

for WITZENBERG MUNICIPALITY AS

WITNESSES:

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

44, Ceres, 6835
50 Voortrekker St/ Str, Ceres, 6835
Suid Afrika/ South Africa
+27 23 316 1854
+27 23 316 1877
admin@witzenberg.gov.za
www.witzenberg.gov.za

MAYORAL BURSARY FUND APPLICATION FORM

(PLEASE NOTE: This form must be completed in the own handwriting of the applicant)