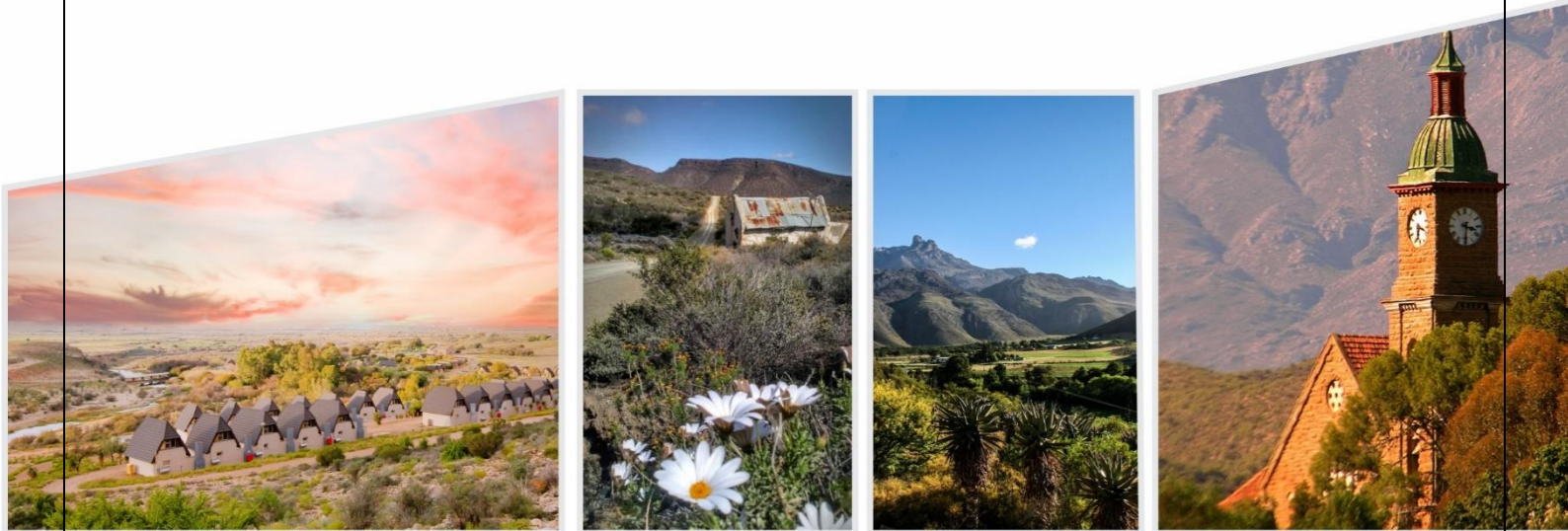
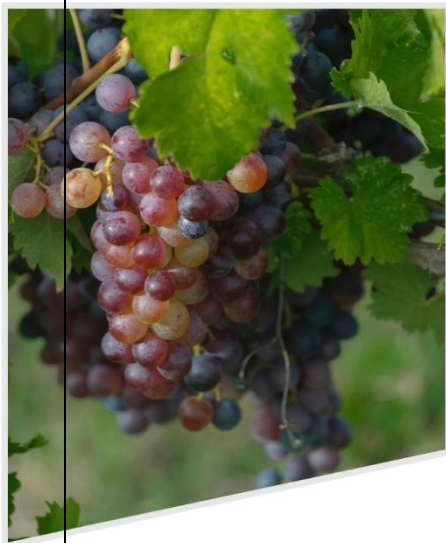




**KANNALAND**  
MUNISIPALITEIT | MUNICIPALITY



# 2021/ 2022 DRAFT ANNUAL REPORT



#Calitzdorp #Zoar #Ladismith #VanWyksdorp  
#SwarbergMountains #Amalienstein #Seweweekspoor  
#Maatjiesvlei #PortCapital #Kannaland #KleinKaroo

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## APPENDICES

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- VOLUME II: ANNUAL FINANCIAL STATEMENTS
- VOLUME III: 2021/2022 ANNUAL PERFORMANCE REPORT
- VOLUME IV: 2021/2022 DRAFT AUDIT ACTION PLAN

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## **INTRODUCTION: ABOUT THE 2021/22 ANNUAL REPORT**

This report offers an overview of the operations, financial, non-financial activities and the performance of Kannaland Municipality for the 2021/22 financial year. The annual report is prepared in terms of Section 127(3) and the process has been trailed as per section 127 (3) (a-c) stipulated in the Municipal Finance Management Act (MFMA).

The Annual Report comprises of six chapters and is aligned to the format as described and presented in the National Treasury MFMA Circular 63.

Chapter 1:      **1.1 Mayor’s Foreword**

**1.2 Municipal Manager Foreword**

**1.3 Municipal Overview**

Chapter 2:      Details about the governmental workings of the Municipality addressing the key aspects of good governance.

Chapter 3:      Highlights the Municipality’s performance for the year, focusing on the service delivery and the pre-determined objectives of the Council.

Chapter 4:      Provides insight into the Human Resources and organizational management areas of the Municipality, focusing on organizational structure and legislation.

Chapter 5:      An overview of the Municipality’s financial performance, reflecting on the Municipality’s financial position, assets, cash flow and intergovernmental grants received by the Municipality.

Chapter 6:      An overview of the audit key findings per the Auditor-General –

**APPENDICES (A, B, C, D, E, F1, K, L, R)** - Additional appendices to be found in the draft annual report

## **VOLUMES**

VOLUME I:      2021/2022 AG REPORT

VOLUME II:     ANNUAL FINANCIAL STATEMENTS

VOLUME III:    2021/2022 ANNUAL PERFORMANCE REPORT

VOLUME IV:    2021/2022 DRAFT AUDIT ACTION PLAN

## **GLOSARY**

# CHAPTER 1: EXECUTIVE SUMMARY

## 1.1 MAYOR'S FOREWORD AND EXECUTIVE: SUMMARY

The Municipality has faced numerous challenges over the past ten years having regressed in audit opinion in 2020/2021 from a qualified audit opinion to that of disclaimer for 2021/2022. This annual report will not shy away from the challenges which Kannaland Municipality is experiencing. In fact, this report is an open admission of the state of affairs in the municipality with the hope that through the declaration of the current situation, we will be in a better position to identify what our challenges are and how we as a collective can develop strategies and action plans to turn the situation around through a dedicated and committed team.

We will require great discipline, commitment and hard work to overcome these challenges and to hold each other accountable through transparent disclosure of the root causes to the difficulties we are facing.

Assessment of the year under review indicates that the Municipality should continue to implement its Municipal Strategy in a manner that builds confidence. The Municipality should strive to be well managed and accountable, taking prudent stewardship of public funds, safeguard public assets, and set example for the effective, efficient and economical use of public resources and turn around the decline.

The implementation of the IDP can be seen as one of the Municipality's greatest challenges faced as it is with severe financial constraints, insufficient capacity and inadequate resources. Kannaland Municipality inherited huge outstanding debt, assets that were in a poor and unusable state, and many that remain unaccounted for. Covid-19 and the legal battle concerning the lengthy administration also added to the already embattled municipality.

The Municipality will require a great deal of support, assistance and self-determination to govern to achieve its strategic objectives, which aim to create a better situation and a good quality of life for its communities. We need to put the people first. The Municipality must improve on the management of its resources in a manner to mitigate risks; make improvements in basic infrastructure; improve municipal financial management, spend its grant funding and strive for clean audits, thereby adhering to legislative prescripts and promoting public confidence in our leadership.

Public participation will remain an important priority for the Municipality where we move towards not only an informed, but an involved community. Stakeholder engagement through active ward committees will lay the foundation for the further maturity of participatory democracy and equal opportunity for all. All relevant stakeholders will be engaged in strengthening ward committees to retain a connection with communities in relation to projects and initiatives of the Municipality. Sector engagements on a regular basis. In order to establish a sound living environment, we will address, in collaboration with other spheres of government to deal with housing delivery backlogs, the introduction of innovative solutions and the acceleration of the implementation of the social housing policy. A concerted effort including massive

campaigns will continue. The local economic development strategy must be translated into real jobs. Our organizational structure needs to be responsive to the challenges facing the Municipality.

We can only achieve this through steadfast commitment towards ensuring that corrective actions identified are implemented:

- ✓ Co-operative collaboration with government departments and private business in the provision of services to our communities.
- ✓ Capacitation and stabilizing of the administration
- ✓ Setting the tone at the top with ethical courageous leadership that is service orientated to provide good governance and accountability;
- ✓ Implementing consistent, appropriate and swift consequences for accountability failures.
- ✓ Embrace national, provincial and district-wide support through strategic alignment and partnerships and joint budgeting.
- ✓ Appointment of Municipal Manager, Chief Financial Officer and a qualified Engineer,
- ✓ Ensuring that all grant funding received is spent

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**JEFFREY DONSON**  
**EXECUTIVE MAYOR**

## **1.2 MUNICIPAL MANAGER'S OVERVIEW**

The Kannaland Municipality has been faced by consistent failures to fulfil its executive and legislative obligations over a prolonged period. This has affected the morale of staff and the ability of the Municipality to present itself as a dynamic, growing and positive entity. Non-compliance in timeously meeting legal prescripts, ongoing court battles, the ongoing energy crises and Covid-19 has unfortunately led to cascading and repetitive failure to comply and meet the standard of good governance practice. Linked to the inherent challenges the financial sustainability of the Municipality is threatened. One of the main priorities over the short term will be to stabilize and strengthen the Municipal administration and strengthen revenue sources. This will require the review of systems, policies and procedures in an array of corporate, institutional and administrative functions that will have to be designed and put in place. Capacity building of staff requires attention. Oversight, risk management and internal audit controls need to be addressed in order to ensure value for money spending and to prevent irregular, fruitless and wasteful and unauthorized expenditure.

Currently the Kannaland Municipality faces severe financial constraints, infrastructure deficits, backlogs and institutional instability. A Budget Funding Plan was developed to attempt and balance the budget, reduce debt to sustainable levels, benchmark its revenue and expenditure. This will result in providing for the current contingent liabilities and to build reserves to invest in infrastructure that will promote its development and shared growth. Grant funding has to be spent to achieve this.

The tariff structure will be reviewed in order to recover the cost-of-service rendering and allowing infrastructure to be maintained and upgraded. The challenge of a high occurrence of indigent customers places a strain on municipal resources and the ability to function as a going concern. The continuity of senior management staff has also resulted in institutional and administrative difficulty. The administrative structure will have to be reviewed with recent and accurate job descriptions. The right person must be placed in the right job and the capacity and skills of employees should also be addressed in order to enable them to fulfil their administrative and technical duties. The aim is to transform the Municipality's organizational culture to one that is characterized by passionate employees, relentless in their pursuit for excellence. I would like to extend my appreciation and gratitude to the Mayor, Speaker, and Councilors, as well as Municipal staff, for their ongoing support and commitment to build a better future for all who live in the Municipal area.

Lastly, I would like to thank the management and IDP team for their dedication, commitment and hard work for an effective and successful IDP development and implementation process under difficult circumstances.

**HENDRIK BARNARD**  
**ACTING MUNICIPAL MANAGER**

## **1.3 MUNICIPAL OVERVIEW**

### **1.3.1 MUNICIPAL FUNCTIONS, POPULATION, ENVIRONMENTAL, SERVICE DELIVERY AND SECTORAL OVERVIEW**

This report offers an overview of the financial and non-financial performance of Kannaland Municipality for the 2021/22 financial year. Local government must create the participatory framework that defines and enhances the relationship between elected leaders and their communities. This requires that the council of the Municipality provide regular and predictable reporting on programmes performance and the general state of affairs in the Municipality.

The 2021/22 Annual Report reflects on the performance of Kannaland Municipality for the period 1 July 2021 to 30 June 2022. The Annual Report is prepared in terms of Section 121(1) of the Municipal Finance Management Act (MFMA), which stipulates that the Municipality must prepare an Annual Report for each financial year.

#### **MUNICIPAL FUNCTIONS**

During 2021/2022, the Kannaland Municipality was structured in two directorates namely, Finance and Corporate/Community and Infrastructure Services. The Municipal Manager drives the oversight function over these departments under very difficult circumstances in the absence of a fulltime qualified engineer and is also responsible to the undermentioned functions residing in his office and as aligned to the 2021/2022 Service Delivery and Budget Implementation Plan and Performance Agreement:

- ✓ Strategic Integrated Development Planning
- ✓ Communication and Public Participation
- ✓ Local Economic Development including Tourism. And Agriculture
- ✓ Organizational Performance Management
- ✓ Risk, Legal and Contract Management
- ✓ Internal Audit

**The Municipality's administration comprises of the following departments and functions:**

DEPARTMENT	FUNCTION (SECTION)
Municipal Manager	<ul style="list-style-type: none"> <li>• Integrated development planning</li> <li>• Performance management</li> <li>• Communications</li> <li>• Public Participation and Ward Committees</li> <li>• Inter-governmental relations</li> <li>• Local Economic Development and tourism</li> <li>• Spatial development planning</li> <li>• Internal Audit</li> <li>• Risk Management, Contract Management and Legal Services</li> </ul>
Financial Services	<ul style="list-style-type: none"> <li>• Revenue management</li> <li>• Expenditure management</li> <li>• Budget preparation and management</li> <li>• Preparation of financial statements</li> <li>• Information Communication and Technology (ICT)</li> <li>• Supply chain management</li> <li>• Asset management</li> </ul>
Corporate and Community Services	<p>Corporate Services</p> <ul style="list-style-type: none"> <li>• Human Resources</li> <li>• Committee Secretariat</li> <li>• Records Management</li> <li>• Knowledge management (Skills Development)</li> <li>• Spatial Development</li> <li>• Building Plans</li> <li>• Town Planning</li> <li>• Maintaining Policy Register</li> <li>• Facilities Management</li> </ul>

DEPARTMENT	FUNCTION (SECTION)
	Community Services <ul style="list-style-type: none"> <li>• Libraries</li> <li>• Environmental Services</li> <li>• Environmental Health</li> <li>• Disaster Management</li> <li>• Law Enforcement</li> <li>• Human Settlements</li> <li>• Sport and Recreation</li> <li>• Arts and Culture</li> <li>• Burial Sites</li> </ul>
Infrastructure Services	<ul style="list-style-type: none"> <li>• Engineering Services</li> <li>• Roads and storm water</li> <li>• Waste water services (Sanitation)</li> <li>• Water services</li> <li>• Electrical services</li> <li>• Fleet Management</li> <li>• Mechanical workshops (pumps, implements and vehicles)</li> <li>• Project management: MIG, IEPT, WSIG, and other infrastructure projects</li> <li>• Integrated Transport</li> </ul>

**TABLE 1: FUNCTIONS PER DEPARTMENT**

The municipal functions are translated into an operational strategy hereunder.

### **OPERATIONAL STRATEGY**

An operational strategy has been developed for each department and has been included in the 2022-2027 Predecessor IDP with Amendments. Departments update this strategy on a quarterly basis to fast-track implementation of all projects listed.

The table hereunder depicts the operational strategy developed. While budget implications are described in the table hereunder, Kannaland Municipality experiences challenges in implementing projects identified due to financial constraints experienced. The desk top exercise is completed so as to advise and provide guidance to the various spheres of government and the private sector who wish to invest in Kannaland Municipality.

**OPERATIONAL STRATEGY: CONSOLIDATED OVERVIEW OF KANNALAND MUNICIPALITY PROJECT STATUS BUDGET IMPLICATIONS AND IMPLEMENTATION**

OFFICE OF THE MUNICIPAL MANAGER							
No.	Unit	Project Description 2021/2022	Current Status	Council future interventions	KPI Adjustment	2022/23 Budget implications	Project Owner
1.	Integrated Development Planning and Performance Management	Integrated Development Planning: Handover Report	Handover Report finalised for incoming council	Table report to Council for deliberation	None	None	Municipal Manager/Manager: IDP and PMS
2.		Integrated Development Planning: Process Plan and Time Schedule	2022 – 2027 IDP Process Plan and Time Schedule tabled to Council on 12 August 2021	That a Council workshop be arranged with the incoming council to jointly deliberate on the process plan and unpack projects/catalytic projects and project plans identified in the Final adopted IDP for implementation.	Annual tabling of Time Schedule to Council.	Council strategic workshop R30 000  1 Laptop for IDP Co Ordinator (R30 000)	Municipal Manager/Manager: IDP and PMS
3.		Integrated Development Planning: Joint District Metropolitan Approach -JDMA (One District Plan)	JDMA tabled to Mayco on 20 September 2021.	JDMA wase tabled to the incoming council and adopted.	None	None	Municipal Manager/Manager: IDP and PMS
4.		Draft and Final 2022 - 2027 IDP	Draft tabled on 31 March 2022  Final tabled on 31 May 2022	Workshop Draft IDP with Council during March 2021.  Council to adopt Final IDP during May 2022.	None	Council workshop on Final IDP and Budget and Time Schedule Process Plan R30 000	Municipal Manager/Manager: IDP and PMS
5.		Performance Management: SDBIP signed by Executive Mayor	2021/2022 SDBIP signed by Executive Mayor on 5	Finalise the 2022/2023 SDBIP	All departments to submit KPI adjustments for	None	Municipal Manager/Manager: IDP and PMS

**OFFICE OF THE MUNICIPAL MANAGER**

No.	Unit	Project Description 2021/2022	Current Status	Council future interventions	KPI Adjustment	2022/23 Budget implications	Project Owner
		SDBIP Adjusted during February 2022	August 2021 and adjusted.  All quarterly reports submitted to council with the exception of the third quarterly report.	Cascade PM to line departments Salga meeting arranged on 14 June 2022. Ensure that KPI descriptions are accurate.	2022/23 by 30 June 2022.		
6.	Integrated Development Planning and Performance Management	Performance Management Policy	Kannaland Performance Management Policy adopted: 31 August 2021. (Inhouse completion by Manager: IDP, LED and PMS)	Departmental performance management;  MM: Ongoing performance awareness campaigns; Staff induction sessions; Consequence management for non-performance; Update and task job descriptions; Submit monthly PMS progress report to Council on incremental implementation of PMS Policy.	None	None	Municipal Manager: Manager: IDP and PMS/HR Manager/SALGA
7.	Integrated	Performance Management Automated system	PMS is manually implemented and is subject to human error.	Acting CFO tasked by Council to Investigate the implementation of an automated PMS. (Reinstate Ignite)	None	To be investigated by Acting CFO.	Municipal Manager: Manager: IDP and PMS

**OFFICE OF THE MUNICIPAL MANAGER**

No.	Unit	Project Description 2021/2022	Current Status	Council future interventions	KPI Adjustment	2022/23 Budget implications	Project Owner
8.		Performance Management Reporting	<p>S52 Quarter 1 and 2 PM Report submitted to PT and NT.</p> <p>2020/2021 Annual Performance Report submitted to AG on 30 September 2021.</p> <p>2021/2022 APR and AFS submitted to AG on 31 August 2022.</p>	Corrective measures implemented in reporting as per RFI submissions.	None	None	Municipal Manager: Manager: IDP and PMS
9.	<b>Communication</b>	Communication	<p>Mayco adopted the Kannaland Communication Strategy and action implementation plan. Communication Strategy developed in house by Manager: IDP, LED and PMS.</p>	<p>Table Communication Strategy to incoming council for further input and deliberation; Upgrade website</p> <p>Training: Communication Officer (graphic design);</p> <p>Implement Communication Strategy and Action Plan</p> <p>2 Laptops</p> <p>Photocopy machine</p>	None	R300 000	Municipal Manager/Communication Officer

**OFFICE OF THE MUNICIPAL MANAGER**

No.	Unit	Project Description 2021/2022	Current Status	Council future interventions	KPI Adjustment	2022/23 Budget implications	Project Owner
10..	LED	Local Economic Development	LED Strategy was outdated.  No dedicated staff	Review LED Strategy and submit to Council; Fill critical vacancy.  LED Strategy was updated in house by Manager: IDP, LED and PMS and adopted by council on 30 June 2022. A Council workshop was held on the LED strategy developed.	None	Fill critical vacancy: IDP PMS and LED Coordinator  LED Officer	Mun Man/ Manager: IDP and PMS/Manager: HR
11..	Tourism	Tourism: <ul style="list-style-type: none"> <li>Promote tourism in Kannaland</li> <li>Market Kannaland as a tourist destination</li> <li>Review Tourist Strategy</li> </ul>	Kannaland does not have any MOU and MOA for 2021/2022 with the existing Tourist Bureaus in Ladismith and Calitzdorp.  Tourism Strategy was outdated and /reviewed and adopted by Council on 30 June 2022.  No dedicated staff.	Council to take a principled decision on the future of utilizing the services of the Tourism Bureaus and promotion of tourism in Kannaland.  Council adopted a tourism strategy on 30 June 2022. A Council workshop was held on the Tourism Strategy.  Fill critical vacancy	To be ascertained after Council provides strategic direction regarding the future utilisation of tourism bureaus.	To be ascertained after Council provides strategic direction regarding the future utilisation of tourism bureaus.  Critical vacancy: Tourism Officer	Municipal Manager: Manager: IDP and PMS

**OFFICE OF THE MUNICIPAL MANAGER**

No.	Unit	Project Description 2021/2022	Current Status	Council future interventions	KPI Adjustment	2022/23 Budget implications	Project Owner
		Tourism  • Develop Tourism Strategy	Currently Tourism strategy is part of LED Strategy but a separate strategy stand alone should be developed. This was completed and finalised with council adopting a Tourism Strategy developed and reviewed in house by Manager: IDP, LED and PMS.	Source funding	None	R200 000  (Saving – Tourism strategy developed in house)	Municipal Manager: Manager: IDP and PMS
		Tourism  Implement Tourism Strategy	MOAs entered into with 2 Tourism Bureaus (Ladismith and Calitzdorp)	Implement Tourism Bureaus Action Plans and include Zoar and Van Wyksdorp as Tourism Bureaus  Council to prioritize funding for 2 additional tourism bureaus in Zoar and VWD.	None	R800 000	Municipal Manager: Manager: IDP and PMS
12..	Public Participation/War	Public Participation Outreach	Non-public participation held during October 2021 in drafting the fifth generation IDP.  PP Policy outdated	Update PP Policy	None	None – WCPG PP unit to assist	Municipal Manager: Manager: IDP and PMS

**OFFICE OF THE MUNICIPAL MANAGER**

No.	Unit	Project Description 2021/2022	Current Status	Council future interventions	KPI Adjustment	2022/23 Budget implications	Project Owner
13..		<p>Ward Committees</p> <ul style="list-style-type: none"> <li>• Conducting regular ward committee meetings</li> <li>• Re-establish ward committees within 120 days after LG elections</li> </ul>	<p>Ward Committees established in each of the 4 wards within 120 days after LG Elections. Ward Committees Induction training on 28 May 2022. WC were disestablished on 1 November 2021.</p>	<ul style="list-style-type: none"> <li>• Implement WC Operational Plans</li> <li>• Monthly meetings</li> <li>• Develop WC Policy</li> <li>• Conduct WC Summit</li> <li>• Know your ward committee campaign</li> </ul>	None	<p>WC Summit R30 000</p> <p>Loud Hailer and sound system R30 000</p> <p>Corporate Banners 1 Lap tops R30 000</p>	<p>Municipal Manager: Manager: IDP and PMS</p>
14.	Internal Audit	<ul style="list-style-type: none"> <li>• Prepare three years risk based rolling internal audit plan</li> <li>• Conducting legislative audits as per section 165/MFMA Circular 65</li> <li>• Secretariat to the Audit Committee</li> <li>• Training</li> <li>• Advisory</li> <li>• Effective execution of the Audit Action Plan</li> </ul> <p>External Auditor (AGSA) Liaison</p>	<ul style="list-style-type: none"> <li>• Procurement and contract management internal audit in progress</li> <li>• Internal Control environment assessment is done</li> <li>• Standby, Overtime, Motor vehicle and Acting Allowances done</li> <li>• Internal Audit Charter done</li> <li>• Internal Audit Methodology is done</li> <li>• Finalisation of all section 165/MFMA Circular 65 audits</li> </ul>	<ul style="list-style-type: none"> <li>• Co-funding from Provincial Treasury for internal audits</li> <li>• Council to appoint Audit Committee</li> <li>• Council to adopt internal audit charter</li> <li>• Council to adopt the three years rolling risk based internal audit plan</li> <li>• Council to assist with capacity building of the internal audit unit</li> </ul>	to be discussed with the Municipal manager	<ul style="list-style-type: none"> <li>• Co-funding with Provincial Treasury of R50 000</li> <li>• Professionalization of the internal audit unit</li> </ul>	<ul style="list-style-type: none"> <li>• Municipal Manager Internal Auditor</li> </ul>

**OFFICE OF THE MUNICIPAL MANAGER**

No.	Unit	Project Description 2021/2022	Current Status	Council future interventions	KPI Adjustment	2022/23 Budget implications	Project Owner
	<b>RISK AND CONTRACT MANAGEMENT</b>	Risk Management <ul style="list-style-type: none"> <li>• Compiling a risk register</li> <li>• Identify top 10 risks</li> </ul> Contract Management <ul style="list-style-type: none"> <li>• Compiling and management of contract register</li> <li>• Draft and interpret Contracts and SLAs</li> </ul>	The Organisational and Departmental Risk register remains incomplete. Top 10 Risks have not been identified.	Garden Route DM to assist with co-ordinating the Risk Management function for local municipalities.	None	<ul style="list-style-type: none"> <li>• None</li> </ul>	Municipal Manager/  <ul style="list-style-type: none"> <li>• Manager: Legal, Risk and Compliance.</li> </ul>
16.	<b>LEGAL SERVICES</b>	Legal Services	Legal costs are high and council cannot afford this	Resolve disputes through Intergovernmental or other alternative dispute resolution mechanisms.	NA	NA	Manager: Legal, Risk and Compliance.

**CATALYTIC / SPECIAL PROJECTS in OFFICE OF MUNICIPAL MANAGER**

1. Leadership and ethical innovative training	4. Implement Risk Management
2. Cascading Performance Management to all levels	5. Develop Organizational Internal Transformation Plan
3. Improve Communication through Strategy implementation	6. Automated PM System

**TOTAL BUDGET FOR PROJECT IMPLEMENTATION: (EXCLUDING CATALYTIC PROJECTS)**

**R 1500 000**

**OFFICE OF THE CHIEF FINANCIAL OFFICER: BUDGET AND TREASURY**

No.	Unit	Project Description	Current Status	Council future interventions	KPI Adjustment	Budget implications	Project Owner
	<b>Budget and Treasury</b>	Budget	<ul style="list-style-type: none"> <li>Responsible to submit to the council a credible budget and sound budget related policies.</li> <li>Ensure compliance with mSCOA requirements.</li> <li>Appointed a permanent BTO and support staff.</li> </ul>	<ul style="list-style-type: none"> <li>Organise training for staff.</li> <li>Relook at the overall organisational structure in order to ensure it is fit for purpose.</li> </ul>	None.		CFO.
		SCM	<ul style="list-style-type: none"> <li>SCM Manager position still vacant.</li> <li>Ensure compliance with SCM Regulations.</li> </ul>	<ul style="list-style-type: none"> <li>Appoint a permanent SCM Manager.</li> <li>Organise training for staff.</li> </ul>	None.	R631 000	CFO.
		Procurement	<ul style="list-style-type: none"> <li>Appointed permanent staff.</li> <li>Ensure compliance with SCM regulations.</li> </ul>	<ul style="list-style-type: none"> <li>Organise training for the staff.</li> </ul>	None.	R100 000	CFO.
		Stores	<ul style="list-style-type: none"> <li>Stores Manager position still vacant. Currently training a staff member to take over.</li> </ul>	<ul style="list-style-type: none"> <li>Appoint a permanent stores manager.</li> <li>Organise training for the staff.</li> </ul>	None.	R300 000	CFO.
		Creditors	<ul style="list-style-type: none"> <li>Payroll vacancy still vacant.</li> </ul>	<ul style="list-style-type: none"> <li>Appoint a permanent clerk for payroll.</li> <li>Organise training for the staff.</li> </ul>	None.	R200 000	CFO.
		Reporting	<ul style="list-style-type: none"> <li>Appointed permanent staff.</li> </ul>	<ul style="list-style-type: none"> <li>Organise training for the staff.</li> </ul>	None.		CFO.
		Revenue enhancement	<ul style="list-style-type: none"> <li>Accountant: Property Rates position still vacant.</li> <li>Refer to the Budget Funding Plan for more activities.</li> </ul>	<ul style="list-style-type: none"> <li>Appoint a permanent accountant to bolster the revenue enhancement team.</li> <li>Implement the Budget Funding Plan.</li> </ul>	None.		CFO.

**TOTAL BUDGET**

**R1 231 000**

**CATALYTIC / SPECIAL PROJECTS IN OFFICE OF ACTING CFO**

MSCOA IMPLEMENTATION

BUDGET FUNDING PLAN IMPLEMENTATION

**FFICE OF THE DIRECTOR: CORPORATE SERVICES, COMMUNITY SERVICES AND INFRASTRUCTURE SERVICES**

No.	Unit	Project Description	Current Status	Council future interventions	KPI Adjustment	Budget implications	Project Owner
1.	<b>CORPORATE SERVICES</b>	<p>Council Activities:</p> <ul style="list-style-type: none"> <li>• Committees of council</li> <li>• Election of political office bearers</li> <li>• Rules of order</li> <li>• Election of MPAC</li> <li>• Code of conduct</li> <li>• Declaration of interests</li> <li>• SALGA Councillor Induction and training</li> </ul>	<p>First council meeting to inaugurate councillors to be held before 14 November 2021.</p> <p>Establishment of committees of council</p>	Councillor induction training: SALGA	None	None	Municipal Manager/ Manager: Corporate Services
2.		Policy Register	Policy register has not been updated	That policy register be submitted to council each quarter	None	None	DCCI/Manager: Corporate Services
3.		Archives	Ongoing	Records clean up and disposal	None	None	Manager: Corporate Services
4.		Spatial Development	The SDF is outdated	Review the SDF to include economic development zones and agricultural farm land/commonage.	None	Cabinet storage facilities for town planning applications received. Alternative office accommodation R1 200 000 Source funding	Manager: Corporate Services/Senior Clerk Town Planning

**OFFICE OF THE DIRECTOR: CORPORATE SERVICES, COMMUNITY SERVICES AND INFRASTRUCTURE SERVICES**

No.	Unit	Project Description	Current Status	Council future interventions	KPI Adjustment	Budget implications	Project Owner
5.	<b>Human Resources</b>	Human Resources <ul style="list-style-type: none"> <li>• Labour relations</li> <li>• Skills development</li> <li>• Employment equity</li> <li>• Recruitment selection and placement</li> <li>• Job evaluation</li> <li>• Local labour forum</li> <li>• Review microstructure</li> <li>• Policy review</li> <li>• Depart Perf Management</li> <li>• Rewards/Incentives</li> <li>• Induction</li> </ul>	Organisational Microstructure adopted on 28 May 2020.  Performance agreements signed with S56 and S57 Acting Municipal Manager, Director: Corporate, Community Services and Infrastructure Services and CFO  Local labour forum to be established	Review organisational microstructure by May 2022.  Council representatives to be nominated on local labour forum.  Review all HR policies  Four pending disciplinary hearings outstanding	None	R500 000  Source funding	DCCI/Manager: Human Resources
6.	<b>Building Plans</b>	Building Plans <ul style="list-style-type: none"> <li>• Receiving and processing of building plan applications</li> <li>• Evaluation of building plans received</li> <li>• Recommendations of approval of building plans</li> <li>• Building inspections</li> </ul> Liaise with various departments for comments	Building plans received for 2021/2022 to date: 52. Average is about 95 building plans per year. Manual processing.	Automated collaborator system to be used by architects in progress. Education and training of architects on collaborator system.	None	Update computers; storage facilities for building plans (cabinets)  (R50 000)	
7.	<b>ICT</b>	IT <ul style="list-style-type: none"> <li>• All ICT Policies have been approved by council.</li> <li>• Disaster Recovery plan submitted for funding est. R2000000.</li> <li>• ICT STEERCOM meetings a priority for all managers to attend the ICT Steercom meetings.</li> </ul>	All ICT Related policies last updated in 2013/14 financial book year. Council Approved these policies in August 2021	Update and review ITC policies and submit to council annually.  If Kannaland do not receive the R2000000 for funding this project I have asked the service provider to roll the project out in phases.		R2 000 000 for Disaster Recovery	DCCI/Manager: Corporate Services/ICT Technician

		<ul style="list-style-type: none"> <li>Fibre to be funded for the roll-out of fibre to all Satellite offices. Funding to be determined.</li> </ul>	<p>Disaster recovery remains a priority</p> <p>ICT Steering Committee not active.</p> <p>All Stakeholders needs to have engagement. Rollout of satellite office</p>	<p>All line managers and Senior Managers need to be part of the ICT steering Committee.</p> <p>This platform first needs a Terms of Reference for the Steercom.</p> <p>On this platform ICT can get a better understanding of what needs there are in each department relating to ICT.</p>			
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8.	Community Services: Human Settlements	<p>Human Settlements</p> <p>Current Projects</p> <ul style="list-style-type: none"> <li>• Parmalat 280 Ladismith</li> <li>• Infill 100 Zoar</li> <li>• Upgrading of Informal Settlement 65 (UISP) Zoar</li> <li>• Middleton Street Finance Linked Individual Subsidy (FLISP) 78 Ladismith</li> <li>• September Street Finance Linked Individual Subsidy (FLISP) 29 Ladismith</li> <li>• 179 Top Structures in Calitzdorp</li> </ul>	<p>Funding has been reserved by the Western Cape Provincial Department of Human Settlements (WC DoHS) for professional services to be conducted under Tranche 1.1 and Tranche 1.2</p> <p>Serviced sites are available and can be sold to potential FLISP beneficiaries</p> <p>179 top structures in Calitzdorp contact with beneficiaries is a problem</p>	<p>Payment should be made by WC DoHS to the Implementing Agent for services rendered under Tranche 1.1</p> <p>The Implementing Agent will proceed to Tranche 1.2 after payment for Tranche 1.1 was received</p> <p>Municipality should advertise ervens which are for sale and conclude sales with potential FLISP beneficiaries</p> <p>Request WC DoHS to add these projects on our Housing Pipeline</p>	None	External funding source	<p>Manager: Corporate Services/  Senior Housing Officer</p>
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**OFFICE OF THE DIRECTOR: CORPORATE SERVICES, COMMUNITY SERVICES AND INFRASTRUCTURE SERVICES**

No.	Unit	Project Description	Current Status	Council future interventions	KPI Adjustment	Budget implications	Project Owner
9.	<b>Community Services: Human Settlements</b>	<p>Planned Projects (not on Housing Pipeline and not funded)</p> <ul style="list-style-type: none"> <li>• Upgrading of Informal Settlements – Ladismith, Calitzdorp and Van Wyksdorp</li> <li>• Declaring cemeteries as Heritage Sites – Zoar</li> <li>• Reviewing of the Spatial Development Framework (SDF) - Van Wyksdorp</li> <li>• Emergency Housing Project (EHP) - Zoar</li> </ul>	<p>Request Implementing Agent to apply for funding to upgrade informal settlements</p> <p>Arrange a meeting with WC DLG and DHS for funding Commitment from WC DHS that all informal settlements will be approved and upgraded simultaneously</p> <p>Funding application: Upgrade cemeteries and declare them as heritage sites</p> <p>SDF Review Application: Van Wyksdorp</p> <p>Request Implementing Agent to apply for funding towards Zoar EHP</p> <p>Outstanding supporting documents hamper the registration of title deeds</p>	<p>Request WC DoHS to add these projects on our Housing Pipeline</p> <p>Get approval from the relevant authorities that the SDF can be reviewed</p> <p>Request WC DoHS to add these projects on our Housing Pipeline</p> <p>Eliminate all outstanding matters</p>	None	External funding source	<p>Manager: Corporate Services/</p> <p>Senior Housing Officer</p>
10.	<b>Human Settlements</b>	<p>Title Restoration Project</p> <p>Housing Project 179 - Calitzdorp</p>	<p>Request the Minister for the DHS to include the project on the province’s business plan and to allocate funding to the project</p>	<p>To enable the Implementing Agent to start with the construction of the 179 houses</p>	None	External funding source	<p>Manager: Corporate Services/</p> <p>Senior Housing Officer</p>

**OFFICE OF THE DIRECTOR: CORPORATE SERVICES, COMMUNITY SERVICES AND INFRASTRUCTURE SERVICES**

No.	Unit	Project Description	Current Status	Council support/ Future interventions	KPI Adjustment	Budget implications	Project Owner
11.	<b>Traffic Services</b>	<p>Traffic Services</p> <ul style="list-style-type: none"> <li>• Develop Traffic By-Laws</li> <li>• Law enforcement</li> <li>• Learners License Testing</li> <li>• Registration and licensing of vehicles</li> <li>• Roadworthy of vehicles</li> </ul>	<p>Staff capacity remains a challenge</p> <p>Investigating the future procurement of Speed cameras and K53 test yard to be revived and reconsidered.</p>	<p>Critical vacancies: Traffic officers (3) and law enforcement (4)</p> <p>Adjustment budget to include speed cameras and K53 test yard. Council to prioritise implementation within budget.</p> <p>Training interventions</p>	<p>Submission of monthly reports to Council on traffic services rendered. Conduct monthly personnel meetings and submit to council Promulgation and implementation of by laws Traffic education at schools</p>	<p>Placement of existing staff into critical vacancies</p> <p>Vehicle examination training</p> <p>Law enforcement/Traffic officer training</p> <p>Grade L training for law enforcement</p>	<p>Chief: Protection Services/Traffic Chief</p>
12.	<b>Disaster Management</b>	<p>Disaster management</p> <p>Update disaster management plan</p>	<p>2021/2022 Disaster Management Plan reviewed.</p>	<p>Disaster management plan to be tabled to council. 4x4 bakkie to access disaster points/Starter packs/Food parcels/Mattresses and blanket. Disaster Control room and internet connectivity/2-way radios at fire dept</p>	<p>None</p>		<p>DCCI/Chief Protection Services</p>

**OFFICE OF THE DIRECTOR: CORPORATE SERVICES, COMMUNITY SERVICES AND INFRASTRUCTURE SERVICES**

No.	Unit	Project Description	Current Status	Council support/ Future interventions	KPI Adjustment	Budget implications	Project Owner
13.	<b>Fire Services</b>	<p>Fire Services</p> <ul style="list-style-type: none"> <li>• S78 Investigation</li> <li>• Fire suppression</li> <li>• Rescue services</li> <li>• Water delivery</li> <li>• Fires awareness campaign</li> <li>• Fire prevention</li> <li>• Implementing Law enforcement (Fire Services)</li> </ul>	<p>Successfully extinguished bush fires and structural fires.</p> <p>Successfully applied rescue services</p> <p>Weekly schedule implemented for water delivery</p> <p>Educational campaigns ongoing</p> <p>Investigating purchasing vehicles from CoCT. 10 EPWP fire fighters and 2 law enforcement officers appointed.</p>	<p>Ongoing programmes of education and awareness</p> <p>Rendering on fire- services – fire breaks</p> <p>Substation required in Calitzdorp, Zoar and Van Wyks dorp to improve on response time. Vehicles protective clothing, equipment and personnel.</p>	<p>Conduct monthly personnel meetings and submit to council</p> <p>Submission of monthly reports to Council on fire services.</p>	<p>To be communicated by 30 Nov 2021.</p> <p>Sub stations in Zoar Calitzdorp and Van wyksdorp</p>	<p>Director: CCI/ Head Protection Services</p>
14.	<b>LIBRARY SERVICES</b>	Outreach	Covid prevented outreach. This is resuming now.	The SDBIP was adjusted to include outreach as a KPI. 1/library/month	Conduct outreach	None	<p>Acting Manager: Community Services</p> <p>(Senior Librarian)</p>
		Digitalise all libraries (5 with one new in Bergsig currently under construction)	Ladismith is fully digitalised. This needs to be expanded to other libraries.	This needs to be expanded to other libraries.	N/A	R200 000	<p>Acting Manager: Community Services</p> <p>(Senior Librarian)</p>

**OFFICE OF THE DIRECTOR: CORPORATE SERVICES, COMMUNITY SERVICES AND INFRASTRUCTURE SERVICES**

No.	Unit	Project Description	Current Status	Council support/ Future interventions	KPI Adjustment	Budget implications	Project Owner
	<b>CEMETERIES</b>	Development of a new cemetery in Ladismith and in Calitzdorp	Identify a suitable site	Construction of the cemeteries  Apply through MIG Funding	N/A	R5million for both	Acting Manager: Community Services  (Senior Librarian)
14.	<b>Infrastructure Services</b>	Electrical & Mechanical Services  <ul style="list-style-type: none"> <li>Electrical</li> </ul> Mechanical	MV network maintenance – ongoing (Ladismith and Calitzdorp) LV network maintenance – ongoing (Ladismith and Calitzdorp)  Pump maintenance - ongoing	MV network maintenance – ongoing (Ladismith and Calitzdorp) LV network maintenance – ongoing (Ladismith and Calitzdorp) Funding for upgrading of substation in Calitzdorp  Pump maintenance – Ongoing Funding for upgrading of pump stations	To be reviewed and input submitted by Manager Electrical & Mechanical to Manager: IDP/PMS	Additional funding  Additional funding  Source external funding  Additional funding Source external funding	Manager Electrical & Mechanical
15.		Technical Services  <ul style="list-style-type: none"> <li>Roads</li> <li>Water</li> <li>Sanitation</li> </ul>	Pothole repairs – ongoing  Water testing conducted  Treatment of sanitation plants	Pothole repairs ongoing  Funding for service provider  None	None  None  None	Additional funding  Additional funding  None	Acting Technical Manager
16.		WSIG Projects 2021/2022  <ul style="list-style-type: none"> <li>Roll over project (Calitzdorp Deep borehole)</li> </ul>	<ul style="list-style-type: none"> <li>In construction (35%) Drilled 301meters found water</li> </ul>	None	To be reviewed and establish a new and	External Grant funding	PMU Manager

		<ul style="list-style-type: none"> <li>• Klein Karoo Rural water scheme</li> </ul>	<ul style="list-style-type: none"> <li>• Investigations for additional water to supply scheme user</li> </ul>	Finalise handover agreement with Oudtshoorn municipality	separate KPI for WSIG Projects		
17.		<b>RBIG Projects</b> <ul style="list-style-type: none"> <li>• Swartberg New Dam</li> <li>• Ladismith waste water treatment works</li> </ul>	<ul style="list-style-type: none"> <li>• Applied for waving of co-funding and awaiting feedback for both projects</li> </ul>	Council engages with National government	None	External Grant funding awaited	PMU Manager
18.		<b>MIG Projects 2021/2022</b> <ul style="list-style-type: none"> <li>• Zoar Cemetery</li> <li>• Ladismith waste water treatment works</li> <li>• Ladismith water treatment works</li> <li>• Kannaland Installation of water meters</li> <li>• Zoar new Sport field lights</li> </ul>	<ul style="list-style-type: none"> <li>• Completed/ In retention period</li> <li>• In construction (40%)</li> <li>• In construction (44%)</li> <li>• In construction (30%) awaiting fittings</li> <li>• Awaiting additional funding</li> </ul>	N/A	To be reviewed and input submitted by PMU Manager to Manager: IDP/PMS	External Grant funding	PMU Manager
19.		<b>EPWP</b> <ul style="list-style-type: none"> <li>• Temporary workers appointed</li> </ul>	123 temporary workers appointed on 1 October 2021	None	None	Grant funding	PMU Manager
16.		Roads	To be completed- Engineer				
17.		Water Services	To be completed- Engineer				
18.		Sanitation	To be completed- Engineer				

**CATALYTIC PROJECTS: COMMUNITY SERVICES/LED/INFRASTRUCTURE**

Upgrade of municipal swimming pools	Art and Culture Development Centre – Ladismith
Upgrade caravan and camping site - Ladismith	Art and Craft Centre - Calitzdorp
Restoration of Heritage municipal owned buildings - Synagogue	Land for Kleinboere Vereniging (Ladismith
Land for factories in Calitzdorp	Water security in Zoar
Swartberg Dam in Ladismith	Amalienstein Smart Farm transfer
WWTW throughout Kannaland	Stadium in Zoar Sport fields
K53 Testing Centre Ladismith/Calitzdorp	Netball fields in Vanwyksdorp
Upgrade Ladismith Rugby field, netball fields and tennis courts	Sewerage works - Ladismith

**TABLE 2: OPERATIONAL STRATEGY**

## DEMOGRAPHICAL OVERVIEW

Kannaland Municipality is situated in the Western Cape, 325 kilometers from Cape Town. The Municipality covers an area of 4,758 square kilometers in the Little Karoo, stretching from the Swartberg Mountain in the north to the Langeberg Mountain in the south, and from the Anysberg Mountain in the west to the Gamkaberg Mountain in the east.

The largest town and also the location of the municipal headquarters is Ladismith. Ladismith is situated at the foot of the picturesque Swartberg Mountains, as is Zoar and Calitzdorp to the east. Vanwyksdorp is further south in the valley of the Groot River.

Statistics SA Census 2022 results are awaited to verify Kannaland Municipality's reliance on the Western Cape Provincial Government Socio-economic Profile as depicted hereunder.

According to the 2021 Socio-Economic analysis of the municipality has a population of 20 079 people in 7, 094 households. The 2011 Census reported that 84.6 per cent describe themselves as "Colored", 9.9 per cent as "White", and 4.7 per cent as "Black African". The first language of 95.4 per cent of the population is Afrikaans, while 2.5 per cent speak English.

The largest town and also the location of the municipal headquarters is Ladismith, which as of 2011 has a population of 7, 127. Ladismith is at the foot of the Swartberg Mountains, as is Zoar (population 4, 659) and Calitzdorp (population 4, 284) to the east. Vanwyksdorp (population 833) is further south in the valley of the Groot River.

### Population

The population of Kannaland consists of 21 964 people in 2021, making it the least populated municipal area in the Garden Route District (GRD). This total is expected to decrease further to 20 079 by 2025, equating to an average annual growth rate of -2.2 per cent. The declining population is largely as a result of declines in the number of working aged people and is a sign of out migration for work opportunities. While a declining population reduces strain on municipal resources, losing workers and reducing demand can have a negative impact on the economy.

### Sex Ratio

The overall sex ratio depicts the number of males per 100 females in the population. The data indicates that there are more females than males in the Kannaland municipal area with a ratio of 53.5 per cent (females) to 46.6 per cent (males). The number of males per 100 females for Kannaland decreases slightly year-on-year towards 2025 which could be attributed to a wide range of factors such as an increase in male mortality rates, an outflow of males of working age or an inflow of females to the municipal area.

### Age Cohorts

Between 2021 and 2025, the largest decline in the population occurred within the +65 aged cohort which declined at an annual average rate of 3.7 per cent, compared to a decline of 2.0 per cent in the children and 2.1 per cent in the working aged population. With the decline in the aged and child population, the dependency ratio is expected to drop towards 2025. Note however that at 59.2 per cent in 2021, Kannaland still has the second highest dependency ratio in the district.

### Household sizes

Household size refers to the number of people per household. The average size of households is expected to remain constant at 4.2 people per household from 2021 to 2025. Kannaland has the second largest average household size in the Western Cape.

### Population density

Amidst rapid urbanization across the Western Cape, population density figures will aid public sector decision makers in mitigating environmental, individual health and service delivery risks. In 2021, the population density of the Kannaland municipal area was only 5 persons per square kilometer.

In order of lowest to highest, the various local municipal areas in the GRD compare as follows:

Kannaland	5 people/km
Hessequa	9 people/km <sup>2</sup>
Oudtshoorn	26 people/km <sup>2</sup>
George	43 people/km <sup>2</sup>
Mossel Bay	48 people/km <sup>2</sup>
Knysna	68 people/km <sup>2</sup>
Bitou	70 people/km <sup>2</sup>

# Kannaland: At a Glance



TABLE 3: POPULATION OF KANNALAND: WCPG SOCIO-ECONOMIC PROFILE 2021

## **POVERTY**

### **GDPR Per Capita**

An increase in GDPR per capita, i.e., GDPR per person, is experienced only if the economic growth rate exceeds the population growth rate. At R36 848 in 2020, Kannaland's GDPR per capita is the lowest in the district and is significantly below that of the GRD (R72 291) and the Western Cape (R84 967. This is largely due to the Kannaland area being dominated by low-skilled workers (47.2 per cent) of formally employed persons) who earn relatively lower incomes when compared to their skilled counterparts.

### **Income Inequality**

Even though GDP per capita reflects changes in the overall well-being of the population, not everyone within an economy will earn the same amount of money as estimated by the GDPR per capita indicator.

The National Development Plan (NDP) 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 increased in Kannaland from 0.54 in 2014 to 0.59 in 2020 but remains in line with the 2030 NDP goal.

Furthermore, in 2020 income inequality levels were marginally lower in Kannaland compared with the Gini Coefficient registered for the overall GRD (0.63) and the province (0.62). Considering the low per capita GDP, it may be that the income gap is small because the higher income households have relatively lower incomes when compared to the other municipalities in the district.

### **Human Development**

The United Nations uses the Human Development Index (HDI) to assess the relative level of socio-economic development in countries. Indicators that measure human development are education levels, income and health. It is a measure of peoples' ability to live a long and healthy life, to communicate, participate in the community and to have sufficient means to be able to afford a decent living. The HDI is represented by a number between 0 and 1, where 1 indicates a high level of human development and 0 represents no human development.

While it underperformed against the district (0.77), human development levels within the Kannaland municipal area have seen a general increase from 0.70 in 2014 to 0.76 in 2020. The rise in the HDI is attributed to an increase in the GDP per capita, literacy rates and life expectancy since 2014.

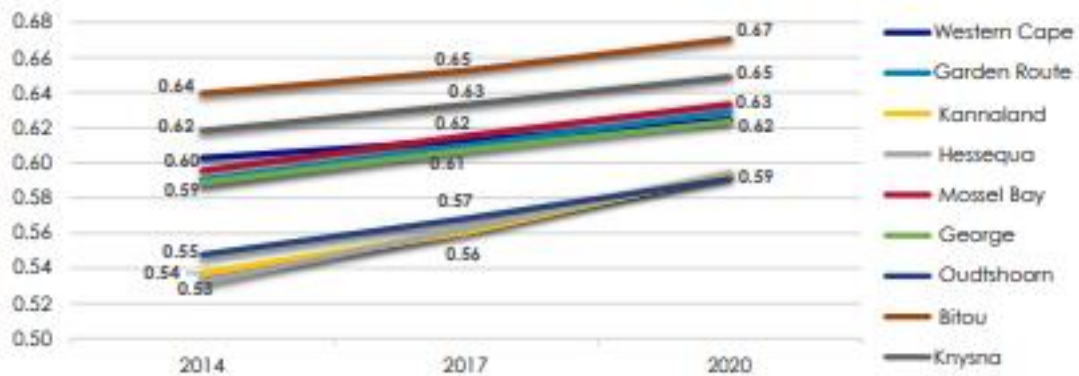
# POVERTY



## GDP per capita



## Income inequality



## Human development

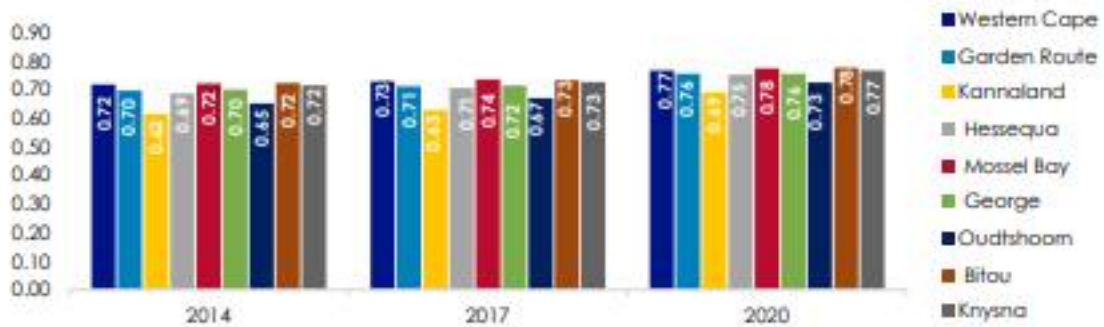


TABLE 4: POVERTY SOURCE 2021 WC MUNICIPAL ECONOMIC REVIEW OUTLOOK

# BASIC SERVICE DELIVERY

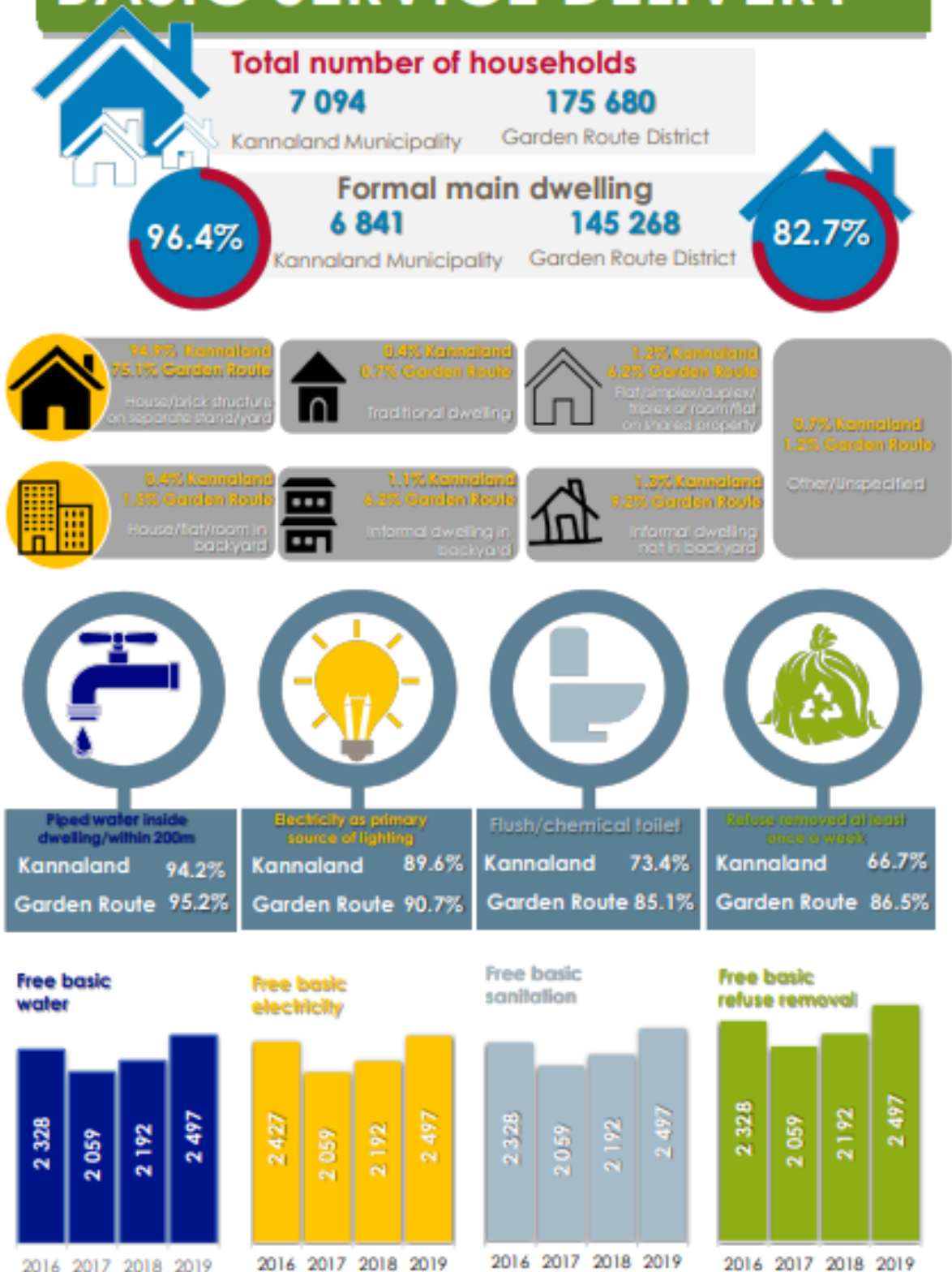


TABLE 5: BASIC SERVICE DELIVERY WC MUNICIPAL ECONOMIC REVIEW OUTLOOK 2021

## **BASIC SERVICE DELIVERY OVERVIEW**

### **Introduction**

The Constitution stipulates that every citizen has the right to access to adequate housing and that the state must take reasonable legislative and other measures within its available resources to achieve the progressive realization of this right. Access to housing also includes access to services such as potable water, basic sanitation, safe energy sources and refuse removal services, to ensure that households enjoy a decent standard of living.

This section considers to what extent this has been achieved by reflecting on the latest available information from Quantec Research for 2020. The latest official statistics was collected by Statistics South Africa for the 2016 Community Survey; the 2021 Census will provide the updated official statistics. The information on free basic services is obtained from Statistics South Africa's Non-Financial Census of Municipalities survey findings.

### **Housing and Household Services**

With a total of 7 094 households in the Kannaland municipal area, 96.4 per cent had access to formal housing. This is significantly higher than the district average of 82.7 per cent.

Despite the relatively high proportion of households living in formal dwellings, service access levels within the municipal area were lower. Access to piped water inside/within 200m of the dwelling was highest at 94.2 per cent, while access to a flush or chemical toilet stood at 73.5 per cent, access to electricity (for lighting) at 89.6 per cent and the removal of refuse at least weekly by the local authority at 66.7 per cent of households. The access levels were below the district for all basic services.

### **Free Basic Services**

Municipalities also provide a package of free basic services to households who are financially vulnerable and struggle to pay for services. The number of households receiving free basic services in the Kannaland municipal area has shown a generally increasing trend from 2016 to 2019. In 2019, 35.2 per cent of households had access to free basic services. The stressed economic conditions have exerted additional pressure on household income levels, which has resulted in an increase in the number of indigent households and the demand for free basic services within the municipal area.

## Economy and Labour Market Performance

SECTOR	GDP			Employment		
	R Million value 2019	Trend 2015 – 2019	Real GDP growth 2020e	Number of jobs 2019	Average annual change 2015 - 2019	Net change 2020e
<b>PS</b> Primary Sector	178.2	-4.1	10.6	3 239	55	-128
Agriculture, forestry & fishing	178.2	-4.1	10.6	3 239	55	-128
Mining & quarrying	-	-	-	-	-	-
<b>SS</b> Secondary sector	317.2	-0.2	-11.6	1 115	-7	-112
Manufacturing	178.9	-0.7	-10.1	612	-12	-55
Electricity, gas & water	66.4	0.3	-6.1	40	0	-1
Construction	71.9	1.2	-20.2	463	4	-56
<b>TS</b> Tertiary sector	812.0	2.9	-5.6	5 756	97	-343
Wholesale & retail trade, catering & accommodation	223.2	1.5	-10.1	2 090	49	-147
Transport, storage & communication	129.9	3.2	-13.4	392	13	-6
Finance, insurance, real estate & business services	235.3	6.8	-1.8	1 236	47	-41
General government	128.5	-1.7	-1.7	700	-10	-2
Community, social & personal services	95.2	1.2	-2.6	1 338	-2	-147
<b>Kannaland</b>	<b>1 307.5</b>	<b>0.9</b>	<b>-4.2</b>	<b>10 110</b>	<b>145</b>	<b>-583</b>

Skill Levels	Skill Level Contribution 2020 (%)	Average growth (%) 2016 - 2020	Number of jobs	
			2019	2020
Formal employment				
Skilled	17.9	1.1	1 104	1 069
Semi-skilled	35.0	-0.1	2 195	2 089
Low-skilled	47.2	-2.1	2 997	2 819
<b>TOTAL</b>	<b>100.0</b>	<b>-0.8</b>	<b>6 296</b>	<b>5 977</b>

Informal Employment	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Number of Informal jobs	3 677	3 620	3 652	3 874	3 922	4 278	3 934	4 073	3 967	3 814	3 550
% of Total Employment	41.8	41.3	40.6	41.2	41.8	41.2	38.9	39.9	38.9	37.7	37.3

Unemployment rates	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Bitou	20.3	20.5	20.5	20.3	20.5	20.5	22.1	22.9	22.7	24.5	24.2
George	14.7	14.5	14.2	13.6	13.6	13.1	13.9	14.2	13.8	14.7	14.2
Hessequa	7.0	7.0	6.8	6.5	6.5	6.1	6.6	6.8	6.7	7.2	7.2
<b>Kannaland</b>	<b>8.3</b>	<b>8.5</b>	<b>8.4</b>	<b>8.0</b>	<b>8.2</b>	<b>7.5</b>	<b>8.2</b>	<b>8.6</b>	<b>8.5</b>	<b>9.2</b>	<b>8.7</b>
Krystna	17.8	17.7	17.5	17.1	17.1	16.9	18.0	18.5	18.1	19.4	18.9
Mossel Bay	14.3	14.3	14.1	13.6	13.7	13.4	14.4	14.8	14.5	15.6	15.2
Oudtshoorn	19.0	18.9	18.5	17.9	17.8	17.1	17.9	18.3	17.8	18.7	17.6
Garden Route	15.0	15.0	14.7	14.3	14.3	13.9	14.8	15.2	14.9	15.9	15.4
Western Cape	15.9	16.1	16.1	16.0	16.4	16.5	17.7	18.4	18.3	19.6	18.9

TABLE 6: ECONOMY AND LABOUR MARKET PERFORMANCE WC MUNICIPAL ECONOMIC REVIEW OUTLOOK 2021

## **SECTORAL OVERVIEW**

In 2019, the economy of Kannaland was valued at R1.3 billion (constant prices) and employed 10 110 people. Historical trends between 2015 and 2019 indicate that the municipal area realized an average annual growth rate of 0.9 per cent. This was largely driven by growth in the tertiary sector of 2.9 per cent per annum. Both the primary (-4.1 per cent) and the secondary sector (-0.2 per cent) experienced annual average contractions from 2015-2019.

The economy contracted in 2020 in response to the COVID-19 related restrictions on economic activity. The economy realized an estimated growth rate of -4.2 per cent. The sectors that experienced the largest declines in economic activity include construction (20.2 per cent with 56 job losses); manufacturing (10.1 per cent with 55 net job losses); and wholesale and retail trade, catering and accommodation (-10.1 per cent with 147 job losses). Overall, the economy lost 583 jobs. The only sector that registered positive growth in 2020 was the agriculture, fishing and forestry sector (10.6 per cent) due to favorable commodity prices and little to no restrictions placed on the sector. It however experienced jobless growth, as 128 net jobs were lost despite the high GDP growth within the sector.

### **Formal and Informal Employment**

It is estimated that Kannaland' total employed will in 2020 amount to 9 627 workers, of which 5 977 (62.7 per cent) are employed in the formal sector, while 3 550 (37.3 per cent) are informally employed. Employment in the formal sector had an annual average decline of 0.8 per cent from 2016 to 2020, while the informal sector suffered an annual average decline of 2.5 per cent over this period. This indicates that the informal sector workers are more vulnerable during times of economic recession.

Most of the formally employed consisted of low-skilled (47.2 per cent) and semi-skilled (35.0 per cent) workers. The skilled category only contributed 17.9 per cent to total formal employment but it was the only category to experience positive growth in employment (1.1 per cent) from 2016 to 2020. Low-skilled and semi-skilled employment declined by 2.1 per cent and 0.1 per cent respectively. The growth in the skilled category reflects the market demand for more skilled labor, especially with the growing tertiary sector in the Kannaland municipal area, as well as their ability to continue working during the economic restrictions. Upskilling the low and semi-skilled workers are therefore imperative.

### **Unemployment**

Kannaland, at 8.7 per cent, has the second lowest unemployment rate in the GRD, and is below the district (15.4 per cent) and Western Cape (18.9 per cent) unemployment in 2020. Unemployment remained below 8.5 per cent from 2009 - 2018, but increased slightly from 8.5 per cent in 2018 to its peak of 9.2 per cent in 2019. The drop to 8.7 per cent in 2020 was largely due to an increase in

discouraged work seekers and a decline in the labor force participation rate during 2020 when it was difficult to find employment after the economic recession and resultant job losses.

**Industries and activities in the various towns include:**

TOWN	INDUSTRIES
Ladismith	Ladismith Cheese factory
	Parmalat Dairy factory
	Tourism:  Hiking trails amongst the Swartberg ranges, rock art, Stanly’s Liggie as well as rock climbing to the well-known Towerkop peak.
	Southern Cape Vineyards (also exports wine) Boplaas in Calitzdorp
	Scenic drives around the game reserves and natural water sources, streams, rivers and waterfalls
	The town boasts a unique Ladismith architectural style which isa combination of Victorian, neo-gothic, Edwardian, Cape Dutch Revival and Regency.
	The economy of the town is mainly centered on the agricultural industry, which includes the production of fruit (grapes, apricots,and plums), olives, milk, wine, flowers and lamb.
	Accommodation available in town as well as amongst picturesque winelands, abundant fruit farms and the magnificent Tower Kop Mountain.
	Historic scene – Otto Hager Church – tourist attraction and beautiful history
	Agritourism
Calitzdorp	Port wine capital of South AfricaWine exporting farms
	Calitzdorp can also be explored through its hot springs, back packers’ facilities, hiking and biker trails as well camping sites with relaxing and mountain scenic accommodation.
	The general architecture of the central village area of Calitzdorpis English-derived and its beauty is that of severe simplicity in the so-called Karoo style.  Calitzdorp falls within The Cape Floral Kingdom region whichhas been called the world's hottest spot for plant diversity and endemism. The flora is so diverse and unique that it warrantsclassification as one the world's six principal floristic regions.

TOWN	INDUSTRIES
	<p>The town is known for its art and craft assembles:</p> <ul style="list-style-type: none"> <li>➤ Elnathan Food Stall and Solar Cookers</li> <li>➤ Groenfontein Toy Project</li> <li>➤ Hand Made Ceramic Tiles</li> <li>➤ Homemade pickles and preserves</li> <li>➤ Wemasi handmade dolls (doll project)</li> <li>➤ Local art painters</li> <li>➤ Art gallery</li> <li>➤ Fruit production</li> <li>➤ Wine production</li> <li>➤ Guest houses</li> <li>➤ Restaurants</li> <li>➤ Local wire crafting</li> <li>➤ Agritourism</li> </ul>
Zoar	<ul style="list-style-type: none"> <li>➤ Started as a Lutheran missionary station</li> <li>➤ Restored church building and historic grave yard and farmbuildings</li> <li>➤ Historic scenic drive through Amalienstein Hiking-trails, mountain bike trails, through the Seweweekspoort Homestays, Guesthouses</li> <li>➤ Tant Carolina/Tannie Poppie Homestay and Tannie Poppie Jams, GuesthouseFruit production</li> <li>➤ Jam production Indigenous Tourism</li> <li>➤ Towing Services</li> </ul>
Van Wyksdorp	<ul style="list-style-type: none"> <li>➤ Popular for its rural character</li> <li>➤ Van Wyksdorp Development Institute (non-profit organization aimed at socio-economic upliftment of poor rural communities) Learning campus to acquire skills and incubate entrepreneurial activities</li> <li>➤ Fruit production Olive production</li> <li>➤ Guest houses</li> <li>➤ Agritourism</li> <li>➤ Rooiberg private nature reserve</li> </ul>
Hoeko Valley	<p>Birthplace of C J Langenhoven, famous South African writer (composer of the anthem "Die Stem")</p>

TABLE 7: KANNALAND INDUSTRIES AND ACTIVITIES



*Media Release*

## **Stellar Results For De Krans In 2022 SA Wine & Cellar Classifications**

As one of South Africa's leading port producers, De Krans Wines' commitment to producing quality products has yet again been acknowledged by the South African Wine & Cellar Classifications, which saw De Krans being recognized as one of the Top 10 Cape Port producers over the past 10 years (2012 – 2021).

Two of De Krans' wines were included on this prestigious, namely the **Touriga Nacional** and **Tritonia Red**. In addition, the **Cape Vintage Reserve Port**, which stood out as one of the most successful South African wines over a 10-year period, was recognised with a place in the Classification's Top Wine SA Hall of Fame for 2022.

To be eligible for the Classification, which has been updated annually since 2004, wines of the Cape must have earned very good to excellent reviews from at least one of the top judging panels for at least three vintages during the 10-year period under review. The period reviewed falls between the years 2012 and 2021 (inclusive) for the 2022 Classification.

"To be acknowledged by this esteemed panel for your hard work and dedication is without a doubt a humbling experience," says co-owner Boets Nel, upon receiving this latest recognition.

For more information on De Krans and its superb range of premium ports and quality wines visit [www.dekrans.co.za](http://www.dekrans.co.za).

## **INTRODUCTION**

The municipal area is very popular for its rural rustic Karoo scenery amongst domestic and foreign tourists. Our unique offerings in the heart of the Klein Karoo, the local top-class brandy, port and wines, hot springs and top-class cheese industries, provide attractions for tourists with distinctive tastes who enjoy trying new delicacies.

An important role and function of the Municipality is to balance the need for development with the need to reserve the fauna and flora which are an important leverage within the agriculture and tourism industry. In this regard the Municipality cooperates with the relevant sector departments, National Parks and the private sector for the best opportunities with the least damage to nature. The area is very popular amongst artists, cyclists and off-road enthusiasts who come here for untouched natural beauty.

The Municipality has a difficult task to balance the interest in the natural environment with the need to promote development which will address the socio-economic under-development, infrastructure backlogs and the need to promote investment inflows to the area. The Spatial Development Framework (which is reflected in the IDP) will be one of the key strategic tools with which the Municipality will balance these competing interests.

The Ladismith and Calitzdorp Tourism Bureaus are active. Kannaland Municipality has entered into Memorandum of Agreement with the Tourism Bureaus. The undermentioned has been achieved during 2021/2022.

### **LADISMITH TOURISM BUREAU**

- Development of Tourism Bureau action plans and business plans;
- Repair to hiking trails
- Development of marketing materials;
- Tourism Information and marketing center services rendered
- Development of tourism marketing material
- Weekly Tourism Newsletter published and distributed
- Development of website and active face book page

### **CALITZDORP TOURISM BUREAU**

The Calitzdorp Tourism Office was founded on the 25<sup>th</sup> of July 1995, therefore have celebrated their 26<sup>th</sup> anniversary during 2021.

### **CALITZDORP TOURISM MISSION STATEMENT**

The Calitzdorp Tourism Office is committed to support and promote their stakeholders being the Kannaland Municipality and Members (paid up business members in Calitzdorp).

As such the mission is to support the plans and initiatives of the Kannaland Municipality and through various activities promote Calitzdorp as a tourism destination of choice, to promote the growth of current business's, encourage the initiation of new businesses with the goal of maximizing opportunities for employment.

## **CALITZDORP TOURISM BUREAU SPECIFIC OBJECTIVES**

- Develop and implement a tourism strategy to attract more visitors and produce economic benefits for Calitzdorp community at large.
- Promote Calitzdorp as a “destination town” via tourism events and multi-media marketing and by ensuring continuation of the excellent coverage received from organizations such as M-NET (Kyknet, Fiesta), SABC, printed media and radio.
- Promote and enable local produce to be more accessible to tourists.
- Mobilize support from role-players and stakeholders to ensure a clean, safe and attractive town.
- Participate actively in tourism awareness campaigns to unlock and harness the tourism potential of the area, particularly indigenous knowledge and culture amongst local inhabitants and the unique flora (Succulents) of the area. Calitzdorp is targeted as the Succulent capital of the world.
- Mobilize the support of stakeholders and role-players to build a tourist-friendly region.
- Research and promote tourism opportunities that can benefit historically disadvantaged communities in the region.

## **CALITZDORP TOURISM BUREAU ACTION PLAN AND BUSINESS PLAN**

- What to see and do brochure updated with latest activities
- Bank accounts opened for sub committees and their funding has been transferred from Calitzdorp Tourism Bureau’s bank account
- Art on track revived
- Website renewed and updated
- In process of registering Calitzdorp Tourism as an NPO
- Tourism welcome campaign with SAPS Roadblock on 15 December 2021
- Developed new of Cycle Routes around Calitzdorp Brochure (Kevin Taylor)
- Cellphone contract for Tourism Office
- Public Liability Insurance for Tourism Office
- Photo competition on website – display of best photos on website
- Involved with town clean up campaigns
- Office space next to Tourism office entrance rented out to reflexologist
- MOA signed for 3 years with Kannaland Municipality with increase in funding from R40 000 to R50 000 per quarter
- Arendchia transferred to municipal offices and Erina moved to front desk
- Fee increases in admin services to public
- Membership fee increased

- Office staff trained in Mailchimp and canva

#### **CALITZDORP TOURISM BUREAU EDUCATIONALS AND WORKSHOPS**

- Africa Travel online
- Virtual Klein Karoo (marketing)
- Pet-friendly Calitzdorp introduction to journalist for Getaway Magazine
- Social Media Workshop (sponsored by Oudtshoorn Tourism)
- Crime Stop meeting with SAPS
- Representation on CPF

#### **NOTE:**

The Ladismith and Calitzdorp Tourism Bureaus are both audited as going concerns and the full 2021/2022 Annual Reports may be perused in Annexure I attached.

#### **POLICY REVIEW: LED AND TOURISM STRATEGY**

Kannaland Municipality adopted both the LED and Tourism Strategy on 30 June 2022. A workshop was held with council on 07 July 2022 on the strategies developed.

#### **WEEKLY CALITZDORP NEWSLETTER**

Calitzdorp Tourism Bureau produces, publishes and distributes a weekly tourism newsletter which provides tourists and visitors of upcoming events and places of interest throughout Kannaland and neighboring towns to promote and establish tourist corridors.

## Forthcoming events in and around Calitzdorp 2022

ITEM	DATES TO BE ANNOUNCED	CONTACT
Hanepoot Grape Picking (R9.50/kg) De Krans Wine Cellar	2 – 27 February 2022	Bessie Swanepoel 044 213 3314/364 <a href="mailto:diekrans@mweb.co.za">diekrans@mweb.co.za</a> <a href="http://www.dekrans.co.za">www.dekrans.co.za</a>
Zoar Harvest Festival	April - To be confirmed	Clement Herandien - 082 764 9573
36ONE MTB & Trail Running (The 361 km long single-stage race)	13 – 16 May 2022	<a href="http://www.the36one.com">www.the36one.com</a> Dryland Event Management +27 44 279 1013 / <a href="mailto:info@dryland.co.za">info@dryland.co.za</a>
Redstone MTB & Trail Running weekend Calitzdorp	7 May 2022	Corne Botha 073 194 2984 / 0742602871 <a href="mailto:Jakhals.events@gmail.com">Jakhals.events@gmail.com</a>
Gamka Heritage Challenge (MTB & trail run). Celebratio Pomegranate Guest Farm	28 May 2022	Corne Botha 073 194 2984 / 0742602871 <a href="mailto:Jakhals.events@gmail.com">Jakhals.events@gmail.com</a>
Calitzdorp Uncorked Calitzdorp	17 – 19 June 2022	Erina Meiring - Tel: 044 213 3775 <a href="mailto:tourism@calitzdorp.org.za">tourism@calitzdorp.org.za</a>
Calitzdorp Uncorked Trail Run Challenge	18 June 2022	Jakhals Events 074 260 2871 / 084 089 4223
Art on Track	August - To be confirmed	Calitzdorp Tourism 044 213 3775 <a href="mailto:tourism@calitzdorp.org.za">tourism@calitzdorp.org.za</a>
Blossom Festival De Krans Wine Cellar Calitzdorp	September – To be confirmed	Bessie Swanepoel 044 213 3314 <a href="mailto:diekrans@mweb.co.za">diekrans@mweb.co.za</a> <a href="http://www.dekrans.co.za">www.dekrans.co.za</a>
Cape Pioneer Trek	4 – 10 September 2022	Dryland Events Management 044 279 1013 <a href="mailto:info@dryland.co.za">info@dryland.co.za</a> <a href="http://www.dryland.co.za">www.dryland.co.za</a>
Calitzdorp Succulent Festival The Station, Calitzdorp	16 - 18 September 2022	Buck Hemenway 076 298 7337
Zoar Heritage Festival	September – To be confirmed	Philippus Antonie 083 612 2704 <a href="mailto:antonie@kannaland.gov.za">antonie@kannaland.gov.za</a>
Ladismith Cheese Seweweekspoort MTB & Trail Run Zoar/Ladismith	2 October 2022 MTB: 80km, 40km, 29km Trial run: 29km, 10km	Janine Chain Gang 083 662 2022 Juan Botes 071 678 7147
Apricot Picking (Bulida apricots) De Krans Wine Cellars	November – To be confirmed	Bessie Swanepoel 044 213 3314/364 <a href="mailto:diekrans@mweb.co.za">diekrans@mweb.co.za</a> <a href="http://www.dekrans.co.za">www.dekrans.co.za</a>
Apricot Jamboree & Christmas Market, Calitzdorp	26 November 2022	Erina Meiring - 044 213 3775 <a href="mailto:tourism@calitzdorp.org.za">tourism@calitzdorp.org.za</a>
Peach Picking (oom Sarel cling peaches) De Krans Wine Cellars	December – To be confirmed	Bessie Swanepoel 044 213 3314/364 <a href="mailto:diekrans@mweb.co.za">diekrans@mweb.co.za</a> <a href="http://www.dekrans.co.za">www.dekrans.co.za</a>

## SERVICE DELIVERY OVERVIEW

Government policy places specific emphasis on the provision of basic services, which entail the provision of electricity, water, sanitation and waste collection. Chapter 3 provides more detailed information on basic service delivery as well as all other functions rendered by the Municipality during 2021/22.

### BASIC SERVICE DELIVERY HIGHLIGHTS FOR 2021/22

During the 2021/22 financial year, the municipality made the following contributions to satisfy basic requirements:

SERVICE	HIGHLIGHT DESCRIPTION
<b>WATER SECURITY AND PROVISION</b>	Providing water for tanks to schools and some farm areas in dry summer months in Kannaland area with assistance from the GRDM and provincial government.
	Monthly laboratory results of water samples that comply with SANS 241 with regards to the quality of water
	Supply emergency water to hospitals and schools
	Refurbishment of the pipeline system at the borehole plant in Ladismith
	Refurbishment of boreholes as well a new borehole pump and pipeline at the Swartberg River in Ladismith
	Supply of water to informal settlements and farms with municipal water trucks by Fire Services unit
<b>ELECTRICITY</b>	Upgrade of the main electricity substation including installation of new 20 MVA transformer in Ladismith (R8m VAT included).
	Better internal controls within the department
	Network and transformer audit was conducted to determine the number of assets to be refurbished or replaced.
	Daily electrical work is being successfully completed within 24 hours from callout
	Staff morale has been improved which resulted in increased productivity
	Bulk, conventional and prepaid electrical meter audit was conducted.
	Faulty meters were identified to be replaced and the system will be upgraded in the next 2 financial years to ensure the data is clean and reliable
	A cost analysis was done of the demand to be saved in terms of Eskom penalties
<b>ROADS</b>	This function remains a challenge, due to financial constraints. Repairs and maintenance should be throughout the entire municipal area.
<b>PMU</b>	Expenditure for MIG was at 98.3% for the year under review
	EPWP participants became contract workers
	Exceeded the EPWP work opportunity target
	Expenditure for EPWP was at 100% for the year under review
<b>GOOD GOVERNANCE</b>	<b><i>Election of Ward Committees</i></b> Ward Committees were elected within the 120 days after the local government elections. An Induction Training session was held with all ward committee members in collaboration with the WCPG: DLG Public Participation unit on 27 May 2022. Operational plans were developed for the newly elected ward committees.

SERVICE	HIGHLIGHT DESCRIPTION
<b>GOOD GOVERNANCE</b> <b>(Continued)</b>	<b>Functionality of Ward Committees</b> Functional ward committees. Ward committees meet quarterly and are active.
	<b>Thusong Centre</b> Thusong outreaches to enable the local community to do their personal affairs wrt government services.
	<b>Stakeholder Public Participation Engagements</b> Engagement with stakeholders internal and external on municipal affairs. Public participation meetings are active, regular and robust. Kannaland Municipality has an active citizenry who participate and are interested in the affairs of the municipality. Kannaland hosts bi annual stakeholder participations sessions when identifying community needs when drafting /reviewing/amending the IDP and budget which are scheduled around October and April of each year. District and Provincial PP Forums are active and the IDP Representatives attend a quarterly Garden Route IDP Rep Forum. Also, the Western Cape Provincial Parliament has conducted two capacity building workshops in Kannaland during 2021/2022 centered around a petition workshop on 29 March 2022 and a Thetha Nathi Workshop held on 23 September 2022 in Ladismith, Oakrest. National and Provincial Parliament host capacity building workshops on various Bills promulgated. The Business Chamber, Traditional Leaders, Tourism Bureaus and the Rate Payers Associations in Kannaland actively participate in all council meetings, stakeholder engagements and workshops.
	<b>Integrated Development Planning</b> 2021/2022 IDP Process Plan and Time schedule submitted to council timeously during August 2021. Draft and Final 2022-2027 Predecessor IDP submitted timeously and adopted by council on 31 March 2022 and 31 May 2022 respectively. Publication of 2022-2027 documents onto website and municipal libraries. Distribution of documents timeously to NT, PT and DLG within stipulated timeframes. Communities actively involved in drafting the 2022-2027 Predecessor IDP with amendments. Policies updated inhouse by Manager: IDP, LED and PMS.
	<b>Garden Route and Kannaland Skills MECCA Workshops</b> Quarterly Skills Mecca Indabas are hosted and active community participation is experienced.
	<b>Ward Committee Policy</b> Ward Committee Policy developed with assistance of WCPG Public Participation unit.
	<b>Communication and dissemination of information</b> The website is used to disseminate and publish information. Much improvement is still required in order to ensure that the website remains updated. A vacancy in this position requires filling. Documents are also distributed to all municipal libraries and municipal offices throughout Kannaland.
	<b>CDWs</b> CDWs assist the IDP unit with loud hailing and the conduct of community surveys. A COVID 19 Impact survey on businesses throughout Kannaland was conducted using the CDWs and the information was filtered to the Skills Indaba as well as the LED and Tourism Strategies.

SERVICE	HIGHLIGHT DESCRIPTION
<b>DISASTER MANAGEMENT</b>	A Disaster Management Plan was adopted with the assistance of the Garden Route District Municipality and the Kannaland Disaster Manager and IDP, LED and PMS Manager during 2021/2022 and is being implemented. This Disaster Management Plan is reviewed annually. Storm surges has been affecting the road infrastructure. Fires can also not be attended to within the stipulated timeframes due to the far distances between towns being serviced and due to the fact that financial constraints make it difficult to establish satellite fire stations in remote towns of Calitzdorp, Zoar and Van Wyksdorp. The Fire fighters are talented and motivated individuals with great potential and a positive work ethic and also go the extra mile to assist with distributing water to areas experiencing challenges with loadshedding and low reservoir levels.

TABLE 8: SERVICE DELIVERY HIGHLIGHTS DURING THE 2021/22 FINANCIAL YEAR

During the 2021/22 financial year, the municipality faced the following challenges:

Service Area	Challenge	Interventions to address
<b>Infrastructure: Water, roads, sanitation, electrical</b>	Inadequate funding (grant and ownfunding)	Infrastructure maintenance and upgrades are the most crucial issues in the Municipality. Additional funding is required to address infrastructure maintenance and upgrades.
	To keep water quality consistent according to SANS 241 standards  Users only pay for basic services until meters are replaced- financial loss  Regular pipe breakages in Ladismith resulting in increased water losses and quality issues.  Calitzdorp Water Treatment Work over-committed with water with a high turbidity during late Spring.	Funding to upgrade water treatment plant and buy testing equipment for monitoring  To repair/replace faulty watermeters  Repair pipes as soon as it is broken  Provisioning of potable water with tankers.
	Roads - Grant funding not adequate upgrade road infrastructure.  Maintenance of roads (tar, gravel, paving)	Ongoing application for external funding from various sources.  Ongoing Intergovernmental discussions for the use of plant and equipment
	Electricity - maintaining and managing electricity losses due to aging networks	Ongoing application for external funding from various sources.

	Water - availability of water, especially in the hot and dry summer months	Fast-tracking of the RBIG funding requests for WWTW's & Ladismith Swart Berg Dam raised at the Back to Basics, Water and Sanitation forums and as well IDP forums
	Non-compliance regarding the operation of refuse sites is serious. No funding is available to comply with the requirements.	The Municipality is in a mediation process with the Department of Environmental Affairs and Public Prosecution.
<b>Fleet Management</b>	Limited fleet available in all service delivery departments	This was raised and addressed with DLG and funding applications were submitted for fleet required.
<b>Human Settlements</b>	Challenges exist with regard to the capacity of bulk infrastructure services resulting in significant increases in housing waiting lists	Funding required to increase the capacity of bulk infrastructure to allow for new housing developments
	Incorrect title deeds	Appoint a surveyor to alleviate the risk of incorrect title deeds
	Huge demand for low cost and GAP (Social Housing)	Ongoing liaising with Dept of Human Settlements to fund implementation of human settlement pipeline

TABLE 9: CHALLENGES DURING THE 2021/22 FINANCIAL YEAR

### PROPORTION OF HOUSEHOLDS WITH ACCESS TO BASIC SERVICES

PROPORTION OF HOUSEHOLDS TO BASIC SERVICES AS PER MUNICIPAL STATISTICS		
	2020.21	2021/22
<b>Electricity service connections</b>	3244	3711
<b>Water - available within 200 m from dwelling</b>	4635	4673
<b>Sanitation - Households with at least VIP service</b>	4228	4256
<b>Waste collection - curbside collection once a week</b>	4535	4551

TABLE 10: PROPORTION OF HOUSEHOLDS TO BASIC SERVICES AS PER MUNICIPAL STATISTICS (SOURCE: SAMRAS)

The variances in numbers for basic service can be attributed to the fact that not all households have access to the same level of service (e.g., in informal areas households have access to communal taps) and in certain areas ESKOM is the distributor of electricity. A large part of Calitzdorp is not connected to the sewage system but septic tanks are emptied when full.

In Zoar 10 households still have to make use of the bucket system which must still be eradicated. Due to the fact that the area is situated in a rocky area, the cost of installing sewage will be high and

therefore the bucket system has not been eradicated there. Pit latrines are still used in the Calitzdorp (15) and in Vanwyksdorp (30). In Vanwyksdorp 100 septic tanks are being serviced by the Municipality.

## 2020/21 FINANCIAL MANAGEMENT CHALLENGES AND 2021/22 CORRECTIVE INTERVENTIONS

SERVICE AREA	CHALLENGE 2020/21	INTERVENTION 2021/2022
Late submission of Annual Financial Statements	<p>The Municipal Manager was suspended during October 2020 and the CFO took up position of Acting Municipal Manager. Significant governance challenges of long-standing key vacancies in the finance department affecting effective monitoring and oversight of actions to enable the timely preparation of the financial statements; Internal audit and IDP/PMS Manager vacancies.</p> <p>Financial Statements not submitted in accordance with S122(1) MFMA requirements</p> <p>AFS not submitted to AG for auditing as required in terms of S126(1)(a) within the timeframe</p> <p>Lack of oversight and community involvement in making representations on annual report.</p>	<p>Provincial Treasury assisted with drafting Financial Recovery plan. Filling of critical vacancies (IDP/LED/PMS Manager and Internal Auditor. 2021/2022 AFS and APR submitted timeously to AG by 31 August 2022.</p> <p>AFS and APR submitted timeously by 31 August 2022.</p> <p>Repeat finding which will be addressed during 2022/2023. Audit and Performance audit committee appointed to fulfil this oversight role.</p>
Performance Management	<p>Capacity constraints with resignation of IDP/PMS Manager during March 2021.</p> <p>Late submissions of quarterly performance reports within 2 months after the end of the financial year.</p> <p>Annual Report not updated and late submission thereof</p> <p>Outdated Performance Management Policy Framework.</p> <p>SDBIP illustrated that targets were changed without the necessary approval by council</p> <p>Mid- year Performance Assessment was not performed</p> <p>SDBIP was revised without council approval</p>	<p>Appointment of Manager: IDP, LED and PMS on 1 July 2021.</p> <p>Improvement in submission of quarterly performance reporting and ensuring backlog of reports were submitted to NT and PT.</p> <p>Updated Performance Management Policy Framework and conducted first review of the update PMPF.</p> <p>Repeat finding which will be addressed during 2022/2023 to ensure that all adjustments tabled to council are updated onto the adjusted SDBIP for inclusion into the APR.</p>

SERVICE AREA	CHALLENGE 2020/21	INTERVENTION 2021/2022
	<p>The Service Delivery Budget Implementation Plan (SDBIP) for the year under review did not include monthly revenue projections by source of collection and the monthly operational and capital expenditure by vote, as required by section 1 of the MFMA.</p> <p>The performance management system and related controls were inadequate as it did not describe how the performance measurement and review processes should be organized and managed, as required by the Municipal Planning and Performance Management Regulations 2001, regulation 7(1).</p>	<p>Mid- year performance assessment was performed</p> <p>SDBIP was revised and adjusted with council approval.</p> <p>The Service Delivery Budget Implementation Plan (SDBIP) for the year under review did include monthly revenue projections by source of collection and the monthly operational and capital expenditure by vote, as required by section 1 of the MFMA.</p> <p>The Performance Management System is described in the PMPF which was adopted and also reviewed. Controls will be improved with the procurement of an automated PMS and also through the established Audit and Performance Audit committee which was appointed during December 2022.</p>
Financial system	<p>Capacity and skills challenges, including severe funding constraints to manage the mSCOA implementation process;</p> <p>The inability of existing accounting and information systems to accommodate the technical specifications set in the mSCOA, negatively affected the finalization of data migration and mapping processes;</p> <p>Loss through theft of stand-alone laptop containing mSCOA data-base and general ledger that required the rebuild of the database;</p> <p>Ongoing segmentation errors and system set-up issues, which affect the recording of and reporting on transactions, including the loading and management of the annual and adjustment budgets;</p> <p>Inaccurate recording of transactions on the accounting system;</p> <p>Inability to perform reconciliations of various accounts because of data errors;</p>	<p>Bytes to cooperate in rectifying segmentation errors and system set-up issues;</p> <p>Internal controls tightened on oversight and monitoring of reconciliations in future</p> <p>Providing leadership and in-service training to ensure that in-year reporting is correct and on time as per statutory timeframes.</p> <p>Appointment of BTO manager and accountant reporting with extensive knowledge of the financial system. Encourage the community to pay their bills and to apply for indigent services.</p>

SERVICE AREA	CHALLENGE 2020/21	INTERVENTION 2021/2022
	<p>Inability to manage accounts and in-year reporting due to data errors; and The Municipality's inability to pay the outstanding account of financial system service provider and for current services owing to severe cash flow constraints affecting the implementation of MSCOA.</p>	
<p>Internal Audit and Risk Management</p>	<p>No internal audit functionary</p> <p>There is an absence of an established internal audit unit in order to assist management in ensuring that there is an effective process for the identification of internal control deficiencies as well as to recommend corrective action in order to improve the internal control environment at the municipality and address the recommendations of the prior year.</p> <p>Internal audit and risk management are not functioning.</p> <p>Internal audit committee not active.</p> <p>Internal Charter outdated</p> <p>No Risk based action plan</p> <p>Leadership did not exercise adequate oversight regarding the implementation of action plans to address prior year audit findings and internal control deficiencies, which resulted in repeat audit findings on compliance with laws and regulations and material misstatements in the financial statements and the annual performance report.</p>	<p>Internal audit function to be established. An internal auditor was appointed on 1 July 2021 and again in October 2022 after the resignation of the Internal Auditor during March 2022. The unit is now stable and there should be considerable improvements during 2022/2023.</p> <p>Risk management and internal auditor must collaborate</p> <p>Appoint an audit and performance audit committee was only completed during December 2022.</p> <p>Appoint a disciplinary committee</p> <p>Appoint chairperson of audit and performance audit committee</p> <p>Develop audit action plan and monitor and report on progress</p> <p>Sufficient funding must be budgeted for the functions of internal audit and risk management</p> <p>Investigate procurement and implementation of Risk Assist electronic system</p>

SERVICE AREA	CHALLENGE 2020/21	INTERVENTION 2021/2022
Asset management	Poorly maintained assets (vehicles, roads and other infrastructure etc.) are major risk	Asset management is being addressed
Financial Management	Expenditure and expenditure patterns are a matter of concern The continuing instability and capacity challenges in key positions that has resulted in a lack of effective monitoring and oversight over internal controls that could have ensured the correct and timely approval of adjustments to targets within the SDBIP.	Expenditure and expenditure patterns must be adapted and phased-in in accordance with National Treasury norms

**TABLE 11: CHALLENGES REGARDING FINANCIAL AND PERFORMANCE MANAGEMENT**

## **HUMAN RESOURCES**

The municipality currently has **199** employees, inclusive of the **3** Section 57 employees, **143** permanent and **52** contract employees and **1** intern.

- Management initiated a process to review the organizational structure to ensure alignment with the municipal strategic objectives (IDP) to ensure compliance and effective and efficient service delivery. This exercise highlighted a number of critical areas that management needs to address to ensure optimal service delivery. Examples of these areas follows:
- Low staff morale
- Inadequate skills levels
- Inadequate qualifications
- Lack of clarity regarding roles and responsibilities (middle management and supervisors)
- Lack of discipline

Some of the above concerns have subsequently been addressed in implementing the following initiatives:

- Review and update organogram, including job descriptions – under review (in process), not finalized.
- Implement effective HR management practices to improve operational efficiency

- Manage employee costs within national norm
- Training plans will be developed that identify skills needs.
- Work Place Skills Plan has been developed and will be implemented in the next financial year

### **Employee Wellness;**

A wellness programme has been identified as a performance improvement action and will be developed in the 2022/2023 financial year for implementation in collaboration with SALGA's performance support implementation and monitoring plan that will address the issues relating to substance dependency, personal financial management, and other related issues. The world-wide pandemic had an impact on all business cycles thus the municipality introduced various health awareness campaigns to build reliance against the effects of the covid 19 pandemic and the seriousness thereof. A healthy workforce means a productive workforce. Human Resources unit will drive this project. The lack of wellness programmes affects the high turnover rate, staff morale and work attendance.

### **Skills Development**

Skills development has been identified as a core component in the Kannaland LED Strategy. Kannaland Municipality seeks to develop the potential of staff appointed by the municipality as well as community members for project implementation and job creation. A concern is that there is no budgetary provision made for skills development at the municipality. The need to source external funding for training needs has become an imperative. The municipality has developed a Work Place Skills Plan (WSP) of which the main objective is to ensure that there is staff development through training interventions for all levels of staff.

The management team needs to demonstrate commitment through adequate budgeting for skills development and training to ensure that all staff is skilled and trained in their respective fields, even though there are financial constraints. LGSETAs need to release much needed funding to Kannaland Municipality for the training of internal staff. The management team will continue to source funding and form cooperative partnerships where the opportunity presents itself to ensure a well-qualified workforce. The Garden Route District Municipality has established a GRDM and Kannaland Skills MECCA which champions the progression of skills capacity within the local municipal space. A memorandum of agreement has been signed and entered into with the Garden Route District Municipality and quarterly stakeholder Skills Indabas centering on sector specific identified training needs are conducted to unlock funding sources, ensure timeous submissions of applications for skills funding from the various SETAs. The Garden Route District Municipality has also recruited and appointed a skills development technician to assist the Manager: IDP/LED and

PMS with implementing the community skills development plan which is aligned to the Kannaland LED Strategy.

#### MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

ITEM	Progress
<b>Implementation of the organizational structure</b>	The new structure introduced is currently in place and ensure effective, efficient, economic, quality and timeous service delivery which enables employees that are capacitated to perform according to expectations. Job descriptions to accompany the organizational structure are now being compiled
<b>Skills Development</b>	The Municipality is in process to equip employees with training through the LGSETA programme.
	The training is currently set out for finance staff

TABLE 12 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

## 1.4 AUDITOR GENERAL REPORT (ANNEXURE II: ORIGINAL DOCUMENT)

Report of the Auditor-General to the Western Cape Provincial Parliament and the council of Kannaland Municipality.

The audit report is attached as Volume I

Financial Year	Outcome	Progress
2017/2018	Unqualified Audit with findings	Action Plan addressed
2018/2019	Unqualified Audit with findings(fewer)	Action Plan addressed
2019/20	Qualified Audit Findings with Findings	Action Plan addressed
2020/2021	Qualified Audit Findings	Action plan addressed
2021/2022	Disclaimer of Audit Opinion	Action Plan in Progress

TABLE 13: AUDIT OUTCOMES

## 1.5 STATUTORY ANNUAL REPORT PROCESS

The Municipal Finance Management Act (MFMA) requires that a Municipality prepared an Annual Report for each financial year. The Annual Report is a measure of ensuring that there is regular, impartial feedback to stakeholders and that accountability and thereby to strengthened transparency.

Circular 104 issued by National Treasury indicated the new timelines of the submission of the Annual Financial Statements and the Annual Report.

The context of this exemption flows from the Minister of Cooperative Governance and Traditional Affairs' announcement of the national state of disaster in terms of the Disaster Management Act to enable government and the country at large to manage the spread of the Covid-19 virus.

It further states that the timing of the phased lockdown also had a knock-on effect on availability of municipal staff, which impacted on operations and added to the delays in ability to prepare AFS, undertake procedures such as the physical verification of assets, meter reading, revenue management, valuations, finalizing supporting documentation and concluding reconciliations.

There are similar impacts on the quality assurance processes, annual report, performance report and oversight report procedures and processes.

Activity	Legislation and Guidance	Process Owner	Timeframes
The accounting officer of a municipality must prepare the annual financial statements of the municipality and, within two months after the end of the financial year to which those statements relate, submit the statements to the Auditor-General for auditing.	Section 126(1)(a) of the MFMA	Municipal Manager (Assisted by other s56 managers and CFO)	31 August 2022
The accounting officer of a municipal entity must prepare the annual financial statements of the entity and, within two months after the end of the financial year to which those statements relate, submit the statements to— the parent municipality of the entity; and the Auditor-General, for auditing.	Section 126(2) of the MFMA	Municipal Manager (Assisted by other s56 managers and CFO)	

Activity	Legislation and Guidance	Process Owner	Timeframes
<p>Submission of AFS as per section 126 (1) of the MFMA. Additional step, a draft annual report is prepared. Annual performance report needs to be included as per section of the MSA</p>	<p>Section 127(1) of the MFMA</p>	<p>Municipal Manager and CFO</p>	<p>31 August 2022</p>
<p>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.</p>	<p>Section 127(2) of the MFMA</p>	<p>Municipal Manager and CFO</p>	<p>31 January 2023</p>
<p>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:</p> <ul style="list-style-type: none"> <li>has approved the annual report with or without reservations;</li> <li>has rejected the annual report; or</li> <li>has referred the annual report back for revision of those components that can be revised.</li> </ul>	<p>Section 129(1) of the MFMA</p>	<p>Municipal Manager and CFO</p>	<p>31 March 2023</p>

TABLE 14: STATUTORY REPORTING TIMEFRAMES – CIRCULAR 63 (SEPTEMBER 2012)

The Annual Report must align with the Integrated Development Plan (IDP), Budget, Service Delivery and Budget Implementation Plan (SDBIP), and in year reports. The contents will assist with the annual audits and as a management tool for the budget process and as an accountability instrument for feedback to the public. MFMA reforms include ensuring transparency and accountability for the fiscal and financial affairs of municipalities through in- year and Annual Reporting.

Real transparency and accountability can only be achieved where there is a clear link between the strategic objectives agreed with the community, the IDP, the Budget, SDBIP, service delivery agreements, performance agreements of senior management and officials, in-year reports covering financial and non-financial information, (such as MFMA Sections 71, 72 & 74 and MSA Section 41 among others), Annual Financial Statements, Annual Performance Report and the Annual Report.

The IDP, Budget, SDBIP, in-year reports, annual performance report and Annual Report should have similar and consistent information to facilitate understanding and to enable the linkage between plans and actual performance.

## CHAPTER 2 – GOVERNANCE

Good governance has 8 major characteristics. It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, sustainable, 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 communities are heard in decision-making. It is also responsive to the present and future needs of society. Kannaland Municipality strives towards achieving the characteristics of good governance.

Though the difficult prior financial years, facing Covid 19 close to heart, the Municipality strived to ensure that the message was clearly communicated in trying to keep the constituencies of Kannaland safe. The effects of Covid-19 on staff moral have picked up but there is still much room for improvement in motivating staff to fulfil their legal mandate and obligation to serving the residents of Kannaland.

### Highlights:

- LG Elections in November 2021;
- Ward Committee establishment within legislated 120days after local government elections;
- Ward Committee Policy reviewed;
- Capacitation and Induction of Ward Committee members;
- Policy and Strategy review and updates
- Activity on our social media platforms and municipal website has improved.
- Social media platforms have grown significantly and now reaches a much larger, ever-growing audience;
- Timely submission of AFS and APR to AG;
- Improvement in performance reporting submissions;
- Calitzdorp and Ladismith Tourism Bureaus audited as going concerns;
- EPWP targets exceeded;
- Active and robust stakeholder participation in IDP and Budget processes;

### Challenges:

- Renewing bylaws to eradicate illegal activities
- Financial constraints to fund own projects – Listed in IDP
- Continuity in senior management
- Coalition government change and court cases stifling council activities

## **COMPONENT A: GOVERNMENT STRUCTURES**

Section 151(3) of the Constitution states that the council of a Municipality has the right to govern, on its own initiative, the local government affairs of its community, subject to national and provincial legislation.

Political governance is the process of decision-making to formulate policy of a Municipality (by-laws), whereas administrative governance is the system of policy implementation.

### **2.1 POLITICAL GOVERNANCE**

In terms of section 52(a) of the Local Government: Municipal Finance Management Act, Act 53 of 2003 (MFMA), the Executive Mayor provides general political guidance over the fiscal and financial affairs of the Municipality subject to applicable legislation and the delegations by Council. Council remains responsible for oversight and participatory roles.

The primary role of Councilors is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as decision makers, councilors are also actively involved in community work and the various social programmes in the municipal area.

The roles and responsibilities of council should always be carried out with a clear distinction between oversight and interference in administration, as defined in the Municipal Finance Management Act, sections 52(b) and 103 respectively, as well as in the Code of Conduct for Councilors (Schedule 1 to the Municipal Systems Act).

### 2.1.1 POLITICAL STRUCTURE

Kannaland Municipality has a Council consisting of 7 Councilors with an Executive System (4 ward Councilors and 3 proportionally representative Councilors).

The tables below categorize the councilors within their specific political parties and wards for the 2021/22 financial year. Local Government Elections and change in political coalitions resulted in the composition of the Mayoral Committee **changing** through the financial year:

#### COMPOSITION OF COUNCIL

**At the start of the 2021/ 2022 (1 July 2021) financial year (Pre-1 Nov 2021 LG Elections) the composition in Council was as follows:**

FULL TIME/PART TIME	Cllr Name and Surname	Position	Party	Ward
FT	Werner Meshoa	Speaker	ICOSA	2
FT	Magdalene Barry	Executive Mayor	ANC	3
PT	Phillippus Antonie	Deputy Mayor (up to removal during August 2021)	ANC	3
PT	Hyrin Ruiters	DC Rep	ICOSA	3
PT	Jeffrey Donson	MPAC Chair	ICOSA	1
PT	Joslyn Johnson	Councillor	DA	3
PT	Alletta Theron	Councillor	DA	4

**The composition of the Council after the LG Elections (1 November 2022) and first council meeting was as follows:**

FULL TIME/PART TIME	Cllr Name and Surname	Position	Party	Ward
FT	Nicolaas Valentyn	Speaker	ICOSA	2
FT	Jeffrey Donson	Executive Mayor	ANC	1
PT	Werner Meshoa	Deputy Mayor	ANC	2
PY	Hyrin Ruiters	DC Rep	ICOSA	3
PT	Rodge Albertus	MPAC Chair	ICOSA	1
PT	Leoni Stuurman	Councillor	DA	4
PT	Lets Steenkamp	Councillor	DA	4

The composition of Council after the Council meeting of 19 January 2022 was as follows (it remained the same up until the end of the 2021/ 2022 financial year on 30 June 2022):

FT/PT	Cllr Name and Surname	Position	Party	Ward
FT	Rodge Albertus	Speaker	KIP	1
FT	Nicolaas Valentyn	Executive Mayor	ANC	2
PT	Leoni Stuurman	Deputy Mayor	ANC	4
PT	Lets Steenkamp	DC Rep	DA	4
PT	Hyrin Ruiters	MPAC Chair	ICOSA	3
PT	Jeffrey Donson	Councillor	ICOSA	1
PT	Werner Meshoa	Councillor	ICOSA	2

TABLE 15: COUNCIL/MAYORAL COMMITTEE

### 2.1.2 ATTENDANCE OF MEETINGS BY COUNCILLORS

Councillors Pre- Local Government election (1 November 2021) were as follow:

Councillor	Number of Meetings	Actual attended	Percentage attended
Werner Meshoa	5%	5%	100%
Magdalene Barry	5%	1%	20%
Phillippus Antonie	1%	1%	100%
Hyrin Ruiters	5%	5%	100%
Jeffrey Donson	5%	5%	100%
Joslyn Johnson	5%	2%	40%
Alletta Theron	2%	1%	50%
Nicolaas Valentyn	4%	4%	100%

TABLE 16: COUNCILORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE (PRE-1 NOV 2021 LG ELECTIONS)

The composition of the Council after the LG Elections and first council meeting was as follows:

Councillor

Councillor	Number of Meetings	Actual attended	Percentage attended
Nicolaas Valentyn	12%	12%	100%
Jeffrey Donson	13%	10%	76%
Werner Meshoa	13%	10%	76%
Hyrin Ruiters	13%	10%	76%
Rodge Albertus	13%	12%	92
Leoni Stuurman	12%	10%	83
Lets Steenkamp	13%	12%	92
Benades	1%	1%	100%
Anthony Everts	1%	1%	100%

TABLE 17: COUNCILORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE (POST 1 NOV 2021 LG ELECTIONS)

## **2.1.2 POLITICAL DECISION TAKING**

Political decision making was stifled by prolonged court actions during 2021/2022. The Executive Mayor of the Kannaland Municipality is assisted by the Mayoral Committee and advised by the Municipal Manager and senior managers. The Executive Mayor is at the center of the system of governance, since executive powers are vested in the Executive Mayor to manage the day-to-day affairs. This means that the Executive Mayor has an overarching strategic and political responsibility.

The key element of the executive model is that executive power is vested with the Executive Mayor, in terms of applicable legislation and a set of delegations approved by Council. Council appoints the Municipal Manager and Senior Managers and delegates powers through the approved set of delegations to provide for sufficient separation of powers. Although accountable for the strategic direction and performance of the Municipality, the Executive Mayor operates in concert with the Mayoral Committee.

Each member of the Mayoral Committee is responsible for the functions indicated below whilst remaining accountable to the Mayoral Committee and the Executive Mayor unless provided for otherwise by applicable legislation. Administration is in the process of compiling an electronic register to monitor, track and record the carrying-out of Council resolutions.

### **OVERSIGHT STRUCTURES**

Council oversight is exercised through committees appointed by Council in terms of Section 79 of the Local Government: Municipal Structures Act, 1998. Oversight structures were not active during 2021/2022. The following committees contribute towards assurance and makes recommendations for consideration and approval by Council:

#### **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)**

MPAC was not active during 2021/2022 and needs to meet more regularly to fulfil their oversight role. Section 129(4) of the MFMA provides for the issuance of guidance on the manner in which municipal councils should consider annual reports and conduct public hearings as well as the functioning and composition of any public accounts or oversight committees established by the council. The Municipal Public Accounts Committee (MPAC) assists council to exercise oversight over the executive functionaries of Council, to ensure the efficient and effective use of municipal resources and to ensure good governance in the Municipality. By so doing, the MPAC will help to increase council and public awareness of the financial and performance issues within the Municipality.

This MPAC focuses mainly on compliance in accordance with the Local Government: Municipal Finance Management Act. The terms of reference of the MPAC include the following:

- Investigate unforeseen and avoidable expenditure (Section 29 of MFMA);
- Investigate unauthorized, irregular or fruitless and wasteful expenditure (Section 32 of MFMA);
- Review the quarterly report of the Executive Mayor on the implementation of the budget and the state of affairs of the Municipality – SDBIP (Section 52 (d) of MFMA);
- Review monthly budget statements (Section 71 of MFMA);
- Review mid-year budget and performance assessment (Section 72 of MFMA);
- Ensure disclosure of Councilors, Directors and Officials (Section 124 of MFMA);
- Review Financial Statements before submission to the Auditor General (AG) (Section 126 of MFMA);
- Review and give recommendation on the submission of the Annual Report (Section 127 of MFMA);
- Present an oversight report on the Annual Report (Section 129 of MFMA);
- Ensure that issues raised by the Auditor-General are addressed (Section 131 of MFMA);
- Ensure that the functions of the Audit Committee are carried out (Section 166 of MFMA);
- Ensure that disciplinary action instituted against Councilors, the Municipal Manager and Senior Management is within the guidelines of the MFMA financial misconduct regulations (MFMA);
- Review the IDP (Section 25 of MFMA);
- Annual Review of the IDP (Section 34 of MFMA);
- Review the performance management plan (Section 39 of MFMA);
- Monitor that the Annual Budget is aligned with the IDP (Regulation 6 of the LG: Municipal Planning and Performance Regulations); and
- Monitor that all declaration of interest forms is completed by Councilors and relevant municipal staff (Section 54 – read with item 7 of schedule 1).

It was also requested by the municipality that continuous training and workshop to all committees be scheduled in order to stay on board with the trends of municipal affairs. MPAC can only be revived and remain active if there is clarity and understanding of the important role they play within the organization.

### **2.1.3 FINANCIAL DISCIPLINARY BOARD**

The Disciplinary Board was not established during 2021/2022 financial year.

The Disciplinary Board is an independent advisory body that assists the council with the investigation of allegations of financial misconduct by officials and provide recommendations on further actions in this regard. It is also to monitor the institution of disciplinary proceedings against alleged transgressors. It is important that this board be revived and exercise their fiduciary duties.

### **2.1.4 AUDIT AND PERFORMANCE AUDIT COMMITTEE**

After a previous Audit Committee was dissolved in the financial year 2020/21, Council approved the appointment of the APAC on 13 March 2022. However, the Committee could not resume duties due to the prevailing changes in the municipality's political sphere. Council has since made positive strides in ensuring that the municipality is compliant in terms of section 66 of the MFMA in the new financial year.

#### **The responsibilities of the Audit and Performance Audit Committee include:**

Advising Council and management 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 applicable legislation;
- performance evaluation; and
- any other issues referred to it by the Municipality.
- Overseeing internal controls, financial reporting and compliance with regulatory matters;
- Reviewing the effectiveness of the council's system of internal control and risk management;
- Reviewing financial reporting and financial statements;
- Reviewing the internal audit function;
- Reviewing the performance management system, policy framework and reports;

- Reviewing compliance with policies, regulations and procedures in terms of prescribed guidelines and applicable laws; and
- Responding to council on any issues raised by the Auditor-General in the audit report.

**The Audit and Performance Audit Committee consists of the following members:**

<b>Name</b>	<b>Position</b>	<b>Email</b>	<b>Cell No</b>
Macebo Ntsomi CA(SA)	Member	mm.ntsomi@gmail.com	083 459 8748 / 0736387314
Zander J Wiese	Member	zjwiese112@gmail.com	062 517 9305
Johan Johnson	Member	Guidjohnson@icloud.com	083 792 7313
Johan De Wet	Chairperson of Audit Committee	<a href="mailto:johandewet57@gmail.com">johandewet57@gmail.com</a>	083 306 2484

**TABLE 18: AUDIT AND PERFORMANCE AUDIT COMMITTEE**

### **2.1.5 RISK COMMITTEE**

The Risk Committee with Risk Champions was not appointed during 2021/2022T. A Risk Register needs to be developed and managed. The Risk Management Committee is responsible for assisting the Accounting Officer in addressing oversight requirements of risk management and evaluating and monitoring the institution's performance with regard to risk management.

The Risk Committee for the period under review was not active. Risk Committee members will have to be reassigned to fulfil this role and responsibility. Risk Champions will have to be appointed in each department. A risk register needs to be developed, monitored, measured and reported on in the IDP by the Risk Manager. Budget prioritization should be aligned to the Risks identified.

## 2.2 ADMINISTRATIVE GOVERNANCE

The Municipal Manager, as the Accounting Officer of the Municipality is the Head of the Administration, must provide guidance on compliance with legislation to political structures, political office bearers and officials and is primarily responsible for service delivery and implementation of political priorities.

The organizational structure provides for 2 senior managers to report directly to the Municipal Manager.

Performance agreements that align to the Municipality's top layer SDBIP were in place for senior managers serving during the 2020/21 financial year although annual performance evaluations have not been performed yet. The mid-year performance assessment was done with the financial performance in January 2020, the annual performance assessments will be conducted after the final audit outcome is received as well the final submission of the annual report for the year under review.

**SENIOR MANAGEMENTTHREE TIER**

<b>Office of the Municipal Manager</b>	Mr R Butler/Mr M Hoogbaard/Mr I Avontuur (Acting MM)
<b>Office of the Municipal Manager</b>	Mrs. W Viljoen – Office Manager
<b>Office of the Municipal Manager</b>	Mr G Breda- Manager: Risk, Legal and Compliance
<b>Office of the Municipal Manager</b>	Ms. C Domingo – IDP, IGR; Tourism, LED, Communication, Public Participation and Performance Management
<b>Office of the Municipal Manager</b>	Mr Peter George - LED and Communication Officer
<b>Office of the Municipal Manager</b>	Mrs. Jessica Fuller – IDP Officer
<b>Office of the Municipal Manager</b>	Mrs. Berenice Breda – Public Participation
<b>Office of the Municipal Manager</b>	Mr R Fortuin - Manager: IT
<b>Office of the Municipal Manager</b>	Mr E Kleinbooï – Internal Auditor (Resignation in March 2022)
<b>Corporate/Community/Infrastructure Services</b>	Mr H B Barnard - Executive Manager: Corporate Services
<b>Corporate Services</b>	Mrs. Johanalie Andrews – Human Resources
<b>Corporate Services</b>	Mr C Hendricks - Manager: Thusong Centre
<b>Corporate Services</b>	Mr H Constable - Manager: Administration
<b>Corporate Services</b>	Mr A Fortuin – Senior Officer: Housing
<b>Corporate Services</b>	Mrs E Jeftha – Records Manager
<b>Corporate Services</b>	Mr R De Jongh: Human Resource Management
<b>Community Services</b>	Mrs. Marusda Van Heerden - libraries
<b>Community Services</b>	Mr R Timmie – Manager: Community Services
<b>Community Services</b>	Mr Mark Rensburg – Building Control
<b>Community Services</b>	Mr Eric Schutte – Town Planning
<b>Technical Services</b>	Mr N Paskwali - Manager: Civil Engineering
<b>Technical Services</b>	Mr Mcgrandle Makier (Manager)
<b>Technical Services</b>	Mrs. D Koert – Manager: Project Management Unit
<b>Technical Services</b>	Mrs. C Oosthuizen: EPWP
<b>Technical Services</b>	Mr Loyiso Vekele – Manager: Electrical and Mechanical Services
<b>Finance</b>	Mr R Butler, Mr P Mngeni , Mr E Kleinbooïand Mr Gert Oosthuizen Chief Financial Officer
<b>Finance</b>	Mr P Mngeni – Manager: Budget and Treasury Office

<b>Finance</b>	Mrs. C Claassen - Accountant: Budget and Treasury Office
<b>Finance</b>	Mr Malu Noholoza (Resigned on
<b>Finance</b>	Ms. Naledi Nqeketho (Expenditure Management)
<b>Finance</b>	Mr Eben Van Rooi (Supply Chain
<b>Finance</b>	Mervian Scheffers (Asset Management)
<b>Finance</b>	Rolene Nel (Revenue Management)

**TABLE 19: SENIOR MANAGEMENT**

## COMPONENT B: INTERGOVERNMENTAL RELATIONS

### 2.3 INTERGOVERNMENTAL RELATIONS

There has been an improvement in active participation by Kannaland Municipality on IGR structures. Intergovernmental Relations (IGR) is an important inter-governmental structure for compliance purposes but also provides the opportunity for Kannaland Municipality to progress issues of mutual interest with neighboring municipalities, Garden Route District Municipality, provincial and national government as well as the South African Local Government Association.

At these critical platforms the Municipality raises its experiences and challenges in order to obtain support from other government sectors and spheres or to address policy and practice matters. Attending meetings of these important IGR structures remain costly and directs funding away from other services delivery issues.

The value for money principle is applied in improving attendance of IGR meetings to ensure the most benefit for the Municipality at the least possible cost. Financial constraints (travel and subsistence) makes it difficult for all managers to attend various forums.

FORUM NAME	COMPOSITION	PURPOSE
District Coordinating Forum (DCF)	Executive Mayors in GRD	To identify and implement programs aimed at realizing one of the key objectives of local government, i.e., to deepen local democracy, promote joint planning and building capacity.
District Municipal Managers Forum (MMF)	Municipal Manager	To discuss matters of Municipal interests.
District Co-ordinating Forum	Executive Mayors	District driven agenda
SALGA Steering/Sub Committees	Municipal Manager and Council	All municipal support services
CFO Forum	Chief Financial Officer	All financial related topics
MIG forum	PMU Manager	Identified priorities / appraisals discussion
GRDM Local Economic Development Forum	LED and Communication Coordinator	LED related topics
Water and Sanitation Forums	LED and Communication Coordinator	Water and sanitation related concerns and solutions discussions
Provincial Speakers Forum	Speaker	Provincial Local Government driven agenda
MINMAY Forum	Mayors and Municipal Managers	Provincial Local Government driven agenda

FORUM NAME	COMPOSITION	PURPOSE
MINMAY Tech Forum	Municipal Managers and Directors	Provincial Local Government driven agenda
District IDP/PP Managers Forum	IDP officials	District and local planning alignment and support
Provincial IDP Managers Forum	IDP and relevant key personnel	IDP planning
Municipal Integrated Planning Engagement	MM, S57, CFO and IDP Manager	IDP Planning and JDMA
Technical Integrated Municipal Engagement	MM, S57, CFO and IDP Manager and Line Managers	Budget and IDP alignment To discuss future planning and budget related queries emanating from assessments from PT
Garden Route Kannaland Skills MECCA	Community; Human Resources; LED Manager	Community skills development

**TABLE 20: INTER-GOVERNMENTAL STRUCTURES (IGR) ATTENDED**

**MUNICIPAL ENTITIES**

Kannaland Municipality does not have any municipal entities.

## **COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION**

### **2.4 PUBLIC MEETINGS**

#### **2.4.1 COMMUNICATION, PARTICIPATION AND FORUMS**

Section 16 of the Municipal Systems Act (MSA) refers to the development of a culture of community participation within municipalities. It requires of the Municipality to develop a culture of municipal governance that complements formal representative government with a system of participatory governance. For this purpose, it must encourage and create conditions for the local community to participate in the affairs of the Municipality throughout the year.

Such participation is required in terms of:

- the preparation, drafting, implementation and review/amendment of the IDP;
- establishment, implementation and review of the performance management system;
- performance monitoring and review;
- Preparation of the municipal budget; and
- Spatial Development Framework etcetera.

Public participation enables vigorous and constructive engagements with all stakeholders through their participation in ward committee meetings and community feedback sessions throughout the year on various issues including matters raised by members of the community. This is of particular importance, given the geographical size and nature of the municipal area within which community's needs vary from area to area.

The result of the municipal public participation processes is designed to allow Council and management to do better long-term planning and deliver, amongst other, a more credible IDP and Budget.

The complaints system was and is still being utilized to obtain the enquiries from the community.

No community satisfaction surveys have been conducted although the Municipality has high regard for the complaints system and all possible measures are taken to ensure that complaints are attended to in the shortest possible time and that feedback is given to the complainant. The Municipality has acquired the electronic IGNITE complaints system for improved monitoring of complaints. Response times and attention to complaints will be considered as a KPI on the SDBIP.

## **2.4.2 WARD COMMITTEES**

### **BACKGROUND**

Since the inception of the ward participatory system in 2001, ward committees have emerged as a key institutional mechanism intended to bring about a people centered participatory and democratic system of government. Ward committees are, in most instances, deemed to be ineffective in representing the aspirations and interests of the needy, hence, the often destructive and violent service delivery protests. The ward participatory system (ward committees) has had challenges, including the non-functionality which could be attributed to a whole range of factors, for example flawed ward committee establishment processes, lack of proper sector representation and accountability, political interference, lack of ward committee support by the municipal administration and the absence of a guiding policy framework.

At Local Government level the Local Government: Municipal Structures Act, 1998, requires, among others, that municipalities develop mechanisms to consult communities and community organizations in performing their functions and exercising its powers. These structures are commonly known as Ward Committees, and provide a vital link between Ward Councilors, the community and the municipality. They allow for members of communities to influence municipal planning in a manner which best addresses their needs.

### **ATTENDANCE OF MEETINGS**

Public meetings are being held in all wards of the Municipality with the specific intention to determine community-based needs and opinions for purposes of the Integrated Development Plan and Annual Budget processes. These meetings inform and report on public needs, performance planning and reporting, integrated strategic planning and budgeting as well as determination of strategic objectives. Quarterly Ward Committee meetings are held with the Ward Councilor.

Ward Councilors conducts bi-annual report back meetings with their Ward Committees to discuss ward plans and service delivery shortcomings as well as to give feedback on the success/ failure of proposed projects.

Attendance of the public is determined by their personal interest in the matters for discussion at the specific the meeting, otherwise there is very little interest shown in such meetings. Attendance to the ward committee meetings has improved during 2021/2022. Municipal officials from all departments attend all public meetings to ensure that knowledgeable technical answers can be given on matters raised and for management to take note of matters to receive attention.

Transport to ward committee members is provided, where possible. Administrative capacity is provided to ward committee meetings by the Municipality.

All ward committee members must attend the monthly meetings and submit a report as part of their participatory functions as ward committee members in their respective wards. A stipend of R 500 per month has been approved as per the ward committee policy (out of pocket expense) 2022.

## 2022 WARD COMMITTEE ESTABLISHMENT PLAN

The establishment of new ward committees within the legislated 120-day timeframe became an imperative following the Local Government Elections of 1 November 2021. Kannaland Municipality developed and adopted a Ward Committee Establishment Plan which was successfully implemented and saw the election and induction of a new ward committee to serve for the period 2022-2027.

## ELECTION TIMETABLE OF WARD COMMITTEES: 2022

Kannaland Municipality adopted a Ward Committee establishment plan and proceeded with ward committee elections as reflected in table 25 above.

Ward No.	Voting district, No/Area	Ward Councillor (Name)	Ward Committee elections	Nominees	Date of election	Support Staff assisting on election day
1.	Town Hall	Jeffrey Donson	1	0	22 February 2022 at 18h30	Officials of Kannaland Municipality and EPWP
2.	Town Hall	Werner Meshoa	1	1 3	24 February 2022	Officials of Kannaland Municipality and EPWP
3.	Maxi's Hall	Hyrin Ruiters	1	6	15 February 2022 at 18h00	Officials of Kannaland Municipality and EPWP
4.	Ladismith Town, Van wyksdorp and surrounded farm areas	Aletta Steenkamp	6	9	Van Wyksdorp - 16 Feb 2022 at 18h00 Dankoord - 21 Feb 2022 at 18h00 Ladismith Dorp - 23 Feb 2022 at 18h00 Buffelsvlei - 17 Feb 2022 at 18h00 Algerynskraal - 28 Feb 2022 at 18h00 Hoeko - 1 Maart 2022 at 18h00	Officials of Kannaland Municipality and EPWP

## **WARD COMMITTEE INDUCTION TRAINING**

Kannaland Municipality with the assistance and support received from the WCPG: Public Participation conducted an Induction Training Workshop for ward committees on 27 May 2022 at Parkside Guesthouse, Ladismith.

## **WARD COMMITTEE POLICY REVIEW**

Kannaland Municipality adopted the revised Ward Committee Policy on 30 June 2022. A workshop was conducted with council on the Ward Committee Policy on 7 July 2022.

## **WARD COMMITTEE TRAINING NEEDS ANALYSIS**

Training needs analysis was undertaken in collaboration with ward committee members. The Garden Route District Municipality is supporting Kannaland Municipality through the Skills Mecca Training initiative. The undermentioned ward committee training programmes have been identified to augment the functionality of the ward committee system:

- Business plan development
- First aid
- Conduct of community surveys
- Basic office administration
- Minute and report writing
- Computer literacy/project proposal
- Business plan writing
- Petition workshop
- Entrepreneurships

## **WARD COMMITTEE MEMBERS**

The tables hereunder illustrate the details of the ward committee members serving Kannaland Municipality.

**WARD 1 – WARD COMMITTEE MEMBERS (NISSANVILLE)**

NAME	SURNAME	ORGANISATION	CONTACT DETAILS
EXECUTIVE MAYOR JEFFREY DONSON	CHAIRPERSON JEFFREY DONSON	KANNALAND MUNICIPALITY	083 256 0874
DAWID	OPPERMAN	BUSINESS	084 647 3512
JAN	CEDERAS	COMMUNITY SAFETY FORUM	071 604 8351
HENRY	MOSES	SPORT AND CULTURE	078 149 7473
JOHAN	SEPTEMBER	COMMUNITY BASED ORGANISATIONS	074 826 3415
ABRIEL	AFRIKANER	YOUTH	066 345 5201
CAROLINE	MGANGANE	WOMAN	084 456 0532
RACHEL	JANUARIE	SENIOR CITIZENS	073 312 1165
MELANIE	AYSLIE	RELIGIOUS GROUPING	073 570 4578
SURINA	JAFTA	RATEPAYERS	060 323 4516
PHILIP	RADEMEYER	HOUSING	082 547 3309

TABLE 21: WARD 1 – WARD COMMITTEE

**WARD 2 – WARD COMMITTEE MEMBERS**

Calitzdorp, Bergsig, Warmbad, and Kruisrivier, Gamka– East and West

NAME	SURNAME	ORGANISATION	CONTACT DETAILS
DEPUTY EXECUTIVE MAYOR WERNE MESHOA	MESHOA	KANNALAND MUNICIPALITY	060 582 4414
EMELENE HESS	HESS	COMMUNITY BASED ORGANISATIONS	078 941 9055
FRANSIENA QUANTINI	QUANTINI	COMMUNITY BASED ORGANISATIONS	083 821 7607
JENEKE BOTHA	BOTHA	COMMUNITY BASED ORGANISATIONS	074 385 0249
HANNA KARELSE	KARELSE	HEALTH AND WELFARE	074 859 4862
EVA KIEWIETS	KIEWIETS	SENIOR CITIZENS	074 385 8644
BETTIE MCOLILLON	MCOLILLON	RELIGIOUS GROUPS	
QUINTA VALENTYN	VALENTYN	BUSINESS	073 540 5145
JACOBUS MEIRING	MEIRING	RATEPAYERS	071 934 6071
SOPHIA ROMAN	ROMAN	SENIOR CITIZENS	079 653 5642
GERT	UITHALER	BUSINESS	061 947 2084

TABLE 22 WARD 2 – WARD COMMITTEE

**WARD 3 – WARD COMMITTEE MEMBERS (ZOAR)**

NAME	SURNAME	ORGANISATION	CONTACT DETAILS
CLLR HYRIN RUITERS	RUITERS	KANNALAND MUNICIPALITY	083 922 8282
SHERILENE	PRINS	HEALTH AND WELFARE	073 191 9218
CEDRIC	JOHANNES	COMMUNITY BASED ORGANISATIONS	061 247 9773
JAKOB	NKOKOU	AGRI-CULTURE	073 739 6021
EUPHEMA	JULIUS	WOMAN	073 813 0075
ZAYLENE	DANIELS	COMMUNITY SAFETY FORUM	078 746 1010
MARNELLE	ARNOLDUS	TOURISM	071 919 4034
BERISSA	DANIELS	HEALTH AND WELFARE	071 027 8423
CHARNELL	ARENDSE	SPORT AND CULTURE	078 366 3967
ALETTA	JOON	SENIOR CITIZENS	071 855 8886
JOHN	NOVEMBER	TRADITIONAL LEADERS	Geen kontak nommer op oomblik

TABLE 23 WARD 3 – WARD COMMITTEE

**WARD 4 – WARD COMMITTEE MEMBERS**

Ladismith Town, Van Wyksdorp, Dankoord, Algerynskraal, Buffelsvlei, Hoeko

NAME	SURNAME	ORGANISATION	CONTACT DETAILS
CLLR ALLETTA STEENKAMP	STEENKAMP	KANNALAND MUNICIPALITY	072 425 5991
DOROTHEA	VAN ROOYEN	SENIOR CITIZENS	073 613 7906
ANDREW	JAFTA	COMMUNITY BASED ORGANISATIONS	079 550 1854
MARTIN	HENDRICKS	COMMUNITY BASED ORGANISATIONS	076 517 8399
ESMERELDA	VAN STADEN	HEALTH AND WELFARE	065 255 8722
JAPULUS	CLOETE	SENIOR CITIZENS	062 683 6495
PERCIVAL	APPOLLIS	RELIGIOUS GROUPS	074 711 3979
DIRK	MAREE	BUSINESS	084 583 2627
GEORGE	LAUBSCHER	RATEPAYERS	082 595 5376
NERINA	LOCHNER	COMMUNITY BASED ORGANISATIONS	063 312 2480

TABLE 24 WARD 4 – WARD COMMITTEE

### 2.4.3 FUNCTIONALITY OF WARD COMMITTEES

Ward committee members are elected by the communities they serve. A ward committee may not have more than 10 members and women must be well represented. The ward councilor is the chairperson of the ward committee.

The main purpose of ward committees is to improve effective communication and participation of community members to inform council's decision-making on the opinion and needs of the communities, especially those affected by a decision. Ward committees have no formal powers, but they advise ward councilors who make specific submissions directly to the Administration/ Council and also assist the ward councilor with the following:

- consultation and report-back to the community;
- obtaining better participation from the community to inform council decisions, and
- playing an important role in the annual revision of the Integrated Development Plan of the area.

The WCPG has developed functionality indicators to ascertain, monitor and support ward committee in local municipalities.

The undermentioned indicators are applied and reported on each quarter:

- ✓ Scheduled quarterly ward committee meetings
- ✓ Sector/Block meetings
- ✓ Ward Committee policies adopted by council
- ✓ Ward Councilor Report back meetings
- ✓ Ward Committee vacancies

Kannaland Municipality has experienced much political turmoil resulting in ongoing court actions being instituted and leading to numerous changes in coalitions. The outdated Ward Committee Policy also brought along challenges in objections being raised on the legitimacy of the ward committee election process. These factors have negatively impacted the functionality of ward committees during the first half of 2022. In order to overcome these hurdles, Council adopted a Ward Committee Policy on 30 June 2022.

## 2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Is the community involved in drafting the IDP, Budget and Performance Management Plan?	Yes
Does the municipality publish documents onto the municipal website and distribute these to the public for perusal at municipal offices and libraries?	Yes
Does the Municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Are the budget aligned directly to the KPIs in the strategic plan?	Yes
Are the IDP KPI's aligned to the Section 57 Managers	Yes
Are the IDP KPI's aligned to functional area KPIs as per the SDBIP?	Yes
Are the IDP KPI's aligned with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

TABLE 25: IDP PARTICIPATION AND ALIGNMENT CRITERIA S 26 MUNICIPAL SYSTEMS ACT, 2000

## 2.6 PUBLIC NEEDS ANALYSIS

community survey was conducted to assess the impact of Covid 19 on the local economy. A public needs analysis was also conducted to ascertain community needs, concerns and development requests. During the 5th generation 2022-2027 DP stakeholder engagements meetings, the undermentioned requests were received from the community of Kannaland.

KPA	REQUESTS	WARD
INFRASTRUCTURE AND BASIC SERVICE DELIVERY	Repairs & Maintenance included requests for the upgrades of roads, rehabilitation of community facilities like halls and parks, fixing of potholes, building of speed humps, attending to sewage blockages, repairing of burst water pipes, repairs to RDP houses where roofs are leaking	1,2,3,4
	Requests for roads predominantly centered around the building of new roads, link roads, access roads, and tarred roads where there have never been roads constructed before	1,2,3,4
	Renewable energy supplies need to be considered, including but not limited to: solar, wind, and hydro power	3,4
	Request for halls and community centers focused on the construction of new halls and community centers, which are multi-purpose in nature, in order to enhance community development through social cohesion.	3,4
	Housing requests include the request for RDP houses and houses in general.	1,2,3,4
	Upgrading or new construction of old infrastructure (water, sanitation and electricity)	1,2,3,4
	Ensuring proper lighting be placed in order to reduce crime	3,4
	Current and new establishment of sport fields – netball, rugby, hockey and soccer fields	1,2,3,4
	Ensuring all informal settlement areas be equipped with basic services	1,2,3,4
	Multi-Purpose Centre in Zoar and Calitzdorp	3
	Implementation of Advanced Waste Management Systems that reflect community values around waste minimization.	1,4
	Recovery, re-use and recycling of waste is maximized. The volume of waste disposed to landfill is minimized. Life spans of landfill sites are extended.	1,4
KPA	REQUESTS	WARD
LOCAL ECONOMIC DEVELOPMENT	Seamless movement of people, goods, and services in and around the town	1,2,3,4
	Community must be supported with programs for self-empowerment and job creation projects for example Guest houses	1,2,3,4
	Reliable telecommunications networks provide access to learning and information opportunities in homes, schools, and workplaces.	1,2,3,4
	Business and industry embrace high-speed broadband networks to become more productive and innovative. Energy efficiency is promoted by telecommuting.	
SAFE COMMUNITIE	Communities wanted to be informed about the IDP process, to be involved in the budget process, for ward committees to be established, for the Municipality to strengthen relationships between communities and their councilors.	3,4

	Foot bridge in Zoar – Current sports field	3
	Establishment of speed cameras in all four towns	1,2,3,4
	Three ways stop at the entrance of Calitzdorp	2
	Law enforcement be strengthen in all four towns	2
	Taxi rank with toilets in Calitzdorp	2
	Medical Centre for Van Wyksdorp and Zoar Current medical facility in Calitzdorp be expanded Current clinic in Ladismith be expanded and a new clinic be built in central Ladismith	3,4
	Social infrastructure supports healthy lifestyles, learning opportunities, and community unity and social cohesion. Health infrastructure is readily available and meets community needs.	1,2,3,4
	Major recreational infrastructure (e.g., sports stadium, cultural facilities, etc.)	1,2,3,4
<b>KPA</b>	<b>REQUESTS</b>	<b>WARD</b>
<b>SAFE COMMUNITIES</b>	Urban renewal and greening are recognized by communities and the business group as contributing to environmental and ecological sustainability, as well as supporting future residential, commercial, and industrial development	1,2,3,4
	Tree planting	3,4
	Paving of street blocks	3
	Street lighting in Zoar	
	Traffic law enforcement	
	Environmental Law enforcement	
<b>FINANCIAL VIABILITY</b>	Training or replacement programmed for incumbent to do the municipal accounts and enquiries	1,2,3,4
	Re-look the tariffs on the current budget with zero increase	1,2,3,4
	Needs to budget for repairs and maintenance imperative	1,2,3,4
	Prevent water losses	

## WARD CONCERNS AND CHALLENGES

Below are the main key issues which were communicated to us at the public meetings, relevant stakeholder meetings per ward. The top priorities are listed hereunder. The comprehensive list is available for perusal from the Office of the Municipal Manager:

WARDS	CONCERNS
WARD 1	There is a shortage of proper traffic calming measure motoring and bylaws and community safety plan
	Sport facilities must be upgraded and maintained. Built of a new pavilion, proper ablution facilities at sport field. Netball field to be upgraded; The need for recreational facilities for tourists and the community of Kannaland
	Promote small business, Opportune the youth and informal business owners to register as a proper business; to transfer skills to others; Support local businesses (Clorans Development); Tourism Indaba's ; Implement the Waste minimization strategy, establish youth Centre in Nissenville
	Investigate the housing (GAP) to be finalized as per the HSP
	Paving of the internal roads of Nissenville and informal areas with storm water services as well planting trees.
	Lightning at the entrance of Sakkies Baai and dark areas – High mass lights as well as on sport field
WARD 2	Paving of the Bergsig area roads
	Promoting the youth through development programmes – youth cafes; Promote tourism in the area – Assisting the tourism offices with needs as per requested; Helping the tourism bureau with financial support – festivals and campaign; A big tourism board needs to be placed at the entrance and exit of Calitzdorp to indicate all the activities and attractions.
	Ensure that law enforcement be implemented in Calitzdorp
	The current medical facility needs to be expanded and clustered into groups (health)
	Mobile medical care needs to be mobilized to rural areas (farms) more efficiently; The DOH needs to consider to place more medical staff at the current facility.
WARDS	CONCERNS
WARD 3	There is a critical shortage of land for small farming initiatives (crops and livestock), The future use of under-utilized commonages and the need for an Agricultural Strategy, Alien invasive plants must be removed
	The leadership must lead responsibly, be certain that enough is being done and that development is in fact taking place, Bylaws is needed in terms of foreigners that is doing business Job creation is a critical need
	The transformation of Amalienstein farm and surrounding Zoar needs to be fast tracked
	Assets being acquired for the Ward; Wheelie bins must be provided to the community
	Strengthen the partnership with SAPS to create a safer and cleaner town –Neighborhood watch needs to be placed in Zoar and develop a community safety plan
	Establishing a FAS Centre in Zoar; Establishing educational Centre; Aftercare facility is a need; Playparks for children is needed
	The community of Zoar needs to more technological connected – By establishing youthcafé's  A Thusong Centre/multipurpose Centre must be erected.

	<p>Skilling and capacitating the Youth, as opposed to the use of consultants,</p> <p>Critical intervention is required for the Ward's cemeteries – it must be clearly indicated where the cemetery is located and road signs be placed at the entrance of the area.</p> <p>Stringent measures to curb the illegal littering and dumping were required,</p> <p>Establish a Youth and Elder Person Desk</p> <p>A customer care office where enquires of accounts can be dealt with must be established in Zoar</p> <p>A new Clinic with extended health services is a critical need,</p> <p>Ablution and other facilities had to be provided at the new sports field, Abandoned and vandalized buildings are a serious health and safety hazard, as are the overgrown openspaces – harboring criminal elements and allegedly used for satanic rituals; the Municipality must obtain an order to have them demolished and overgrown areas must be cleared to improve safety of pedestrians,</p> <p>Recreational activities need to be introduced</p> <p>Uber service is required</p> <p>Housing and water quality needs to be re-looked urgently, water purification system must be erected</p> <p>Replacement of asbestos roofs with tin roofs must be attended to</p> <p>The whole water system must be upgraded as well as the water infrastructure</p> <p>Water dams and sewerage dam need to be fenced</p> <p>Water must be managed properly</p> <p>Sewerage blockages must be attended to</p> <p>The water storage capacity problem needs to be attended to by building a dam (drinking and irrigation water)</p> <p>New reservoir needs to be built; Water agents must be appointed to repair water leakages.</p> <p>Paving of internal roads:</p> <ul style="list-style-type: none"> <li>● Protea Park – A paved circle needs to be placed at 5<sup>th</sup> avenue where it links to 9<sup>th</sup> avenue</li> <li>● Paving of the entire Protea Park and the part of Braklaagte with the following streets:</li> <li>● Malva Street</li> <li>● Gousblom Avenue</li> <li>● Daisy Avenue</li> <li>● Vygie Avenue</li> </ul> <p>Bloekomlaan and all other roads must be paved.</p> <p>Speedhumps must be erected in Astersingel laan</p>
<b>WARDS</b>	<b>CONCERNS</b>

<b>WARD 4</b>	Indigent support be provided to residents in Van Wyksdorp
	Construct a community hall
	Traffic signage boards to be erected
	High Mast lighting for sports fields
	Proper lighting throughout the entire town. Entrance from the R62 needs to be equipped with lighting as accidents volume is high on the road
	Entrance from the R62 up until VWD needs to be tarred Recycled plastic roads
	SDF needs to be refined as VWD has a vast area for tourism and business expansion which create job opportunities Speed limit signage Roads scrapped Solar lighting Erecting pole for solar lighting Sealing at sport fields and tree planting Beter service delivery A business needs survey to be conducted The clinic needs to be expanded. Need for a medical centre and a veterinary. Need for a playpark/ground for children Netball field Recycling Historic cemetery needs maintenance Municipality need to address the issue of appointing foreigners in businesses. The locals do not get the job opportunities. Job creation opportunities – by having a farm market on Saturdays, maybe once per month to start off. Hiking trails to be maintained. Sport and culture centre for adults and children
	Municipal accounts need to be re-looked and investigated and properly communicated to the community

<p>Establish a customer care account enquiry desk in Van Wyksdorp</p> <p>Cannot expand on property rates</p> <p>A business needs survey to be conducted</p>
<p>Lightning in surrounded farms is inadequate as well the road conditions</p>
<p>The municipality needs to do an assessment which included the owners of the land on the R62, wine vineyards etc. to consider attraction points for tourists as well enhancement of income and job opportunities</p>
<p>The tourism master plan/strategy needs to be in place</p>
<p>Better planning in terms of asset management, sourcing of external funding, disaster funds for water pumps and dams. No increase in property taxes.</p>
<p>Roads needs to be upgraded and proper management and maintenance be put in place.</p> <p>High volume as well low volume needs to be identified where to pave and tarred and the trucks needs to be informed where to drive or not (via weighbridge)</p> <p>K53 testing facility, alarm to be installed at traffic offices</p>
<p>Air quality management needs to be managed more frequently with regards to pollution</p>
<p>The hiking trails: Die liggie, towerkop and waterkloof area needs to be cleaned up and properly managed</p>
<p>The caravan park needs to be re-developed in a housing complex or tourist attraction and be management more strictly.</p>
<p>Consider to sell or lease old buildings (In die Bos area) for the development of an automotor business</p>
<p>The municipality needs to partner with the community in a clean our town campaign</p>
<p>The waterkloof route needs be kept clean as well the maintenance of the "Die Liggie" hiking trail.</p>

**TABLE 26: PUBLIC NEEDS ANALYSIS AND WARD CONCERNS**

These engagements certainly enlighten the importance of the ward committee members role and responsibility as well to enhance accountability to the areas they represent in their respective wards. Ward Committee members will receive comprehensive training in respect of the IDP and budget processes during an Induction Training Programme scheduled for April 2022 and Ward Committees will certainly be more equipped to make meaningful input and ensure that the priority issues of communities are reflected in the IDP and Budget are implemented and realized. A know your ward committee campaign shall also be undertaken during 2022/2023.

## **COMPONENT D: CORPORATE GOVERNANCE**

The council and management subscribe to the principles reflected by the various King reports. The seven primary characteristics of good governance namely, discipline, transparency, independence, accountability, responsibility, fairness and social responsibility have been considered critical in the compilation of the Kannaland Municipality Financial Recovery Plan.

### **2.7 RISK MANAGEMENT**

The direction and mandate of risk management for Kannaland Municipality is clearly set out in Section 62(1) of the MFMA that stipulates that the “Accounting Officer must take all reasonable steps to ensure that the Municipality has and maintains an effective, efficient and transparent system of financial and risk management and internal control” accompanied by the crucial motto of the public sector: “that the resources of the Municipality are used effectively, efficiently and economically”.

Enterprise Risk Management (ERM) is an essential function that must be performed by the Municipality in terms of the applicable local government legislation. Auditor-General reports in recent years have highlighted risks for the Municipality and findings indicated that ERM must be prioritized as this function has been neglected for years. The municipality is in the process of signing an MOU with Oudtshoorn Municipality to enter a shared service agreement.

#### **RISK MANAGEMENT IN KANNALAND MUNICIPALITY**

The Accounting Officer exercised his right in terms of the applicable Risk Management legislation to appoint a Risk Contract and legal manager in June 2019. The official was appointed based on his qualification, skills, expertise and the need for such appointment.

#### **CHALLENGES IN RISK MANAGEMENT**

1. The Municipality only has one permanent incumbent to fulfil, the Risk Contract and Legal services function.
2. The Municipality, due to cash constraints is unable to purchase a Risk and Contract electronic system, hence Business Plan in terms of the Financial Recovery Plan has been submitted to Provincial Government to secure funds, for this purpose.

#### **BENEFITS OF RISK MANAGEMENT**

Kannaland Municipality will implement and maintain an effective, efficient and transparent system of risk management and internal control. Risk management will assist the municipality to achieve, among other things, the following outcomes needed to underpin and enhance performance:

- more sustainable and reliable delivery of services;

- informed decisions underpinned by appropriate rigor and analysis;
- achievement of strategic goals as set out in the Integrated Development Plan;
- reduced waste;
- prevention of fraud and corruption and better value for money through more efficient use of resources; and
- better outputs and outcomes through improved project and program management.

### **HISTORICAL REPUTATIONAL RISK**

- fraud and corruption
- lack of communication with Community
- Nepotism
- Financial Risk
- Making appointments outside the budget and insufficient means to recover revenue.

### **OPERATIONAL RISK**

- A lack of appropriate governance over information stored, processed, or produced by IT systems
- Safety and Security
- Weakness in governance and accountability
- Governance and Ethics
- Fraud and error
- Natural Disasters

### **CONTRACT MANAGEMENT**

In the absence of a proper functioning contract management function the municipality was unable to monitor, review and evaluate contracts that either came to an end or had to be reviewed for service delivery purposes.

The Auditor General has also pointed out the lack or weak management of contracts which does have a negative financial impact on the municipality. There were also a significant number of officials who did not have formal signed contracts that complied with the collective agreement and the basic conditions of employment.

The contract management function could have a significant positive impact on the financial recovery plan of the municipality particularly with regard to the selling or leasing of council assets, land and other facilities

Given the above, management has undertaken to do a full audit with regard to contractual arrangements particularly to ensure that the contracts are in place in the following areas:

- Current land leased (market related and MFMA compliance)
- Unleased land (land used by parties that do not have a lease agreement)
- Council facilities that are leased (market related and MFMA compliance)
- Unleased Council facilities (sports fields etc.)
- Employment contracts of staff (temporary staff, contract staff and permanent staff)
- SCM contracts (to ensure MFMA compliance and goods and services are delivered within agreed timeframes and in good quality).
- Government contracts for grant funding (MIG, FMG, MSIG, RBIG, etc., - to ensure funds are utilized for purposes for which it was allocated to the municipality)
- Municipal leases (e.g., office space, equipment, and cell phones,)
- ICT service provider contracts
- Water board contracts

#### **INTERNAL AUDIT**

An internal auditor was appointed in the 2021/22 financial year in July 2021, the position had to be re-advertised and an internal auditor was appointed effective October 2022. The Internal Audit Unit has been fully functional ever since, and will be throughout the 2022/23 financial year.

## **2.7 ANTI-CORRUPTION AND FRAUD**

The oversight roles are managed by the Municipal Public Accounts Committee (MPAC), Disciplinary Board and Audit and Performance Audit Committee as described under Oversight Structures at the beginning of this Chapter. These structures were inactive during 2021/2022. This can be attributed to political and administrative instability and the untimely LG Elections. New structures have subsequently been established and functionaries to the various mentioned committees have been appointed on 7 December 2022. The Municipal Manager shall oversee the implementation of this anti-fraud campaign during 2023/24 through:

- (i) the introduction of an anti-fraud and corruption hotline communication campaign;
- (ii) workshops with staff on ethical reporting and professionalism;
- (iii) Capacity building workshops on the Annual Reporting
- (iv) Appointment of a Disciplinary Committee;

- (v) MPAC Capacitation;
- (vi) Oversight by Audit and Performance Audit Committee;

## 2.8 SUPPLY CHAIN MANAGEMENT

Supply Chain Management is guided by sections 110 – 119 of the MFMA; SCM Regulations 2005, and relevant MFMA circulars that set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption. The undermentioned initiatives were undertaken to improve performance in the unit.

- The Municipality established a functional SCM unit
- The SCM unit report Monthly on Deviations to Council.
- Quarterly to NT and PT on SCM.
- Quarterly to Council on the Supply Chain Management Policy.
- Regular meetings are being held to address issues relating to non- compliance.
- Two new officials were appointed relating to the stores.
- The SCM unit requires ongoing and regular training.

### **The Auditor General Report raised the undermentioned challenges relating to supply chain management**

Some of the goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of by SCM Regulation 17(1)(a) and (c). Similar non-compliance was also reported in the prior year.

Some of the goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM Regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM Regulation 36(1).

Some of the invitations to tender for procurement and commodities designated for local content and production, did not stipulate the minimum threshold for local production and content as required by the 2017 Preferential Procurement Regulation 8(2). This non-compliance was identified in the procurement processes for the Zoar sport field lighting project.

Some of the invitations for competitive bidding were not advertised for a required minimum period of days, in contravention of SCM Regulation 22(1) and 22(2).

## 2.9 BY-LAWS

Corporate Administration unit is responsible for the safekeeping and updating of By-Laws. Many of the By-Laws are outdated and require revision. Certain By-Laws could still be used and enforced. It is recommended that the existing By-Laws of Council be scrutinized to ascertain the status quo and then approach the WCPG for assistance in updating the outdated By-Laws. This process needs to be expedited as a matter of urgency in order to ensure that the appointed Law Enforcement Officers are able to fulfil their role and duty. Calitzdorp Street Children has been an issue raised and this emphasizes the importance of this process to be followed. Also informal trading by-laws and the enforcement thereof has been identified as a priority. Revenue gains can be made from this exercise. Illegal dumping is another concern and once again requires a By-Law for enforcement.

Section 11 of the Municipal Systems Act gives a Municipal Council the executive and legislative authority to pass and implement by-laws and policies. A by-law is a legal document, which enables a local authority (Municipality) to implement certain powers vested in it by the Constitution. Kannaland Municipality has by-laws which give effect to its constitutional obligations.

The Municipality is in the process of revising by-laws to identify potential interventions introducing new by-laws for adoption by Council. No by-laws were adopted in the 2021/22 financial year. The public participation stipulated in the applicable legislation will be followed for the adoption of by-laws process.

## 2.10 WEBSITE AND ICT

The information pertaining the ICT function remains the same. Financial constraints are the critical area that needs attention to ensure the challenges are resolved.

The primary purpose of the Information Systems and Technology section is the provision of Information and Communication Technology (ICT) services which will enable an efficient and effective administration. An ICT assessment was done on current challenges as well to recommend possible solutions.

HIGHLIGHTS	CHALLENGES
<ul style="list-style-type: none"><li>New Public Interactive Municipal Website;</li></ul>	<ul style="list-style-type: none"><li>Training or a new Kannaland Website needs to be procured for Kannaland as only one ICT official is currently working on. We still have issues regarding the website content but this will be addressed in 2023 as discussions were started with the service provider to fix major issues on the Kannaland website.</li></ul>
<ul style="list-style-type: none"><li>Approved legislative documents:</li></ul>	<ul style="list-style-type: none"><li>A disaster recovery system not in place. If Western Cape Province approves the Business Plan ICT submitted in December 2022 this problem on ICT will be partially addressed. With the business plan we will need to buy two servers. Obsolete hardware still present. Currently ICT is working with Unix systems and old domain controller that has been</li></ul>

	discontinued. One of these servers will be used to install Microsoft Business Premium.
<ul style="list-style-type: none"> <li>Reviewed ICT Policies;</li> </ul>	<ul style="list-style-type: none"> <li>No offsite backups are not in place. With Microsoft Business Premium we will have physical hardware but we will be connected to four of Microsoft Data Centers across the world. And this server will be virtualized with Hyper-V, so it will be accessible at any time as these datacenters are not constrained to South African Loadshedding.</li> </ul>
<ul style="list-style-type: none"> <li>ICT Governance Framework and Disaster Recovery Policy</li> </ul>	<ul style="list-style-type: none"> <li>Budget constraints</li> <li>Data cleansing.</li> </ul>
<ul style="list-style-type: none"> <li>ICT SOP's.</li> </ul>	<ul style="list-style-type: none"> <li>Need for electronic systems e.g., Performance information and Collaborator</li> </ul>

**TABLE 27: HIGHLIGHTS AND CHALLENGES OF ICT SERVICES**

The ICT department is working towards full compliance in terms of section 75 of the MFMA regarding information that must be placed on the municipal website.

<b>Municipal Website: Content and Currency of Material</b>	
Documents published on the Municipality 's / Entity's Website	Yes / No
Current annual and adjustments budgets and all budget-related documents	YES
All current budget-related policies	YES
The previous annual report	YES
The annual report	YES
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act) and resulting scorecards	YES
All long-term borrowing contracts	YES
All supply chain management contracts above a prescribed value (give value) for Year	YES
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4)	YES
Contracts agreed in Year to which subsection (1) of section 33 apply, subject to subsection (3) of that section	YES
All quarterly reports tabled in the council in terms of section 52 (d) during Year	YES

**TABLE 28: SECTION 75 CHECKLIST OF THE MFMA**

## **2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES**

No community satisfaction surveys have been conducted during 2021/2022. Kannaland Municipality has a complaints management system and all possible measures are taken to ensure that complaints are attended to in the shortest possible time and that feedback is provided to the complainant. The Municipality has acquired the electronic Collaborator complaints system for improved monitoring of complaints. Members of the community are requested to log all their complaints to [customer care@kannaland.gov.za](mailto:customer care@kannaland.gov.za) or to call 061 6021095. There are dedicated municipal officials attending to the customer care helpline. The logged calls are filtered through to the responsible officials. During 2021/2022 the reporting of the number of complaints received was a challenge due to the fact that there was not one coordinating official collating the data from the various line operators. This has been attended to during 2022 where there is one coordinating official appointed to collate the information for reporting.

WCPG Public Participation unit shall assist Kannaland Municipality with development of a Client Services Charter during 2022/2023 financial year.

## **2.12 ALL MUNICIPAL OVERSITE COMMITTEES**

Oversite committees need to be established, trained and become active in fulfilling the role of oversight. The Disciplinary Committee and the Audit and Performance Audit Committee has only recently been established during 2022.

The Risk Committee with risk champions need to be identified and the Local Labor Forum should be revived.

MPAC also needs to meet more often.

Oversight during 2021/2022 was extremely weak.

## CHAPTER 3 - SERVICE DELIVERY PERFORMANCE

This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services. Please note that the municipality is in process of comparing the municipal statistics to MERO and LGSEP statistics to ensure proper alignment.

### COMPONENT A: BASIC SERVICES:

This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services. Please note that the municipality is in process of comparing the municipal statistics to MERO and LGSEP statistics to ensure proper alignment.

### 3.1 WATER PROVISION

The table below indicates the access to water from 2020/21 to 2021/22 financial years.

<b>Water Service Delivery Levels</b>		
<b>Households</b>		
<b>Description</b>	<b>2020/21</b>	<b>2021/22</b>
<b><u>Water: (above min level)</u></b>		
Piped water inside dwelling	4635	4673
Piped water inside yard (but not in dwelling) (backyard dwellers)	0	
Using public tap (within 200m from dwelling)	0	
Other water supply (within 200m)		
<i>Minimum Service Level and Above sub-total</i>		
<i>Minimum Service Level and Above Percentage</i>		
<b><u>Water: (below min level)</u></b>		
Using public tap (more than 200m from dwelling)	150	188
Other water supply (more than 200m from dwelling)		
No water supply		
<i>Below Minimum Service Level sub-total</i>		
<i>Below Minimum Service Level Percentage</i>		
<b>Total number of households*</b>	<b>4785</b>	<b>4863</b>

TABLE 29: WATER SERVICE DELIVERY LEVELS – SOURCE: SAMRAS (MUNICIPAL STATISTICS)

## **LADISMITH**

All households have access to basic water services which means that water is available within 200 meters from their dwellings/houses. All the houses in the urban areas of Kannaland Municipality are provided with individual water connections except for informal areas. Stand pipes are provided in the informal areas as a temporary emergency service.

The waterworks have been upgraded to provide better quality water. The Municipality received funding from Department of Local Government through the Drought Relief Grant to refurbish the existing borehole field and to drill and monitor for a deep borehole development.

The construction of a storage dam is urgently needed as the existing dams does not have the adequate storage capacity. The town has no water security for more than six months. Clean drinking water storage capacity is required therefore a new infrastructure network upgrade is required.

Due to budget constraints the Municipality applied for funding support to ensure water security projects could be enabled. The following measures were put in place for the different support:

- Additional boreholes drilling and equipping. It must be noted that operating boreholes is expensive because of the associated electricity cost;
- Upgrading and refurbishment of the Water Treatment Works

The water losses for the year under review are 22.87% and below are the reasons

- Faulty and/or by-passed water meters – this was rectified through a MIG project that was implemented for the 2021/22 FY
- Leakages on existing pipelines and reservoirs
- Unaccounted water losses

## **VAN WYKSDORP**

An application was submitted to upgrade the Water Treatment Works for the 2022/23 financial year. Van Wyksdorp still faces problems during the summer and peak season. Raw water storage should be increased to add additional water in the system. New funding applications should be submitted for the storage capacity and the upgrading of the water networks within the town.

New boreholes need to be exploited to assist in addressing the shortcomings. The pipeline network for the boreholes should also be upgraded and funding for these upgrades should still be sourced

The current water losses are 47.81% and below is the reasons and remedial actions to reduce the losses to the norm:

- Faulty and/or by-passed water meters
- Leakages on existing pipelines and reservoirs

- Unaccounted water losses

## ZOAR

A new borehole was drilled and equip through MISA funding. This borehole is currently augmenting the water supply to the water treatment works, but we still face the challenge that we do not have enough raw water capacity. The challenges are the expansion of existing Tier Kloof Dam and development of new boreholes. Funds must be obtained from Province and National to minimize the challenges. Current situation is the lack of storage capacity for raw water and develop new boreholes to replenish raw water and then upgrade network along with build extra reservoirs for storage of treated water.

The Water treatment Works should also be upgraded further to ensure that water supply to the community is uninterrupted during peak seasons. Currently the water treatment works cannot treat the demand efficiently and therefore funding should be sourced to upgrade the works.

The water losses for the year under review are 18.93% and below is the reasons and remedial actions to reduce the losses to the norm:

- Faulty and/or by-passed water meters – this was rectified through the MIG project for the 2021/22 FY
- Leakages on existing pipelines and reservoirs
- Unaccounted water losses

## CALITZDORP

A deep borehole was drilled to augment the water supply for the town. This borehole showed significant yields, but due to timeframes and limited funding this borehole could not be equipped. An application was submitted through the WSIG programme from the Department of Water and Sanitation to complete the Calitzdorp deep borehole development project.

Challenges are the replenishment of raw water through the development of new ~~bores~~ bores. Current raw water source comes from Nelsdam which belongs to the irrigation board and which we have to pay dearly for the consumption. Upgrading of existing waterworks is necessary. Current situation is that if Nelsdam is low the municipality has no other sources of raw water. Boreholes must be developed to increase raw demand.

The water losses for the year under review are 15.82% and below is the reasons and remedial actions to reduce the losses to the norm:

- Faulty and/or by-passed water meters – this was rectified through the MIG project for 2021/22FY

- Leakages on existing pipelines and reservoirs
- Unaccounted water losses

<b>Total Use of Water by Sector 2020/21 and 2021/22</b>				
Years	Commercial	Industrial	Domestic	Unaccountable water losses (R)
2020/21	193 368 KL	430 368 KL	635 460 KL	500 411 KL
2021/22	176 249 KL	524 939 KL	800 700 KL	451 572 KL

TABLE 30: TOTAL USE OF WATER BY SECTORS – SOURCE: SAMRAS (MUNICIPAL STATISTICS)

The tables below indicate the financial performance, capital expenditure and information (strategic objectives), for 2020/221 and 2021/22 financial year:

The table below indicates the financial performance of water services for the year under review:

**Financial Performance for the financial year 2020/21 to 2021/22:**

**Financial Services**

	2020/21	2021/22	2021/22	2021/22	
Details	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	R27 711 531,47	<b>R35 358 010,00</b>	<b>R37 907 838,00</b>	<b>R28 375 714,07</b>	R9 532 123,93
Expenditure:					R0,00
Employees	R6 047 965,55	R6 408 180,00	R6 408 180,00	R5 509 465,03	R898 714,97
Repairs and Maintenance	R1 460 185,26	R1 050 000,00	R1 092 000,00	R1 516 855,96	<b>-R424 855,96</b>
Other	R4 631 942,18	R5 902 958,00	R24 380 648,00	R22 491 869,85	R1 888 778,15
Total Operational Expenditure	<b>R12 140 092,99</b>	<b>R13 361 138,00</b>	<b>R31 880 828,00</b>	<b>R29 518 190,84</b>	R2 362 637,16

TABLE 31: FINANCIAL PERFORMANCE OF WATER SERVICES - 2020/21 - SOURCE: AFS

The table below indicated the capital expenditure for the year under review:

Capital Expenditure: 2021/22		R23 767 300	R26 638 972	R19 876 269	R6 762 703
Department		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget
Electricity Services	INEP - MINATENANCE OF ELECTRICITY NETWORK	R2 699 000	R2 699 000	R0	R2 699 000
Water Services	Ladismith: Upgrade Waste Water Treatment Works	R5 758 529	R5 758 529	R0	R5 758 529
Water Services	ZOAR NEW BOREHOLE DEVELOPMENT	R2 430 698	R2 430 698	R0	R2 430 698
Municipal Manager	Furniture and Equipment	R80 000	R80 000	R0	R80 000
Chief Financial Services	Furniture and Equipment	R0	R50 000	R85 771	-R35 771
Administration	Furniture and Equipment	R0	R65 000	R8 800	R56 200
Expanded Public Works Programme	LAPTOPS	R0	R12 500	R12 500	R0
Administration	LAPTOPS	R145 000	R80 000	R54 499	R25 501
Executive Council	LAPTOPS	R112 000	R112 000	R248 670	-R136 670
Chief Financial Services	Wireless Infrastructure	R167 000	R117 000	R0	R117 000
Chief Financial Services	Ladismith Upgrade of Waste Water Treatment Works	R1 496 833	R1 496 833	R4 520 015	-R3 023 182
Parks and Recreation	Zoar: Refurbishment of Sport field	R378 240	R378 240	R0	R378 240
Libraries	UPGRADING OF LIBRARY IN BERGSIG CALITZDORP	R0	R832 803	R5 234 571	-R4 401 768
Water Services	LADISMITH UPGRADING OF WATER NETWORK	R0	R2 026 369	R2 350 985	-R324 616
Water Services	Water Service Infrastructure Grant (DORA) 18-19	R10 000 000	R10 000 000	R7 032 446	R2 967 554
Traffic	Construction of K53 SITE	R500 000	R500 000	R328 013	R171 987

TABLE 32 CAPITAL PROJECTS FOR WATER SERVICES

The table below indicates the water services policy objectives taken from the SDBIP:

Water Service Policy Objectives Taken From IDP					
Service Objectives	2020/2021			2021/2022	
	Outline				
	Service Targets	Target	Actual	Target	Actual
Number of formal residential properties that Receives piped water Connected to the Municipal water infrastructure network as at 30 June 2022	Number of Residential properties which are Billed for water services as at 30 June 2022	4630	4635	4656	4673
	Municipal water infrastructure network as at 30 June 2022				

TABLE 33: WATER SERVICE POLICY OBJECTIVES TAKEN FROM THE ANNUAL PERFORMANCE REPORT - 2021/22 – SOURCE: SAMRAS (MUNICIPAL STATISTICS)

## **3.2 WASTE WATER (SANITATION) PROVISION**

### **SANITATION:**

The majority of households are connected to waterborne sanitation systems in the Kannalandarea. The Municipality is intending to replace all bucket systems with water borne system, however funding needs to be sourced to implement this project.

### **LADISMITH**

Currently, sanitation gravitates to the WWTW which comprises a primary settling tank, bio- filter, and humus settling tank and sludge facilities (anaerobic digester and sludge drying beds).

The Waste Water Treatment Works was refurbished and upgraded through the MIG programme. The following items was upgraded and refurbished:

- The Grit channel walkway
- Cleaning of the Humus tank
- Cleaning of the maturation ponds
- Refurbishment of the primary settling tank
- Replacing the Biofilter with plastic media
- Refurbishment of the humus tank

Upgrading existing sewerage works is urgent as it is over its capacity. No new houses can be built. Challenges are also the flushing of main sewer lines that are full of sediment.

An application was submitted through the WSIG programme to complete the project. Provision of sanitation services at informal housing required.

### **ZOAR**

The majority of households are connected to waterborne sanitation systems in the Kannalandarea. Ten households in Zoar still use the bucket system. This project is listed for future intervention, but the challenge we face is that these houses are opposite the river.

Challenges are that extra staff must be appointed for maintenance of works.

Current situation is that the sewers at dams need to be upgraded and pump stations upgraded. An application was submitted through the MIG programme to refurbish and upgrade the Waste water treatment works and Sewer Pumpstation.

### **CALITZDORP**

The municipality is also planning to replace the septic and conservancy tanks in the coming years by linking those households to the bulk infrastructure network throughout the Calitzdorp area. This project is listed for future intervention.

Normal maintenance work was completed throughout the year under review. No upgrades were implemented for the Waste Water Treatment Works in Calitzdorp.

## VANWYKSDORP

Ninety households in Van Wyksdorp Greenhills area are connected to a waterborne system which gravitates to a package plant for treatment. Provision of services at informal areas is still a challenge and remain a priority.

A new application was submitted through the MIG programme to upgrade the Waste Water Treatment Plant (Package Plant). No upgrades or refurbishments was done for the year under review except for normal maintenance and repairs throughout the year.

The table below indicates the sanitation service levels:

<b>Sanitation Service Delivery Levels</b>		
<b>*Households</b>		
<b>Description</b>	<b>2020/21</b>	<b>2021/22</b>
	Outcome	Outcome
	No.	No.
<b><u>Sanitation/sewerage: (above minimum level)</u></b>		
Flush toilet (connected to sewerage)	4039	4067
Flush toilet (with septic tank)	189	189
Chemical toilet	-	-
Pit toilet (ventilated)	-	-
Other toilet provisions (above mi. Service level)	-	-
<i>Minimum Service Level and Above sub-total</i>	-	-
<i>Minimum Service Level and Above Percentage</i>	-	-
<b><u>Sanitation/sewerage: (below minimum level)</u></b>		
Bucket toilet	-	-
Other toilet provisions (below mi. Service level)	-	-
No toilet provisions	-	-
<i>Below Minimum Service Level sub-total</i>	-	-
<i>Below Minimum Service Level Percentage</i>	-	-
<b>Total households</b>	<b>4228</b>	<b>4256</b>

TABLE 34 - SANITATION SERVICE DELIVERY LEVELS 2020/21 AND 2021/22- SOURCE: SAMRAS (MUNICIPAL STATISTICS)

The tables below indicate the financial performance and capital expenditure for 2020/21 financial year:

**The table below indicates the financial performance for the year under review:**

**SEWERAGE:**

Financial Performance for the financial year 2021/21 to 2021/22: Financial Services					
	2020/21	2021/22	2021/22	2021/22	
Details	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	R8 188 404,21	R15 078 890,00	R16 137 450,00	R9 617 657,90	R6 519 792,10
Expenditure:					R0,00
Employees	R3 019 662,16	R2 826 310,00	R2 826 310,00	R2 945 835,67	<b>-R119 525,67</b>
Repairs and Maintenance	R78 984,06	R322 090,00	R315 090,00	R121 028,64	R194 061,36
Other	R2 655 217,82	R609 978,00	R666 648,00	R446 162,90	R220 485,10
Total Operational Expenditure	<b>R5 753 864,04</b>	<b>R3 758 378,00</b>	<b>R3 808 048,00</b>	<b>R3 513 027,21</b>	R295 020,79

TABLE 35: FINANCIAL PERFORMANCE OF SANITATION SERVICES - 2021/22- SOURCE: AFS

**The table below indicates the capital expenditure for the year under review:**

Capital Expenditure: 2021/22		R23 767 300	R26 638 972	R19 876 269	R6 762 703
Department		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget
Electricity Services	INEP - MINATENANCE OF ELECTRICITY NETWORK	R2 699 000	R2 699 000	R0	R2 699 000
Water Services	Ladismith: Upgrade Waste Water Treatment Works	R5 758 529	R5 758 529	R0	R5 758 529
Water Services	ZOAR NEW BOREHOLE DEVELOPMENT	R2 430 698	R2 430 698	R0	R2 430 698
Municipal Manager	Furniture and Equipment	R80 000	R80 000	R0	R80 000
Chief Financial Services	Furniture and Equipment	R0	R50 000	R85 771	-R35 771
Administration	Furniture and Equipment	R0	R65 000	R8 800	R56 200
Expanded Public Works Programme	LAPTOPS	R0	R12 500	R12 500	R0
Administration	LAPTOPS	R145 000	R80 000	R54 499	R25 501
Executive Council	LAPTOPS	R112 000	R112 000	R248 670	-R136 670
Chief Financial Services	Wireless Infrastructure	R167 000	R117 000	R0	R117 000
Chief Financial Services	Ladismith Upgrade of Waste Water Treatment Works	R1 496 833	R1 496 833	R4 520 015	-R3 023 182
Parks and Recreation	Zoar: Refurbishment of Sport field	R378 240	R378 240	R0	R378 240
Libraries	UPGRADING OF LIBRARY IN BERGSIG CALITZDORP	R0	R832 803	R5 234 571	-R4 401 768
Water Services	LADISMITH UPGRADING OF WATER NETWORK	R0	R2 026 369	R2 350 985	-R324 616
Water Services	Water Service Infrastructure Grant (DORA) 18-19	R10 000 000	R10 000 000	R7 032 446	R2 967 554
Traffic	Construction of K53 SITE	R500 000	R500 000	R328 013	R171 987

TABLE 36: CAPITAL EXPENDITURE SANITATION 2021/2022 SOURCE AFS

Below are the policy objectives taken from the IDP for the financial year under review:

<b>Sanitation Service Policy Objectives Taken From IDP</b>					
<b>Service Objectives</b>	<b>Outline Service Targets</b>	<b>2020/21</b>		<b>2021/22</b>	
		<b>Target</b>	<b>Actual</b>	<b>Target</b>	<b>Actual</b>
Provision of sanitation/sewerage services to formal residential account holders which are connected to the municipal waste water/sanitation/sewerage network and billed for services as at 30 June 2022	Number of formal residential properties which are billed for sewerage services in accordance with the SAMRAS financial system as at 30 June 2022	4215	4228	4247	4256

**TABLE 37: SANITATION SERVICE POLICY OBJECTIVES TAKEN FROM IDP/SDBIP**

## **3.3 ELECTRICITY**

### **ENERGY SECURITY**

Electricity is the main energy source of households. The Kannaland Municipality is responsible for the provision of electricity to Ladismith and Calitzdorp, whilst Zoar and Van Wyksdorp are supplied by ESKOM.

Kannaland infrastructure is outdated and in need of urgent upgrade. The Municipality has over the past four years invested in new infrastructure to ensure secured electricity distribution to businesses and the community. The current substation in Calitzdorp has an electricity usage capacity of 1.7 MVA and the availability of electricity is 1.2 MVA.

No major infrastructure projects were completed, it must be taken into account that the Municipality rendered services to the community of Kannaland.

It is imperative that the electricity infrastructure be maintained at all times in order to identify where upgrading on aged infrastructure is needed. Upgrading and refurbishment of infrastructure will result in a secure revenue stream as well as quality services delivered to the residents of Kannaland. The capital expenditure is a roll over project from the prior year.

The undermentioned close out report from the Manager: Electrical and Mechanical Services provides valuable information of progress made in relation to the unit before his resignation.

It is imperative that the electricity infrastructure be maintained at all times in order to identify where upgrading on aged infrastructure is needed. Upgrading and refurbishment of infrastructure will result in a secure revenue stream as well as quality services delivered to the residents of Kannaland.

### **MAINTENANCE**

Refurbished 10 pumps and 7 delivered by 29th October 2021. 3x48kw Zoar delivered during November 2021. Chemical procured to dissolve the solids in sewage stations as this burns out the pumps. Rhenda has confirmed availability of the chemical. Pole replacement for Ladismith town, Nisserville and some parts of Calitzdorp as some poles are rusty and ageing – MDL to give quote. Maintenance of switchgears for Ladismith and Calitzdorp to be prioritized as maintenance was not done in the past 5 years. Vegetation management required attention with the electrical team cutting trees during power shut down on 28th October 2021.

### **BUDGET**

Budget needs to be split as two sections mechanical and electrical are continually breaking down. Material and supply budget is close to depletion as more meters and other material are needed. The budget of the municipality must also accommodate appointment of securities at the boreholes as theft and vandalism is now rampant

### **TRAINING AND DEVELOPMENT**

Two employees in the unit have been trained assessed and found competent for ORHVS and will undergo practical authorization with two Eskom officials mentoring them towards obtaining their practical authorization. Two officials identified to undergo a trade test and ORHVS for backup of switching off HV& MV lines. Staff be identified to undergo Cherry picker certification as Kannaland

Municipality does not have a certified Cherry picker operator. Staff also be identified to obtain Wireman license for municipality to have people for COC.

### **INEP 2021/22**

Quarter 1 report done and the project is R2 699 000 – Upgrade of electrical infrastructure Ladismith. 1st Payment from department expected on end November 2021 and planning and design will commence. Consultants already appointed for the project A Project status implementation plan is attached.

### **RECRUITMENT**

Memorandums prepared for appointment of electrician in Calitzdorp area. Appointment of staff to be prioritized particularly funded posts in Electrical & Mechanical experiences critical vacancies. Only one municipal official standby in mechanical unit throughout the month and doing electricity complaints. This is a huge risk.

### **AESTHETICS**

We also need to focus on the aesthetics of VWD. If we want to live and work in an ideal environment, we need to pay attention to dilapidated houses in the Centre of town. Owners of said houses should be held accountable. An attractive environment attracts visitors and potential buyers that stimulates the economy significantly. A few examples are Greyton, Graaff- Reinette, Stellenboch, Franchhoek, etc. A suggestion is that an official in the Municipality should be allocated to manage aesthetic matters and co-ordinate with Aesthetic committees in the different towns.

The table below indicates all highlights, challenges and interventions incurred by the municipality:

HIGHLIGHTS	CHALLENGES	INTERVENTIONS
<p>Completion of the upgrade of the Ladismith electricity main sub station</p> <p>Appointment of qualified Manager: Electrical and Mechanical Services</p> <p>Training, Eskom mentoring and certification of staff</p>	<p>Significant financial constraints:</p> <p>Lack of and high staff turnover/ training</p> <p>Fleet, Tools, equipment and materials</p> <p>Safety and security</p> <p>Loas shedding</p> <p>Need for generating alternative energy supply</p> <p>Resignation of Manager: Electrical and Mechanical Services</p> <p>Lack of coordination of departments.</p> <p>No application form for commercial customer</p> <p>Vehicle shortages on electricity &amp; Mechanical</p> <p>Staff shortage</p> <p>Collaborator to be modified to send out reference numbers to customers logging fault.</p> <p>Funding for infrastructure of Ladismith &amp; Calitzdorp i- too old and unreliable.</p> <p>Faulty meters and availability of staff to issue tokens after hours.</p>	<p>Council to review tariff structure</p> <p>Council to look at wayleave by law for the municipality</p> <p>SSEG bylaw and tariff to be drafted.</p> <p>Appointment of securities at borehole sites</p> <p>Application submission for upgrade from 100kva to 200kva and the estimated quote is R265 810.</p> <p>WCPG to assist with review of Energy Master plan</p> <p>Commission a qualified Electrical Engineer to assess the Ladismith Power Network and to compile a Network Distribution Upgrade Plan to be completed in a 4-year timeframe.</p> <p>Upgrade the overhead electricity cables that dates from the 1970's to modern below ground cables and distribution transformers in line with current best practices and standards. (This trenching can be done in conjunction with the laying of Fiber optic cables)</p> <p>Upgrade transformers for distribution.</p> <p>Implement 'n standardized maintenance plan to continuously upgrade and maintain the power network.</p> <p>Implement the Western Cape Provincial Government plan for small scale, grid tie, home electricity generation.</p> <p>Pilot alternative energy generation sources (Solar and nuclear power stations)</p>

TABLE 38: ELECTRICITY HIGHLIGHTS, CHALLENGES AND INTERVENTIONS

Despite the challenges listed, the municipality provide adequate services to their community and businesses.

#### ELECTRICITY SERVICE DELIVERY LEVELS

Electricity Service Delivery Levels		
Households		
Description	2020/21	2021/22
	Actual	Actual
	No.	No.
Energy: (above minimum level)		
Electricity - Conventional	241	226
Electricity - prepaid	3008	3485
Minimum Service Level and Above sub-total	3249	3711
Minimum Service Level and Above Percentage		
Energy: (below minimum level)		
Electricity (< min. service level)		
Below Minimum Service Level sub-total		
Below Minimum Service Level Percentage		
Total number of households	3249	3711

TABLE 39 - ELECTRICITY SERVICE DELIVERY LEVELS 2020-2021 AND 2021/22- SOURCE: SAMRAS (MUNICIPAL STATISTICS)

The tables below indicate financial performance and capital expenditure for 2021/22 financial year:

Electricity Services					
Financial Performance for the financial year 2020/21 to 2021/22: Financial Services					
	2020/21	2021/22	2021/22	2021/22	
Details	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	<b>R56 671 445,97</b>	<b>R74 320 830,00</b>	<b>R68 974 480,00</b>	<b>R71 371 014,78</b>	<b>-R2 396 534,78</b>
Expenditure:					R0,00
Employees	R5 355 214,77	R4 606 574,00	R4 606 574,00	R3 360 272,22	R1 246 301,78
Repairs and Maintenance	R817 130,84	R1 000 000,00	R700 000,00	R658 367,52	R41 632,48
Bulk Purchases	R44 054 090,72	R48 939 947,00	R52 650 000,00	R50 752 318,28	R1 897 681,72
Other	R4 714 217,25	R3 865 315,00	R6 240 982,00	R6 357 192,29	<b>-R116 210,29</b>
Total Operational Expenditure	<b>R54 940 653,58</b>	<b>R58 411 836,00</b>	<b>R64 197 556,00</b>	<b>R61 128 150,31</b>	R3 069 405,69

TABLE 40: FINANCIAL PERFORMANCE PER ELECTRICITY SERVICES - SOURCE: AFS

The table below indicates capital expenditure for the year under review:

<b>Capital Expenditure: 2021/22</b>		R23 767 300	R26 638 972	R19 876 269	R6 762 703
Department		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget
Electricity Services	INEP - MINATENANCE OF ELECTRICITY NETWORK	R2 699 000	R2 699 000	R2 142 213	R556 787

TABLE 41: CAPITAL EXPENDITURE PER ELECTRICITY SERVICES 2021/22 - SOURCE: AFS

The table below indicates the policy objectives as extracted from the IDP and SDBIP.

<b>Electricity Service Policy Objectives Taken From IDP</b>					
<b>Service Objectives</b>	<b>Outline Service Targets</b>	<b>2020/21</b>		<b>2021/22</b>	
		<b>Target</b>	<b>Actual</b>	<b>Target</b>	<b>Actual</b>
Provision of electricity to formal residential account holders connected to the municipal electrical infrastructure network for both credit and prepaid electrical metering. Number of formal residential properties connected to the municipal electrical infrastructure network (excluding Eskom areas) as at 30 June 2022	Number of formal residential properties which are billed for electricity/have pre-paid electricity (excluding Eskom areas) as at 30 June 2022	3382	3249	3131	3711

TABLE 42: ELECTRICITY SERVICE POLICY OBJECTIVES TAKEN FROM THE IDP – 2020/21 AND 2021/22

### 3.4 WASTE MANAGEMENT

#### KANNALAND WASTE PROFILE

Kannaland Municipality operates four licensed landfill sites. Operational sites are situated in Ladismith and Zoar. The landfill site in Calitzdorp is licensed for closure and therefore only organic waste and building rubble is accepted at this site. Household and business waste from Ladismith, Calitzdorp and Zoar are collected on a weekly basis and disposed at the Ladismith and Zoar Landfill sites.

Household and business waste from Van wyksdorp is collected every week and disposed of at the Ladismith landfill site. Factories, namely Ladismith Kaas and Parmalat dispose their waste, mostly commercial and industrial waste at the Ladismith Landfill site at a daily base. The Municipality does not provide waste collection services to farms, but farmers are encouraged to drop off their waste at the various landfill sites.

Ladismith and Zoar has operational licenses in and Calitzdorp and Van Wyksdorp has been licensed for closure.

The following illustrates all licensed landfill sites:

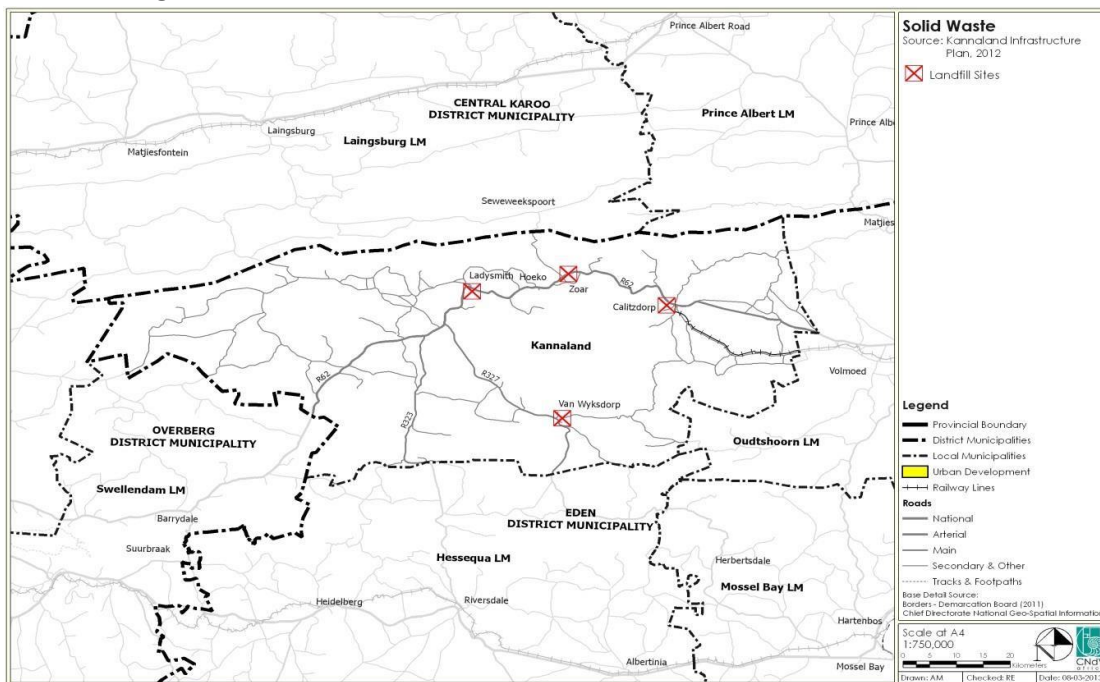


FIGURE 1: LANDFILL SITES – AS INDICATED IN SDF FIGURE 3.4.7.1

#### **LANDFILL SITE: LADISMITH**

The Ladismith landfill site is a licensed facility owned and operated by the KLM which only accepts general domestic, garden and construction and demolition (C&DW) waste. In September 2018 the KLM received a Waste Management Permit for the operation and further development of the Ladismith landfill site in terms of the Waste Act, 2008.



Figure 4: Satellite image of Ladismith landfill site showing permitted boundary of the site in red (source, google earth satellite imagery, accessed)

#### **LANDFILL SITE: CALITZDORP**

The Calitzdorp landfill site is a licensed facility owned and operated by the KLM which accepts garden and construction and demolition waste (C&DW). The site has been issued with a variation license for the operation and closure of the landfill for the period September 2018 to July 2020.



Figure 5: Satellite image of Calitzdorp landfill site showing permitted boundary of the site in red (source, google earth satellite imagery, accessed)

#### **LANDFILL SITE: ZOAR**

The Zoar landfill site is a licensed facility owned and operated by the KLM which accepts general domestic, garden and construction and demolition (C&DW) waste. In September 2018 the KLM received a Waste Management Permit for the operation and further development of the Zoar landfill site in terms of the Waste Act, 2008. The KLM can continue to use the Zoar landfill site until the airspace capacity is reached.



Figure 6: Satellite image of Zoar landfill site showing permitted boundary of the site in red (source, google earth satellite imagery, accessed)

#### **LANDFILL SITE: VAN WYKSDORP**

The Van wyksdorp landfill site is a licensed facility owned and operated by the KLM. The site has been issued with a variation license for decommissioning and closure for the period July 2018 to September 2029. Closure activities have commenced.

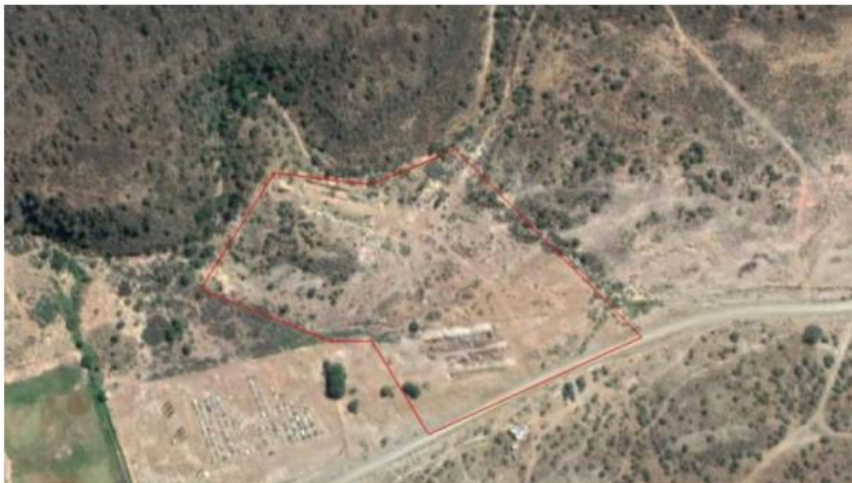
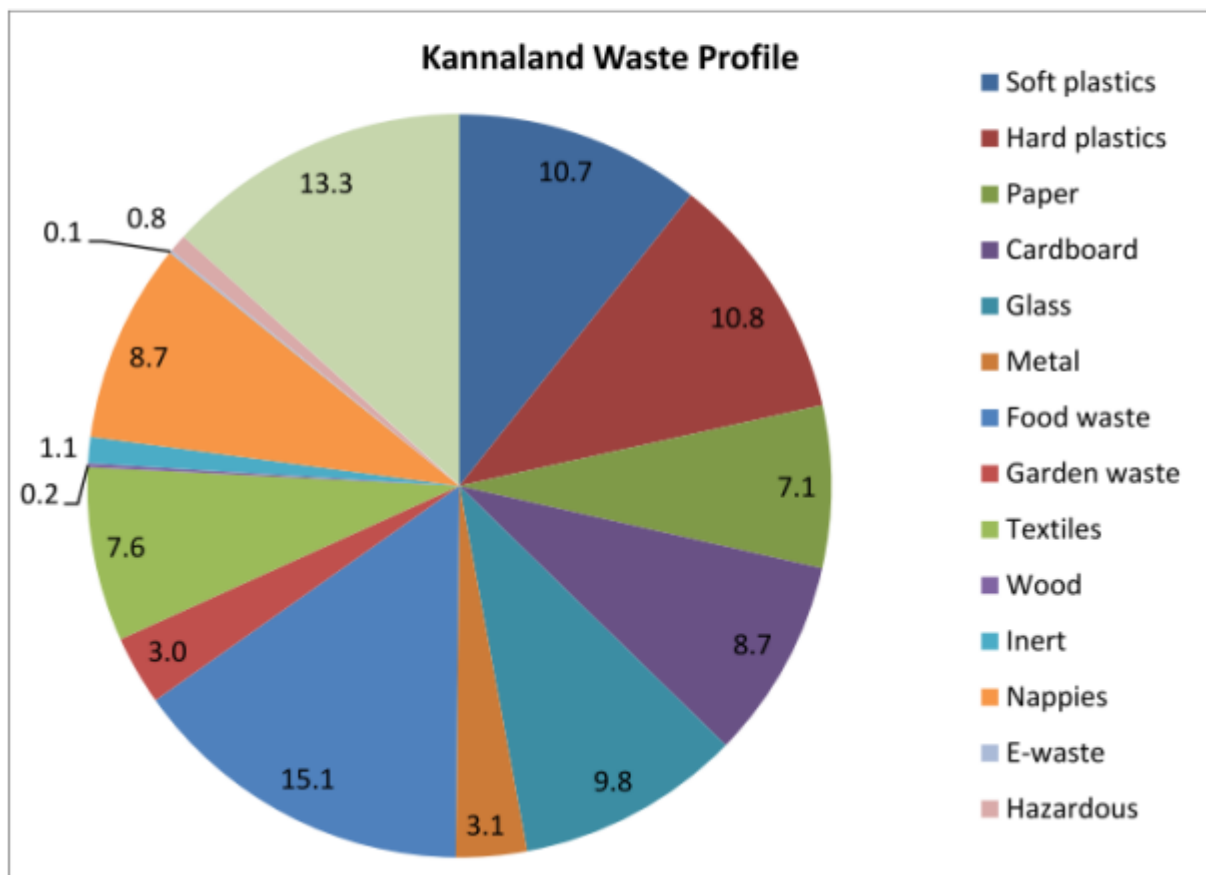


Figure 7: Satellite image of Van wyksdorp landfill site showing permitted boundary of the site in red (source, google earth satellite imagery, accessed)

## KANNALANDF MUNICIPALITY WASTE COLLECTION SERVICE

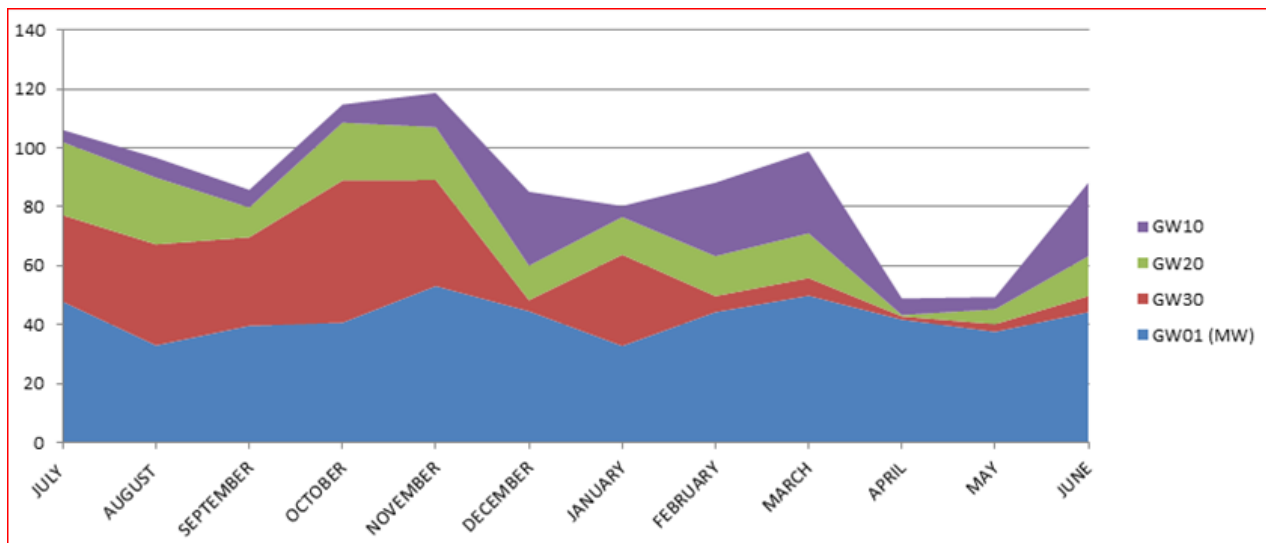
All formal residential erven are receiving a weekly door-to-door waste collection service. Most healthcare risk wastes are managed by private contractors. No significant and formal waste reduction, minimization and avoidance are presently being done. The paid collection rates are as follows:

Service	No of households	% of households
Removed weekly	5186	81.9
Communal refuse dump	231	3.6
Own refuse dump	792	12.5
No refuse disposal	81	1.3
Other	42	0.7



## LADISMITH LANDFILL SITE AND WASTE DISPOSED JULY 2021 – JUNE 2022

The table hereunder depicts the volume in tonnage disposed of for the period 1 July 2021 to 30 June 2022.



## CLEAN-UP IN NISSENVILLE INFORMAL SETTLEMENTS

YCOP, EPWP and municipal staff participated in clean-up campaigns in the informal settlements in Ladismith. Informal settlements are where the challenge for illegal dumping is a constant problem. Although waste is collected weekly, it still gets disposed of illegally. The purpose of this activity was to ensure that the community is being kept clean for the well-being of the residents, to minimize pollution and to maintain a clean environment. Education awareness programs of the benefits of living in a clean and healthy environment is ongoing.



Intensive cleaning and greening educational awareness campaigns are ongoing in collaboration with partnering with the Department of Forestry, Fishery and Environment. Social media campaigns are also

employed to mobilize communities to report illegal dumping and to ensure a safe and healthy living environment.

**TREE PLANTING IN CALITZDORP**

Greening is the mostly used for aesthetic purposes. Most importantly trees serve an important function, they serve as wind breakers during flooding. They also help combat the soil and help reduce the impact of soil erosion. Trees provide shade for the extreme high temperature conditions experienced throughout Kannaland.



## CLEAN-UP LADISMITH CARAVAN PARK



## PLANTING TREES IN LADISMITH LANDFILL

the Department of Forestry, Fisheries and Environment to support the Municipality with its KPA of Parks and Recreation as a purpose of service delivery for the community of Kannaland to create an environment that is not harmful to the people or their health and have their environment protected for the benefit of the present and future generation. The purpose of this activity was to rehabilitate the landfill and also to give it a shape, use the plantations as pathways for the drive way through the landfill, when vehicles are entering to dispose waste. Two different plant species were planted. *Sersia pendulina* and *Dovyalis caffra*. They both grow well in the karoo conditions.



## PLANTING TREES IN VAN WYKSDORP

The amount of 30 trees from the *Sersia pendulina* (Witkaree) and *Dovyalis caffra* (Kei Apple) were also planted in Van Wyksdorp by the DFFE YEC with the Municipal Officials to give aesthetic purpose to the town of Van Wyksdorp. Some were planted in town along the fence for beautification and also to serve as shade for parking. Some of them were planted in degraded lands to combat the soil and give structure. We also planted the Van Wyksdorp rugby field.

Like in all cases its always the same purpose of planting trees. To give shade, to reduce soil erosion and combat the soil, trees also serve as wind breakers when weather conditions are bad, like when we experience natural disasters like flood, cyclones etc.

They serve as habitat for animal species, nesting for birds. They also give us food and we use their byproducts for making paper, furniture.

## PLANTING TREES IN ZOAR NEW CEMETERY

The Community services Manager made this request for the new cemetery to be planted. Therefore, the amount of 50 trees of *Sersia pendulina Sp* and *Doyvalis caffra Sp*. were planted in Zoar. The EPWP team in Zoar assisted in the planting of trees. The foreman responsible in Zoar Mr Barry helped with the transportation of trees from Ladismith to Zoar.

The purpose of this activity was to provide shade for the cemetery during funeral services, the mourners will be able to seat under the trees for shade, or park the cars under the shade. These trees will also serve as wind breakers. They will give the beautification and formality to the cemetery itself.

We also made a pathway and planted some of the trees next to the roadway, where the hearse will drive through when bringing the diseased in the grave yard. Then it will therefore be able to park under the shade while funeral service is in progress

The Kannaland Municipality was awarded two training programmes during December 2021 which are National Certificate: Environmental Practice NQF 2 and Environmental Education, Training and Development



Practice NQF 5. These training programmes would benefit 50 participants each. This project falls under the municipality's goals and objectives which is to build capacity within the Environmental department.

### **CAPACITY BUILDING**

- Noise Basic Training
- Health Risk and Impact Assessment Training
- Emission Management Training
- System for National Atmospheric Emission Licensing (SNAEL) Training
- Tank Emission Modeling
- National Dust Control Regulation Implementation Training
- Collaborator Training
- Introduction to Air Quality Management

### **POLICY DOCUMENTS WERE UPDATED/DEVELOPED:**

- 3<sup>rd</sup> Generation Integrated Waste Management Plan adopted by Council and integrated in the IDP
- Organic Waste Diversion Plan, integrated in the IDP
- Waste Minimization Strategy adopted by Council and integrated in the IDP
- Air Quality Management Plan, adopted by Council and integrated in the IDP
- Awareness Material for Waste Management, Recycling, Illegal dumping and Pollution control were developed

### **INTEGRATED WASTE MANAGEMENT IMPLEMENTATION PLAN**

Much progress can be reported on in terms of waste management during 2021/2022. District support, Policy review, EPWP appointments in the Waste Management unit; inclusion of IWMP review as key performance indicator in 2021/2022 SDBIP; and dedicated staff all attribute to this improvement in performance.

This improvement will be intensified during 2022/23 through the identification of additional KPIs and targets relating to waste management, in particular with regards to:

- Development of an annual waste awareness calendar;
- Documentation of waste awareness campaigns and storing thereof in a central database;
- Intensify efforts on hazardous waste awareness campaigns;
- Intensify waste awareness campaigns at schools and informal settlements;
- Review organogram to ensure all waste management key positions are filled;
- Attendance of GRDM and Provincial IWM IGR Forums (Including JDMA engagements)
- Development of a training schedule for municipal employees and budgeting therefore; (R10 000 per employee)
- Reporting on clean-up of depot;
- Purchase of a waste compactor truck per annum (2023-2026)
- Purchase of a backup truck for refuse collection;
- Review of waste disposal tariffs;
- Finance department to review indigent register;
- GRAP assessments of landfill sites to be conducted annually;
- Annual budget allocation be ring fenced for rehabilitation and closure of landfill sites;
- Conducting annual surveys on remaining airspace available at Ladismith and Zoar landfill sites;
- Develop an organic waste diversion plan and submit to DEADP;

- Implement an in-house recycling programme;
- Roll out and pilot a home composting programme and develop small composting facilities;
- Review waste management by-laws and appoint a waste ranger/peace officer to enforce by-laws.
- Develop waste infrastructure master plans;
- Conduct internal and external audit of all landfill sites.

The section hereunder contains information depicting progress made in relation to the Waste management implementation plan extracted from the 3rd Generation Integrated Waste Management Plan:

No.	Action	Priority	Timeframe	Budget	Progress
1.1.1	KLLM to continue to report on the IPWIS system for Ladismith and Zoar landfill sites. Waste data to also be reported for Calitzdorp and Van Wyksdorp.	High	2019 -2024	Nil. To be undertaken internally	Ongoing
1.1.2	Gate controllers to be stationed at all municipal facilities to record incoming waste.	High	2019 - 2024	R100,000pp	2 controllers stationed at Ladismith landfill
1.1.3	All new gate controllers to undergo DEA&DP waste calculator training prior to commencing work, and all existing gate controllers to undergo refresher training.	High	2019 - 2024	Nil	Done
1.1.4	All municipal waste facilities are registered and reporting on the GRWMIS.	High	2019 - 2024	Nil. To be undertaken internally	Done

1.1.5	Domestic waste characterisations are undertaken once every 3 years. A representative sample is used from different suburbs across the municipality	Low	2022, 2025	Nil if undertaken internally	Done next study to be undertaken in 2022
1.1.6	KLLM to support the ongoing implementation of the GRWMIS.			Nil. To be undertaken internally	Ongoing
1.2.1	Undertake annual performance reviews of this IWMP, and send reports to GRDM and DEA&DP.	High	2019 - 2024	Nil. To be undertaken internally	Done Needs to be reviewed and sent to GRDM and DEA&DP
1.3.1	Develop an inventory of all internal waste related data sets.	High	2019 - 2024	Nil. To be undertaken internally	Done
1.3.2	Develop systems for effectively capturing and storing waste data sets identified in the above inventory, such that they are readily available.	High	2019 - 2024	Nil. To be undertaken internally	Done
2.1.1	Develop an annual waste awareness calendar ( <i>to be developed at the beginning of each financial year</i> ).	High	2019 - 2024	Nil. To be undertaken internally	Ongoing
2.1.2	Dedicated employees for waste education and awareness to be appointed, key performance indicators (KPIs) to be included in their formal job descriptions.	High	2019 - 2024	~R200,000 per annum (salary to be according to KLLM grading policy)	No progress YCOP does awareness in the
2.1.3	Waste awareness campaigns undertaken should be well documented and records regarding awareness campaigns should be stored in a central database.	High	2019 - 2024	Nil. To be undertaken internally	Ongoing
2.1.4	KLLM to make use of existing GRDM waste awareness materials, these may need to be	High	2019 - 2024	Nil. To be undertaken internally	Ongoing

	translated and made available in Afrikaans.				
2.1.5	The GRDM waste mascot is to be incorporated into future waste awareness materials.	High	2019 - 2024	Nil. If design of awareness materials can be undertaken internally	Ongoing
2.2.1	KLLM to support the GRDM with hazardous waste awareness programmes with business and industry. These programmes should focus on what constitute hazardous waste and how it should be managed.	Medium	2020/21	Nil. GRDM to fund the cost for advertising, venues and catering for meetings/ workshops	Ongoing
2.2.2	KLLM to undertake hazardous waste awareness programmes with the public with a focus on HHW.	Medium	2019 - 2024	Nil	Ongoing
2.2.3	KLLM to undertake in-house hazardous waste training and a clean-up of the depot.	High	2019 - 2024	Nil to be undertaken internally.	KLLM
2.2.4	KLLM should encourage registration of hazardous waste generators on the GRWMIS.	Medium	2019 - 2024	Nil. To be undertaken internally	KLLM
2.3.1	Waste awareness campaigns to be undertaken at all schools in the KLLM. School recycling competitions to be implemented.	High	2019 - 2024	No additional labour cost if the same resource listed under 2.1.2 fulfils this role. A travel budget for waste awareness staff	Ongoing
3.1.1	The cleansing services department's organogram is to be reviewed to determine if sufficient positions are listed to allow implementation of this IWMP. All key positions should be filled.	High	2020/21	Nil. The review of the organogram can be undertaken internally. Budget will be required	KLLM

				to fill vacancies	
3.1.2	Implementation of the IWMP to be added as KPIs to the Waste Manager or supervisors performance evaluation criteria.	High	2019 - 2024	Nil.	KLLM
3.1.3	Training schedule to be developed with training needs for employees at different levels identified.	High	2019 - 2024 (annually)	Nil. No budget will be required to identify training needs	KLLM
3.1.4	KLLM to implement the training needs of employees identified in 3.1.3.	High	2019 - 2024	The training costs will depend on identified course. An average budget of ~R10.000/course/pers on should be allocated. Some courses e.g. DEA&DP courses will be free of charge	KLLM
3.1.5	KLLM WMO to attend quarterly GRDM WMO forum meetings and provincial forum meetings.	Medium	2019 - 2024	TBC – travel costs	KLLM
4.1.1	KLLM to develop and implement a vehicle maintenance and replacement plan.	High	2019 - 2024 (reviewed annually)	Nil. To be undertaken internally	KLLM
4.1.2	KLLM to purchase 1 new waste compactor truck per year	High	2020 - 2024	R1,500,000 per truck	KLLM
4.1.3	KLLM to ensure there is at least one backup truck for refuse collection.	High	2020	Nil. Old trucks to be kept as backups	KLLM
4.2.1	Waste specifications to be developed for all future municipal and private developments (e.g. road widths and provision for drop-of centres).	Medium	2019/20 (reviewed annually)	Nil. To be undertaken internally	KLLM

4.3.1	Waste disposal tariffs are informed by a full cost accounting exercise, tariffs are reviewed annually to determine if they are still accurate.	High	2019/20 (reviewed annually)	Nil. To be undertaken internally	KLLM
4.3.2	KLLM should develop a list of serviced and un-serviced areas and ensure that all areas serviced by the municipality are billed for the waste collection service they receive.	High	2019/20 (reviewed annually)	Nil. To be undertaken internally	Done by finance department
4.3.3	KLLM to ensure the indigent register is reviewed annually.	Medium	2019/20 (reviewed annually)	Nil. To be undertaken internally	Done by finance department
4.4.1	GRAP assessments of the landfill sites are undertaken on an annual basis and an annual contribution is made into a budget allocated for the closure and rehabilitation of the landfill sites. Funds set aside for the rehabilitation and closure of landfill sites should be ring-fenced.	High	2019 - 2024 (annually)	R 60,000 per annum per site. The cost will include a tachometric survey to determine remaining airspace	KLLM

4.5.1	KLLM to undertake surveys of remaining airspace at the Zoar and Ladismith landfill sites.	High	2019 - 2024 (annually)	Budget contained under 4.4.1	KLLM
4.5.2	The KLLM to undertake a phase 1 site selection study for a new regional site, extension of the Zoar and Ladismith sites should be considered.	Medium	2020/21	R 300,000	KLLM
4.5.3	The KLLM to secure funding for the appointment of consultants to assist with the site selection process (short term) and funds to construct the regional site (medium – long term).	Medium	2020/21	Nil. To be undertaken internally	KLLM
5.1.1	The KLLM should implement a pilot separation at source programme (2 bag system) in Ladismith.	High	2020	R 200,000 per annum	KLLM
5.1.2	The KLLM should implement pilot swop shops and buy back centre programmes.	Medium	2020	R 60,000 per annum to provide limited stock to the facilities	KLLM
5.1.3	Drop-off facilities for recyclables to be constructed in Ladismith (2021), Calitzdorp (2023), Zoar (2025), Van Wyksdorp (2027)	Low	2021 - 2027	R 3,000,000 per facility	KLLM
5.1.4	The KLLM should implement an in-house	Medium	2020	Nil if a recycling	KLLM

	recycling programme. Records of waste collected through this system to be reported separately by the service provider who collects the recyclables.			company can provide bins and collect free of charge	
5.2.1	Develop an organic waste diversion plan and submit to DEA&DP	Medium	2020/21	Nil. To be undertaken internally	Done
5.2.2	The KLLM should roll out a pilot home composting programme.	Medium	2020/21	R 40,000	Rolled out to 30 households in Zoar, hence the project was not successful
5.2.3	The KLLM should develop and submit an organic waste diversion plan to DEA&DP.	High	2019/2020	Nil. Done internally	Done
5.2.4	The KLLM should implement the organic waste diversion plan.	Medium	2020 - 2024	TBC	KLLM
5.2.5	The KLLM should develop small composting facilities (less than 10 tonnes/day) in Ladismith, Van Wyksdorp, Calitzdorp and Zoar.	Medium	2021/22	R 1 000,000	KLLM
5.2.6	The KLLM to provide drop-off facilities for garden waste at all existing and proposed waste management facilities.	Medium	2021/22	R 50,000 per facility to add garden waste drop-off facilities. The cost of establishing drop-off facilities is covered under 5.1.3.	KLLM
6.1.1	Review the Integrated Waste Management By-laws (2013) and make provision for a fines schedule.	Medium	2021	R 50,000	KLLM
6.1.2	Appoint a waste ranger and peace officers to enforce the by-laws.	Medium	2021 - 2024	R350,000/ annum	KLLM
6.1.3	Undertake clean-up campaigns in areas where litter and illegal dumping is prevalent. These can be undertaken in association with local schools, environmental	Medium	2020 - 2024	Nil.	Ongoing

	organisations or communities and used as waste awareness campaign.				
6.1.4	KLLM to undertake illegal dumping surveys to determine the location of illegal dump sites and composition of waste being dumped.	Medium	2020 - 2024 (biannually)	Nil. To be undertaken internally	Done in 2019
6.2.1	Ensure that the Ladismith and Zoar landfill sites are managed and operated according to their license conditions.	High	2019 - 2024	TBC	KLLM
6.2.2	Comply with closure license for the Van Wyksdorp and Calitzdorp landfill sites.	High	2019	TBC	KLLM
6.2.3	Investigate potential historic landfill sites and determine the way forward for the sites in consultation with DEA&DP.	Medium	2020/21	Nil. To be undertaken internally	KLLM
6.2.4	The KLLM should undertake internal audits of all waste facilities at the frequency specified in their waste management license or registration.	High	2020 - 2024	Nil. To be undertaken internally	Ongoing
6.2.5	All relevant KLLM employees to be trained on auditing principals to allow them to undertake internal audits.	Medium	2020/21	R6,000/pers on/ course	Ongoing
6.2.6	Annual external audits of all landfill sites.	High	2020 -2024	R30,000/ann um/landfill site excluding tachomateri c surveys, airspace determinati on and monitoring	Last external audits were conducted in 2019
6.3.1	Closure of Van Wyksdorp landfill site to be undertaken in accordance with the license	Medium	2019 – 2028	R4,300,000	KLLM
6.3.2	Closure of Calitzdorp landfill site to be	Medium	2020 - 2025	R17,000,000	KLLM

	undertaken in accordance with the license				
7.1.1	The KLLM to develop a waste infrastructure masterplan to guide the development of waste facilities over the next 5 – 15 years. The infrastructure masterplan must consider small composting facilities for each town.	Medium	2020/21	R 250,000	KLLM

TABLE 43: INTERGRATED WATSE MANAGEMENT IMPLEMENTATION PLAN

The table below indicates the capital performance:

Refuse					
Financial Performance for the financial year 2020/21 to 2021/22:					
Financial Services					
	2020/21	2021/22	2021/22	2021/22	
Details	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	R7 854 547,37	<b>R15 577 970,00</b>	<b>R17 170 370,00</b>	<b>R9 626 677,58</b>	R7 543 692,42
Expenditure:					R0,00
Employees	R7 526 087,39	R6 558 709,00	R7 018 008,00	R6 792 044,32	R225 963,68
Repairs and Maintenance	R917 002,46	R1 361 090,00	R1 351 090,00	R539 636,74	R811 453,26
Other	R6 567 217,76	R2 070 178,00	R2 080 178,00	R472 529,56	R1 607 648,44
Total Operational Expenditure	R15 010 307,61	<b>R9 989 977,00</b>	<b>R10 449 276,00</b>	<b>R7 804 210,62</b>	R2 645 065,38

TABLE 44: FINANCIAL PERFORMANCE OF SOLID WASTE MANAGEMENT SERVICES – AFS

No capital expenditure was incurred on waste management services during 2021/2022

Capital Expenditure 2021/22: Waste Management Services					
R' 000					
Capital Projects	2020/21				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	0		

TABLE 45: CAPITAL EXPENDITURE –WASTE MANAGEMENT SERVICES – SOURCE AFS

The table hereunder indicates the policy objectives for waste management services as extracted from the IDP and SDBIP.

<b>Waste management Service Policy Objectives Taken From SDBIP/IDP</b>					
<b>Service Objectives</b>	<b>Outline Service Targets</b>	<b>2020/21</b>		<b>2021/22</b>	
		<b>Target</b>	<b>Actual</b>	<b>Target</b>	<b>Actual</b>
Number of formal residential properties for which refuse is removed at least once per week and billed for the service as at 30 June 2022.	Number of formal residential properties which are billed for refuse removal services as at 30 June 2022	4535	4537	4546	4551

**TABLE 46: WASTE MANAGEMENT SERVICES POLICY OBJECTIVES TAKEN FROM THE IDP – 2020/21 AND 2021/22**

## 3.5 HOUSING

Kannaland Municipality appointed CHS Developments as Implementing Agent for the development and construction of low-cost houses and associated infrastructure for the Municipality in terms of Regulation 32 of the Municipal Supply Chain Regulations with effect from October 2019 for a three-year period.

Applications were submitted during the course of 2019 to the Western Cape Provincial Department of Human Settlements for the following projects:

1. Parmalat site, Ladismith where 280 housing units will be developed;
2. Middleton Street site with 78 Finance Linked Individual Subsidy (FLISP) housing units. This project subsequently changed from FLISP (GAP) housing to Community Residential Units (CRU).
3. Upgrading of Informal Settlement (UISP) in Zoar, where an informal settlement will be formalized. After completion of the project residents of the informal settlement will have access to basic services. At the moment residents of the informal settlement do not have access to basic services.
4. Zoar Maxi's site, where 100 housing units will be developed.

Some of our less fortunate experiences were the fact that the Municipality could not deliver basic services to informal settlements to a certain extent. A challenge which we are facing is the fact that bulk services cannot be delivered in informal settlements because plots in these areas which cannot be formalized.

A constraint which hampers service delivery in the informal settlements is the absence of bulk basic services which cannot be delivered to some of these settlements. Environmental Impact Assessments have to be conducted to ascertain whether these areas occupied to erect informal settlements are conducive for occupancy. Applications to deliver bulk basic services in informal settlements were submitted to Municipal Infrastructure Grant (MIG) through Technical Services Department in March 2018. The application was however declined because the plots were not registered.

The provision of affordable housing is a high priority for the Municipality. Challenges do exist with regards to the capacity of bulk infrastructure services with specific reference to waste water treatment works, water storage and water works. This has delayed the delivery of housing projects over the past few years which has resulted in the significant increase on the housing demand.

The Municipality developed a Human Settlement Allocation Policy which regulates the housing demand and the allocation of housing opportunities to the different categories on our Housing Demand Database.

No houses have been built during the year under review but a significant number of title deeds for houses were transferred to respective beneficiaries across the municipal area.

The tables below indicate the financial performance and capital expenditure for 2020/21 – 2021/22 financial year:

<b>Housing</b>					
<b>Financial Performance for the financial year 2020/21 to 2021/22: Financial Services</b>					
	<b>2020/21</b>	<b>2021/22</b>	<b>2021/22</b>	<b>2021/22</b>	
Details	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	<b>-R35 526,70</b>	<b>R6 100 000,00</b>	<b>R1 721 000,00</b>	<b>R531 804,50</b>	R1 189 195,50
Expenditure:					R0,00
Employees	R860 455,94	R1 000 900,00	R1 022 110,00	R966 037,21	R56 072,79
Repairs and Maintenance	R0,00	R0,00	R0,00	R0,00	R0,00
Other	R16 364,18	R6 141 640,00	R1 762 640,00	R547 488,83	R1 215 151,17
Total Operational Expenditure	<b>R876 820,12</b>	<b>R7 142 540,00</b>	<b>R2 784 750,00</b>	<b>R1 513 526,04</b>	R1 271 223,96

TABLE 47: FINANCIAL PERFORMANCES OF HOUSING SERVICES - SOURCE: AFS

No capital expenditure incurred for housing development for the year under review.

### 3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

Free basic municipal services are rendered to all urban areas and some rural areas within the municipal boundaries. The objective of Kannaland Municipality is to ensure that the procedures and guidelines, regarding indigent household subsidies, are known to all.

This action is usually done through public participation meetings, ward committee meetings and councilor feedback meetings. Applications for a subsidy can be made with the assistance of a person in charge of permanent offices in the areas.

Special drives are also performed in the different wards where the community is invited to come and apply for a subsidy at a hall nearby or municipal offices and where they are also assisted with the completion of the applications.

The tables below indicate the households that received free basic services:

Free Basic Services to Low Income Households								
	Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse	
	Access	%	Access	%	Access	%	Access	%
2020/21	2479	100%	2479	100%	2479	100%	2479	100%
2021/22	2279	89%	2279	89%	2279	89%	2279	89%

TABLE 48: FREE BASIC SERVICES TO LOW INCOME HOUSEHOLDS - SOURCE: SAMRAS (MUNICIPAL STATISTICS)

There has been a decline in the number of indigents registered from 2020/2021 to 2021/2022. Councilors are encouraged to conduct door to door visits to encourage registration of indigents.

## **COMPONENT B: ROAD TRANSPORT**

This component includes: roads; transport; and waste water (stormwater drainage).

### **3.7 ROADS AND STORM WATER**

#### **MUNICIPAL ROADS**

The Municipality is responsible for the maintenance of roads within the four (4) towns (Ladismith, Calitzdorp, Zoar and Van Wyksdorp).

The Municipality is aware of the challenges with regard to road maintenance in Ladismith and is planning to upgrade all the streets and pavements in Ladismith in the next few financial years. During the 2020/21 financial year, operational maintenance commenced and potholes were filled as a temporary measure.

Storm water systems exist in most of the residential areas. In informal and low-cost housing areas. Daily maintenance consists of opening and cleaning catch pits, manholes, side drains and open channels.

No capital expenditure incurred for the year under review. Challenges in funding projects remain unchanged, however it should be taken into consideration that business plans have been submitted to address the road and storm water backlogs as outlined in the IDP.

## COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

### 3.8 PLANNING

#### 3.8.1 INTEGRATED DEVELOPMENT PLANNING AND DEVELOPMENT

The critical vacancy in the position of Manager: IDP, LED and PMS was filled on 1 July 2021 following the resignation of the Manager: IDP and PMS during March 2021. The undermentioned integrated development planning and public participation engagements were undertaken during 2021/2022:

##### 3.8.1.1 IDP PUBLIC PARTICIPATION STAKEHOLDER ENGAGEMENTS

The table below indicates the community engagement sessions with the stakeholders in the four wards: Please note this table indicates only the final phase of the public participation:

2021/2022 KANNALAND MUNICIPALITY PUBLIC PARTICIPATION				
No.	Project/Programme	Public participation activity undertaken	Venue	Dates
1.	Drafting of IDP Process Plan and Time Schedule	Strategic Council and Management workshop	Protea Hotel (George)	16/17 Sept '21
		Advertised on municipal website	Mun Website	Sept '21
		Municipal library – document dissemination	Mun Libraries	July-Sept '21
		Ward Committee meetings held in each ward	Ward 1-4	July -Sept '21
		WC Provincial Parliament Stakeholder engagement	Oakrest Ladismith	22 Sept '21
2.	Drafting LED Strategy	Meeting with Kannaland Ratepayers Association President George Loubser	IDP Office Fire Station	26 October '21
3.		Meeting with Tourism Bureau	Tourism Office	29 Sept '21
4.		Kannaland Business Survey: Impact of Covid-19 on local economy	All towns in Kannaland	Oct – Nov '21
5.		Meeting with CPA, Casidra, Amalenstein Farming Community, Zoar, Traditional Leaders and Institute of Justice Resolving	Amalenstein	4 Nov '21
6.	Integrated Waste Management Plan	Advertised the IWMP on municipal website for public comment and discussed it at ward committees and Council Strategic/Management workshop at Protea Hotel George	Municipal website, libraries. Ward committee WhatsApp group	Oct '21
7.	Review of Disaster Management Plan	Meeting held with Garden Route DM to review DM Plan. (Process in progress)	Ladismith Library	6 Oct '21
8.	JDMA (One Plan)	Advertised for public comments on municipal website, item submitted to Mayco	Mun website	Aug '21
9.	The role of traditional leaders in Council	Meetings held with traditional leaders in Ladismith and Zoar (Ataqua and Hessequa Traditional houses) Ongoing. A WCP Parliament stakeholder engagement planned for January '22	Fire Station Ladismith	Oct – Nov '21
10.	Covid-19 Vaccination drives	Advertised weekend covid vaccination and other drives on municipal website and Facebook page	Website and Facebook	Ongoing

2021/2022 KANNALAND MUNICIPALITY PUBLIC PARTICIPATION				
11.	Western Cape Provincial Parliament	Thetha Nathi workshop held explaining the role and function of WC Provincial Parliament	Oakrest, Ladismith	23 November 2021
12.	Ward Committee Establishment Process Plan	Process plan developed and item to be submitted to incoming council. Communication campaign to commence in due course.	Facebook, municipal website	Nov-Dec '21
13.	Western Cape Provincial Parliament	Petition workshop conducted by WCPP	Oakrest, Ladismith	29 March 2022
14.	Kannaland IDP/PMS and Budget Public participation Stakeholder engagement	Discussion workshop on Draft Predecessor IDP with amendments	All wards	February 2022
15.	Kannaland IDP/PMS and Budget Public participation Stakeholder engagement	Discussion workshop on Final Predecessor IDP with amendments	All wards	April 2022
16.	Kannaland Ward Committee Induction Training	Workshop on operational plans; role and function of ward committees; Ward Committee Constitution	Parkside Guesthouse WCPG: PP. Kannaland Municipality and Ward Committees	27 May 2022
17.	GRDM IDP Rep Forum	Inputs into Final Predecessor IDP with amendments	Mossel Bay	05 May 2022
18.	Drafting 5 <sup>th</sup> generation Predecessor IDP with amendments	Consult and workshops held with community, staff and council	All wards; Council; business chambers; rate payers association; council, staff	31 March 2022
19.	Final adoption of 5 <sup>th</sup> generation Predecessor IDP with amendments	Consult and workshops held with community, staff and council	All wards; Council; business chambers; rate payers association; council, staff	31 May 2022
20.	Policy/Strategy review and updating	LED Strategy, Tourism Strategy; Ward Committee policy; Draft Client services charter; PMS Policy Framework; Communication Strategy; IDP Process Plan; with workshops	All wards; Council; business chambers; rate payers association; council, staff	2021/2022

TABLE 49: KANNALAND PUBLIC PARTICIPATION STAKEHOLDER ENGAGEMENTS

### 3.9 BUILDING CONTROL

The Municipality provides a full spectrum of town planning and building control services within the administrative area. The Division Town Planning and Building Control also includes a compliance component which is responsible for the enforcement of the regulations relating to municipal planning and building control, as well as environmental issues – this must be enforced by a bylaw which the Municipality does not consist of yet.

In terms of spatial planning, there is no capacity within the municipality to assist in running the process. The Department of Environmental Affairs and Planning assisted to start with the process of amending the SDF. The Municipality raised the challenges at the Back to Basics with regards to funding or sourcing expertise to support in this matter.

Since the lockdown started, a number 50 building plans have been approved and implemented.

### 3.10 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM)

The LED and Tourism Strategy were updated during 2021/2022 and incorporated into the Predecessor 2022-2027 IDP with amendments. This was conducted inhouse by the Manager: IDP, LED and PMS.

A platform has been developed for continuous interaction between business sectors, political leadership, the administration and community to build a common understanding on Local Economic Development objectives and outcomes linked to the IDP. Kannaland Business Chambers are regularly engaged on developmental issues and their inputs into the process has been incorporated into the IDP which is reported on at the community stakeholder participation engagements bi annually.

The objective of the EPWP Phase 4 program is to provide work opportunities and income support to poor and unemployed people through labor intensive work. Various projects have been approved by Council for implementation and the Municipality managed to achieve the target as set out.

The tables below will show the jobs created through EPWP programmed during the year underreview:

<b>EPWP Projects</b>  <b>2021/22</b>	<b>Jobs created through EPWP projects</b>  <b>No</b>
IG FIRE AND RESCUE AND LAW ENFORCEMENT	12
IG COVID 19 SCREENING AT MUNICIPAL OFFICES AND HR AND FINANCIAL INTERNS	12
IG CLEANING TOWNS AND COMMUNITY OF KANNALAND	25
IG WATERWORKS AND SEWERAGE CLEANSING	35
IG CLEARING ILLEGAL DUMPSITE AND WASTE MINIMIZATION	20
IG BEAUTIFICATION OF PARKS IN KANNALAND	19

TABLE 50: JOBS CREATED THROUGH EPWP

## TOURISM

The IDP recognizes tourism as one of the key economic sectors in the municipality, calling for the development of a tourism master plan or a municipal wide tourism strategy. The local tourism offices need urgent support from the government department to assist in either funding of programs or the development of each town.

The tourism sector can contribute significantly to the reduction of unemployment. Kannaland's local economy is built on the opportunities created by tourists visiting the area. It is essential that the tourism industry be further developed and investment into this industry be promoted to ensure continuous growth. The aim is that each town should have a tourism satellite office which will reside under the Kannaland Tourism umbrella.

Each town has its unique economical set-up and programs. Given the above, Garden Route District Municipal Council has passed a resolution to support Kannaland Municipality with the development of a tourism strategy; this tourism strategy aims to transform Kannaland into a viable tourist destination to improve local economy.

Kannaland has entered into a Memorandum of Agreement with the Ladismith and Calitzdorp Tourism Bureaus. Business and action plans have been developed and are being implemented. The purpose of the tourism bureaus is to promote and market tourism and tourism products offered locally and to create tourism corridors with neighboring towns. Kannaland has budgeted R160 000 per annum for each of the tourism bureaus who receive a quarterly stipend amounting to R40 000 per quarter. Both concerns have been externally audited and are considered going concerns. The intention is to adopt an integrated development approach to tourism promotion through the involvement of all sectors. The bureaus have been actively involved in clean-up projects, restoration of heritage sites (Stanley se Liggie) and hiking trails, youth development, promoting safety and security for tourists and community; skills mecca participation. website and face book social media marketing of the area, social initiatives relating to the street children social programme. Products of local entrepreneurs are marketed and events and festivals organized and supported.

Declaration of Loans and Grants made by the municipality: Year 0					
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value Year 2020/2021 R' 000	Value Year 2021/2022 R' 000	Total Amount committed 2022/2023
Calitzdorp Tourism Bureau	Promoting and marketing tourism in Calitzdorp	Business and action plan	R160 000	R160 000	R160 000
Ladismith Tourism Bureau	Promoting and marketing of Tourism in Ladismith	Business and action plans	R160 000	R160 000	R160 000

TABLE 51: DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY:

## **COMPONENT D: COMMUNITY & SOCIAL SERVICES**

### **3.11 LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; THEATRES, ZOOS**

#### **LIBRARIES**

The municipality renders the library service on an agency basis for the Provincial Government which is funded 100% through grants (Municipal Replacement fund and Conditional Grant) The municipality views the libraries as key to developing the human capital, encouraging people to equip themselves with knowledge and skills in order to lead quality lives.

#### **Kannaland Library Services**

Removal of objects from stock take place due to various reasons, this can be due to stock losses or old and outdated items that are sent back to regional libraries. Objects are added to the stock on a quarterly basis but due to budget cuts only a few items are added per annum.

Ladismith Public Library is currently operating at its full capacity. An electronic lending system SLIMS has been introduced successfully since September 2011. The circulation with reference to the number of registered users remains high. The RLCP Program has been successfully introduced. The library still struggles to render a service which fills the void created by weak school libraries. Staff in the Ladismith Library attend to the information needs of learners. The library is in need of additional space for individual learners and those working in groups and transport the visit remote farm communities.

The library provides free internet access to users for which the demand is high and increasing due to the effective management of the service. Expansion is vital and is being addressed presently. Additional computers with internet access will be provided.

#### **Calitzdorp Library**

Calitzdorp Library is currently operating at its full capacity. The SLIMS electronic lending system has been introduced October 2017; the library has three computers with internet access for users.

#### **Zoar Library:**

Zoar library is currently operating at its full capacity. The SLIMS electronic lending system has been introduced since March 2019 the library has two computers with internet access for users. With an upgrade of 4 new computers in 2020. The library has lots of outreach and literacy programs for young children. This includes a newly established reading club for young adults during the winter periods.

### **Van Wyksdorp Library**

The operating hours were extended. Morning hours were minimized to five hours (8:00 – 13:00) Mondays to Fridays. Extension of the afternoon hours (13:30-16:00) to benefit learners and premises occupied presently are in the process of being reviewed. Van Wyksdorp Library is fully functioning on the SLIMS lending system for libraries and has three computers with internet access for the public and learners.

### **Hoeko Library**

The Hoeko valley are located 13 KM outside of Ladismith with a population of round about 600 people living there and a well-known for its seasonal fruits. Kannaland Library Service has a long and fruit full history with the people of Hoeko out of this relationship were and by working closely with the Department of Education came this idea to light to open a satellite library for the people of Hoeko. A manual system is still used at the Hoeko Library.

The opening of the Hoeko library were on the 06th of March 2022.

### **Bergsig Library**

The Bergsig Library are the 7th oldest Library in the Garden Route District. The library was closed in the early 2000. Since then, the community of Bergsig had been asking for the reopening of the Bergsig Library. In 2019 the municipality wrote a proposal to the provincial Department of Sport and Recreation for the repair and reopening of the old Bergsig Library. An amount of R650 000 were allocated for the upgrade of the Bergsig library in the 2020/2021 financial year. Additional funding was requested and were approved for the 2021/2022 financial year. The upgrade of the Bergsig library were completed in March of 2022.

Bergsig Library is fully functioning on the SLIMS lending system for libraries and has two computers with internet access for the public and learners

The opening of the Bergsig Library was on the 6th May 2022.

### **Library Outreach Programs and Displays**

- Libraries must facilitate outreach programs and market library material and services available through the following programs.
  - School Holiday Programs
  - After school Programmes
  - Literacy Programmes
  - Book Clubs
  - Service to old age homes
  - National days
  - Library week programmes
  - Library orientation and book education (Grade R and new library patrons)

- Educational Programmes for the community.
- Arts and Craft workshops
- Library Displays are used to market national day, library Collections and various community related matters.

Library outreach programs have been conducted to raise educational awareness amongst scholars and adult users. Kannaland library service has been liaising with various stakeholders to ensure that outreach programs are successful and that it reaches the bulk of Kannaland communities.

The table below illustrates the highlights and challenges experienced by Library Services.

#### HIGHLIGHTS

HIGHLIGHT	HIGHLIGHT DESCRIPTION
<b>Bergsig Library</b>	Opening of Bergsig Library
<b>Hoeko Mini Library</b>	Opening of Hoeko Library
<b>Library Week</b>	Is Celebrated on an annual base during this week library staff create awareness on reading and the importance of libraries in communities
<b>Outreach Programs (16 Days of Activism, World book day, National Book Week and school holiday programs.</b>	Over the past year Kannaland Library Service had great success with outreach programs
<b>Internet Access to all Kannaland Communities</b>	Five of the Kannaland Libraries has internet Access for public use.

#### CHALLENGES

CHALLENGES	DESCRIPTION
<b>Covid-19</b>	During the Covid-19 Service delivery was hampered
<b>Loadshedding</b>	During Loadshedding library cannot function to their full capacity

TABLE 52: LIBRARY SERVICES HIGHLIGHTS AND CHALLENGES

## KANNALAND LIBRARY SERVICE OUTREACH PROGRAMS

### OPENING OF BERGSIG LIBRARY

#### OPENING OF BERGSIG LIBRARY

06 MAY 2022

The Bergsig library is one of a few libraries that has a collection of isiXhosa books this is to expose children in our communities to other languages.

The picture below illustrates Ms. Adri Julies reading to children in isiXhosa and explaining to them the importance of speaking other languages.

#### OPENING OF HOEKO LIBRARY

04 MARCH 2022

The WCPG funded the construction of the new mini Hoekoe Library which was unveiled on 4 March 2022.

Community outreach is important as it encourages library users to understand which services are available and provides scholastic support to learners.



### BERGSIG LIBRARY STORY HOUR



MS ADRI JULIES READS IN ISIXHOSA

The tables below indicate the financial performance and capital expenditure for the year under review:

Libraries					
Financial Performance for the financial year 2020/21 to 2021/22: Financial Services					
	2020/21	2021/22	2021/22	2021/22	
Details	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	R4 902 751,10	<b>R3 217 000,00</b>	<b>R4 339 823,00</b>	<b>R3 905 151,62</b>	R434 671,38
Expenditure:					R0,00
Employees	R2 586 928,13	R2 760 450,00	R2 837 450,00	R2 575 763,48	R261 686,52
Repairs and Maintenance	R427 759,43	R283 000,00	R447 500,00	R53 694,05	R393 805,95
Other	R167 132,06	R407 570,00	R455 570,00	R284 028,84	R171 541,16
Total Operational Expenditure	<b>R3 181 819,62</b>	<b>R3 451 020,00</b>	<b>R3 740 520,00</b>	<b>R2 913 486,37</b>	R827 033,63

TABLE 53: FINANCIAL PERFORMANCE 2020/21 LIBRARIES - SOURCE: AFS

## CEMETRIES

The Municipality has identified the need to develop new cemeteries due to capacity restrictions and the remaining utilization expectancy of the current cemeteries. Land for the new cemetery in Zoar has been identified and the re-zoning approved. The Environmental Impact Assessment was conducted.

The Ladismith cemetery has nearly reached its capacity but sufficient adjacent land is available to accommodate extension in terms of the Environmental Impact Assessment (EIA) Legislation. A formal process has been initiated to seek suitable alternative land.

The Bergsig and Calitzdorp town cemeteries have also reached full capacity. The Bloekomlaan cemetery will be utilized as an alternative cemetery site for the Bergsig and Calitzdorp town communities. This will be formally communicated through public participation processes. In addition, a further utilization expectancy study will be conducted.

The Van Wyksdorp cemetery has nearly reached its capacity and the consulting engineers have been instructed to seek suitable alternative land to establish a new cemetery for Van Wyksdorp. The Municipality is successful in maintaining the cemeteries to a high standard even though vandalism and theft of property are problematic and on the increase.

It should be noted that the planning for cemetery projects has been shifting to the outer financial years due to prioritization on water and sanitation projects.

NAME OF MUNICIPALITY	NAME OF CEMETERY	NO OF GRAVE SITES AVAILABLE AS AT 30 JUNE 2022
KANNALAND MUNICIPALITY	Calitzdorp/Bergsig	6 graves left
	Calitzdorp: Bloekomboom Laan	50 graves left
	Ladismith	60 graves left
	Van Wyksdorp	98 graves left
	Zoar	500 graves left

TABLE 54: CARRYING CAPACITY KANNALAND CEMETERIES

## COMPONENT E: ENVIRONMENTAL PROTECTION

Urban expansion and farming in marginal areas to meet the demand of an increasing population, are leading to a loss of land and productivity. Secondary pressures, such as climate change, desertification and alien plant invasion, are further contributing factors.

Humans influence land degradation in three principal ways:

- The use of land resources for productive purposes: for agriculture, the collection of wood for fuel and building materials, as well as water abstraction and mineral extraction.
- The use of land resources for space needs, for example, settlement, infrastructure and recreational purposes.
- A tertiary set of influences comprises the incidental and often remote impacts of economic activity on land resources: for example, pollution of (sub) surface and atmospheric water resources by industry, alien plant invasion and climate change.

Agriculture has transformed much of Kannaland' natural landscape to cultivated lands. The Little Karoo, in general, which is under extensive agriculture, game farming and conservation land uses, falls within the category "Succulent Karoo /Spek boom/ Fynbos".

Land degradation manifests itself in the soil and in the veld. Sheet erosion is the most common form of soil degradation, with some rill and gully erosion in Kannaland. The Combined Land Degradation Index (CDI) indicates that the most degraded areas within.

Kannaland are situated around Ladismith and Calitzdorp because of overgrazing. The rest of Eden is only lightly affected by soil and veld degradation issues.

To monitor land degradation in Kannaland, the following indicators need to be identified:

- Area of land under formal conservation protection;
- Landscape change;
- Number of agricultural subdivisions; and
- ☐ Combined Land Degradation Index.

Six impact groups associated with land degradation drivers in Kannaland are:

- Farming in marginal areas, which leads to loss of ecosystem integrity, loss of natural habitats and which exerts stresses on the natural resource base, for instance on water through irrigation of crops.

- Subdivision of agricultural land into uneconomically viable units and urban sprawl leadsto diminishing agricultural returns.
- Urban expansion triggered by population growth and a better standard of living leads to the loss of agriculturally productive land and other land conflicts (e.g., conservation vs. urban development).
- Alien plant invasions cause veld degradation, a reduction on the quality and quantity ofwater and hence the loss of biodiversity resources.
- Climate change (global warming) brings an increase in the frequency of extreme weather events (droughts/ flooding), change in rainfall patterns and in extreme cases desertification. Loss of biodiversity is strongly associated with these phenomena.

## **WATER**

Kannaland falls largely within the Gouritz Water Management Area, a grouping of primary water catchments, which are diverse in nature, evaporation exceeds rainfall in the northern catchments meaning that these are water stressed areas. In contrast, rainfall generally matches evaporation in the southern catchments meaning that these are generally moister environments. In the Gouritz River catchment the development of surface water resources has reached its full potential and all the water is fully utilized.

The inland water resources are under severe pressure through urban population increased. In concert with population growth Kannaland has experienced expansion in the provision of water services. In addition, low-cost housing projects emerging from the National Reconstruction and Development Programme (RDP), together with the National Water and Sanitation Programme which has contributed to water demand. A further pressure on the water resource is the influx of tourism over the holiday season, introducing a spike in water demand. Economic growth and consumer and export demand has led to an increase in agricultural production, which in turn has placed greater pressure on water resources through greatest abstraction for irrigation.

Alien invasive plant and animal species, introduced by human actions either accidentally or for commercial purposes, are proving a major threat to the quality and quantity water, as well as to the biodiversity of freshwater systems. Climate change is expected to lead to slightly reduced rainfall over the Kannaland region, increased variability of rainfall, fewer but heavier precipitation events and increased temperatures and evaporation. These effects could work together to increase flooding, but could also reduce base-flow (long term low flow).

## **BIODIVERSITY**

Owing to its broad range of climatic conditions, geology, soils and landscapes, Kannaland has a very substantial share of global biodiversity within its borders. Kannaland's biological heritage is important in many ways – providing ecosystem services like clean water, contributing directly to the economy through industries like fishing and tourism, supporting livelihoods by providing food, medicines and building materials and generally improving health and well-being. Through habitat destruction and ill-conceived developments biodiversity is under threat world-wide.

To counteract this threat Kannaland should protect representatives of as many types of community and ecosystem as possible. By conserving suitable habitat, we are also improving the survival chances of the species and populations contained therein. Living landscapes preserve the option value of biodiversity – the potential to provide benefits in the future.

Important driving forces putting pressure on the biodiversity resources of Kannaland are:

- Population growth;
- The demand for economic growth to provide wealth and job creation;
- Demand for housing and associated services for historically disadvantaged people;
- Unsustainable extraction of natural resources as a result of poverty or greed;
- Poor land use practices promoting soil erosion and infestation by invasive alien plants;
- Poor waste and pollution management;
- Climate change; and
- Lack of understanding

In terms of appropriate responses, the mainstreaming biodiversity consideration into socio-economic agendas holds most promise to turn the situation around. It is necessary to:

- Integrate the protection and management of biodiversity resources with all human development by means of regional and national conservation initiatives;
- Build capacity in the areas of conservation assessment, taxonomy, green technology and knowledge transfer;
- Increase capacity in environmental law enforcement, management and education;

- Strengthen existing biodiversity conservation programmes to identify ecosystems, species and genetic resources that are at imminent risk of extinction;
- Implement strong counter measures to slow down the speed with which the loss of biodiversity occurs; and
- Link biodiversity protection and economic upliftment, as biodiversity protection provides an opportunity for less formal, nature-based community initiatives to act as economic engines and job creators.

## **CLIMATE**

There is general scientific agreement that the world is now warmer than at any time in the last 1000 years, and that the cause for this warming is due to human activities. Kannaland is at risk from projected changes in rainfall pattern and warming induced by changes in the global energy balance and atmospheric water balance.

However, the average for the five-year reporting period may be useful for simple comparative purposes against the long-term average. Once a continuous ambient air quality sampling programme is in place, quarterly air quality reports which will provide useful state of environment data.

Increased drying and changes to the seasonal nature of precipitation will bring an increase in irrigation requirements which are likely to desiccate wetlands and threaten seasonal ecosystem interactions within the wetland. Such impacts are likely to further threaten the biodiversity of freshwater resources, which in turn will impair the environmental services they provide. The impact caused by climate change in terrestrial ecosystems include the detrimental effects associated with wildfires due to increased berg-wind conditions, and the possibility of changes in the distribution of alien invasive species, apart from changes in indigenous species distribution and interactions.

Numerous economic sectors could be affected by changes in temperature and precipitation patterns. The impact is likely to be felt in agriculture, fisheries, forestry, the manufacturing industry, tourism, finance and investment, transport, communication and trade, and construction. Climate change is likely to impact water services in terms of diminishing reserves on the one hand, and damage to infrastructure due to heavier precipitation events on the other.

## **KANNALAND FLORA**

The Cape Floral Kingdom is characterized by its exceptional richness in plant species. More than 8 700 species are known to exist, with more than 68% of these being endemic. The Cape Floral Kingdom, thus, compares with some of the richest floras worldwide. It is the smallest of the

Floral Kingdoms and covers a mere 0.06% of the earth's surface, and is the only Floral Kingdom contained in its entirety within a single country.

Kannaland is a region of extensive plains, arid foothills and rugged rocky ridges and includes a wide range of microhabitats with extreme seasonal and diurnal temperature fluctuations. There are 1325 plant species in this area, including 182 Succulent Karoo endemics and 92 Red List species ([www.skep.org.za](http://www.skep.org.za)). While unique and rare species are found throughout the landscape, many of the endemics are concentrated along veins of weathered quartz, where patches of white pebbles provide camouflage and moderate the temperature for “stone plants”

## **COMPONENT F: SAFETY AND SECURITY**

### **3.12 TRAFFIC SERVICES**

Safety and security are the responsibility of the Protection Services Department of the Community Services Directorate. The Department is committed to provide a high-quality community-oriented service to meet the safety and security needs of a diverse community. The Division strives to constantly improve its standing within the community it serves and the profession itself. Several awareness campaigns regarding road safety and fire protection are conducted throughout the year.

The traffic services unit consist of a chief traffic officer, two traffic officers, motor registration clerks, chief clerks and 2 motor registration clerks, administration clerk.

During the year under review a chief traffic officer was appointed on 01st July 2018 to manage all traffic services functions. Activities such as testing of motor vehicles, motor registration and examine of driver's licenses.

Awareness on road safety was implemented and conducted at schools whereby the school busses were inspected i.t.o road worthy and to adhere to the road transportation act.

Road markings were painted to ensure visibility and to encourage motorist to adhere road traffic act.

Because of the high demand of testing of driver licensing it was planned to construct a K53 Testing Centre. The project was not completed due to funding constraints. Pre planning were done on the course of where it will be situated and looks like.

It will generate revenue for the municipality and enable a service to the local community in terms of affordability for each.

The Kannaland Municipality is eager to ensure a safe environment for the public, personnel and councilors. The Municipality therefore makes use of private security firms to ensure the safety of the personnel and councilors, as well as members of the public that visit municipal offices. Bylaws still needs to be reviewed approved by council in order to carry out the relevant law enforcement in areas.

The updating of by-laws becomes important for ensuring the enforcement of municipal laws. The WCPG has been approached to assist with updating Kannaland Municipality By-Laws and also to develop a Community Safety Plan.

### **3.13 DISASTER MANAGEMENT AND FIRE SERVICES**

The Municipality has a Disaster Management Plan (DMP) which is an integral part of the IDP. The DMP was reviewed during 2021/222 and is included as a key performance indicator on the SDBIP for annual review. The DMP was included in the 2022-2027 Draft and Final Predecessor IDP with amendments.

The establishment of a Disaster Management Centre has also been identified in terms of the Municipality's Disaster Management planning; however, the Municipality does not have a functional disaster management ICT, GIS and early warning system. The Municipality is currently making use of the Disaster Management DS Tool of the Western Cape Disaster Management Centre to assist the Municipality in making informed decisions relating to Disaster Management.

As throughout the IDP is identified that water storage capacity is the main problem and has therefor prioritized the water and sanitation needs as a high and urgent matter to be attend to.

In accordance with the applicable legislation and with the desire to provide for the well-being of its citizens, the Kannaland Municipality has adopted a Disaster Management Plan in 2021/22 to ensure preparedness and effective response by the Municipality and its citizens in the event of a disaster. The Disaster Management Plan will assist Kannaland Municipality to be better prepared to support the local communities in dealing with disasters and to speed up the recovery process. It is crucial to have effective and efficient disaster risk reduction management measures in order to save lives, prevent escalation of emergencies and incidents as well as to relieve suffering. The implementation of this Disaster Management Plan will assist the municipality in clarifying roles and responsibilities with different stakeholders who are essential for disaster management. The purpose of the disaster plan is not only a legislative requirement, but enhances community safety through, planning, mitigation, response and recovery.

As defined in the prescriptions of the Act, the Municipal Manager is the Head of Disaster Management with the delegation of assistance through to the Senior Manager: Community Services. A Joint Operation Centre has recently been established. Mr Wayne Robertson has been appointed as the dedicated disaster management official with cross-functional influence to facilitate proper coordination and focused advocacy of disaster management.

The municipality adopted the Disaster Management Plan and recently a Disaster Management Centre has been established in terms of the municipality's disaster management planning. The municipality utilizes the following systems:

- Ventusky (weather predictions);
- Afis (active fires in the area);

- Functional disaster management ICT, GIS and early warning system.

## **RISK REDUCTION MEASURES**

No other risk reduction measures are in place other than proactive measures during early warnings and forecasts or progression of incidents. Preventive measures are relocating or evacuating members of communities and providing support at a local level or as assisted through the district.

A number of effective programmes have been implemented to mitigate the, which include:

- Awareness programmes to protect citizens from fires and floods;
- Regular cleaning of the storm water channels;
- Clean-up programmes of rivers and streams;
- The Fire and Rescue Services do regular awareness programmes in the communities and schools.
- Water restrictions in place

The impact prioritization for the most important risks (in order of priority) is as follows:

- Floods
- Plantation and vegetation fires
- Agricultural epidemics
- Hazardous materials transport
- Drought

### **Preparedness measures**

- Disaster Management Advisory Forum has been established.
- Meetings/ forums / workshops (newly established Disaster Management

Forum)The fire services function is managed by the Garden Route District Municipality.

Some of the achievements were:

- Members were identified who worked at working on fire (WOF) has been selected to undergo training to become qualified fire fighters. They received a high level of technical and administrative training to enhance their knowledge, skill and experience which will be beneficial for the community at large.

- The Fire Service embarked on a community educational drive within the informal settlement areas as well to schools to educate residents and scholars of the dangers associated with fires as well as preventative measure that could be used to prevent

The outbreak of fires. Department of Local Government has donated a fully equipped fire truck as well uniforms were received from City of Cape Town, Knysna and George Municipality.

- Fire detectors were installed in municipal areas – process continuous
- Fire Safety awareness at schools
- Capacity building through training to the officials
- Maintenance of Fire Hydrants
- Water Delivery during the drought
- Disaster Management plan currently being implemented

It should be noted that the Kannaland Municipality is in process to review all its bylaws in order to improve enforcement in the area.

Fire flood kits were received from Province

The table below indicate the financial performance for fire services:

<b>Fire Services</b>					
<b>Financial Performance for the financial year 2020/21 to 2021/22: Financial Services</b>					
	<b>2020/21</b>	<b>2021/22</b>	<b>2021/22</b>	<b>2021/22</b>	
Details	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	<b>-R5 469,29</b>	<b>R0,00</b>	<b>R0,00</b>	<b>-R591,59</b>	R591,59
Expenditure:					R0,00
Employees	R529 703,18	R1 268 255,00	R1 320 514,00	R922 239,73	R398 274,27
Repairs and Maintenance	R3 797,18	R51 950,00	R35 000,00	R0,00	R35 000,00
Other	R80 318,58	R245 325,00	R245 325,00	R321 712,57	<b>-R76 387,57</b>
Total Operational Expenditure	<b>R613 818,94</b>	<b>R1 565 530,00</b>	<b>R1 600 839,00</b>	<b>R1 243 952,30</b>	R356 886,70

TABLE 55: FINANCIAL Performance FOR FIRE SERVICES 2021/22 - SOURCE AFS

## COMPONENT G: SPORT AND RECREATION

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

### 3.14 SPORT AND RECREATION

In terms of our mandate, we make facilities, such as sport fields, available to the broader community. The Municipality is responsible for development of the facilities and the upgrading thereof whilst the sport clubs lease the facilities and as agreed upon, must maintain it.

The Municipality develops and maintains community parks, halls, camp sites and the caravanpark. This service places an enormous financial burden on the Municipality, with its limited staff capacity and finances. The vastness of the municipal footprint demands a duplication of all services throughout the area and poses to be a well-oiled machine due to strict adherence to planning and implementation schedules.

The Sport section performed their duties excellently taking into consideration the challenges and demands they face on a continuous basis. There is a need for additional facilities but the availability of land is problematic, as well as the funds needed to develop the facilities.

The table below indicate the financial performance for sport and recreation:

<b>Swimming Pool</b>					
<b>Financial Performance for the financial year 2020/21 to 2021/22: Financial Services</b>					
	<b>2020/21</b>	<b>2021/22</b>	<b>2021/22</b>	<b>2021/22</b>	
Details	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	R0,00	<b>R0,00</b>	<b>R0,00</b>	<b>R0,00</b>	R0,00
Expenditure:					R0,00
Employees	R0,00	R0,00	R0,00	R0,00	R0,00
Repairs and Maintenance	R0,00	R50 000,00	R22 000,00	R0,00	R22 000,00
Other	R136 398,95	R125 590,00	R153 590,00	R149 585,56	R4 004,44
Total Operational Expenditure	<b>R136 398,95</b>	<b>R175 590,00</b>	<b>R175 590,00</b>	<b>R149 585,56</b>	R26 004,44

TABLE 56: FINANCIAL PERFORMANCE FOR SPORT AND RECREATION 2021/22 - SOURCE AFS

## 3.15 PROJECT MANAGEMENT UNIT

### MUNICIPAL INFRASTRUCTURE GRANT – MIG

The purpose of the grant is to provide capital finance for eradicating basic municipal infrastructure backlogs for poor households, microenterprise and social institutions servicing poor communities.

The outputs of the programme are infrastructure for: -

- basic water and sanitation
- central collection points for refuse, transfer stations, recycling facilities and solid wastedisposal sites
- sport and recreation facilities, street and community lighting and public facilities
- Number of kilometers of municipal roads developed, upgraded and maintained.
- Number of work opportunities and full-time equivalents (FTE's) created using the Expanded Public Works (EPWP) guidelines for the above outputs.

### ALLOCATION FOR THE PAST 3 YEARS

The MIG allocations to Kannaland Municipality for the past three financial years is indicated in table below:

	2019/2020	2020/2021	2021/2022
Original allocation (R')	R 10 271 000	R 10 107 000	R 10 594 000
Roll over approved	R 0	R 2 761 978	R 0
Additional allocation	R 0	R 0	R 0
Stopped allocation	R 0	R 0	R 0
Final allocation	R 10 271 000	R 10 107 000	R 10 594 000
Amount spent	R 7 509 022	R 7 091 589	R 10 415 424.46
Amount not spent	R 2 761 978	R 3 015 411	R 178 575.54

TABLE 57: MIG ALLOCATIONS

Progress and expenditure on the projects for the 2021/2022 financial year was on track and completed in time. Amount that was not spend on the grant was due to a saving on one of the projects.

### KEY CHALLENGES SINCE ONSET (ESTABLISHMENT OF THE PROGRAMME)

Committing the projects for a specific year result in extra prioritization as the allocation for the year is not enough to implement all urgent projects.

## PROGRESS TO DATE


The table provides summary of progress in relation to projects implemented during the 2021/22 financial year.

Project ID	Project Name	MIG approved budget (R')	Exp. in previous fy (R')	Balance (R')	2021/2022 budget (R')	2021/2022 exp. (R')	Physical progress (%)
235124	Kannaland: Installation of Water Meters	2 339 964	0	2 339 964.00	577 517	543 239,32	94%
213625	Zoar: Upgrade new Cemetery	3 545 742	1 356 178.65	1 789 312.37	1802 101	1 802 100,57	100%
160843	Ladismith: New Waste Water Treatment Works	R14 687 500	2 497 827.44	8 727 535.56	642 209	6378 195,85	99%
285450	Ladismith: Upgrade Water Treatment Works	6 579 130	2 600 904.66	3 978 226,00	1262 473	1 162 188,72	92%
	PMU	511 650	511 650.00	R0	529 700	529 700,00	100%
				<b>Total</b>	<b>10 594 000</b>	<b>10 415 424</b>	



TABLE 58: SUMMARY OF IMPLEMENTATION OF PROJECTS

Detailed progress on projects implemented over the 2020/21 financial year are reflected in the tables below:



## PROJECT #1: KANNALAND: INSTALLATION OF WATER METERS

ITEM NO.	ITEM DESCRIPTION	DETAIL INFORMATION
1	<b>Project Description</b>	DPIP ID: 235124
		National ID: WC1555/W/15/15
	Project approved budget (R')	R2 339 964.00
	MIG approved budget (R')	R2 339 964.00
	Co-Funding required	R0.00
	2021/2022 DPIP budget (R')	R577 517.00
	2022/2023 DPIP budget (R')	R126 000.00
	2023/2024 DPIP budget (R')	R0.00
Current year expenditure	R519 149.15	
2	<b>Scope of work</b>	Continuation of the installation of 1 000 water meters in Ladismith, Calitzdorp, Zoar & Van Wyksdorp respectively. All water meters will be placed outside erven to improve accessibility for meter reading officials.
3	<b>Construction period (Months)</b>	12.00
4	<b>Consultant</b>	SMEC
5	<b>Contractor</b>	Municipality in-house
6	Tender Closing date:	09-Mar-21
	Tender award date:	14-Apr-21
	Contract amount	R469 951.00
	Contract start date:	19-Apr-21
	Practical completion:	25-Mar-22
	Completion / Handover:	30-Mar-22
	Defects liability period:	30-Mar-23
7	<b>Progress</b>	Work completed
8	<b>Major / key challenges (if delayed)</b>	The availability of certain material due to international lockdowns
9	<b>Pictorial description</b> (Installation of water meter)	



**PROJECT #2: ZOAR UPGRADE NEW CEMETRY**

Item No.	Item Description	Detail information
1	<b>Project Description</b>	DPIP ID: 213625
		National ID: WC1259/C/13/15
	Project approved budget (R')	R3 545 742.00
	MIG approved budget (R')	R3 545 742.00
	Co-Funding required	R0.00
	2021/2022 DPIP budget (R')	R1 688 015.00
	2022/2023 DPIP budget (R')	R0.00
	2023/2024 DPIP budget (R')	R0.00
Current year expenditure	R1 802 100.57	
2	<b>Scope of work</b>	Completion of construction of various facilities started in previous year
3	<b>Construction period (Months)</b>	14.33
4	<b>Consultant</b>	0
5	<b>Contractor</b>	0
6	Tender Closing date:	23-Feb-21
	Tender award date:	31-Mar-21
	Contract amount	R1 688 015.00
	Contract start date:	02-Apr-21
	Practical completion:	18-Jun-22
	Completion / Handover:	23-Jun-22
	Defects liability period:	23-Jun-23
7	<b>Progress</b>	Work completed
8	<b>Major / key challenges (if delayed)</b>	0
9	<b>Pictorial description (Ablution Facility)</b>	
10	<b>Pictorial description (Access Road)</b>	

**PROJECT #3: LADISMITH NEW WASTE WATER TREATMENT WORKS**

Item No.	Item Description	Detail information
1	<b>Project Description</b>	DPIP ID: 160843
		National ID: WC0934/S/11/13
<b>Project Data</b>	Project approved budget (R')	R23 000 000.00
	MIG approved budget (R')	R14 687 500.00
	Co-Funding required	R8 312 500.00
	2021/2022 DPIP budget (R')	R6 422 209.00
	2022/2023 DPIP budget (R')	R4 448 502.03
	2023/2024 DPIP budget (R')	R0.00
	Current year expenditure	R6 378 195.83
2	<b>Scope of work</b>	Replacement of filter material as presented by our consultants to maximise the biofilter capacity in line with future upgrades with rest of the plant General rehabilitation of several components
3	<b>Construction period (Months)</b>	10.00
4	<b>Consultant</b>	SMEC
5	<b>Contractor</b>	Exceo
6	Tender Closing date:	13-May-21
<b>Implementation Plan</b>	Tender award date:	17-Jun-21
	Contract amount	R4 169 049.00
	Contract start date:	19-Jun-21
	Practical completion:	22-Apr-22
	Completion / Handover:	27-Apr-22
	Defects liability period:	27-Apr-23
7	<b>Progress</b>	Replacement of filter material of the biofilter Making functional of several components on the WWTW site
8	<b>Major / key challenges (if delayed)</b>	The shortage of co-funding prevented the extent of the project in order to improve process treatment
9	<b>Pictorial description (Biofilters)</b>	
10	<b>Pictorial description (replacing the filter material of the biofilter)</b>	

**PROJECT #4: LADISMITH UPGRADE WATER TREATMENT WORKS**

TEM NO.	ITEM DESCRIPTION	DETAIL INFORMATION
1	<b>Project Description</b>	DPIP ID: 285450
		National ID: WC1753/W/18/20
	Project approved budget (R')	R8 890 716.61
	MIG approved budget (R')	R6 579 130.29
	Co-Funding required	R2 311 586.32
	2021/2022 DPIP budget (R')	R1 376 559.00
	2022/2023 DPIP budget (R')	R1 794 631.29
	2023/2024 DPIP budget (R')	R0.00
Current year expenditure	R1 162 497.41	
2	<b>Scope of work</b>	Supply and installation of 2 new Rapid Sand Filters Rehabilitation of the other on-site sand filters to ensure functionality
3	<b>Construction period (Months)</b>	9.00
4	<b>Consultant</b>	SMEC
5	<b>Contractor</b>	EXCEO
6	Tender Closing date:	13-May-21
	Tender award date:	16-Jun-21
	Contract amount	R2 259 884.00
	Contract start date:	18-Jun-21
	Practical completion:	22-Mar-22
	Completion / Handover:	27-Mar-22
	Defects liability period:	27-Mar-23
7	<b>Progress</b>	Work complete, 2 new Rapid Sand filters installed and 5 serviced
8	<b>Major / key challenges (if delayed)</b>	The shortage of co-funding prevented the extent of the project in order to improve process treatment
9	<b>Pictorial description</b> (Installed 2 new sand filters)	
10	<b>Pictorial description</b> (Installed 2 new sand filters)	

## **MONITORING**

- Both Financial and Technical departments monitor the MIG expenditure separately. The two departments are trying to implement the once per month meeting to discuss and monitor expenditure to avoid the difference in reporting. These two departments also reconcile their expenditure claims to have an accurate report at the end of the financial year.
- MIG related issues and progress are discussed on the monthly LGTAS meetings where all stakeholders are present. Kannaland also arrange infrastructure meetings where MIG items are discussed with stakeholders and service providers.
- Projects are closely monitored so that action can be taken as soon as possible if any risks appear. Monthly and technical meetings are held for each project to monitor risks and discuss solutions.
- Data is collected as and when it's required. All labor-data is obtained from the contractor, either through the Community Liaison Officer or the consulting engineers. The Finance department within the municipality provide data regarding expenditure, available funds, etc. Monitoring is mainly done by the technical department. The PMU manager and project administrator are responsible for monitoring and reporting which gets quality checked by the Director Infrastructure Services.
- Data is submitted in the prescribed format (e.g., DWS's technical report format), but not analyzed in more detail as such within the Municipality. The KPI report is utilized for data analysis.

## **THE 2021/2022 SERVICE DELIVERY PERFORMANCE:**

- Number of poor households impacted through the construction of new infrastructure and upgrading and renewal of existing infrastructure for:
  - ✓ All households provided with basic service water services
  - ✓ All households provided with basic sanitation services
  - ✓ Most households provided with street lighting and community lighting
- Number of infrastructures constructed (new infrastructure, upgraded or renewed):
  - ✓ No central collection points for refuse developed
  - ✓ No refuse transfer stations developed
  - ✓ No solid waste disposal sites developed
  - ✓ No sports and recreation facilities developed
  - ✓ One public facility developed (please ensure that those developed are specifically mentioned, e.g., community hall, ECD centers, etc.)
  - ✓ No kilometers of municipal roads developed.
  - ✓ 239 job opportunities and 44 FTE's created using EPWP guidelines

## KEY CHALLENGES

The following challenges are currently being experienced in the management of the programme which often result in delaying progress and low expenditure:

- External factors
  - ✓ Delaying in design and tendering process
  - ✓ Covid-19 pandemic and national lockdown
- Internal factors
  - ✓ Slow SCM procurement processes
  - ✓ Unavailability of counter funding
  - ✓ Change in leadership roles

**Project Status 2021/2022 FY (June 2022)**

Grant	Project No	Project Name	Budget	Received	Outstanding	Expenditure	Still to spend	% Spend	Status/Progress/Comments
MIG	235124	Kannaland: Installation of Water Meters	R 577 517,00	R 577 517,00		R 543 239,32	R 34 277,68	94%	Contractor on site. Invoices paid but not captured on the MIG MIS system
MIG	213625	Zoar: Upgrade new Cemetery	R 1 688 015,00	R 1 688 015,00		R 1 802 100,57	-R 114 085,57	107%	Contractor on sit. Invoices was paid to late and not captured on the MIG MIS system.
MIG	160843	Ladismith: New Waste Water Treatment Works	R 6 422 209,00	R 6 422 209,00		R 6 378 195,85	R 44 013,15	99%	Contractor on site. Invoices was paid to late and not captured on the MIG MIS system.
MIG	285450	Ladismith: Upgrade Water Treatment Works	R 1 376 559,00	R 1 376 559,00		R 1 162 188,72	R 214 370,28	84%	Contractor appointed awaiting material delivery. Invoices was paid to late and not captured on the MIG MIS system.
MIG	PMU/041	PMU	R 529 700,00	R 529 700,00	R -	R 529 700,00	R -	100%	In progress
		<b>TOTALS</b>	<b>R 10 594 000,00</b>	<b>R 10 594 000,00</b>	<b>R -</b>	<b>R 10 415 424,46</b>	<b>R 178 575,54</b>	<b>98%</b>	<b>EXPENDITURE FOR 2021/2022 FY</b>

Grant	Project No	Project Name	Budget			Expenditure	Still to spend	% Spend	Status/Progress/Comments
WSIG		Calitzdorp: Deep Boreholes	R 10 000 000,00			R 5 332 176,34	R 4 667 823,66	53%	Contractor on site. Applied for Roll-over
		<b>TOTALS</b>	<b>R 10 000 000,00</b>	<b>R -</b>		<b>R 5 332 176,34</b>	<b>R 4 667 823,66</b>	<b>53%</b>	<b>EXPENDITURE FOR 2021/2022 FY</b>

Grant	Project No	Project Name	Budget			Expenditure	Still to spend	% Spend	Status/Progress/Comments
Drought Relief		Ladismith: Boreholes	R 2 026 369,00			R 2 080 801,99	-R 54 432,99	103%	Contractors appointed. Applied for Roll-over
		<b>TOTALS</b>	<b>R 2 026 369,00</b>			<b>R 2 080 801,99</b>	<b>-R 54 432,99</b>	<b>103%</b>	<b>EXPENDITURE FOR 2021/2022 FY</b>

Grant	Project No	Project Name	Budget			Expenditure	Still to spend	% Spend	Status/Progress/Comments
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EPWP	Temporary Workers appointed	R 1 359 000,00	R 1 359 000,00	R -	R 1 359 000,00	R -	100%	Late approval of business plan by Council resulted in late submissions which caused the withholding of the first transfer. Targets are 118 work opportunities and 54 FTE
	<b>TOTALS</b>	<b>R 1 359 000,00</b>	<b>R 1 359 000,00</b>		<b>R 1 359 000,00</b>	<b>R -</b>	<b>100%</b>	<b>EXPENDITURE FOR 2021/2022 FY</b>

Grant	Project No	Project Name	Budget			Expenditure	Still to spend	% Spend	Status/Progress/Comments
INEP		Ladismith Electrification of new network	R 2 699 000,00	R 2 699 000,00	R -	R 2 140 956,58	R 558 043,42	79%	
	<b>Project No</b>	<b>TOTALS</b>	<b>R 2 699 000,00</b>	<b>R 2 699 000,00</b>	<b>R -</b>	<b>R 2 140 956,58</b>	<b>R 558 043,42</b>	<b>79%</b>	<b>EXPENDITURE FOR 2021/2022 FY</b>

TABLE 59: PROJECT STATUS IMPLEMENTATION REPORT

It is important to take note that while the 2021/2022 APR indicates 0% actual performance, this is due to the fact that the indicator relies on evidence of completions certificates as a measurement of target achieved. The actual expenditure is indicated in the table above which informs that there in fact was expenditure and progress made in implementing the various projects.

## COMPONENT H: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

### 3.16 EXECUTIVE AND COUNCIL

This component includes: Executive Office (Mayor; councilors; and Municipal Manager).

The Council consists of seven (7) councilors, including the Executive Mayor, Deputy Executive Mayor and Speaker as determined by the MEC for Local Government in the Western Cape.

The tables below indicate the financial incurred for the year under review:

Executive Council					
Financial Performance for the financial year 2020/21 to 2021/22: Financial Services					
	2020/21	2021/22	2021/22	2021/22	
Details	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	R34 236 973,48	<b>R6 402 430,00</b>	<b>R7 365 374,00</b>	<b>R28 774 398,97</b>	<b>-R21 409 024,97</b>
Expenditure:					R0,00
Employees	R3 145 621,47	R2 624 508,00	R3 524 508,00	R4 357 677,45	<b>-R833 169,45</b>
Remuneration of Councillors	R3 183 978,84	R3 876 680,00	R3 876 680,00	R3 227 985,04	R648 694,96
Repairs and Maintenance	R0,00	R20 780,00	R15 000,00	R0,00	R15 000,00
Other	R1 087 409,03	R1 805 920,00	R4 240 983,00	R4 120 838,93	R120 144,07
Total Operational Expenditure	<b>R7 417 009,34</b>	<b>R8 327 888,00</b>	<b>R11 657 171,00</b>	<b>R11 706 501,42</b>	<b>-R49 330,42</b>

TABLE 60: FINANCIAL PERFORMANCE 2011/22: THE EXECUTIVE AND COUNCIL – SOURCE AFS

### 3.17 FINANCIAL SERVICES

Sound financial management practices are essential for municipalities. The major challenge for municipalities is long term financial sustainability. The MFMA aims at directing municipalities in a sustainable financial environment and to modernize financial management practices.

The act places municipalities on a financially sustainable footing and supports co-operative government between all spheres of government. Successful implementation of the provisions of the act will maximize the capacity of municipalities to deliver services to their residents, users and customers.

It is critical for the Municipality to review how we conduct our business to ensure that value for money is obtained in all our expenditures, that revenue administration systems are operating effectively, and that creditors (including bulk service providers) continue to be paid timeously and in full.

Chief Financial Services					
Financial Performance for the financial year 2020/21 to 2021/22: Financial Services					
	<b>2020/21</b>	<b>2021/22</b>	<b>2021/22</b>	<b>2021/22</b>	
Details	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	<b>R4 638 919,68</b>	<b>R5 167 050,00</b>	<b>R4 803 191,00</b>	<b>R4 864 160,63</b>	<b>-R60 969,63</b>
Expenditure:					R0,00
Employees	R17 748 077,32	R15 083 406,00	R15 273 409,00	R16 190 943,78	<b>-R917 534,78</b>
Repairs and Maintenance	R0,00	R0,00	R0,00	R0,00	R0,00
Other	R11 164 204,03	R9 434 944,00	R11 019 269,00	R13 911 632,80	<b>-R2 892 363,80</b>
Total Operational Expenditure	<b>R28 912 281,35</b>	<b>R24 518 350,00</b>	<b>R26 292 678,00</b>	<b>R30 102 576,58</b>	<b>-R3 809 898,58</b>

TABLE 61: FINANCIAL PERFORMANCE 2021/22: FINANCIAL SERVICES SOURCE AFS

### 3.18 HUMAN RESOURCES SERVICES

The broader objectives of the Human Resource Services division of the Municipality are to ensure that:

- The appropriate staff members are recruited and appointed;
- Staff members are optimally placed in relation to the needs of the organization;
- An environment is created conducive of staff performing their functions in line with their knowledge, experience and skills;
- Staff members are adequately compensated and that their vested interests and benefits are professionally administered;
- Staff members are allowed the opportunity to develop and be promoted in a physical environment that is free from safety, health and psychological hazards;
- An organizational design is implemented that promotes productivity and sustains high levels of morale and ethical behavior;
- A culture of discipline, equality, transparency and fairness are promoted in the workplace;
- The organization is free from all forms of discrimination and prejudice.

In order to achieve these broader objectives, the Human Resource Services is organized in a manner to respond to the following functions:

- Organizational efficiency and improvement
- Staffing in relation to recruitment, selection and appointments
- Administration of employee benefits
- Skills development and training
- Occupational health and safety
- Labor relations
- Employee wellness (EAP)
- Performance management
- Employment equity
- Change Management
- Statistics and Reporting

The organizational structure has last been reviewed during 2022 to ensure alignment with the municipal strategic objectives (IDP) to ensure compliance and effective and efficient service delivery. The objective with the review of the organizational structure is to improve revenue collection and a flatter management structure for faster decision making.

The organizational structure requires further review by 30 June 2023 in order to align it to the Municipal Staffing regulations and existing staff structure.

## CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

The organizational structure of Kannaland Municipality for the Municipal Manager and three directorates namely, Corporate Services (Administration and Community Services), Finance and Infrastructure Services.

The organizational structure is currently being reviewed. The outcome of this project will result in establishment of individual performance which will be aligned to the job descriptions. The organizational structure is currently being revised for the best service delivery at the lowest cost to the Municipality. Job descriptions are being reviewed based on job content and volume in the attempt to form specialist units.

The vacancy rate of the municipality was 34.80% for the year under review. The ideal is to decrease the rate below 20% in order to achieve the goals as mentioned above.

## COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

The information reported on relating to the organizational structure is extracted from the official organogram adopted by council on 9 May 2020. Suspensions of senior managers in the Human Resources unit negatively affects performance in the Human Resources function as senior roles and responsibilities are being performed by junior clerical staff.

### 4.1 EMPLOYEE TOTALS TURNOVER AND VACANCIES

VACANCY RATE AS AT 30 JUNE 2022					
DIRECTORATE / DEPARTMENT / DIVISION	Positions on Organogram	Permanent Posts Filled	Vacant Posts	% Filled (Permanent)	Vacancy Rate %
<b>OFFICE OF THE MUNICIPAL MANAGER</b> (Admin support, Internal Audit, Risk, IDP/LED/PMS/ Communication)	6	6	0	100,00%	0%
<b>FINANCIAL SERVICES</b>	45	38	7	84,4%	15,6%
<b>INFRASTRUCTURE SERVICES &amp; COMMUNITY SERVICES</b>	148	122	26	82,4%	17,6%
<b>TOTAL FOR MUNICIPALITY</b>	<b>199</b>	<b>166</b>	<b>33</b>	<b>83,42%</b>	<b>16,58%</b>

TABLE 62: NUMBER OF EMPLOYEES

### 4.2 TURNOVER RATE

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
2021/22	66	297	4,5%

TABLE 63: TURNOVER RATE

## **COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE**

The Municipal Systems Act, 32 of 2000, Section 67, requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective and transparent personnel administration in accordance with the Employment Equity Act 1998.

The purpose of the Disciplinary Board is restricted to alleged offences of financial misconduct related to municipal officials as per sections 171 (financial misconduct by municipal officials of a Municipality) and 172 (financial misconduct by officials of municipal entities) of the Municipal Financial Management Act, 2003 (Act 56 of 2003), and has no jurisdiction to address any allegation relating to offences in terms of section 173 of the Act (criminal proceedings). Roles and functions are derived from the Municipal Financial Management Act (sections 171 and 172) and the MFMA Regulations on Financial Misconduct Procedures and Criminal Processes, 2014.

Council as a whole is the legislative body and delegates some of this authority to the committees established in terms of section 79 of the Local Government: Municipal Structures Act. The Disciplinary Board is established in terms of Section 79 of said Act.

The scope for the Municipal Public Accounts Committee's activities also encompasses, amongst other, issues relating to recommendations on unauthorized, irregular, fruitless and wasteful expenditure as well as performance, within the delegation framework of the Municipal Council

The Municipal Systems Act (Section 59 (1) prescribes that a Municipal Council must develop a system of delegation that will maximize administrative and operational efficiency and provide for adequate checks and balances. The prudent use of this system allows municipalities to separate council powers between executive (the Executive and Mayoral Committee for example) and legislative authority(Council as delegated to the Disciplinary Board, other committees and officials) in terms of a set of delegations approved by Council.

Managing the municipal workforce is not only the duty of the Human Resources section and every manager in Kannaland Municipality is responsible for managing of his/her own line function in an integrated manner.

## 4.3 POLICIES

The followings policies have been adopted and are in force:

<b>POLICIES</b>			
<b>Name of Policy</b>	<b>Completed</b>	<b>Reviewed</b>	<b>Date adopted by</b>
	%	%	<b>council or comment on failure to adopt</b>
<b>Attraction and Retention</b>	YES		October 2011
<b>Code of Conduct for employees</b>	YES		Use BCE-act & regulations & Systems
			Act Code
<b>Delegations, Authorization &amp; Responsibility</b>	YES		
<b>Disciplinary Code and Procedures</b>	YES		Use SALGBC agreements
<b>Essential Services</b>	YES		
<b>Employee Assistance / Wellness</b>	NO		
<b>Employment Equity</b>	NO		
<b>Grievance Procedures</b>	NO		Use SALGBC agreements
<b>HIV/Aids</b>	YES		Feb 2008
<b>Job Evaluation</b>	NO		
<b>Leave</b>	YES		Feb 2019
<b>Occupational Health and Safety</b>	YES		9 Sept 2008
<b>Official Journeys (S &amp; T)</b>	YES	October 2013	19-Mar-12
<b>Official Working Hours and Overtime</b>	YES		19-Dec-12
<b>Organizational Rights</b>	YES		
<b>Payroll Deductions</b>	YES		
<b>Performance Management Policy Framework</b>	YES		August 2021
<b>Recruitment, Selection and Appointments</b>	YES		27-Oct-11
<b>Remuneration Scales and Allowances</b>	YES		
<b>Skills Development</b>	YES		Jan 2008

<b>POLICIES</b>			
<b>Name of Policy</b>	<b>Completed</b>	<b>Reviewed</b>	<b>Date adopted by council or comment on failure to adopt</b>
	%	%	
<b>Special Skills (Scarce Skills)</b>	YES		Oct 2011
<b>Long Service Recognition</b>	YES		9-Sep-08
<b>Acting Allowance</b>	YES		19-Dec-12
<b>Standby Allowance</b>	YES		9-Sep-08
<b>Nepotism</b>	YES		9-Sep-08
<b>Demotion, Promotion &amp; Transfer</b>	YES		9-Sep-08
<b>Personnel Production: Performance Recognition</b>	YES		9-Sep-08
<b>Whistle-blowers</b>	YES		9-Sep-08
<b>Alcohol &amp; Substance Abuse</b>	YES		9-Sep-08
<b>Cellphone Users Scheme</b>	YES		9-Sep-08
<b>Car-allowances Scheme</b>	YES		29-Jan-09
<b>Legal Representative</b>	YES		21-Oct-11
<b>Study-loan Scheme</b>	YES		19-Dec-11
<b>Cellphone Users Scheme for Officials</b>	YES		13-Jan-12
<b>Retention of Staff</b>	YES		27-Oct-11
<b>Access of Information</b>	YES		18-Nov-11
<b>Anti-Fraud &amp; Corruption Strategy and Prevention</b>	YES		12-Nov-13

TABLE 64 - HR POLICIES AND PLANS

All policies will be reviewed and updated.

## 4.4 INJURIES SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty		
Type of injury	Injury Leave Taken	Employees using injury leave
	Days	No.
<b>Required basic medical attention only</b>	15	1
<b>Temporary total disablement</b>	0	0
<b>Permanent disablement</b>	0	0
<b>Fatal</b>	0	0
<b>Total</b>	0	0

TABLE 65: NUMBER AND COST OF INJURIES ON DUTY

The Municipality has an employee assistance programme to visit employees who are hospitalized for long periods due to illness or injuries and to assist them with procedures to be boarded or whatever they need assistance with.

The Occupational Health and Safety structures are being strengthened to reduce occupational injuries. Internal departments attend monthly meetings to discuss and seek possible solutions wrt OHS matters. The LLF will discuss OHS at forthcoming meeting arranged during 2022.

## 4.5 DISCIPLINE

<b>Number and Period of Suspensions 2021/2022</b>				
<b>Position</b>	<b>Nature of Alleged Misconduct</b>	<b>Date of Suspension</b>	<b>Details of Disciplinary Action taken or Status of Case and Reasons why not finalized</b>	<b>Date Finalized</b>
Bradley Le Roux	Gross Negligence	16 March 2022	Resigned before case commenced	Complete
Reginald Timmie	Gross Insubordination	21 June 2022	Settlement agreement	Complete
CJ Willemse	Gross Insubordination	24 February 2022	Charges withdrawn	Complete
C Domingo	Gross Misconduct	06 April 2022	Charges withdrawn	Complete
M Ruiters	Misconduct	15 March 2022	Placed on special leave	Complete
Deon Van Der Berg	Misconduct	09 October 2021	Placed on special leave	Complete
Gersdwin Breda	Insubordination	September 2021	Placed on special leave	Complete
Piet Stander	Gross negligence	21 August 2021	Verbal warning	Complete
Enrico Kleinbooi	Theft/Gross misconduct	16 March 2022	Resigned before case commenced	Complete
Estelle Jafta	Misconduct	04 March 2022	Written warning	Complete
Rudi Fortuin	Misconduct	04 March 2022	Written warning	Complete

**TABLE 66: NUMBER AND PERIOD OF SUSPENSIONS**

Discipline should be applied as a corrective measure. Discipline should not be politically motivated and municipal staff should refrain from interfering in the political arena. The purpose of meting out discipline as a corrective measure to improve on organizational behavior and performance will not be effective unless discipline is applied for the intended organizational purpose. Staff morale is affected negatively while discipline is affected for ulterior motives. The status quo can be improved with awareness campaigns and training.

## **4.6 PERFORMANCE REWARDS**

The individual performance management system has not yet been developed to include other officials than the section 56 and 57 seniormanagers.

## **COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE**

Section 68 of the Local Government: Municipal Systems Act requires from the Municipality to develop the workforce capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way in accordance with the Employment Equity Act, 1998.

Challenges experienced regarding training of officials:

1. As part of a training audit to identify employees' needs for training, they had to complete a questionnaire and submit the document to the Human Resources office. The interest that the employees took into this exercise was disappointing; and
2. Funding for training remains a challenge. LGSETA do not allocate funding to Kannaland Municipality for Municipal Minimum Competency training due to the fact that a MMC course had been stopped due to the fact that the beneficiaries on course were not from the target group for MMC training. It is of critical importance that the financial and other personnel who are required to comply with MMC Regulations, be trained as a matter of urgency. The programme for the capacitation of financial interns will be utilized to train the finance department staff.

## 4.7 SKILLS DEVELOPMENT AND TRAINING

### PLANNED TRAINING BUDGET FROM 1 MAY 2022 – 30 APRIL 2023

Planned Training Budget						
Funding Source	Planned Training Budget - Employed	Planned Training Budget - Unemployed	Actual Expenditure - Employed	Actual Expenditure - Unemployed	Committed Expenditure - Employed	Committed Expenditure - Unemployed
Mandatory Grant Funds	200 000	100 00			50 000	10 000
Outstanding Mandatory Grant funds from previous year	50 000	1000			50 000	10 000
Discretionary Grants funds	200 000	100 000			50 000	10 000
Additional funding (Municipality/entity, donor funds, other government funds etc)	50 000	250 000			50 000	10 000
<b>Totals</b>	<b>500000</b>	<b>361000</b>	<b>0</b>	<b>0</b>	<b>200000</b>	<b>40000</b>

TABLE 67: PLANNED TRAINING BUDGET FROM 1 MAY 2022 – 30 APRIL 2023

### TOTAL PLANNED TRAINING BENEFICIARIES 1 MAY 2022 – 30 APRIL 2023

Total Planned Training Beneficiaries								
LGSETA Strategic Focus Area	Municipal Key Performance Area	Main IDP Priority Linked to Key Performance Area	Female - Employed	Male - Employed	Total	Female - Unemployed	Male - Unemployed	Total
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	To promote efficient and effective Governance with high levels of stakeholder participation	2	4	6	0	0	0
Promoting Sound Financial Management & Financial Viability	Municipal Financial Viability and Management	To strive towards a financially sustainable municipality	7	1	8	0	0	0
Enhancing Infrastructure and Service Delivery	Basic Service Delivery and Infrastructure Development	To provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens	0	7	7	0	0	0
Enhancing Municipal Planning	Municipal Transformation and Institutional Development	To provide an efficient workforce by aligning our institutional arrangements to our overall strategy	0	0	0	0	0	0
Promoting Spatial Transformation and Inclusion	Sustainable Local Economic Development	To facilitate economic growth and social and Community Development	5	8	13	0	0	0
<b>Totals</b>			<b>14</b>	<b>20</b>	<b>34</b>	<b>0</b>	<b>0</b>	<b>0</b>

TABLE 68: TOTAL PLANNED TRAINING BENEFICIARIES 1 MAY 2022 – 30 APRIL 2023

## TOTAL ACTUAL ADULT EDUCATION AND TRAINING BENEFICIARIES TO BE TRAINED FROM 30 APRIL 2022

### Total Actual Adult Education and Training beneficiaries to be trained

AET Level	Female LGSETA funded - Employed	Female Other funded - Employed	Male LGSETA funded - Employed	Male Other funded - Employed	Total	Female LGSETA funded - Unemployed	Female Other funded - Unemployed	Male LGSETA funded - Unemployed	Male Other funded - Unemployed	Total
AET Level 1	5	5	5	5	20	5	5	5	5	20
AET Level 2	0	0	0	0	0	0	0	0	0	0
AET Level 3	0	0	0	0	0	0	0	0	0	0
AET Level 4	5	5	5	5	20	5	5	5	5	20
National Senior Certificate	10	5	10	5	30	15	5	15	5	40
<b>Totals</b>	<b>20</b>	<b>15</b>	<b>20</b>	<b>15</b>	<b>70</b>	<b>25</b>	<b>15</b>	<b>25</b>	<b>15</b>	<b>80</b>

TABLE 69: TOTAL ADULT EDUCATION AND TRAINING BENEFICIARIES TO BE TRAINED FROM 30 APRIL 2022

## TOTAL PLANNED WORKPLACE TRAINING SYSTEMS BENEFICIARIES FROM 30 APRIL 2022

### Total Planned Workplace Training systems beneficiaries

Type	Female Beneficiaries	Male Beneficiaries	Total	Total number of training interventions	Total number of training interventions funded by LGSETA
Skills Development Facilitator	1	5	6	10	10
Local Labour Forum	1	6	7	10	10
Training Committee	2	5	7	10	10
<b>Totals</b>	<b>4</b>	<b>16</b>	<b>20</b>	<b>30</b>	<b>30</b>

TABLE 70: TOTAL PLANNED WORKPLACE TRAINING SYSTEMS BENEFICIARIES FROM 30 APRIL 2022

**NUMBER OF PLANNED TRAINING BENEFICIARIES BY OCCUPATION CATEGORY, GENDER, POPULATION GROUP, DISABILITY AND AGE for 30 April 2022  
(EMPLOYED)**

**NUMBER OF PLANNED TRAINING BENEFICIARIES BY OCCUPATION CATEGORY, GENDER, POPULATION GROUP, DISABILITY AND AGE -  
EMPLOYED**

Occupation Category	Ofo Code	Occupation	FA	FC	FI	FW	MA	MC	MI	MW	Total	DA	DC	DI	DW	Total	< 35	35 - 55	55 >	Total
LEGISLATORS	2019-111101-2	Speaker (Local or Provincial Government)	0	0	0	1	0	1	0	0	2	0	0	0	0	0	0	2	0	2
LEGISLATORS	2019-111101-6	Ward Committee Member	0	2	0	1	0	4	0	0	7	0	0	0	0	0	0	3	4	7
LEGISLATORS	2019-111101-8	Councillor	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	1	0	1
LEGISLATORS	2019-111101-9	Mayor	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1	1
<b>LEGISLATORS Totals</b>			<b>0</b>	<b>3</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>5</b>	<b>11</b>	
MANAGERS	2019-111203-3	General Manager Local Authority	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	1	0	1
MANAGERS	2019-111203-5	Municipal Manager	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1	1
MANAGERS	2019-111203-7	Town Clerk	0	0	0	0	0	2	0	0	2	0	0	0	0	0	0	1	1	2
MANAGERS	2019-121201	Human Resource Manager	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	1	0	1
MANAGERS	2019-121904	Contract Manager	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1	1
MANAGERS	2019-121905	Programme or Project Manager	0	1	0	0	0	0	0	0	1	0	0	0	0	0	1	0	0	1
MANAGERS	2019-121910-1	Water infrastructure manager	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1	1
<b>MANAGERS Totals</b>			<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>3</b>	<b>4</b>	<b>8</b>
PROFESSIONALS	2019-241101-1	Debtors Manager	0	0	0	1	0	0	0	0	1	0	0	0	0	0	0	0	1	1
PROFESSIONALS	2019-241106	Accountant in Practice	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	1	0	1
PROFESSIONALS	2019-242303-10	Hr Officer	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	1	0	1
PROFESSIONALS	2019-252201-3	IT Information Systems Administrator	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	1	0	1
PROFESSIONALS	2019-262201	Librarian	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	0	1	1
<b>PROFESSIONALS Totals</b>			<b>0</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>2</b>	<b>5</b>
TECHNICIANS AND ASSOCIATE PROFESSIONALS	2019-311501	Mechanical Engineering Technician	0	0	0	0	0	0	0	2	2	0	0	0	0	0	0	0	2	2
TECHNICIANS AND ASSOCIATE PROFESSIONALS	2019-312103-1	Electrical Foreman	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	1	0	1

TECHNICIANS AND ASSOCIATE PROFESSIONALS	2019-313201-6	Waste Water Plant Operator	0	0	0	0	1	2	0	0	3	0	0	0	0	0	0	2	1	3
TECHNICIANS AND ASSOCIATE PROFESSIONALS	2019-331201-1	Credit Controller	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1	1
TECHNICIANS AND ASSOCIATE PROFESSIONALS	2019-332302-2	Procurement Administrator / Coordinator / Officer	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	1	0	1
TECHNICIANS AND ASSOCIATE PROFESSIONALS	2019-333401-8	Property Manager (Services / Standards)	0	0	0	1	0	0	0	0	1	0	0	0	0	0	0	0	1	1
TECHNICIANS AND ASSOCIATE PROFESSIONALS	2019-335101-11	Customs Liaison Officer / Prevention Officer	0	2	0	0	0	0	0	0	2	0	0	0	0	0	0	2	0	2
TECHNICIANS AND ASSOCIATE PROFESSIONALS	2019-335401-1	Driver Licensing Clerk Cashier	0	1	0	0	0	2	0	0	3	0	0	0	0	0	0	1	2	3
TECHNICIANS AND ASSOCIATE PROFESSIONALS	2019-335913	Building Inspector	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1	1
TECHNICIANS AND ASSOCIATE PROFESSIONALS	2019-351201	ICT Communications Assistant	0	0	0	0	0	2	0	0	2	0	0	0	0	0	0	0	2	2
<b>TECHNICIANS AND ASSOCIATE PROFESSIONALS Totals</b>			<b>0</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>17</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>10</b>	<b>17</b>	
CLERICAL SUPPORT WORKERS	2019-411101-6	Recording Clerk	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	1	0	1
CLERICAL SUPPORT WORKERS	2019-411101-9	Administration Clerk / Officer	0	11	0	0	0	12	0	0	23	0	0	0	0	0	6	11	6	23
CLERICAL SUPPORT WORKERS	2019-412101	Secretary (General)	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	0	1	1
CLERICAL SUPPORT WORKERS	2019-422601	Receptionist (General)	0	1	0	0	0	1	0	0	2	0	0	0	0	0	0	0	2	2
CLERICAL SUPPORT WORKERS	2019-431101	Accounts Clerk	0	0	0	0	0	1	0	0	1	0	0	0	0	0	1	0	0	1

CLERICAL SUPPORT WORKERS	2019-431101-2	Creditors Clerk	1	0	0	0	0	1	0	0	2	0	0	0	0	0	0	2	0	2
CLERICAL SUPPORT WORKERS	2019-431101-8	Debtors Clerk	0	2	0	1	0	2	0	0	5	0	0	0	0	0	1	2	2	5
CLERICAL SUPPORT WORKERS	2019-431301-1	Salaries Officer	1	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	1	1
CLERICAL SUPPORT WORKERS	2019-432101-17	Storekeeping Officer	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1	1
CLERICAL SUPPORT WORKERS	2019-441101	Library Assistant	0	1	0	0	0	1	0	0	2	0	0	0	0	0	0	1	1	2
CLERICAL SUPPORT WORKERS	2019-441101-7	Library Attendant	0	2	0	1	0	2	0	0	5	0	0	0	0	0	1	4	0	5
CLERICAL SUPPORT WORKERS	2019-441501-8	Records Clerk / Coordinator	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	0	1	1
CLERICAL SUPPORT WORKERS	2019-441601	Human Resources Clerk	0	0	0	0	0	2	0	0	2	0	0	0	0	0	1	0	1	2
CLERICAL SUPPORT WORKERS	2019-441903-1	Administration Officer	0	0	0	1	0	1	0	1	3	0	0	0	0	0	0	1	2	3
<b>CLERICAL SUPPORT WORKERS Totals</b>			<b>2</b>	<b>20</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>24</b>	<b>0</b>	<b>0</b>	<b>50</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>22</b>	<b>18</b>	<b>50</b>
SERVICE AND SALES WORKERS	2019-515301	Caretaker	0	0	0	0	0	3	0	0	3	0	0	0	0	0	0	2	1	3
SERVICE AND SALES WORKERS	2019-523102-2	Cashier	0	4	0	0	0	0	0	0	4	0	0	0	0	0	0	2	2	4
SERVICE AND SALES WORKERS	2019-541101	Fire Fighter	0	1	0	0	0	6	0	0	7	0	0	0	0	0	6	0	1	7
SERVICE AND SALES WORKERS	2019-541201	Traffic Officer	0	0	0	0	0	3	0	0	3	0	0	0	0	0	1	2	0	3
SERVICE AND SALES WORKERS	2019-541202-12	Law enforcement officer	0	1	0	0	0	3	0	0	4	0	1	0	0	1	4	0	0	4
<b>SERVICE AND SALES WORKERS Totals</b>			<b>0</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15</b>	<b>0</b>	<b>0</b>	<b>21</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>11</b>	<b>6</b>	<b>4</b>	<b>21</b>
SKILLED AGRICULTURAL, FORESTRY, FISHERY, CRAFT AND RELATED TRADES WORKERS	2019-642601	Plumber	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1	1

SKILLED AGRICULTURAL, FORESTRY, FISHERY, CRAFT AND RELATED TRADES WORKERS	2019-671101	Electrician	0	1	0	0	0	0	0	1	2	0	0	0	0	0	0	1	1	2	
SKILLED AGRICULTURAL, FORESTRY, FISHERY, CRAFT AND RELATED TRADES WORKERS	2019-671301-9	Electrical Line Worker	0	0	0	0	0	2	0	0	2	0	0	0	0	0	0	1	0	1	2
<b>SKILLED AGRICULTURAL, FORESTRY, FISHERY, CRAFT AND RELATED TRADES WORKERS Totals</b>			<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>3</b>	<b>5</b>	
PLANT AND MACHINE OPERATORS AND ASSEMBLERS	2019-733201-8	Lorry Driver	0	0	0	0	0	3	0	0	3	0	0	0	0	0	0	1	2	3	
PLANT AND MACHINE OPERATORS AND ASSEMBLERS	2019-734206-2	Loader Driver	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	1	0	1	
<b>PLANT AND MACHINE OPERATORS AND ASSEMBLERS Totals</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>4</b>	
ELEMENTARY OCCUPATIONS	2019-811201-7	Cleaner (Non-domestic)	0	1	0	0	0	2	0	0	3	0	0	0	0	0	0	1	2	3	
ELEMENTARY OCCUPATIONS	2019-811204	Caretaker / cleaner	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	1	0	1	
ELEMENTARY OCCUPATIONS	2019-821301-1	General Farm Worker	0	20	0	0	1	61	0	0	82	0	0	0	0	0	13	28	41	82	
ELEMENTARY OCCUPATIONS	2019-862301	Meter Reader	0	0	0	0	0	5	0	1	6	0	0	0	0	0	0	2	4	6	
ELEMENTARY OCCUPATIONS	2019-862918-1	Electrician Aide	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1	1	
ELEMENTARY OCCUPATIONS	2019-862918-2	Electrician Assistant	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1	1	
ELEMENTARY OCCUPATIONS	2019-862919-1	Mechanic Assistant	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1	1	
<b>ELEMENTARY OCCUPATIONS Totals</b>			<b>0</b>	<b>21</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>72</b>	<b>0</b>	<b>0</b>	<b>95</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13</b>	<b>32</b>	<b>50</b>	<b>95</b>	

TABLE 71: NUMBER OF PLANNED TRAINING BENEFICIARIES BY OCCUPATION CATEGORY, GENDER, POPULATION GROUP, DISABILITY AND AGE for 30 April 2022 (EMPLOYED)

LIST OF LEARNING INTERVENTIONS BY NAME - EMPLOYED

LGSETA Strategic Focus Area	Municipal Key Performance Area	Skills Gap	Type of learning intervention	Qualification/Trade Title	SAQA/Trade ID	Learnership Code	Learnership Title	Name of learning intervention (Other)	Work Experience	NQF Level	Funded By	Number trained in this learning intervention
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Strategic Corporate Governance	Learnership	Further Education and Training Certificate (FETC): Management and Administration	49129	23Q230061401404	Governance and Administration Level 4			NQF Level 4	LGSETA - Discretionary Grant funds	0
Promoting Sound Financial Management & Financial Viability	Municipal Financial Viability and Management	Financial Management	Learnership	Further Education and Training Certificate: Public Administration	57824	21Q210016261794	FETC: Public Administration: Supply Chain Management Level 4			NQF Level 4	LGSETA - Discretionary Grant funds	8
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Strategic Corporate Governance	Learnership	Further Education and Training Certificate (FETC): Management and Administration	49129	23Q230061401404	Governance and Administration Level 4			NQF Level 4	LGSETA - Discretionary Grant funds	0
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy		Learnership	National Diploma: Project Management	58309	23Q230069462475	Project Management			NQF Level 5	LGSETA - Discretionary Grant funds	6
Promoting Spatial Transformation and Inclusion	Sustainable Local Economic Development	Drivers Licence Code 10 (CI)	Learnership	National Certificate: Professional Driving	50285	26Q260042441223	National Certificate: Professional Driving Level 3			NQF Level 3	LGSETA - Discretionary Grant funds	13

Enhancing Infrastructure and Service Delivery	Basic Service Delivery and Infrastructure Development	Waste and Water Process Controller	Learnership	Further Education and Training Certificate: Wastewater and Water Reticulation Services	60189	08Q08004922 1354	National Certificate in Waste water and Water Reticulation Services			NQF Level 4	LGSETA - Discretionary Grant funds	7
<b>Totals</b>											<b>34</b>	

TABLE 72: LIST OF LEARNING INTERVENTIONS BY NAME (EMPLOYED)

## 4.8 DISCLOSURES OF FINANCIAL INTERESTS

Please refer to disclosures made by officials and councilors concerning their financial interests as required by the Performance Management Regulations 805 of 2006 set out table below:

<b>Disclosures of Financial Interests</b>		
<b>At the start of the 2021/ 2022 (1 July 2021 – 31 October 2021) financial year the composition in Council was as follows:</b>		
<b>Position</b>	<b>Name</b>	<b>Description of Financial interests* (Nil / Or details)</b>
(Executive) Mayor	Magdalene Barry	No record
Member of Mayco / Exco		
Deputy Mayor	Phillipus Antonie	No record
District Representative	Hyrin Ruiters	No record
MPAC Chairperson	Jeffrey Donson	No record
<b>Speaker</b>	Werner Meshoa	No record
<b>PR Councilor</b>	Joslyn Johnson	No record
<b>Ward 4 Councilor</b>	Aletta Theron	No record
Acting Municipal Manager	Mr Roland Butler	
Acting Chief Financial Officer	Mr Pumezo Mngeni	
Director Corporate, Community and Infrastructure Services	Mr Hendrik Barnard	
Other S57 Officials		

Disclosures of Financial Interests		
Period 1 November 2021 – 19 January 2022) financial year the composition in Council was as follows:		
Position	Name	Description of Financial interests* (Nil / Or details)
(Executive) Mayor	Jeffrey Donson	None
Member of Mayco / Exco		
Deputy Mayor	Werner Meshoa	None
District Representative	Hyrin Ruiters	
MPAC Chairperson	Rodge Albertus	None
<b>Speaker</b>	Nicholaas Valentyn	
<b>PR Councilor</b>	Leoni Stuurman	None
<b>Ward 4 Councilor</b>	Alletta Steenkamp	None
Acting Municipal Manager	Roland Butler (1 July 2021 – 31 August 2021. Morne Hoogbaard 1 September 2021 – 19 January 2022	
Acting Chief Financial Officer	Roland Butler 1 September 2022 – 31 March 2022) /Pumezo Mngeni /Enrico Kleinbooi/ Chrizelda Claassen/ Gert Oosthuizen	
<b>Director Corporate, Community and Infrastructure Services</b>	Hendrik Barnard (1 November 2021 – 19 January 2022	
Other S57 Officials	None	

Disclosures of Financial Interests		
Period 19 January 2022 – 30 June 2022		
Position	Name	Description of Financial interests* (Nil / Or details)
(Executive) Mayor	Nicolaas Valentyn	None
Deputy Mayor	Leoni Stuurman	None
District Representative	Alletta Steenkamp	
MPAC Chairperson	Hyrin Ruiters	None
<b>Speaker</b>	Rodge Albertus	
<b>Ward 1 Councilor</b>	Jeffrey Donson	None
<b>Ward 2 Councilor</b>	Werner Meshoa	None
	Mr Anthony Everts and Mr Bradley Bernaduns were sworn in as councilors for one day (6 May 2022 replacing Cllr Nicolaas Valentyn and Councilor Leoni Stuurman)	No record
Acting Municipal Manager	Ian Avontuur	
Acting Chief Financial Officer	Pumezo Mngeni/ Roland Butler (19 January 2022 – 31 March 2022) Gert Oosthuizen	
<b>Director Corporate, Community and Infrastructure Services</b>	Mr Hendrik Barnard	
Other S57 Officials		None

TABLE 73: DISCLOSURE OF FINANCIAL INTERESTS

## **CHAPTER 5 – FINANCIAL PERFORMANCE**

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

**Component A:** Statement of Financial Performance

**Component B:** Spending Against Capital Budget

**Component C:** Cash Flow Management and Investment

**Component D:** Other Financial Matters

### **COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE**

This component provides an overview of the financial performance of the Municipality and focuses on the financial health of the Municipality.

In terms of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA), section 126(1)(a), the accounting officer must prepare the annual financial statements of the Municipality and, within two months after the end of the financial year to which those statements relate, submit the statements to the Auditor-General for auditing.

According to section 133(1)(a) of the MFMA, the mayor must promptly table in the council a written explanation setting out the reasons for the failure if the accounting officer fails to submit financial statements to the Auditor-General in accordance with section 126(1) of the MFMA.

The reasons for the delay in submitting the annual financial statements to the Auditor-General for auditing, as contemplated in section 126(1) (a) of the MFMA can be ascribed to the following:

#### **GOVERNANCE CHALLENGES**

The Annual Financial Statements of the municipality was submitted on the 31 August 2022.

#### **STATEMENT OF FINANCIAL PERFORMANCE**

The financial performance of Kannaland Municipality for the 2020/21 financial year is summarized in the Statement of Performance:

<b>STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2022</b>		
	<b>Actual</b>	
	<b>2022</b>	<b>2021</b>
		<b>Restated</b>
	<b>R</b>	<b>R</b>
<b>REVENUE</b>		
<b>Revenue from Non-exchange Transactions</b>	<b>88 122 157</b>	<b>82 396 361</b>
Property Rates	25 891 439	19 319 923
Fines, Penalties and Forfeits	38 651	141 591
Licences and Permits	24 572	-
Transfers and Subsidies	60 590 121	62 159 165
Interest, Dividends and Rent on Land Earned	1 577 374	775 682
<b>Revenue from Exchange Transactions</b>	<b>109 366 322</b>	<b>94 442 619</b>
Licences and Permits	134 696	217 217
Service Charges	102 394 082	87 851 152
Sales of Goods and Rendering of Services	307 284	473 386
Income from Agency Services	1 098 291	1 083 022
Rental from Fixed Assets	551 569	570 247
Interest, Dividends and Rent on Land Earned	4 639 056	3 915 961
Operational Revenue	241 343	331 634
<b>Total Revenue</b>	<b>197 488 479</b>	<b>176 838 980</b>
<b>EXPENDITURE</b>	<b>211 493 664</b>	<b>184 097 882</b>
Employee Related Costs	71 598 209	66 795 557
Remuneration of Councillors	3 147 985	3 183 979
Depreciation and Amortisation	13 715 868	11 067 396
Impairment Losses	29 203 021	22 200 438
Interest, Dividends and Rent on Land	4 244 366	3 301 250
Bulk Purchases	50 752 318	44 276 763
Contracted Services	13 676 795	7 884 700
Inventory Consumed	3 535 827	5 536 169
Transfers and Subsidies Paid	240 000	245 659
Operating Leases	1 205 300	669 512
Operational Costs	15 368 141	18 886 537
Loss on Disposal of Property, Plant and Equipment	4 805 834	49 922
<b>Total Expenditure</b>	<b>211 493 664</b>	<b>184 097 882</b>
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>	<b>(14 005 185)</b>	<b>(7 258 901)</b>

TABLE 74 RECONCILIATION OF TABLE A1 BUDGET SUMMARY SOURCE AFS

## 5.1 FINANCIAL PERFORMANCE OF OPERATIONAL SERVICES

Financial Performance of Operational Services			
R '000			
Description	2021/22		
	Original Budget	Adjustments Budget	Actual
<b>Operating Cost</b>			
Water	13 361 138,00	31 880 828,00	29 518 190,84
Waste Water (Sanitation)	3 758 378,00	3 808 048,00	3 513 027,21
Electricity	58 411 836,00	64 197 556,00	61 128 150,31
Waste Management	9 989 977,00	10 449 276,00	7 804 210,62
Housing	7 142 540,00	2 784 750,00	1 513 526,04
Sport and Recreation	175 590,00	175 590,00	149 585,56
Fire	1 565 530,00	1 600 839,00	1 243 952,30
Public Works	3 398 082,00	3 482 681,00	1 243 952,30
Finance	24 518 350,00	26 292 678,00	30 102 576,58
Libraries	3 451 020,00	3 740 520,00	2 913 486,37
Council	8 327 888,00	11 657 171,00	11 706 501,42
Cemeteries	453 631,00	489 455,00	2 005 794,61
<b>Total Expenditure</b>	<b>134 553 960,00</b>	<b>160 559 392,00</b>	<b>152 842 954,16</b>

TABLE 75: FINANCIAL PERFORMANCE OF OPERATIONAL SERVICES SOURCE AFS

## 5.2 GRANTS

Grant Performance				
R' 000				
	2021/22			2020/21
Description	Budget	Adjustments Budget	Actual	Original Budget
<b>Operating Transfers and Grants</b>				
Equitable Share	30553000	4208000	34011000	29803000
FMG	2893000		2893000	2647000
Mun Syst Imp Grant (MSIG)	600000			1900000
Employee support Grant		900000	900000	
MIG - PMU	529700		527900	511650
EPWP	1359000		1359000	1171000
Human Settlement	6100000			200000
WC: Transport Infrastructure	50000			50000
WC Fin Mngmt Capacity Building	250000		250000	401000
Library (Replacement)	3217000		3217000	3049000
communiy development workers	113000		113000	112000
Drought Relief				2600000
Regional Bulk Infrastructure				30000000
Water Serv Infrastructure Grant				20000000
MIG - Capital	10594000		10594000	9721350

TABLE 76: GRANT PERFORMANCE SOURCE AFS

## 5.3 BORROWINGS

Client no.: 9004552

Kannaland Municipality (WC041)  
32 Church Street  
P.O. Box 30  
Ladismith 6655  
Republic of South Africa



Date: 28.07.2021

VAT Registration  
No: 4260126711

### ACCOUNT STATEMENT

Interest Accrual	31.07.2021	31.07.2021	0,00	9,167,86	0,00	9,167,86	872,720,90	863,553,04
Interest Capitalisation	31.07.2021	31.07.2021	0,00	-9,167,86	9,167,86	0,00	872,720,90	872,720,90
Repayment Due	02.08.2021	02.08.2021	-50,832,14	0,00	-9,167,86	-60,000,00	812,720,90	812,720,90
Interest Accrual	31.08.2021	31.08.2021	0,00	8,669,29	0,00	8,669,29	821,390,19	812,720,90
Interest Capitalisation	31.08.2021	31.08.2021	0,00	-8,669,29	8,669,29	0,00	821,390,19	821,390,19
Repayment Due	31.08.2021	31.08.2021	-51,330,71	0,00	-8,669,29	-60,000,00	761,390,19	761,390,19
Interest Accrual	30.09.2021	30.09.2021	0,00	7,822,50	0,00	7,822,50	769,212,69	761,390,19
Interest Capitalisation	30.09.2021	30.09.2021	0,00	-7,822,50	7,822,50	0,00	769,212,69	769,212,69
Repayment Due	30.09.2021	30.09.2021	-52,177,50	0,00	-7,822,50	-60,000,00	709,212,69	709,212,69
Interest Accrual	31.10.2021	31.10.2021	0,00	7,529,31	0,00	7,529,31	716,742,00	709,212,69
Interest Capitalisation	31.10.2021	31.10.2021	0,00	-7,529,31	7,529,31	0,00	716,742,00	716,742,00
Repayment Due	01.11.2021	01.11.2021	-52,470,69	0,00	-7,529,31	-60,000,00	656,742,00	656,742,00
Interest Accrual	30.11.2021	30.11.2021	0,00	6,767,90	0,00	6,767,90	663,509,90	656,742,00
Interest Capitalisation	30.11.2021	30.11.2021	0,00	-6,767,90	6,767,90	0,00	663,509,90	663,509,90
Repayment Due	30.11.2021	30.11.2021	-53,232,10	0,00	-6,767,90	-60,000,00	603,509,90	603,509,90
Interest Accrual	31.12.2021	31.12.2021	0,00	6,407,13	0,00	6,407,13	609,917,03	603,509,90
Interest Capitalisation	31.12.2021	31.12.2021	0,00	-6,407,13	6,407,13	0,00	609,917,03	609,917,03
Repayment Due	31.12.2021	31.12.2021	-53,592,87	0,00	-6,407,13	-60,000,00	549,917,03	549,917,03
Interest Accrual	31.01.2022	31.01.2022	0,00	5,838,16	0,00	5,838,16	555,755,19	549,917,03
Interest Capitalisation	31.01.2022	31.01.2022	0,00	-5,838,16	5,838,16	0,00	555,755,19	555,755,19
Repayment Due	31.01.2022	31.01.2022	-54,161,84	0,00	-5,838,16	-60,000,00	495,755,19	495,755,19
Interest Accrual	28.02.2022	28.02.2022	0,00	4,753,82	0,00	4,753,82	500,509,01	495,755,19
Interest Capitalisation	28.02.2022	28.02.2022	0,00	-4,753,82	4,753,82	0,00	500,509,01	500,509,01
Repayment Due	28.02.2022	28.02.2022	-55,246,18	0,00	-4,753,82	-60,000,00	440,509,01	440,509,01
Interest Accrual	31.03.2022	31.03.2022	0,00	4,676,64	0,00	4,676,64	445,185,65	440,509,01
Interest Capitalisation	31.03.2022	31.03.2022	0,00	-4,676,64	4,676,64	0,00	445,185,65	445,185,65
Repayment Due	31.03.2022	31.03.2022	-55,323,36	0,00	-4,676,64	-60,000,00	385,185,65	385,185,65
Interest Accrual	30.04.2022	30.04.2022	0,00	3,957,39	0,00	3,957,39	389,143,04	385,185,65
Interest Capitalisation	30.04.2022	30.04.2022	0,00	-3,957,39	3,957,39	0,00	389,143,04	389,143,04
Repayment Due	03.05.2022	03.05.2022	-56,042,61	0,00	-3,957,39	-60,000,00	329,143,04	329,143,04
Interest Accrual	31.05.2022	31.05.2022	0,00	3,555,97	0,00	3,555,97	332,699,01	329,143,04
Interest Capitalisation	31.05.2022	31.05.2022	0,00	-3,555,97	3,555,97	0,00	332,699,01	332,699,01
Repayment Due	31.05.2022	31.05.2022	-56,444,03	0,00	-3,555,97	-60,000,00	272,699,01	272,699,01
Interest Accrual	30.06.2022	30.06.2022	0,00	2,801,70	0,00	2,801,70	275,500,71	272,699,01
Interest Capitalisation	30.06.2022	30.06.2022	0,00	-2,801,70	2,801,70	0,00	275,500,71	275,500,71
Repayment Due	30.06.2022	30.06.2022	-57,198,30	0,00	-2,801,70	-60,000,00	215,500,71	215,500,71

TABLE 77: ACTUAL BORROWINGS SOURCE AFS

## 5.4 REVENUE COLLECTION BY VOTE

Revenue Collection Performance by Vote				
				R' 000
Vote Description	2020/21	2021/22		
	Actual	Original Budget	Adjusted Budget	Actual
Vote 1 - Executive Council	34 236 973,48	6 402 430,00	7 365 374,00	R28 774 398,97
Vote 2 - Corporate Services	13 898 192,00	19 427 410,00	16 160 923,00	R13 709 722,33
Vote 3 - Financial Services	4 638 919,68	5 167 050,00	4 803 191,00	R4 864 160,63
Vote 4 - Technical Services	102 096 079,02	140 865 400,00	140 719 838,00	R120 892 282,42
<b>Total Revenue by Vote</b>	<b>154 870 164,18</b>	<b>171 862 290,00</b>	<b>169 049 326,00</b>	<b>168 240 564,35</b>

TABLE 78: REVENUE BY VOTE 2021/22 VOTE AFS

## 5.5 REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source R '000				
Description	2021/22	2020/21		
	Actual	Original Budget	Adjustments Budget	Actual
Property rates	25 891 439,00	24 561 794,00	25 522 450,00	19 319 923,00
Service Charges	102 394 082,00	104 162 110,00	98 470 470,00	87 851 152,00
Fines, Penalties and forfeits	38 651,00	5 546 710,00	15 000,00	141 591,00
Licences and Permits	378 010,00	505 190,00	361 160,00	217 217,00
Transfers and Subsidies	60 590 121,00	67 891 000,00	80 217 790,00	62 159 165,00
Interest, Dividends and Rent on Land Earned	6 216 430,00	3 951 320,00	5 508 411,00	775 682,00
Sales of goods and Rendering of services	307 284,00	436 180,00	263 000,00	473 386,00
Rental from fixed assets	551 569,00	631 386,00	553 030,00	570 247,00
Other revenue	241 343,00	537 340,00	312 600,00	331 634,00
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>196 608 929,00</b>	<b>208 223 030,00</b>	<b>211 223 911,00</b>	<b>171 839 997,00</b>

TABLE 79: REVENUE COLLECTION BY SOURCE 2021/22 SOURCE AFS

## 5.6 ASSET MANAGEMENT

The unit experienced problems as a result of under staffed where only one accountant and one intern in this department. This makes it impossible to function effectively. Fleet management was also added to the asset management department and is also managed by the acting accountant.

Lack of Asset Management System, we are currently still making use of an excel register which only allows annual update of the FAR, which makes us dependent on consultants. Lack of a store room, we currently have no space for the storage of assets.

Co-operation by staff is poor. They still believe that they carry no responsibility towards the management of the assets assigned to them and that the responsibility remains with the asset management unit.

The availability of financial and technical information regarding projects that was done is still a huge challenge. We are still struggling to obtain the correct information in the required format to do the unbundling of projects efficiently. The problems with the Financial System as well as how it is being used, also contribute to the difficulty regarding the data needed for the unbundling.

Availability of staff to do quarterly sample verifications, due to the lack of staff in the department, is difficult. Without sufficient staff it is impossible to implement the basic policies and procedures required to manage the assets efficiently and effectively.

Despite numerous challenges and shortages in the Asset Management section, the most pressing challenge is to attain a fully complete asset register.

This is a process that takes time as well as financial resources to be fully functional and compliant. The Municipality has an asset management plan which produces a credible asset verification register with GIS mapping.

# COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

## 5.7 CAPITAL PROGRAMME

Grant	Project No	Project Name	Budget	Received	Outstanding	Expenditure	Still to spend	% Spend	Status/Progress/Comments
MIG	235124	Kannaland: Installation of Water Meters	R 577 517,00	R 577 517,00		R 543 239,32	R 34 277,68	94%	Contractor on site. Invoices paid but not captured on the MIG MIS system
MIG	213625	Zoar: Upgrade new Cemetery	R 1 688 015,00	R 1 688 015,00		R 1 802 100,57	-R 114 085,57	107%	Contractor on sit. Invoices was paid to late and not captured on the MIG MIS system.
MIG	160843	Ladismith: New Waste Water Treatment Works	R 6 422 209,00	R 6 422 209,00		R 6 378 195,85	R 44 013,15	99%	Contractor on site. Invoices was paid to late and not captured on the MIG MIS system.
MIG	285450	Ladismith: Upgrade Water Treatment Works	R 1 376 559,00	R 1 376 559,00		R 1 162 188,72	R 214 370,28	84%	Contractor appointed awaiting material delivery. Invoices was paid to late and not captured on the MIG MIS system.
MIG	PMU/041	PMU	R 529 700,00	R 529 700,00	R -	R 529 700,00	R -	100%	In progress
		<b>TOTALS</b>	<b>R 10 594 000,00</b>	<b>R 10 594 000,00</b>	<b>R -</b>	<b>R 10 415 424,46</b>	<b>R 178 575,54</b>	<b>98%</b>	<b>EXPENDITURE FOR 2021/2022 FY</b>
<b>Grant</b>	<b>Project No</b>	<b>Project Name</b>	<b>Budget</b>			<b>Expenditure</b>	<b>Still to spend</b>	<b>% Spend</b>	<b>Status/Progress/Comments</b>
WSIG		Calitzdorp: Deep Boreholes	R 10 000 000,00			R 5 332 176,34	R 4 667 823,66	53%	Contractor on site. Applied for Roll-over
		<b>TOTALS</b>	<b>R 10 000 000,00</b>	<b>R -</b>		<b>R 5 332 176,34</b>	<b>R 4 667 823,66</b>	<b>53%</b>	<b>EXPENDITURE FOR 2021/2022 FY</b>
<b>Grant</b>	<b>Project No</b>	<b>Project Name</b>	<b>Budget</b>			<b>Expenditure</b>	<b>Still to spend</b>	<b>% Spend</b>	<b>Status/Progress/Comments</b>
Drought Relief		Ladismith: Boreholes	R 2 026 369,00			R 2 080 801,99	-R 54 432,99	103%	Contractors appointed. Applied for Roll-over
		<b>TOTALS</b>	<b>R 2 026 369,00</b>			<b>R 2 080 801,99</b>	<b>-R 54 432,99</b>	<b>103%</b>	<b>EXPENDITURE FOR 2021/2022 FY</b>
<b>Grant</b>	<b>Project No</b>	<b>Project Name</b>	<b>Budget</b>			<b>Expenditure</b>	<b>Still to spend</b>	<b>% Spend</b>	<b>Status/Progress/Comments</b>
EPWP		Temporary Workers appointed	R 1 359 000,00	R 1 359 000,00	R -	R 1 359 000,00	R -	100%	Late approval of business plan by Council resulted in late submissions which caused the withholding of the first transfer. Targets are 118 work opportunities and 54 FTE
		<b>TOTALS</b>	<b>R 1 359 000,00</b>	<b>R 1 359 000,00</b>		<b>R 1 359 000,00</b>	<b>R -</b>	<b>100%</b>	<b>EXPENDITURE FOR 2021/2022 FY</b>
<b>Grant</b>	<b>Project No</b>	<b>Project Name</b>	<b>Budget</b>			<b>Expenditure</b>	<b>Still to spend</b>	<b>% Spend</b>	<b>Status/Progress/Comments</b>
INEP		Ladismith Electrification of new network	R 2 699 000,00	R 2 699 000,00	R -	R 2 140 956,58	R 558 043,42	79%	
		<b>TOTALS</b>	<b>R 2 699 000,00</b>	<b>R 2 699 000,00</b>	<b>R -</b>	<b>R 2 140 956,58</b>	<b>R 558 043,42</b>	<b>79%</b>	<b>EXPENDITURE FOR 2021/2022 FY</b>

TABLE 80: CAPITAL PROGRAMME BY PROJECT 2021/22

## COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

### 5.8 CASH FLOW

<b>CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2022</b>		
	<b>Actual</b>	
	<b>2022</b>	<b>2021</b>
		<b>Restated</b>
	<b>R</b>	<b>R</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Receipts</b>		
Property Rates	22 216 667	17 580 275
Transfers and Subsidies	47 911 049	65 812 583
Service Charges	85 836 419	76 097 556
External Interest Received	1 232 382	1 150 490
Other Receipts	8 521 264	2 427 033
<b>Payments</b>		
Employee Related Costs	(70 685 612)	(66 619 016)
Remuneration of Councillors	(3 147 985)	(3 183 979)
External Interest Paid	(2 885 933)	(493 890)
Suppliers Paid	(59 366 381)	(57 593 138)
Other Payments	(26 596 252)	(10 576 968)
VAT Paid	(4 717 184)	(1 009 272)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>(1 681 568)</b>	<b>23 591 676</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	(15 449 081)	(16 702 172)
Proceeds / (Losses) on Disposal of Property, Plant and Equipment	(14 812)	-
Proceeds on Disposal of Intangible Assets	20 560	-
Proceeds on Disposal of Investment Property	(5 748)	-
Decrease / (Increase) in Non-current Investments	(91 785)	-
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(15 540 866)</b>	<b>(16 702 172)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Decrease in Borrowings (Loans Redeemed)	(648 052)	(572 312)
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>(648 052)</b>	<b>(572 312)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(17 870 486)</b>	<b>6 317 191</b>
Cash and Cash Equivalents at Beginning of Financial Year	48 804 724	42 487 533
Cash and Cash Equivalents at End of Financial Year	30 934 238	48 804 724

TABLE 81: CASH FLOW SOURCE AFS 2020/21

## **5.9 BORROWING AND INVESTMENT**

Kannaland Municipality as many other municipalities in South Africa, is reliant on grant funding to enhance their income and to properly execute their duties and functions as prescribed by the Constitution of South Africa. Therefore, all grant funding received from National and Provincial Government needs to be used, solely for the purposes intended and granted for.

All grant funding is safely deposited at the Municipality's bank on 32 days investments. This not only ensures safekeeping of grant funding, but also enhancing the cash flow position of the Municipality by earning additional income from interest.

## **5.10 PUBLIC PRIVATE PARTNERSHIPS**

N/A

## **COMPONENT D: OTHER FINANCIAL MATTERS**

### **5.11 GRAP COMPLIANCE**

GRAP is the acronym for Generally Recognized Accounting Practice and it provides the guidelines by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative. It will also ensure that the Municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is required to enable National Treasury to assess the pace of progress and consider the implications.

The financial statements have been prepared in accordance with Standards of Generally Recognized Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board. The financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

## **CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS**

The Constitution in S188 (1) (b) states that the functions of the Auditor-General include the auditing and reporting on the accounts, financial statements and financial management of all municipalities. In accordance with the Local Government: Municipal Systems Act, 2000(section 45) the results of performance measurement must be audited annually by the Auditor-General.

### **COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS 2021/22**

Kannaland Municipality obtained a Disclaimer for the 2021/2022 year under review.

**Report of the auditor-general to the Western Cape Provincial Parliament and the Council on the Kannaland Municipality**

**(See Volume I attached)**

## APPENDICES

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

Councillors Pre- Local Government election (1 November 2021) were as follow:

Councillor	Number of Meetings	Actual attended	Percentage attended	WARD/PR
Werner Meshoa	5%	5%	100%	WARD
Magdalene Barry	5%	1%	20%	WARD
Phillippus Antonie	1%	1%	100%	PR
Hyrin Ruiters	5%	5%	100%	PR
Jeffrey Donson	5%	5%	100%	WARD
Joslyn Johnson	5%	2%	40%	PR
Alletta Theron	2%	1%	50%	WARD

The composition of the Council after the LG Elections and first council meeting was as follows:

Councillor	Number of Meetings	Actual attended	Percentage attended	WARD/PR
Nicolaas Valentyn	12%	12%	100%	PR
Jeffrey Donson	13%	10%	76%	WARD
Werner Meshoa	13%	10%	76%	WARD
Hyrin Ruiters	13%	10%	76%	WARD
Rodge Albertus	13%	12%	92	PR
Leoni Stuurman	12%	10%	83	PR
Lets Steenkamp	13%	12%	92	WARD
Brad Benades	1%	1%	100%	PR
Anthony Ewerts	1%	1%	100%	PR

TABLE 18: COUNCILORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE (POST 1 NOV 2021 LG ELECTIONS)

## APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Local Labor Forum	To regulate HR matters
Audit Committee	To have oversight with regard to finance (MFMA) and legislative requirements
MPAC Committee	To have oversight with regard to the Annual Report
Technical Committee	To have oversight with regard to technical projects
Risk Committee	To have oversight with regard to the Risk Management function

TABLE 83: COMMITTEES AND COMMITTEE PURPOSES

## APPENDIX C

THIRD TIER STRUCTURE	
Office of the Municipal Manager	Mr R Butler; Mr M Hoogbaard; Ian Avontuur (Actin Municipal Manager)
Office of the Municipal Manager	Mrs. W Viljoen – Office Manager
Office of the Municipal Manager	Mr G Breda- Manager: Risk, Legal and Compliance
Office of the Municipal Manager	Ms. C Domingo – IDP, IGR; Tourism, LED, Communication, Public Participation and Performance Management
Office of the Municipal Manager	Vacant - LED and Communication
Office of the Municipal Manager	Mrs. Jessica Fuller – LED and Performance Management
Office of the Municipal Manager	Mrs. Berenice Breda – Public Participation
Office of the Municipal Manager	Mr R Fortuin - Manager: IT
Office of the Municipal Manager	Mr E Kleinbooi – Internal Auditor (Resignation in March 2022)
Strategic Services	Vacant - Senior Manager: Strategic Services
Corporate Services	Mr H B Barnard - Executive Manager: Corporate Services
Corporate Services	Mrs. Johanalie Andrews – Human Resources
Corporate Services	Mr C Hendricks - Manager: Thusong Centre
Corporate Services	Mr H Constable - Manager: Administration
Corporate Services	Mr A Fortuin – Senior Officer: Housing

<b>Corporate Services</b>	Mrs E Jeftha – Records Manager
<b>Corporate Services</b>	Mr R De Jongh: Human Resource Management
<b>Community Services</b>	Mrs. Marusda Van Heerden - libraries
<b>Community Services</b>	Mr R Timmie – Manager: Community Services
<b>Community Services</b>	Mr Mark Rensburg – Building Control
<b>Community Services</b>	Mr Eric Schutte – Town Planning
<b>Technical Services</b>	Mr N Paskwali - Manager: Civil Engineering
<b>Technical Services</b>	Mr Mcgrandle Makier (Manager)
<b>Technical Services</b>	Mrs. D Koert – Manager: Project Management Unit
<b>Technical Services</b>	Mrs. C Oosthuizen: EPWP
<b>Technical Services</b>	Mr Loyiso Vekele – Manager: Electrical and Mechanical Services
<b>Finance</b>	Mr R Butler and Mr Gert Oosthuizen Chief Financial Officer
<b>Finance</b>	Mr P Mngeni – Manager: Budget and Treasury Office
<b>Finance</b>	Mrs. C Claassen - Accountant: Budget and Treasury Office
<b>Finance</b>	Mr Malu Noholoza (Resigned on
<b>Finance</b>	Ms. Naledi Nqeketho (Expenditure Management)
<b>Finance</b>	Mr Eben Van Rooi (Supply Chain
<b>Finance</b>	Mervian Scheffers (Asset Management)
<b>Finance</b>	Rolene Nel (Revenue Management)

**APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY**

<b>Municipal Functions</b>	
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No) *
Constitution Schedule 4- and 5-Part B functions:	
Air pollution	YES
Building regulations	YES
Child care facilities	YES
Electricity and gas reticulation	YES
Firefighting services	YES
Local tourism	YES
Municipal airports	YES
Municipal planning	YES
Municipal health services	YES
Municipal public transport	YES
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 harbors, excluding the regulation of international and national shipping and matters related thereto	NO
Stormwater management systems in built-up areas	YES
Trading regulations	NO
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	YES

<b>Municipal Functions</b>	
MUNICIPAL FUNCTIONS	Function Applicable to Municipality(Yes / No) *
Beaches and amusement facilities	NO
Billboards and the display of advertisements in public places	NO
Cemeteries, funeral parlors and crematoria	YES
Cleansing	YES
Control of public nuisances	PARTIAL
Control of undertakings that sell liquor to the public	NO
Facilities for the accommodation, care and burial of animals	NO
Fencing and fences	YES
Licensing of dogs	YES
Licensing and control of undertakings that sell food to the public	YES
Local amenities	YES
Local sport facilities	YES
Markets	NO
Municipal abattoirs	YES
Municipal parks and recreation	YES
Municipal roads	YES
Noise pollution	YES
Pounds	NO
Public places	YES
Refuse removal, refuse dumps and solid waste disposal	YES
Street trading	YES
Street lighting	YES
Traffic and parking	YES

**TABLE 84: MUNICIPAL FUNCTIONS**

**APPENDIX E – WARD COMMITTEE FUNCTIONALITY**

<b>Functionality of ward committees</b>				
<b>Ward</b>	<b>Name of Ward Councillor and elected Ward committee members</b>	<b>Committee established (Yes / No)</b>	<b>Number of monthly reports submitted to Speakers Office on time</b>	<b>Number of quarterly public ward meetings held during year</b>
Nissenville Ward 1	Councillor J Donson	Yes	Quarterly reports submitted to Council	1
Calitzdorp Ward 2	Councillor W Meshoa	Yes	Quarterly reports submitted to Council	0
Zoar Ward 3	Councillor Hyrin Ruiters	Yes	Quarterly reports submitted to Council	0
Ladismith Ward 4	Councillor Aletta Steenkamp	Yes	Quarterly reports submitted to Council	0

**TABLE 85: FUNCTIONALITY OF WARD COMMITTEES**

## APPENDIX F1

Ward Title: Ward Name (Number)				
Capital Projects: Seven Largest in Year 0 (Full List at Appendix O)				
R' 000				
No.	Project Name and detail	Start Date	End Date	Total Value
1.	Clean up of informal areas; establish neighbourhood watch and CPF; maintenance to Nissenville community hall; water security and provisioning; housing; paving; job opportunities	01 July 2021	30 June 2022	No budget for ward committee projects
2.	Training of youth; job opportunities; housing; water security; community safety plan	01 July 2021	30 June 2022	No budget for ward committee projects
3.	Lighting; community safety plan; by laws updating and enforcement; early childhood development centre; paving; amaliensteing farm transfer	01 July 2021	30 June 2022	No budget for ward committee projects
4.	Sanitation upgrade; lighting; job creation; youth training development; water tanks; potholes and road maintenance; chemical toilets for Varkieskloof	01 July 2021	30 June 2022	No budget for ward committee projects

## APPENDIX K

REVENUE COLLECTION PERFORMANCE BY SOURCE						R '000
Description	Year -1	Year 0		Year 0 Variance		
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	26 485	23 572	28 075	23 042	-2%	-22%
Property rates - penalties & collection charges	8 541	8 285	9 054	8 456	2%	-7%
Service Charges - electricity revenue	12 355	10 254	12 478	13 219	22%	6%
Service Charges - water revenue	14 232	13 235	13 662	12 097	-9%	-13%
Service Charges - sanitation revenue	6 542	5 496	5 954	6 346	13%	6%
Service Charges - refuse revenue	1 865	1 622	1 865	1 510	-7%	-23%
Service Charges - other	5 643	5 530	5 925	5 304	-4%	-12%
Rentals of facilities and equipment	5 643	5 530	5 925	5 304	-4%	-12%
Interest earned - external investments	5 322	4 470	5 747	4 630	3%	-24%
Interest earned - outstanding debtors	8 455	8 455	8 624	9 554	12%	10%
Dividends received	1 254	1 003	1 191	1 354	26%	12%
Fines	2 516	2 063	2 264	2 340	12%	3%
Licences and permits	6 846	6 230	7 256	6 640	6%	-9%
Agency services	12 546	10 413	11 793	11 542	10%	-2%
Transfers recognised - operational	2 355	2 190	2 425	2 402	9%	-1%
Other revenue	48 542	40 776	48 542	46 115	12%	-5%
Gains on disposal of PPE	4 565	3 698	4 337	4 291	14%	-1%

Enviromental Protection	5 649	4 971	6 157	4 971	0%	-24%
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>179 353</b>	<b>157 791</b>	<b>181 274</b>	<b>169 118</b>	<b>6,70%</b>	<b>-7,19%</b>

*Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.  
This table is aligned to MBRR table A4.*

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## APPENDIX L

Grant Performance				
R' 000				
Description	2021/22			2020/21
	Budget	Adjustments Budget	Actual	Original Budget
<b>Operating Transfers and Grants</b>				
Equitable Share	30553000	4208000	34011000	29803000
FMG	2811000	2811000	2811000	2647000
Mun Syst Imp Grant (MSIG)	600000			1900000
Employee support Grant		900000	900000	
MIG - PMU	529700		527900	511650
EPWP	1359000		1359000	1171000
Human Settlement	6100000			200000
WC: Transport Infrastructure	50000			50000
WC Fin Mngmt Capacity Building	250000		250000	401000
Library (Replacement)	3217000		3217000	3049000
communiy development workers	113000		113000	112000
Drought Relief				2600000
Regional Bulk Infrastructure				30000000
Water Serv Infrastructure Grant				20000000

## APPENDIX R

Declaration of Loans and Grants made by the municipality: Year 0					
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value Year 2020/2021 R' 000	Total Amount committed 2010/2022	Total Amount committed 2022/2023
Loans	none	none	none	none	none
Grants Ladismith Tourism Bureau	Tourism	MOA, Business Plan; Invoices	R160 000	R160 000	R160 000
Grants Calitzdorp Tourism Bureau	Tourism		R160 000	R160 000	R160 000

## VOLUMES

- VOLUME I: 2021/2022 AG REPORT
- VOLUME II: ANNUAL FINANCIAL STATEMENTS
- VOLUME III: 2021/2022 ANNUAL PERFORMANCE REPORT
- VOLUME IV: 2021/2022 DRAFT AUDIT ACTION PLAN

## GLOSSARY

<b>Accessibility indicators</b>	Explore whether the intended beneficiaries are able to access services or outputs.
<b>Accountability documents</b>	Documents used by executive authorities to give “ <i>full and regular</i> ” reportson the matters under their control to Parliament and provincial legislaturesas prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
<b>Activities</b>	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “ <i>what we do</i> ”.
<b>Adequacy indicators</b>	The quantity of input or output relative to the need or demand.

<b>Annual Report</b>	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
<b>Approved Budget</b>	The annual financial statements of a Municipality as audited by the Auditor-General and approved by council or a provincial or national executive.
<b>Baseline</b>	Current level of performance that a Municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
<b>Basic municipal service</b>	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
<b>Budget year</b>	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
<b>Cost indicators</b>	The overall cost or expenditure of producing a specified quantity of outputs.
<b>Distribution indicators</b>	The distribution of capacity to deliver services.
<b>Financial Statements</b>	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
<b>General performance indicators</b>	<b>Key</b> After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
<b>Impact</b>	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
<b>Inputs</b>	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings

<b>Integrated Development Plan (IDP)</b>	Set out municipal goals and development plans.
<b>National Key performance areas</b>	<ul style="list-style-type: none"> <li>• Service delivery &amp; infrastructure</li> <li>• Economic development</li> <li>• Municipal transformation and institutional development</li> <li>• Financial viability and management</li> </ul> <p>Good governance and community participation</p>
<b>Outcomes</b>	<ul style="list-style-type: none"> <li>• The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e., a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.</li> </ul>
<b>Performance Indicator</b>	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
<b>Performance Information</b>	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
<b>Performance Standards:</b>	<ul style="list-style-type: none"> <li>• The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.</li> </ul>
<b>Performance Targets:</b>	<ul style="list-style-type: none"> <li>• The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a Municipality aims to achieve within a given time period.</li> </ul>

<b>Service Delivery Budget Implementation Plan</b>	<ul style="list-style-type: none"><li>• Detailed plan approved by the mayor for implementing the Municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.</li></ul>
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