



ANNUAL REPORT 2009/2010

Munisipaliteit • U-Masipala • Municipality

OVERSTRAND

TABLE OF CONTENTS

	Page
Foreword by the Executive Mayor	3
Executive Summary	4
 C h a p t e r 1 : I n t r o d u c t i o n & O v e r v i e w	
1.1 Geographical Overview	6
1.1.1 Ward Overview	7
1.2 Demographic Profile	7
1.3 Overstrand's Economy	8
1.4 Equitable Share	10
1.5 Governance Structure	11
1.6 Administration	11
 C h a p t e r 2 : P e r f o r m a n c e H i g h l i g h t s	
2.1 Consolidated Performance Information	19
2.1 Performance report of OLEDA	86
 C h a p t e r 3 : H u m a n R e s o u r c e s & O r g a n i s a t i o n a l M a n a g e m e n t	
3.1 Introduction	88
3.2 Policies & Legal Compliance	88
3.3 Organisational Structure & Staffing	89
3.4 TASK Job grading	90
3.5 Staff movements	90
3.6 Personell Administration	91
3.7 Performance Management	91
3.8 Training and Skills Development	91
3.9 Occupational Health and Safety	92
3.10 Labour Relations	93
3.11 Employment Equity	93
 C h a p t e r 4 : F u n c t i o n a l A r e a S e r v i c e D e l i v e r y R e p o r t i n g & H i g h l i g h t s	
4.1 Office of the Municipal Manager	94
4.2 Directorate: Management Services	96
4.3 Directorate: Financial Services	112
4.4 Directorate: Infrastructure and Planning	116
4.5 Directorate: Community Services	128
4.6 Directorate: Protection Services	136
4.7 Directorate: Local Economic Development	141
 C h a p t e r 5 : A u d i t e d S t a t e m e n t s a n d R e l a t e d F i n a n c i a l I n f o r m a t i o n	
5.1 Auditor's report of the Auditor-General	223
5.2 Report of the Accounting Officer	228
5.3 Report of the Audit- and Performance Audit Committee	232
 A N N E X U R E	
A n n e x u r e 1 W a t e r S e r v i c e s A u d i t 2 0 0 9 / 2 0 1 0	236

Foreword by the Executive Mayor

Dear Stakeholder,

Overstrand Municipality's Annual Report for the Financial Year 2009-10 (tabled at a Special Council Meeting on 26 January 2011) gives an overview of a year in which the Municipality made good progress towards achieving its ideal of being a Centre of Excellence for its Communities.



We can be proud of a lot of achievements and where there were failures we gained good experience to try and avoid similar situations in future. Hopefully, the old adage of practice makes perfect will help us to improve our service and systems.

In die geheel gesien is dit 'n uitstekende verslag vir 'n munisipaliteit wat onder moeilike ekonomiese omstandighede uitgeblink en gegroei het. Die eer daarvoor kom my voorganger, oud-burgemeester Theo Beyleveldt, ten volle toe want ek het eers drie maande na die einde van die verslagperiode by hom oorgeneem.

Die stelsels en meganismes wat hy in plek gestel het om dienslewering en begrotingsimplementering te monitor en tydigte wysigings aan te bring word deur my voortgesit en dit is lekker om met so 'n goeie grondslag te kon wegspring.

The main purpose of this annual report is to inform our future planning. We welcome comments and advice from all stakeholders, especially the ratepayers' associations and community organizations, which will be carefully considered and where justified, incorporated.

At the last meeting of the Overstrand Municipal Advisory Forum, I emphasized the importance of community participation in municipal decision making and said our ward committees are playing a key role in this regard. Although our system is already a role model for other municipalities, there is still much leeway for improvement. After all, it is one of our major duties in terms of the Constitution.

The water shortage currently experienced in Greater Hermanus exposed on the one hand a vulnerability (for which we actually planned ahead, but due to various reasons are still busy with implementation) but on the other hand showed a major strength, namely a community that is willing to throw its weight behind the Municipality to overcome adversities.

'n Dak oor die kop is ongetwyfeld een van die basiese behoeftes van elke mens. 'n Huis bied ook 'n veilige plek waarin die belangrikste bousteen van enige gemeenskap, naamlik 'n sterk gesinstruktuur, kan vorm aanneem en groei. Daarom is ek bly om te sien dat ons laekostebehuisingprogram nou weer momentum gekry het na die uitgerekte hofgedinge oor tendertoekenings. Wat nog beter is, is dat ons projekte omgewings sensitief is en dat ons natuurlike hulpmiddels – sonskyn, reënwater, ens – ingespan word om die lewe makliker vir minder bevoorregtes te maak.

We must make work of providing homes to the poor, especially in the areas where the need is the greatest, like Zwelihle. Densification is the way to go, but it can be done with style and flair!

At the last Overstrand Municipal Advisory Forum we learned that there is a backlog of R2,5 billion in infrastructure and that we must prepare ourselves for a 25 year plan to address this. While our capital project programme over this time will put the municipal budget under strain, it will ensure job creation and opportunities flowing towards our people. Strategic planning will be the order of the day to ensure that we optimize the use of our limited resources.

Our world is going to change rapidly, although the golden balance between development and conservation must be looked for at all times. This implies that the mutual communication between the municipality and the people must be open and flowing and that we must ensure the continuation of the high level of professionalism in our strategies.

Compliance with municipal policies and resolutions is another cornerstone for effectiveness. Apart from expanding our protection services to a level where citizens can feel safe, the vision of establishing a municipal court must be realized soon.

The municipal elections this year will obviously lead to a lot of discussion and electioneering. This is part of our democracy and I want to encourage everybody to fully participate in a peaceful manner.

Whatever, the outcome of the election, the ship of state must continue on its course in Overstrand. Amongst the staff the professional leadership and organizational memory must be maintained. Our human resources are our greatest asset and I believe the changing of the short term contracts of the directors into permanent employment will be beneficial. I also believe our performance management system and just reward will lead to even higher achievements and greater stability.

My opregte dank aan al die Raadslede, wykskomitees, belangegroepe en individue vir hul insette in dié produk, en veral vir die amptenary wat dit nie net die lig laat sien het nie maar ook moet toesien dat dit deel van ons bestaan word.

NIC O LETTE BO THA - G UTHRIE
UITVOERENDE BURGEMEESTER/EXECUTIVE MAYOR
26 Januarie 2011

EXECUTIVE SUMMARY

The Annual Report reflects on the performance of the Municipality during the 2009/2010 financial year. The Report indicates the service delivery highlights, institutional issues, human resources and other relevant information as well as the financial statements of the Municipality. At the centre of service delivery of the Municipality, is our vision and mission. These commitments capture the culture of the Municipality.

Our **VISION** of the Municipality, built on the basic principles of service to our community is as follows:

"To be a centre of excellence for the community"



Councillors (as at April 2010)

Our **MISSION** statement is:

"To deliver optimal services in support of sustainable economic, social and environmental goals"



Adv Wemer Zybrands
Municipal Manager



Solomzi Madikane
Local Economic
Development



Roderick Williams
Community
Services



Marius Venter
OLEDA



Neville Michaels
Protection Services



Henk Kleinloog
Finance



Coenie Groenewald
Management
Services



Stephen Muller
Infrastructure &
Planning

Management Team (as at June 2010)

During 2009/2010 we re-committed ourselves to the following overall Strategic Objectives:

Provision of democratic and accountable governance
Provision and maintenance of municipal services
Management and conservation of our natural environment
Creation and maintenance of a safe and healthy environment
Promotion of tourism, economic and rural development



Theo Beyleveldt
Executive Mayor



Pieter Scholtz
Deputy Executive
Mayor



Anton Coetsee
Speaker



Phillip Appelgrein
Community &
Protection Services



Ben Solomon
Management
Services & Finance

Executive Council (as at June 2010)

CHAPTER 1

INTRODUCTION AND OVERVIEW

The Annual Report is compiled in terms of the Municipal Systems Act No 32 of 2000 (Section 46) and the Local Government: Municipal Finance Management Act 56 of 2003 (Section 121).

This document will provide an overview of the progress made in realising Overstrand's strategic objectives, the people who drove our efforts and the unique challenges and opportunities we faced during the financial year July 2009 – June 2010

1.1 GEOGRAPHICAL OVERVIEW

Overstrand is a dynamic entity combining great potential with a beautiful setting. Our task is to bring about growth and development to the benefit of all our people, in their different communities, whilst maintaining a balance with nature.

The Municipality covers a land area of approximately 2 125 km², with a population density of ±35 people per square kilometre and covers the areas of Hangklip/Kleinmond, Greater Hermanus, Stanford and Greater Gansbaai. The municipal area has a coastline of approximately 200 km, stretching from Rooi Els in the west to Quinn Point in the east. The natural beauty of the area is an outstanding asset with South Africa's first biosphere reserve as well as the best land-based whale watching in the world.



At the Botrivier estuary we find the Arabella luxury resort with the international championship Arabella golf course, international award winning AltiraSPA health spa and six star hotel. The "Grootbos" Nature Reserve is situated just outside of Gansbaai. As a result of its commitment to excellence and diversity this Reserve has already received numerous national and international awards.

In addition to the endless, pristine beaches dotting the coastline, the Overstrand boasts 3 Blue Flag beaches.

Tourism is a major economic driver in the area and its popularity as a holiday destination results in a fourfold increase of its population over the holiday seasons. This influx places a great strain on the existing municipal services and roads infrastructure.

1.1.1 **WARD OVERVIEW**

The Municipality is currently structured into 10 wards:

Ward	Areas	Ward Councillor	Registered voters per Ward
1	Kleinbaai, Franskraal, Blompark, Masakhane and a portion of Gansbaai Central	Clr J Prins (DA) after by-election in February 2010	5303
2	Gansbaai Central, De Kelders, Pearly Beach, Baardskederbos, Viljoenshof & Withoogte	Deputy Mayor: P Scholtz (DA)	3130
3	Stanford and Voëlkop	Clr A Barry (DA)	3130
4	Hermanus and Mount Pleasant	Clr F Marais (DA)	5007
5	Portion of Zwelihle	Clr M Thsandu (ANC)	4397
6	Rest of Zwelihle	Clr F Kholakhalala (ANC)	4713
7	Sandbaai, Onnus, Vermont & Ertjesvlei	Clr B Solomon (DA)	6244
8	Hawston & Fishershaven	Clr J Gelderblom (ANC)	3471
9	Kleinmond, Protea dorp, Overhills & Honingklip	Clr P Appelgren (DA)	4713
10	Palmet, Betty's Bay, Mooiuisig, Pringle Bay & Rooi Els	Clr L van Heerden (DA)	1979

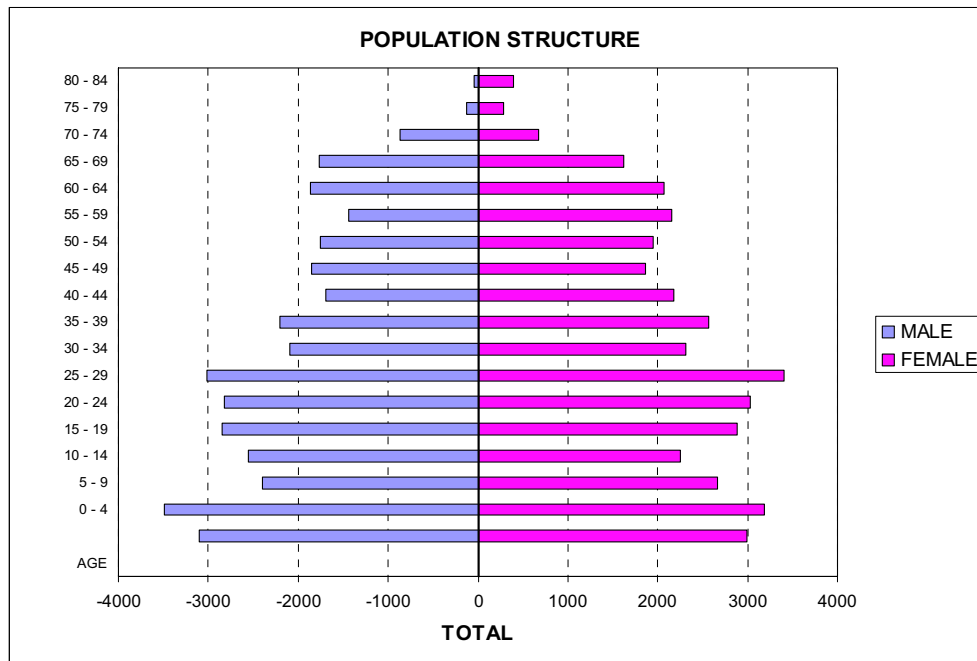
1.2 **DEMOGRAPHIC PROFILE (2001 Census/Community Survey 2007)**

The Overstrand municipal area has an estimated population of 74 546 people, with a gender distribution of 35 947 male and 38 599 female.

SOURCE	HOUSEHOLD DISTRIBUTION	BLACK	WHITE	COLOURED	ASIAN/INDIAN	TOTAL
2007 Community Survey	21 953	21 495	25 071	27 404	576	74 546
2001 Census	18 568	15 067	19 779	20 565	41	55 452

* Accurate population data as well as statistics remain a challenge. The municipality is embarking on a process to conduct community surveys in the process to compile social profiles per ward. Our estimate is that our population is currently in at ±80 000.

Detailed below is the population pyramid by age and gender:

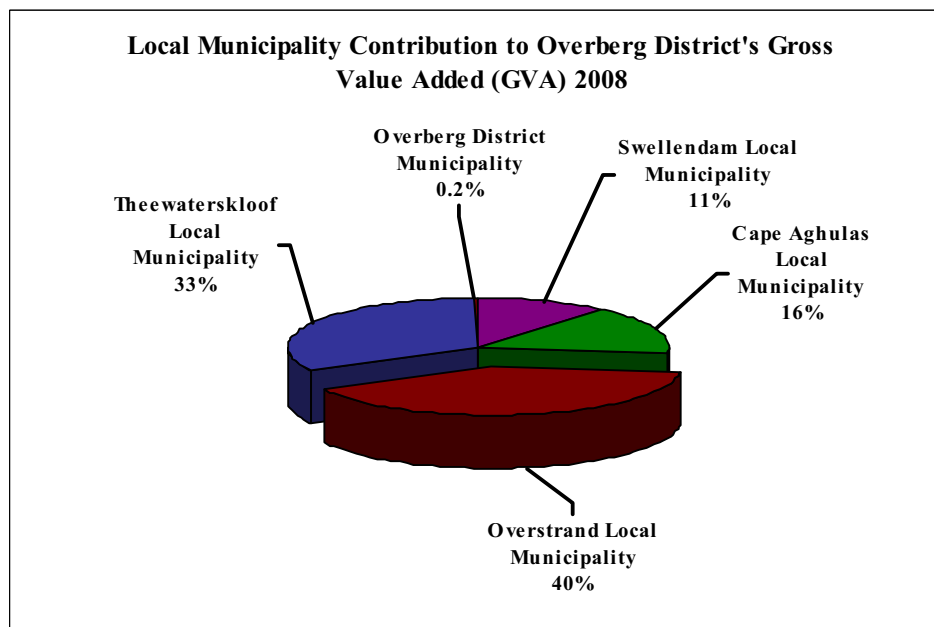


Source: STATS SA – Community Survey 2007

It is clear from the pyramid that the Overstrand has a relatively young population which presents it with challenges relating primarily to education, skills training and employment.

1.3 **0** VERSTRAND'S ECONOMY

Measured in respect of regional gross domestic or GDP, the Overstrand local economy forms 40% of the broader Overberg District economy. That said, the Overstrand had the highest growth rate in the year 2008.



From 2003-2008 the Overstrand municipality experienced positive growth despite the economic down turn experienced worldwide, the following table indicates the growth in rand value added.

Gross Value Added for the Overstrand Municipality [Rand million]					
2003	2004	2005	2006	2007	2008
2174.50	2355.07	2584.87	2799.60	3056.57	3284.69

EMPLOYMENT

The main sectors that show the strongest employment growth over the last five years include business services (10,8%); wholesale & retail trade (7,4%); community, social & other personal services (5,4%). Overall, formal employment growth steps slowly at 5,3% a year over the last five years in comparison to the GDP's healthier pace of 8,6% a year.

The clear message is that robust economic growth in the Overstrand area is not translating into equally strong employment performance which, set against high population growth (particularly that of younger work-seekers) will place further pressure on an already high unemployment

	2008	2008 Share main sector	2008 Share sub sector	Ave growth 1995-2008	Ave growth 2003-2008
Informal employment	2,777	11.8		4.0	0.9
Formal employment	20,808	88.2		3.0	1.0
Highly skilled formal employment	2,716	11.5	13.1	5.3	3.5
Skilled formal employment	8,685	36.8	41.7	4.6	2.5
Semi- and unskilled employment	9,406	39.9	45.2	1.4	-0.9
Total formal and informal employment	23,585	100		3.1	1.0

Figure: Informal and formal employment (by skill level) 2008

SECTOR GROWTH

Local economic growth is firmly based on tertiary services such as wholesale & retail, transport, government services and business services. The tertiary sector is the biggest economic sector, contributing R4.468 m [58, 4%]. This is followed by the secondary sector contributing R2, 876 m 36, 6%] and the primary sector R304, 8m [4%]

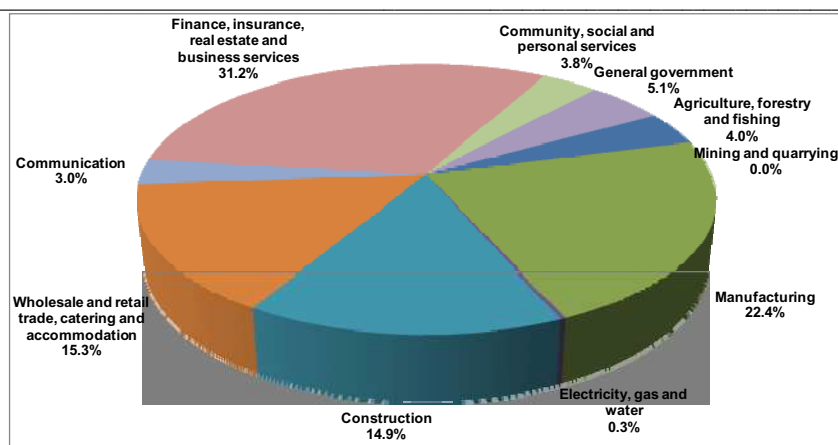


Fig: A sectorial view of the Overstrand's local economy GDRP 2008

Share of Economic activity per area

Nodal area	Share of Econ Activity
Greater Hermanus	62.2%
Gansbaai	20.7%
Kleinmond/Hangklip	16.6%
Stanford	0.4%

Of the main Overstrand towns, Hermanus emerges as the major economic hub contributing almost two thirds of the Overstrand economic output followed by Gansbaai.

1.4 EQUITABLE SHARE AND INDIGENT POLICY

The Overstrand Municipality adopted an indigent policy in terms of which free basic services are rendered to households.

The criteria for 2009/10:

- The total household income may not exceed the sum of three times the amount of state funded social pensions;
- The average monthly consumption of electricity by the household over the previous 12 months may not exceed 500 kWh ;
- The average monthly consumption of water by the household over the previous 12 months may not exceed 18kℓ;
- Must be a permanent resident of Overstrand;
- Must be a South African citizen.

Indigent households receive the following per month as qualified above:

A subsidy of:

- 100% of the basic levy for electricity for one service point per month;
- 100% of the basic levy for water 1 RUE per month ;
- 100% of the basic levy for sewerage per month for one service point;
- 100% of the basic levy for refuse removal for one service point per month;
- 15 kℓ of water;
- 50 kWh of electricity.

The basket for an indigent household adds up to R492.00 (vat excluded). There was 2864 Indigent Households on 30 June 2010.

First time applicants, whose municipal accounts show arrear amounts at the time of the application for a subsidy, will be written off by council.

1.5 **G**OVERNANCE STRUCTURES

EXECUTIVE AND COUNCIL STRUCTURE

The Overstrand is governed by a DA controlled council consisting of 12 DA, 6 ANC, and 1 NPP councillors. The Municipality has an Executive Mayoral system which is combined with a Ward Participatory system as determined by the Western Cape Provincial Minister for Local Government. The Mayoral Committee consists of the Executive Mayor, Deputy Executive Mayor, plus 2 members who have been appointed by the Executive Mayor. During the year under review thirteen (13) council meetings were held – of which all were open to the public.

1.6 **A**DMINISTRATION

The administrative component is aligned with the five National Key Performance Areas in the following way:

- Municipal Transformation, Institutional Development and Good Governance : *Office of the Municipal Manager;*
- Basic Service Delivery and Public Participation : *Director: Community Development and Director: Protection Services*
- Financial Viability and Financial Management : *Director: Finance;*
- Local Economic Development : *Director Economic Development and OLEDA and;*
- Infrastructure for Service Delivery : *Director Infrastructure and Planning*

OFFICE OF THE MUNICIPAL MANAGER

The Municipal Manager as head of the administration, is responsible and accountable for tasks and functions as provided for in Section 55 of the Systems Act, other functions/tasks as provided for in legislation, as well as functions delegated by the Executive Mayor and Council.

The office of the Municipal Manager consists of the Municipal Manager and Internal Audit Services.

DIRECTORATE: MANAGEMENT SERVICES

The main function of this Directorate is to provide corporate support to the Council and Municipality and to ensure compliance with best practice municipal administration norms and standards. The Directorate consists of the Director and incorporates the departments of Communication Services, Human Resources, ITC Services, Strategic Services, Legal Services, Council Support Services and the units of Elections (the latter as a contractual arrangement with the Electoral Commission) and TASK (Tuned Assessment of Skills and Knowledge).

DIRECTORATE: FINANCE

The core function of this Directorate is to ensure sound financial management.

This Directorate consists of the Chief Financial Officer as head of the directorate and with the sections Budget and Accounting, Expenditure and Assets, Income and Supply Chain Management.

DIRECTORATE: COMMUNITY SERVICES

The main function of this Directorate is to ensure that co-operative governance and public participation takes place in decentralised administrations and that service delivery happens.

This Directorate consists of the Director, four decentralised administrations (area and operational management), Corporate Projects & Vehicle Fleet and Housing Services.

DIRECTORATE: PROTECTION SERVICES

This Directorate's main focus is to create a safe and secure environment for optimal functioning of all stakeholders within the Overstrand area. The Directorate consists of the Director and the functions Law Enforcement & Security Services, Traffic & Licensing Services and Fire & Disaster Management. A zero tolerance crusade against all law infringements, including petty crime has been introduced.

DIRECTORATE: ECONOMIC DEVELOPMENT

The main function of this Directorate is to promote economic development initiatives, tourism, sustainable job creation, and poverty reduction and shared growth that integrates and connects the Municipality, its citizens and its natural resources.

The Directorate: Economic Development & Tourism consists of the Director and an Economic Development Management section. This Directorate is furthermore closely associated with the Destination Marketing Organisation (DMO), which is dependent on a substantial annual grant.

OLEDA

Working closely with the directorate is the Overstrand Local Economic Development Agency (OLEDA), a ring fenced business unit of the municipality. The main function of OLEDA is to be an implementation arm regarding economic, social and environmental projects, as well as running an investor help desk.

DIRECTORATE: INFRASTRUCTURE AND PLANNING

This Directorate's focus is on the planning of infrastructure, development planning and control, property management, environmental management and building control.

This Directorate consists of the Director, Infrastructural Management, Environmental Services, Town Planning, Building Control, Waste Services, GIS and Electricity Services.

CHAPTER 2

PERFORMANCE HIGHLIGHTS (ALSO REFER TO THE WATER SERVICES AUDIT (ANNEXURE 1 pg XXXXX) CONDUCTED FOR THE 2009/2010 FINANCIAL YEAR FOR ADDITIONAL PERFORMANCE INFORMATION)

2.1 INTRODUCTION

The Municipal Systems Act 32 of 2000 and the Local Government: Municipal Planning and Performance Management Regulations 2001, require municipalities to adopt a performance management system. After the approval of the IDP and the budget, the Municipality prepares its Service Delivery Budget Implementation Plan (SDBIP). The SDBIP indicates key performance indicators and quarterly performance- and financial performance targets. The SDBIP also served as the performance management tool of the Municipality. The Municipality assessed its performance on a quarterly basis and reported progress on performance against targets set to Council.

* During January and February 2010 the document as approved by the Mayor, was revised, after a thorough process of engagement with the relevant officials. A number of KPIs as per IDP was revised and approved by the Municipal Manager and Executive Mayor during February 2010.

This chapter speaks to the performance highlights of the Municipality's performance on basic service delivery during the 2009-2010 financial years. This chapter should also be read with chapter 4 that speaks to the Functional Analysis of the organisation.

2.2 BASIC SERVICES DELIVERY

2.2.1 PROVISION OF FREE BASIC SERVICES

The free basic services with regard to electricity, water, and sanitation and refuse removal for the year under review are reflected in the table below:

Electricity:

Indigent households						
2008/09			2009/10			
No of households		Unit per household (kwh)	Value R	No of households	Unit per household (kwh)	Value R
<i>Municipality</i>	2 534	50	394 030	2 780	50	502 429
<i>Eskom</i>	43	50	783	53	50	1 629

Water:

Indigent households					
2008/09			2009/10		
No of households	Unit per household (kl)	Value R	No of households	Unit per household (kl)	Value R
2 615	6	3 363 936	2 833	6	4 284 856

All formal households in the urban areas as well as all new households are supplied with individual water connections inside the houses and a flush toilet system. Informal areas are supplied with shared services as an intermediary measure. Overstrand Municipality is committed to determine the current water service levels on the farms and to ensure that once the number of households below RDP standard is known at least basic water services are provided to these households by the landowners. Overstrand Municipality is committed to support the private landowners as far as possible with regard to addressing current water services backlog.

Sanitation:

Indigent households					
2008/09			2009/10		
No of households	Value per household	Annual Value R	No of households	Value per household	Annual Value R
2 615	2 136	5 585 640	2 833	2 340	6 629 220

Refuse removal

Indigent households					
2008/09			2009/10		
No of households	Value per household	Annual Value R	No of households	Value per household	Annual Value R
2 615	1 164	3 043 860	2 833	1 260	3,569,580.00

Number of households provided with water through communal water services:

The informal settlements in Overstrand Municipality's Management Area are provided with communal standpipes. Current communal services include the informal areas in Kleinmond, Stanford, and Pearly Beach and in the Greater Gansbaai area. The number of households serviced through communal standpipes and communal sanitation facilities in the various informal areas are summarised in the table below:

Communal services in informal areas		
Area	Informal Settlement	Number of Units/dwellings
Kleinmond	Overhills	786
Hermanus: Zwelihle	Tsepe-Tsepe	151
	Serviced Sites	70
	Spunzana	388
	Asazani	62
	Mandela Area	179
	New Camp	49
	Transit Camp	260
	Sub Total	1 159
Stanford	Die Kop	104
Gansbaai	Masakhane	877
	Beverly Hills	110
	Eluxolweni	106
	Sub Total	1 093
Total		3 142

Number of households connected to sewerage system and number of households with access to basic sanitation services:

The existing sanitation service levels in Overstrand Municipality's Management Area are estimated as follows:

Residential sanitation service levels							
Distribution System	1. None or inadequate : below RDP : Pit	2. None or inadequate : below RDP : Bucket	3. Consumer installation : On site (Ablution Blocks)	4. Consumer installations: Wet (Septic tanks, digester or tanker desludge, etc.)	5. Discharge to water treatment works (intermediate or full waterborne)	6. Total served (3+4+5)	7. Total (1+2+6)
Buffels River	0	0	0	2 058	0	2 058	2 058
Kleinmond	0	0	786	1 020	1 119	2 925	2 925
Greater Hermanus	0	0	1 159	1 774	12 390	15 323	15 323
Stanford	0	0	104	611	269	984	984
Greater Gansbaai	0	0	1 093	4 027	924	6 044	6 044
Pearly Beach	0	0	100	378	0	478	478
Farms	255	127	90	1 259	0	1 349	1 731
Total	255	127	3 332	11 127	14 702	29 161	29 543

Number of new water and sanitation connections made:

206 New water connections and 139 new sewer connections were installed during the 2009/2010 financial year.

The table below gives an overview of the estimated number of user connections in each user sector.

Number of user connections in each user sector							
Distribution System	Projected Res. Households for 2009 (Permanent)	No of Serviced Stands (Treasury)	Residential (Permanent & Holiday)	Commercial (Estimated)	No of Dry Industrial Consumer Units (Estimated)	No of Wet Industrial Consumer Units (Estimated)	No. Other Units (Estimated)
Buffels River	1 425	2 156	2 058	93	0	0	5
Kleinmond	3 673	2 268	2 139	119	0	0	10
Greater Hermanus	14 343	14 850	14 164	650	5	1	30
Stanford	1 489	980	880	89	0	1	10
Greater Gansbaai	5 521	5 360	4 951	388	0	1	20
Pearly Beach	453	420	378	40	0	0	2
Farms	1 731	-	1 726	0	0	0	0
TOTALS	28 635	26 034	26 296	1 379	5	3	77

HIGHLIGHTS

- ❖ The Water Services Development Plan was updated for the 2010/2011 financial year and approved by the Executive Mayoral Committee and the Council on 26 May 2010. The non revenue water balance models were updated for each of the distribution systems and the future water demand projection models were also updated for each of the towns.
- ❖ A draft Consumer Charter is in place and Overstrand Municipality is currently busy with the Public Participation process.
- ❖ Water Services Audit completed for 2009/10
- ❖ The upgrading of the Gansbaai Waste Water Treatment Works received the SAICE National Award for the most outstanding civil engineering achievement in the category "Technical Excellence"
- ❖ The Gansbaai sewerage plant caught the attention with the ground breaking work done there, with a national and a regional award from the South African Institute of Civil Engineering as well as meritorious commendation by the Consulting Engineers Association of South Africa in the category for projects between R10 million and R100 million. The new processes that were applied for the first time on full scale world wide are not only saving costs, but also give direction for the future.
- ❖ The Municipality is especially proud of winning the Western Cape leg of the Cleanest Town Competition, which automatically entered the Overstrand for the national award. In the adjudicators' report mention was made of the great improvement brought about with the upgrading of waste management systems in Gansbaai, Stanford, Baardskeerdersbos and Pearly Beach.
- ❖ The **Stanford Low Cost Housing Project** received an award from the South African Housing Foundation as the Project of the Year in the category for subsidised housing. This award is proudly shared with the housing contractor M5 Developments Cape (Pty) Ltd.
- ❖ The sod for the **Kleinmond Low Cost Housing Project** was turned on Monday 9 November 2009 by the MEC for Housing, Mr Bonginkosi Madikizela, and the joyous occasion was attended by the Western Cape Premier, Ms Helen Zille, Overstrand Mayor Theo Beyleveldt, councillors, officials, representatives of the community, the developer and the CSIR, which is assisting with building technologies that will make the project more environmentally friendly. In total 410 housing units will be constructed and 47,5 per cent of the applicants on Kleinmond's housing waiting list will be helped. Planning is underway for major housing projects in Zwelihle and Gansbaai, while there is great anticipation for the land exchange that will open up housing opportunities in Stanford.
- ❖ The **biggest single capital project in the history of Overstrand**, Gansbaai's new water purification works at Franskraal, was officially commissioned on 15 September 2009, costing more than R44 million. The municipality is now in a position to provide in the normal needs of the community for the next thirty years and in the peak time needs for the next ten years. As part of the process to provide drinking water of the highest quality to residents, the plant at Buffelstal dam in the Hangklip area was also upgraded, the Hermanus upgrading project is next in line and alternative sources for Stanford are being developed.

-
- ❖ Overstrand Municipality managed to achieve an **unqualified audit report** for a third consecutive year.
 - ❖ Overstrand Municipality developed help-desks at all municipal administrations with the objective to assist customers. Disabled people are supported to do business from the help-desks. Requests by the illiterate are being captured and forwarded to the relevant official / section. All municipal buildings are accessible and wheel-chair friendly.

After hour emergency requests are being dealt with by the control room on a twenty four hour basis. Requests are furthermore captured on an electronic mail or works-order system to ensure execution thereof. All help desks were equipped with Batho Pele picture signage.

CONSOLIDATED PERFORMANCE INFORMATION 2009/2010

PLEASE NOTE THAT THE SDBIP FOR 2009/2010 WAS REVIEWED AND APPROVED BY THE EXECUTIVE MAYOR DURING JANUARY 2010

OFFICE OF THE MUNICIPAL MANAGER

KPI Name	Definition	Nat. KPA	Mun. KPA	Org / Objective	Wards	Baseline	Target Unit	Consolidated performance		
								Target	Actual	R
MUNICIPAL MANAGER										
Mnor assets council's general	% of budget spend	Good Governance and Public Participation	Provision democratic and accountable governance	Public participation and communication	All	100%	% of budget spend	100%	100%	G
Workforce profiles in compliance with annual EE targets in all occupation levels	Management to actively pursue the annual EE targets during the selection and appointments processes to achieve employment equity in their respective Directorates/Departments	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Employment Equity	All	Preferential treatment of suitably qualified and competent people from designated groups with appointments and promotions in all occupation levels	Compliance with set targets	100%	80%	O
Attendance of and participation in IGR related meetings	Full attendance of IGR related meetings and, if required, feedback reports (PCF & PCF Tech)	Good Governance and Public Participation	Provision democratic and accountable governance	Improved IGR	All	IGR Clusters to be used for inter-governmental unity and support	Attendance of meetings in August 2009 and March 2010	3	4	G
Implementation of Enterprise Risk Management (ERM)	Risk Committee to become functional	Good Governance and Public Participation	Provision democratic and accountable governance	Transparency, good administration	All	Risk Management Framework	09-Sep	100%	100%	G
Oversight of annual budget established and completed	Oversight report on annual report tabled to Council	Good Governance and Public Participation	Provision democratic and accountable governance	Investor confidence	All	No. s. 79 Oversight Committee	31-Mar-10	100%	100%	G
Delegation system reviewed to ensure synergy	Delegation system reviewed	Good Governance and Public Participation	Provision democratic and accountable governance	Legal compliance	All	Non-compliance with s.53 of the Systems Act	09-Dec	100%	100%	G

Completed s.53M&A Report	Adoption of report on roles and responsibilities	Good Governance and Public Participation	Provision democratic and accountable governance	Legal compliance, clarity of roles	All	Non-compliance with s.53 of the Systems Act	09-Nov	100%	100%	G
Approval obtained from the NPA and prosecutions being done	Liaison with National Prosecuting Authority to obtain authority to s22(8)(b) of the NPA Act, 32/1998	Good Governance and Public Participation	Provision democratic and accountable governance	Effective and speedy law enforcement	All	Law enforcement will be more effective if the municipality can prosecute offenders	Ongoing	100%	50%	R
Monitoring legal compliance in council property contracts, contract management and the law (acts and court judgments)	Performance review of all contracts submitted by directorates to MM	Municipal Financial Viability and Management	Provision democratic and accountable governance	Legal compliance, reducing accountability risks of Municipality	All	More complex contracts needs contract specific and legal compliance monitoring and management which is not in place in all contracts and cannot be addressed by generic Collaborator module	Quarterly reports submitted by Directors of identified or agreed to matters	100%	100%	G
Totally integrated SDBP & PMS for 2009/2010	Progressive integration of PMS & SDBP and compilation of necessary reports - quarterly, mid-year and annual	Municipal Financial Viability and Management	Provision democratic and accountable governance	Energy & cost effective management processes and reporting systems	All	SDBP & PMS largely integrated for 2009/10	10-Jun	100%	100%	G
On date completion of budgetary processes	Adoption of Final MTEF Budget by Council	Municipal Financial Viability and Management	Provision democratic and accountable governance	Sound financial management	All	Budget 2010/11 approved	10-May	100%	100%	G
On date completion of budgetary processes	Adoption of Adjustments Budget	Municipal Financial Viability and Management	Provision democratic and accountable governance	Sound financial management	All	Budget 2010/11 approved	10-Jan	100%	100%	G
Completed action plan	Report re Management Letter	Municipal Financial Viability and Management	Provision democratic and accountable governance	Legal compliance	All	Preparation of Annual Report for 2008/09	10-Mar	100%	100%	G
Tracking of SDA entered into between Municipality and DMO	SDA with DMO finalised	Local Economic Development	Promotion of tourism, economic and rural development	Sound management of municipal interests and funding	All	Management and monitoring of DMO essential especially if funded by municipality	09-Oct	100%	100%	G

Accreditation to Dept of Housing applied for if feasible	Regular reporting on progress of application for accreditation if submitted	Basic Service Delivery	Provision and maintenance of municipal services	Improved control over developments in area	All	Municipality not accredited to perform housing function	QRS	100%	100%	G
Performance appraisal process for financial year completed	Annual performance appraisal process	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Employment Equity	All	Performance Regulations, 2006 to be implemented	01-Jul	100%	100%	G
Integration of PMS with SDBP	Reporting on the Individual Scorecards	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Improved service delivery, Legal compliance	All	Performance Regulations, 2006 to be implemented	1st and 3rd quarter (informal) 2nd and 4th quarter (formal)	100%	100%	G
IDP, PMS Budget integration with focus on service delivery	IDP KPIs & Targets incl in PMS & SDBP	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Integrated processes enabling efficient, cost, energy effective administration	All	Planning & process integration of IDP, PMS, SDBP essential to reduce administrative load of reporting	09-Jun	100%	100%	G
Overseeing effective administration of four areas	Visit to and meetings with Area Managers, each one at least once per quarter	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Management support	All	MM delegated powers to Area Directors but overall responsibility	1 meeting per area per quarter	6	6	G
Preparation for and participation in the listed meetings	Ongoing preparation and attendance of meetings with governance and related structures	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Knowledge based, sound decision-making	All	Attendance of Monthly meetings - PFC - 3 Mayco - 1, Council - 1, LLF - 1, Training - 1, ITS Directors meeting	100% attendance of all meetings, except when on leave	100%	100%	G
INTERNAL AUDIT										
Facilitation and attendance of regular Audit Committee meetings	Schedule AC meetings, submit relevant financial and administrative information to the committee and all audit reports, including feedback on issues raised by the committee	Good Governance and Public Participation	Provision democratic and accountable governance	Management support	All	Management of risk dependent on adequate processes	bi monthly meetings held	3	3	G

Implementation of Awareness programmes	Fraud and corruption hotline implemented	Good Governance and Public Participation	Provision democratic and accountable governance	Internal Audit & risk management	All	Measures to be in place for management of fraud and corruption	09-Sep	100%	100%	G
Monitor and evaluation of risks	Monitoring and evaluation of risk system and keeping an updated risk progress register	Good Governance and Public Participation	Provision democratic and accountable governance	Internal Audit & risk management	All	Risk management to be continuously monitored and evaluated	Quarterly reporting	100%	100%	G
New risks identified and evaluated	Evaluation of incidents reported to or detected by IA Unit to establish risk exposure and conduct relevant audits	Good Governance and Public Participation	Provision democratic and accountable governance	Internal Audit & risk management	All	Risk identification and evaluation an ongoing process	Quarterly reporting	100%	100%	G
Audit plan reviewed and communicated to AC and management	Risk assessment workshops with Directorates, revise audit plan and communicate results and audit plan to directorates for implementation	Good Governance and Public Participation	Provision democratic and accountable governance	Internal Audit & risk management	All	Audit plan to be continuously reviewed	October 2009 (workshops); November 2009 (revise audit plan); December 2009 (communicate with department)	100%	100%	G
Response to all citizen complaints/enquiries within acceptable period	Daily recording of enquiries/requests on EDMS/EIMS incoming mail within 24 hours to central registry & response to consumer/public enquiries/requests with 14 days	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Customer Care	All	Responsive to residents' queries, requests	Q&Rs	100%	100%	G

COUNCIL AND EXECUTIVE

KPI Name	Definition	Nat. KPA	Mun. KPA	Org / Objective	Wards	Baseline	Target Unit	Consolidated performance		
								Target	Actual	R

COUNCIL

Effective expenditure and revenue management	Monitoring of revenue and expenditure and decisions on remedial steps if necessary	Municipal Financial Viability and Management	Provision democratic and accountable governance	Expenditure and revenue	All	12	Monthly	1	1	G
Strategic and sustainable budgeting	No of opportunities to grow and diversify revenues and value for money expenditure with special focus on resorts	Municipal Financial Viability and Management	Provision democratic and accountable governance	Budget	All	1	10 May	1	1	G
Strategic and sustainable budgeting	2008/09 Revised budget approved before the legislative deadline	Municipal Financial Viability and Management	Provision democratic and accountable governance	Budget	All	1	10 Jan	1	1	G
Strategic and sustainable budgeting	2010/11 Budget approved before the legislative deadline	Municipal Financial Viability and Management	Provision democratic and accountable governance	Budget	All	1	10 May	1	1	G
SDBP approval and reviews	SDBP approved within 28 days after budget	Good Governance and Public Participation	Provision democratic and accountable governance	Performance management	All	1	10 Jun	1	1	G
Performance Framework adherence	MM performance contract approved	Good Governance and Public Participation	Provision democratic and accountable governance	Performance management	All	1	09 Jul	1	1	G
Performance Framework adherence	Performance reviews completed	Good Governance and Public Participation	Provision democratic and accountable governance	Performance management	All	4	Quarterly	4	4	G
Reporting of the 2008/09 performance	Annual Report approved	Good Governance and Public Participation	Provision democratic and accountable governance	Annual Report	All	1	10 Mar	1	1	G
Councilor Training plan	Assessment and drafting of plan	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Skills development	All	1	10 Apr	1	0	R
Strategic planning session and approval of annual municipal strategy	IDP approved	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Municipal Strategy	All	1	10 Feb	1	1	G

Strategic planning session and approval of annual municipal strategy	Strategy session attended to determine municipal strategies	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Municipal Strategy	All	1	09 Sep	1	1	G
Community meetings	Community meetings successfully held	Good Governance and Public Participation	Provision democratic and accountable governance	Public participation and communication	All	2	Bi-annually	1	1	G
Executive Mayoral Committee Meetings	EMC meetings held	Good Governance and Public Participation	Provision democratic and accountable governance	Public participation and communication	All	10	Monthly	10	10	G
Special Council Meetings	Attendance of meetings at least 80%	Good Governance and Public Participation	Provision democratic and accountable governance	Public participation and communication	All	80%	Ad hoc	80%	100%	G
Monthly Council Meetings	Council meetings held	Good Governance and Public Participation	Provision democratic and accountable governance	Public participation and communication	All	10	Monthly	10	10	G

MANAGEMENT SERVICES

KPI Name	Definition	Nat. KPA	Mun. KPA	Org / Objective	Wards	Baseline	Target Unit	Consolidated performance		
								Target	Actual	R
DIRECTOR: MANAGEMENT SERVICES										
Workforce profiles in compliance with annual EE targets in all occupation levels	Management to actively pursue the annual EE targets during the selection and appointments processes to achieve employment equity in their respective Directorates/Departments	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Employment Equity	All	Preferential treatment of suitably qualified and competent people from designated groups with appointments and promotions in all occupation levels	Compliance with set targets	100%	100%	G
Submission of Annual Report information	Departmental Report submitted by 30 November	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Adhering to legislation iro public participation, s.21 and Ch 4 of MSA	All	Annual Report information submitted	%submitted by November	100%	100%	G

Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Risks determined and managed	All	Internal Audit unit and Audit Committee functional and acting in compliance with legislation	% queries rectified within 6 months of receipt	80%	100%	G
SDBP reporting	Timeous reporting to MM before due dates	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Legal process compliance	All	Quarterly reporting	% regular reporting	100%	100%	G
Successful chairpersonship of party liaison committee	Involvement in municipal elections and by-elections	Good Governance and Public Participation	Provision democratic and accountable governance	Good relations established and maintained between Elec. Comm, Mun & political parties	All	Director: Management Services appointed as Municipal Electoral Officer and so approved by Council	minutes of all meetings held	100%	100%	G
Improved financial management	Compile an action plan with corrective actions to address matters raised in the AG management letter	Municipal Financial Viability and Management	Provision democratic and accountable governance	Sound financial management	All	Annual Report	Action plan completed 30 days after receipt of man letter	100%	100%	G
Legal actions and proceedings	Management of and dealing with litigation actions and proceedings against and for the municipality	Basic Service Delivery	Provision and maintenance of municipal services	Legal process compliance	All	legal processes in place and exist	100% compliance with the legal processes	10000%	83.33%	O
Preparation for and participation in the listed meetings	Ongoing preparation and attendance of meetings with governance and related structures	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Knowledge based, sound decision-making	All	Attendance of Monthly meetings - PFC - 3 Mayco - 1, Council - 1, LLF - 1, Training - 1	100% attendance of all meetings	100%	100%	G
Re-aligned structure	Proposed amended structure	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Personnel Administration	All	Current organisational structure to be reviewed in order to establish functional and logical alignment	Review of structure finalised by end of February	100%	100%	G
HUMAN RESOURCES										
Minor assets manager human resources	% of budget spend	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Personnel Administration	All	100%	% Progress with the project	100%	100%	G

Overtime within acceptable parameters	Acting on monthly report with progressive compliance with BCEA and budget, 25% less overtime & 25% more within budget limits i.e. acting allowances by Sept, 50% of said by Dec 2009, 75% of said by Mar 2009 and 100% compliance by June 2010	Municipal Financial Viability and Management	Provision democratic and accountable governance	Improvement of financial management	All	Overtime exceeding BCEA stipulations & negative AG comments thereon	July 2009 ongoing, QRS	100%	100%	G
HIV/Aids policy	HIV/Aids policy developed and adopted	Municipal Transformation and Institutional Development	Safe and healthy environment	National key priority	All	Lack of an HIV/Aids policy	Approved end of September and implemented from October	100%	100%	G
HIV&AIDS workshops and information sessions held	Maintain annual workshop and awareness initiatives	Municipal Transformation and Institutional Development	Safe and healthy environment	HIV & AIDS awareness	All	Annual HIV & Aids workshop	February 2010 workshop and support of HIV&AIDS day in December	100%	90%	O
Disciplinary actions and incapacity hearings	Disciplinary actions resolved within 40 working days	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	labour relations	All	All necessary steps taken to ensure compliance with the framework	% compliance as per monthly reports	90%	90%	G
LLF governance and management	Regular LLF Meetings and Minutes kept	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	labour relations	All	LLF attended regularly by EM Councilors and functioning well	Minutes of monthly meetings	6	6	G
Occupational Health and Safety risk profiling	Develop and maintain risk profiles for all directorates in line with H&S Audit and Plan	Municipal Transformation and Institutional Development	Safe and healthy environment	Occupational Health and Safety	All	Lack of updated H&S audit of municipal facilities, offices, etc. and lack of recorded H&S Plan compliant with legal requirements	Risk profiles developed by the end of June	100%	100%	G
Occupational Health and Safety Policy	Draft a policy and submit for approval	Municipal Transformation and Institutional Development	Safe and healthy environment	Occupational Health and Safety	All	Lack of updated H&S audit of municipal facilities, offices, etc. and lack of recorded H&S Plan compliant with legal requirements	end of February 2010	100%	90%	O

Immediate risks satisfactorily addressed	Implementation of report	Municipal Transformation and Institutional Development	Safe and healthy environment	OHS Audit and Plan	All	Lack of updated H&S audit of municipal facilities, offices, etc. and lack of recorded H&S Plan compliant with legal requirements	Nov 2009 onwards QR	10000%	91.67%	O
OH&S compliance	H&S Audit of all municipal buildings, faculties, PPE of staff completed by an inspection authority as per OHS Act and in synergy with existing risk profiles	Municipal Transformation and Institutional Development	Safe and healthy environment	Occupational Health and Safety	All	Lack of updated H&S audit of municipal facilities, offices, etc. and lack of recorded H&S Plan compliant with legal requirements	Audit report end of October	100%	100%	G
Leaverships, interns and mentoring (Project Greypower)	Develop a policy for the recruitment and selection of interns, leaverships, project greypower mentors and students	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Adhering to legislation iro public participation, s.21 and Ch 4 of MSA	All	Implementation of the NSF	end of June 2010	100%	90%	O
Finalised skills audit and WPSP	Skills audit completed including all staff, training needed iro new tasks, i.e. all skill gaps identified	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Training and development	All	WPSP compiled based on inputs received from all directorates	WPSP completed in July	100%	100%	G
EE Policy	Provide governance framework within which EE is implemented to ensure governance to all regulatory and legislative requirements	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Broadening skills base	All	Accepted and approved policy	EE Plan and Report submitted end of September	100%	100%	G
EE Plan	Continuous review and updating of EE Plan and report in full compliance with all regulatory and legislative requirements	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Adhering to legislation iro public participation, s.21 and Ch 4 of MSA	All	Submit EE Plan and report to all stakeholders within the required timeframes for acceptance and approval	30 Sep	100%	100%	G
HR Strategies and business plans	Deployment of approved HR strategies and business plans to enable cost effective delivery of HR Services	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	HR Strategy	All	Lack of a human resource strategy and plan	09 Nov	100%	100%	G
Daily updating and record keeping of all personnel matters up to date	All personnel records are updated within 24 hours from the receipt of the applicable documents	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Personnel Administration	All	Administration of leave, pension, provident, medical etc., of all employees	Completed checklist of all new appointments	100%	88%	O

Efficient and cost effective management of HR service related contracts with service providers	Measures are in place to ensure that the quality of service delivery by service providers are within acceptable standards 90% of the time	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Administrative support	All	Services by service providers are delivered within agreed specifications on time and within budget	Monthly review of the Collaborator contract management module	100%	90%	O
Ongoing induction programme	Present continuous induction programmes to new staff	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Recruitment and Selection	All	Induction programme in place	all new appointments on the first working day of the new month	10000%	83.33%	O
Recruitment and appointment processes	All vacancies on fixed establishment filled within 2 months after post became vacant	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Recruitment and Selection	All	Systematic recruitment and selection process optimises staff utilization	All vacancies filled within 2 months of vacancy	10000%	81.67%	O
Employee Assistance Program	Develop EAP	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	EAP	All	Focused Employee Assistance Programme	09 Oct	0%	0%	R
Define job descriptions	Liaise and work with managers to finalise job descriptions	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	TASK Job Descriptions	All	existing job descriptions	job description for new appointment finalised before advertisement of vacancy	10000%	78.33%	O
INFORMATION TECHNOLOGY										
Minor assets - it	% of budget spend	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	IT	All	100%	% of budget spend	100%	100%	G
Stabilisation of electricity	% of budget spend	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	IT	All	100%	% of budget spend	100%	100%	G
It container - radio equipment	% of budget spend	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	IT	All	100%	% of budget spend	100%	100%	G
Stanford server room	% of budget spend	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	IT	All	100%	% of budget spend	100%	0%	R

Fire safe, aircon's & access control - area server rooms	%of budget spend	Municipal Transformation and Institutional Development	Safe and healthy environment	IT	All	100%	%of budget spend	100%	100%	G
Solar power backup for radio frequency equipment sites	%of budget spend	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	IT	All	100%	%of budget spend	100%	100%	G
Back-up of all systems and databases	Daily, Weekly and monthly back-up	Municipal Financial Viability and Management	Provision and maintenance of municipal services	Optimum service delivery	All	98% successful back-ups	100% compliance	98.00%	66.67%	R
IT Risk Management	Implementation of the IT Disaster Recovery Plan through implementation of the relevant risk mitigating actions and operation of all DRP servers	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	IT	All	Existing IT risk assessment, risk register, risk information system in place and risk mitigating measures identified some which are in process of implementation	bi-monthly it steering committee minutes and /or related documents	3	3	G
IT Strategy	Updated IT strategy to manage the needs of the Municipality in synergy with available technology	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	IT	All	Existing IT strategy	bi-monthly it steering committee minutes	4	4	G
LEGAL SERVICES										
Maintain law library	Maintaining the law library and keeping an inventory of it	Good Governance and Public Participation	Provision democratic and accountable governance	Legal Services	All	Need for a legal reference system	Updated inventory as at the end of June	100%	100%	G
Promulgation of by-laws	Promulgation of by-laws	Good Governance and Public Participation	Provision democratic and accountable governance	By-laws	All	Existing Municipal Code	New by-laws gazetted	100%	100%	G
Legal service	Legal input/opinions provided on policies, legislation, by-laws, authorities	Good Governance and Public Participation	Provision democratic and accountable governance	Legal compliance	All	All legal related municipal aspects legal input provided	Manual or Computer generated report re feedback provided on a continuous basis	100.00%	93.33%	O
COMMUNICATIONS										
Effective admin support to EM and full time councilors	Language policy approved and implemented	Good Governance and Public Participation	Provision democratic and accountable governance	Building the image of the responsive municipality	All	Ongoing need for administrative support to EM and fulltime councilors	09-Sep	100%	100%	G

Effective management of Council's special projects	Junior Council inauguration and Junior Council Orientation Tour	Good Governance and Public Participation	Provision democratic and accountable governance	Communication	All	Council has special projects implemented on an annual basis	Oct 2009 inauguration and March 2010 orientation tour	100%	100%	G
Effective management of Council's special projects	Plan for Mayor's achievers' recognition and Mayor's Environmental Award	Good Governance and Public Participation	Provision democratic and accountable governance	Communication	All	Council has special projects implemented on an annual basis	01-May	100%	100%	G
Management of sponsorship programme	Ongoing implementation of 2009/2010 sponsorship programme	Good Governance and Public Participation	Safe and healthy environment	Communication	All	Council sponsorships ongoing	100% compliance with sponsorship programme and report back on each programme	10000%	10000%	G
Management of corporate advertising	Ongoing implementation of 2009/2010 advertising plan	Good Governance and Public Participation	Provision democratic and accountable governance	Communication	All	Corporate advertising ongoing	Actual advertisements placed	100%	80%	O
Management of council's branding and corporate identity	Annual Corporate identity manual update	Good Governance and Public Participation	Provision democratic and accountable governance	Communication	All	Council branding, corporate advertising and sponsorships ongoing	Acknowledgement of receipt electronically or manually	100%	100%	G
Media liaison	Quarterly Media Liaison Report	Good Governance and Public Participation	Provision democratic and accountable governance	Communication	All	Various external communication services in place and to be maintained	July 09 Oct 09 Jan '2010 April 2010	10000%	10000%	G
Facilitate external communication	Municipal showcase and Council Imbizo	Good Governance and Public Participation	Provision democratic and accountable governance	Communication	All	Various external communication services in place and to be maintained	October Municipal showcase, Council Imbizo November and April (feedback to council and DPLG re result	100%	100%	G
Updating of website	Bi-annual update of website	Good Governance and Public Participation	Provision democratic and accountable governance	Communication	All	Various external communication services in place and to be maintained	Confirmation received from service providers	100%	100%	G

Positive public image	Monthly O/S Bulletin	Good Governance and Public Participation	Provision democratic and accountable governance	Communication	All	Various external communication services in place and to be maintained	Monthly bulletin issued	6	12	G
STRATEGIC SERVICES										
Overstrand community participation maintaining the best practice status and effective consultation on IDP, budget and other strategic issues	Agendas for bi-annual OMAF meetings 14 days prior to meetings, with previous minutes	Good Governance and Public Participation	Provision democratic and accountable governance	Adhering to legislation iro public participation, s.21 and Ch 4 of MSA	All	Well functioning Overstrand Municipal Advisory Forum (OMAF) for strategic matters (also refer to IDP) with 4 reps per ward	100% compliance	100%	100%	G
Social upliftment	Compile a needs proposal i.e focus on elderly, youth, disabled based on inputs received from relevant organisations / institutions and execute	Good Governance and Public Participation	Provision democratic and accountable governance	Special projects	All	Savings on Mayoral Special Projects budget	May needs proposal, June purchases, July distribution	100%	100%	G
Completed annual report	Annual report tabled within 7 months after the end of the financial year	Municipal Financial Viability and Management	Provision democratic and accountable governance	Annual Report	All	Preparation of Annual Report for 2008/09	10-Jan	1	1	G
Totally integrated SDBIP & PMS for 2009/2011	Refining the integration of SDBIP & PMS for 2010/11	Municipal Financial Viability and Management	Provision democratic and accountable governance	SDBIP	All	SDBIP & PMS largely integrated for 2009/11	10-Jun	100%	100%	G
Legal compliance	Quarterly reporting on municipal strategy performance	Municipal Financial Viability and Management	Provision democratic and accountable governance	Administrative Management	All	SDBIP & PMS largely integrated for 2009/10	Nov, Feb, May, Aug	100%	100%	G
Compliant SDBIP	Approval of SDBIP	Municipal Financial Viability and Management	Provision democratic and accountable governance	SDBIP	All	Budget approved	Approval within 28 days from budget approval	100%	100%	G
Successful interventions in times of disaster	Care services as and when necessary	Basic Service Delivery	Safe and healthy environment	Social safety net	All	Humanitarian interventions needed in case of disaster/ extreme human suffering, e.g. xenophobia	maintain statistics of special interventions	100%	100%	G
Performance appraisal process for financial year completed	Annual performance appraisal process	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Governance Programme	All	PMS to be cascaded to other staff levels	01-Jun	100%	100%	G

Approved, implemented PMS compliant with MSA and Performance Regulations, 2006	Performance agreements of MMand Directors completed in line with regulations and signed	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Governance Programme	All	Institutionalisation of PMS not done - institutionally or individually	09 Jul	100%	100%	G
Approved IDP	Approval of IDP	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Governance	All	Planning & process integration of IDP, PMS, SDBP essential to reduce administrative load of reporting	First draft March 2010 and final May 2010	100%	100%	G
IDP Process Plan	Approved IDP/Budget process plan	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Governance	All	Reviewed IDP	Plan approved end of August and monthly reporting on compliance with process plan	100%	100%	G
Gender awareness	Where applicable, ensuring gender equity in all municipal programmes, activities	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Gender	All	Existing gender committee	bi-monthly committee meeting minutes	1	1.33	G
COUNCIL & SUPPORT SERVICES										
Management of Information Access	Updated PAIA Manual and updated website with information required by PAIA	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Information Access	All	Promotion of Access to Information Act, 2/2000 responsibilities to be adhered to	Sep (updating of manual) and Jul (updating of web)	100%	100%	G
3yrs completed electronic record system	Back scanning of information into Collaborator	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Archives & Filing Plan	All	Collaborator accredited by National Archives	Aug 2009 - Mar 2010 QRS	100%	100%	G
Effective mail/registration service	Ongoing age analysis of Collaborator inbox of all users	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Administrative support	All	Collaborator programme/module in place	Monthly monitoring	100%	100%	G
Effective mail/registration and reprographical service	All incoming mail on centralised record system and lodged with right persons to deal with it within 48 hours, irrespective of whether received at or having to be dealt with at central or decentralised offices	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Record Management	All	Collaborator programme/module in place	100% compliance with target as per Monthly Collaborator report	100%	100%	G

Administrative support to ensure well functioning of Council, Mayoral Committee, Portfolio Committees, LLF, Training Committee, etc.	Reports re implementation of Council Resolutions presented to the MM Executive Mayor and Speaker	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Administrative support	All	Asper Council meeting cycle	Monthly Collaborator reports	100%	100%	G
Administrative support to ensure well functioning of Council, Mayoral Committee, Portfolio Committees, etc.	Tasks from the MC and Council typed and distributed to all HODs for implementation purposes within 7 days from decisions being taken	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Administrative support	All	Asper Council meeting cycle	Monthly Collaborator report	10000%	99.33%	O
Administrative support to ensure well functioning of Council, Mayoral Committee, Portfolio Committees, S&S Appeal Committees	Minutes of Council, MC, PFC, s.62 Committee within 72 hours distributed	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Administrative support	All	Monthly meetings - PFC - 3 Mayco - 1, Council - 1, LLF - 1, Training - 1	Approval of final draft within 72 hours	100%	100%	G
Administrative support to ensure well functioning of Council, Mayoral Committee, Portfolio Committees, S&S Appeal Committees	Agenda's Council and MC 3 days prior to meetings, PFC - 8 working days prior to meetings	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Administrative support	All	To ensure sustained administrative and secretarial support	100% compliance to delivery of agenda's prior to meetings	100%	100%	G

FINANCE

KPI Name	Definition	Nat. KPA	Mun. KPA	Org / Objective	Wards	Baseline	Target Unit	Consolidated performance		
								Target	Actual	R
DIRECTOR: FINANCE										
Workforce profiles in compliance with annual EE targets in all occupation levels	Management to actively pursue the annual EE targets during the selection and appointments processes to achieve employment equity in their respective Directorates/Departments	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Employment Equity	All	Preferential treatment of suitably qualified and competent people from designated groups with appointments and promotions in all occupation levels	Compliance with set targets	100%	100%	G
Submission of Annual Report information	Departmental Report submitted by 30 November	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Accountable financial management	All	Annual Report information submitted	% submitted by November	100%	100%	G

Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Accountable financial management	All	Internal Audit unit and Audit Committee functional and acting in compliance with legislation	% queries rectified within 6 months of receipt	100%	100%	G
SDBP reporting	Timeous reporting to MM before due dates	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Accountable financial management	All	Quarterly reporting	% regular reporting	100%	100%	G
Ensure all budget related policies are in line with applicable legislation.	Ensure all budget related policies are reviewed annually and approved by Council	Municipal Financial Viability and Management	Provision democratic and accountable governance	Legal compliance	All	Approved and implemented budget related policies	10-Jun	100%	100%	G
Participation in the listed meetings	Ongoing preparation and attendance of meetings as per MFMA and Municipal requirements	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Accountable financial management	All	98% Attendance of Monthly meetings - PFC - 3 Mayco - 1, Council - 1, LLF - 1, Training - 1	98% attendance of all meetings	100%	100%	G
SYSTEMS ADMINISTRATOR										
System Queries	Queries received referred to Service Provider within 24 hours and regular follow up.	Municipal Financial Viability and Management	Provision and maintenance of municipal services	Optimum service delivery	All	90% of queries finalised within 10 working days	Monthly	100%	100%	G
Helpdesk Queries	Queries received resolved on within 8 working hours	Municipal Financial Viability and Management	Provision and maintenance of municipal services	Optimum service delivery	All	90% of queries resolved within 8 working hours	Daily	100%	100%	G
INCOME										
Minor assets - income	% of Budget spend	Municipal Financial Viability and Management	Provision democratic and accountable governance	Revenue	All	100%	% of budget spend	100%	100%	G
Irrecoverable debt written off	Irrecoverable debt based on indigency, written off as and when required	Municipal Financial Viability and Management	Provision democratic and accountable governance	Credit control & debt collection	All	Debt management in place	Quarterly reports	100%	100%	G
Max. debt collection	Monthly contact monitoring reports to PFC and Council	Municipal Financial Viability and Management	Provision democratic and accountable governance	Credit control & debt collection	All	88% collection rate - 90 days	ongoing	100%	100%	G

Annually update indigent Policy	Reviewed policy	Municipal Financial Viability and Management	Provision democratic and accountable governance	Indigents	All	Annual review of policy	10-Mar	100%	100%	G
Continuously updated indigent register	Evaluation and auditing of indigent households and monthly updating of indigent register	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Indigents	All	Fully updated Indigent register	10-Jun	100%	100%	G
Contact monitoring & management	Implementation of specific contract monitoring principles based on legal compliance	Municipal Financial Viability and Management	Provision democratic and accountable governance	Revenue	All	Contract managed in terms of SLA	Sept 2009 Quarterly Reports	100%	100%	G
Effective meter reading, variance management, verification, corrections	Ensure accurate meter reading and billing.	Municipal Financial Viability and Management	Provision democratic and accountable governance	Revenue	All	98% meters read by 23h, billing by 30th day of each month	98% compliance	98%	100%	G
Ensure all monies banked on the following working day	Ensure all monies banked on the following working day	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Effective revenue management	All	98% deposits made on the following working day.	100% compliance	100%	100%	G
Response to all citizen complaints/enquiries within acceptable period	Daily recording of enquiries/requests on EDMS/EMS incoming mail within 24 hours to central registry & response to consumer/public enquiries/requests with 14 days	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Customer Care	All	Responsive to residents' queries, requests	98% compliance with response time	95.00%	100.00%	G
Free basic services (FBW & FBS) provided in line with indigent policy and basic services component of equitable share correctly allocated	Ongoing review and implementation of Indigent Policy	Basic Service Delivery	Provision and maintenance of municipal services	Legal compliance - access to water, standard of living of poor improved	All	Ensuring all qualifying households have access to FBW & FBS	Quarterly reporting	100%	100%	G
ACCOUNTING SERVICES										
Minor assets - accounting services	% of Budget spend	Municipal Financial Viability and Management	Provision democratic and accountable governance	Budget	All	100%	% of budget spend	100%	100%	G

Monthly, quarterly and half yearly financial reports submitted as required	Monthly monitoring report to NT & PT, EM, PFC, MC, Council	Municipal Financial Viability and Management	Provision democratic and accountable governance	Reporting	All	Section 71 of MFMA compliant	Monthly, quarterly and half yearly reporting as required by Council, provincial and legislation	100%	100%	G
Procurement of Banking services	MFMA compliant procurement process	Municipal Financial Viability and Management	Provision democratic and accountable governance	Bank services	All	MFMA compliant banking services	10 May	100%	50%	R
Updated borrowing plan	Borrowing plan updated	Municipal Financial Viability and Management	Provision democratic and accountable governance	Borrowing	All	Borrowing plan in place	10 Mar	100%	100%	G
Effective management of funds	Weekly monitoring of surplus funds and appropriate weekly investments	Municipal Financial Viability and Management	Provision democratic and accountable governance	Investments	All	Effective cashflow management	Quarterly reports	100%	100%	G
Completed AFS-S71 & 72 compliant	Completion of AFS	Municipal Financial Viability and Management	Provision democratic and accountable governance	AFS	All	Submission of AFS to AG	09 Aug	100%	100%	G
Timeous completion of budgetary processes	Compilation of Final MREF Budget by for Council	Municipal Financial Viability and Management	Provision democratic and accountable governance	Budget	All	Budget 2010/11 approved	10 May	100%	100%	G
Timeous completion of budgetary processes	Compilation of Draft MREF Budget by for Council	Municipal Financial Viability and Management	Provision democratic and accountable governance	Budget	All	Draft Budget 2010/11 submission	10 Mar	100%	100%	G
Timeous completion of budgetary processes	Compilation of Adjustments Budget	Municipal Financial Viability and Management	Provision democratic and accountable governance	Budget	All	Adjustment Budget 2009/10 compiled & approved	10 Feb	100%	100%	G
Timeous completion of budgetary processes	Compile mid year budget report	Municipal Financial Viability and Management	Provision democratic and accountable governance	Budget	All	Mid year budget review	10 Jan	100%	100%	G
Timeous completion of budgetary processes	Approved budget process plan	Municipal Financial Viability and Management	Provision democratic and accountable governance	Budget	All	Budget Plan 2010/11 approval	09 Aug	100%	100%	G

EXPENDITURE AND ASSET MANAGEMENT										
Minor assets - expenditure	% of Budget spend	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Expenditure Management	All	100%	% of budget spend	100%	100%	G
Claims management	Finalise processing 98% of insurance claims within 30 days of reporting date.	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Insurance	All	Claims management as per MFMA	Quarterly reports	98%	100%	G
Insurance portfolio	Review and adjustment of Insurance cover as required.	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Insurance	All	Adequate insurance cover	Monthly report	100%	100%	G
Effective Payroll Management	Management of monthly payroll.	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Payroll	All	Payroll management as per legal requirements	Monthly	100%	100%	G
Payment of Creditors	90% (queries excl) invoices and contractors paid within 30 days	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Creditors	All	Creditor payments as per MFMA	100% compliance	100%	100%	G
Payroll budget Preparation	Payroll budget preparation and completion for Annual Budget	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Payroll	All	Payroll budget completion	10-Feb	100%	100%	G
MFMA compliant asset register	Asset register complete and regularly updated	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Asset Management	All	Totally compliant asset register	Monthly	100%	100%	G
VALUATIONS										
Supplementary valuation of all properties in the Municipal area	Submission of a supplementary valuation roll to the MM	Municipal Financial Viability and Management	Provision democratic and accountable governance	Valuations	All	Valuation roll is updated to reflect changes to the roll.	10-Mar	100%	100%	G
General valuation of all properties in the Municipal area	Submission of a general valuation roll to the MM	Municipal Financial Viability and Management	Provision democratic and accountable governance	Valuations	All	All rateable properties in the Municipal area are valued for the purpose of levying rates on those properties.	11-Jan	100%	100%	G

Ongoing monitoring, liaison and other legally required actions concerning the municipal valuers	Appointment and monitoring of valuers in all legal compliance matters, liaison, maintaining the integrity of methods followed, data used, confidentiality where necessary and copyright of data	Municipal Financial Viability and Management	Provision democratic and accountable governance	Valuations	All	Valuers appointed and output reviewed as prescribed.	10-Jun	100%	100%	G
Annual updating of Parts A & B of the properties register, valuation roll in compliance with all relevant sections of the FRA and linked to GIS	Register is updated in accordance with the valuation rolls and the properties that are exempted from prop. Tax	Municipal Financial Viability and Management	Provision democratic and accountable governance	Valuations	All	Register is open for inspection by the public during office hours and displayed on the website.	10-Jun	100%	100%	G
Annual revision of the property rates policy	Updated Property Rates Policy approved	Municipal Financial Viability and Management	Provision democratic and accountable governance	Valuations	All	Prepared to deal with the levying of rates on rateable property in the annual budget of the Municipality.	10-Mar	100%	100%	G
Response to all citizen complaints/enquiries within acceptable period	Daily recording of enquiries/requests on EDMS/EMS incoming mail within 24 hours to central registry & response to consumer/public enquiries/requests within 14 days	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Customer Care	All	Responsive to residents' queries, requests	100% compliance with response time	100%	100%	G
SUPPLY CHAIN MANAGEMENT										
Minor assets - supply chain management	% of Budget spend	Municipal Financial Viability and Management	Provision democratic and accountable governance	Supply Chain Management	All	100%	% of budget spend	100%	100%	G
Annual Stock take	Execute Annual stock take by 30 June	Municipal Financial Viability and Management	Provision democratic and accountable governance	Stores	All	Annual stock report	10-Jul	100%	100%	G
Stores inventory management	Ensure service delivery levels of stores for optimal functionality	Municipal Financial Viability and Management	Provision democratic and accountable governance	Stores	All	Maintain adequate stock levels	Monthly	100%	100%	G

SCM reporting in terms of MFMA	Monthly reporting to MM Council, NT, PT and CIED	Municipal Financial Viability and Management	Provision democratic and accountable governance	Supply Chain Management	All	Monthly reporting in terms of MFMA	Monthly	100%	100%	G
Tender and contract management services	Consideration of tenders within 14 days after receipt of final report from requesting Directorate	Municipal Financial Viability and Management	Provision democratic and accountable governance	Supply Chain Management	All	To render effective and efficient tender and contract services	Ongoing, QR	100%	100%	G
Supplier Management Services	Ensure effective and efficient supplier management service.	Municipal Financial Viability and Management	Provision democratic and accountable governance	Supply Chain Management	All	Supplier management service as per MFMA.	09 Jul	100%	100%	G

DEPUTY DIRECTOR

Participation in the listed meetings	Ongoing preparation and attendance of meetings as per MFMA and Municipal requirements	Municipal Financial Viability and Management	Provision democratic and accountable governance	Accountable financial management	All	98% Attendance of Monthly meetings - PFC - 3 Mayco - 1, Council	100% attendance of all meetings	100%	100%	G
Audit plan	Coordinate responses to and actions based on Risk assessment results and revised audit plan from Internal Auditors	Municipal Financial Viability and Management	Provision democratic and accountable governance	Risks determined and managed	All	Effective finance risk management programme	09 Dec	100%	100%	G
Updated audit	Participation in training audit updates as required for the WSP	Municipal Financial Viability and Management	Provision democratic and accountable governance	Needs Analysis	All	Completed training needs audit	09 Oct	100%	100%	G
Facilitation of audit process with AG Office	Assistance to AG Office with audit process	Municipal Financial Viability and Management	Provision democratic and accountable governance	AFS	All	Timeous response to RFIs and COMAFs	Aug - Oct 2009	100%	100%	G

PROTECTION SERVICES

KPI Name	Definition	Nat. KPA	Mun. KPA	Org / Objective	Wards	Baseline	Target Unit	Consolidated performance		
								Target	Actual	R

DIRECTOR: PROTECTION SERVICES

Minor assets - director protection services	% spending in capital budget with full quality, cost, exercised	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Improved service delivery	All	100%	% of budget spend	100%	100%	G
Workforce profiles in compliance with annual EE targets in all occupation levels	Management to actively pursue the annual EE targets during the selection and appointments processes to achieve employment equity in their respective Directorates/Departments	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Employment Equity	All	Preferential treatment of suitably qualified and competent people from designated groups with appointments and promotions in all occupation levels	Compliance with set targets	100%	50%	R
Optimize Revenue for the Department	Consider means of increasing revenue for the Department	Basic Service Delivery	Provision and maintenance of municipal services	Increased Revenue	All	Current level of payment	Increase actual revenue compared to the budgeted revenue for the year	100%	100%	G
Submission of Annual Report information	Departmental Report submitted by 30 November	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Annual Departmental Report	All	Annual Report information submitted	% submitted by November	100%	100%	G
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Financial Compliance & Good Practice	All	Internal Audit unit and Audit Committee functional and acting in compliance with legislation	% queries rectified within 6 months of receipt	80%	80%	G
SDBP reporting	Timeous reporting to MM before due dates	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Financial Compliance & Good Practice	All	Quarterly reporting	% regular reporting	100%	100%	G
Attendance of District IGR Cluster meetings as applicable to each Directorate	Full attendance of cluster meetings and feedback reports	Good Governance and Public Participation	Provision democratic and accountable governance	Improved IGR	All	IGR Clusters to be used for inter-governmental unity and support	Sept & Dec 2009 Mar & June 2010	100%	100%	G
Improved financial management	Compile an action plan with corrective actions to address matters raised in the AG management letter	Municipal Financial Viability and Management	Provision democratic and accountable governance	Sound financial management	All	Annual Report	Action plan completed 30 days after receipt of man letter	100%	100%	G

Building a management information system	Monthly traffic, fire and law enforcement reports to EMU and quarterly to Council	Basic Service Delivery	Provision and maintenance of municipal services	Pro-active handling of trends	All	Statistics and reports form basis of MS	Monthly reporting for EMU and quarterly for Council	100%	100%	G
Full compliance with record management system requirements	Daily compliance to registry requirements and response on own queries within 14 days	Basic Service Delivery	Provision and maintenance of municipal services	Effective administration	All	Collaborator modules in place and working well	Monthly report obtained from Collaborator	100%	100%	G
Effective prosecution	Law Enforcement cases dealt with by the court	Basic Service Delivery	Provision and maintenance of municipal services	Legal compliance and law enforcement	All	Introduce weekly court hearings for Law Enforcement	Quarterly stat reporting	10000%	83.33%	O
Performance rating system of consultants and contractors instituted and maintained	Performance rating criteria and schedule established	Basic Service Delivery	Provision and maintenance of municipal services	Enforcement of contract provisions and performance as targeted	All	Inadequate performance of consultants and contractors, e.g. project management, infrastructure construction and EIAs/RODs	Annual feedback provided to service providers	100%	100%	G
Daily and monthly inputs into the system and reporting thereon to identify performance, non-performance, trends and other essential management information	Daily inputs and monthly reporting ongoing	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Effective management information system	All	responsibility to ensure that all related data required are captured on a daily basis	Monthly reports of chiefs	100%	100%	G
Preparation for and participation in the listed meetings	Ongoing preparation and attendance of meetings with governance and related structures	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Knowledge based, sound decision-making	All	Attendance of Monthly meetings - PFC - 3 Mayco - 1, Council - 1, LLF - 1, Training - 1	100% attendance to meetings	100%	100%	G
LAW ENFORCEMENT AND SECURITY SERVICES										
Minor assets law enforcement	% spending in capital budget with full quality, cost, exercised	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Security	All	100%	% of budget spend	100%	100%	G
Liaison with other Law Enforcement Agencies	Involvement in other relevant stakeholder meetings, e.g. SAPS forums	Basic Service Delivery	Safe and healthy environment	Law enforcement	All	Responses within the limit set	Attendance of weekly meetings	100%	100%	G

Strict enforcement of applicable legislation and by-laws	Respond to queries/complaints / requests in 14 days	Basic Service Delivery	Provision and maintenance of municipal services	Law enforcement	All	Responses within the limit set	Respond to at least 90% of queries/complaints / requests in 14 days	9000%	10000%	G
Law Enforcement, pro-active and re-active basis	Monitoring and management of the informal settlements	Basic Service Delivery	Safe and healthy environment	Informal Settlements	All	Illegal squatting to be managed through daily monitoring and community consultation	Feedback provided from contractor re regular visits to informal settlements	100%	100%	G
Management and monitoring of various service providers rendering security services at municipal buildings	Quarterly meetings with service providers to ensure service excellence	Municipal Transformation and Institutional Development	Safe and healthy environment	Security	All	High premium placed on all facets of security at centralised and decentralised buildings, service contracts of 3yrs with SPs	Quarterly meetings with SPs	100%	100%	G
Access control completed	Prioritisation of remaining buildings for access control	Municipal Transformation and Institutional Development	Safe and healthy environment	Security	All	Access control to be completed at Kleinmond admin buildings as well as Rietshall, Hermanus	09 Oct	100%	100%	G
Daily and monthly inputs into the system and reporting thereon to identify performance, non-performance, trends and other essential management information	Daily inputs of the work orders received from the customer care centre and public and monthly reporting thereto	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Engineering Management Information System	All	All directorates handling complaints/queries/request regarding services linked to EMS have the responsibility to capture the data required on a daily basis and report monthly thereon	Monthly review and quarterly reporting	100%	100%	G
Response to all citizen complaints/enquiries within acceptable period	Daily recording of enquiries/requests on EMS incoming mail response to consumer/public enquiries/requests with 14 days (includes Collaborator)	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Customer Care	All	Responsive to residents' queries, requests	100% compliance with the response time of 14 days	100%	100%	G

FIRE MANAGEMENT										
Fire Management Plan	Compile a Fire Management Plan	Basic Service Delivery	Safe and healthy environment	Fire Management	All	Unofficial fire management plan	Obtain Council approval by the end of June for the plan	1	7	G
Skilled emergency centre operators	Investigate possibilities of appointing dedicated emergency centre operators	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	All	Customer care services via help desks linked to EDMS and EMS at municipal offices in all towns	Obtain approval by the end of June to appoint dedicated operators	100%	100%	G
Effective training and development of volunteers and preparedness	Improvement of firefighting skills and competencies of volunteers	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	All	Expansion of staff component	60 volunteers trained before end of June	60%	100%	G
Fully updated DMP	Annual review of DMP	Basic Service Delivery	Safe and healthy environment	Risks determined and managed	All	Excising Disaster Management Plan	DMP for Council approval by end of June	1	9	G
Fleet and equipment in accordance with SANS Code 10080 and NFPA codes	Compliance with vehicle inspection sheet to ensure full fleet compliance to code	Basic Service Delivery	Provision and maintenance of municipal services	Enforcing sound maintenance practices	All	Fleet and equipment in accordance with SANS Code 10080 and NFPA codes	80% of fleet compliance	80%	80%	G
Public awareness and education sessions	Enhancement of fire prevention through awareness and education sessions and projects	Basic Service Delivery	Conservation	Improved knowledge base, general safety of communities increased	All	In O/S it is essential that the public has a workable knowledge of fire prevention and handling	24 sessions per annum	12	17	G
Interactive, holistic thinking and pro-active planning	Ongoing liaison with PAVC and ODM to ensure synergy of DMPs and quick mobility if need be	Basic Service Delivery	Provision and maintenance of municipal services	Preparedness, accountability	All	Knowledge base of legislation and codes necessary	Ad hoc as required by institutions	100%	50%	R
TRAFFIC SERVICES										
Reviewed & refined parking meter system	Parking meter system reviewed and report	Municipal Financial Viability and Management	Provision democratic and accountable governance	Securing parking revenue	All	Parking meter system not effective	09 Oct	0%	100%	G

[illegible]

COMMUNITY SERVICES

KPI Name	Definition	Nat. KPA	Mun. KPA	Org / Objective	Wards	Baseline	Target Unit	Consolidated performance		
								Target	Actual	R
DIRECTOR: COMMUNITY SERVICES										
Mhoro assets -housing	%of budget spend	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Improved service delivery	All	100%	%of budget spend	100%	100%	G
Mhoro assets - libraries (prov library grant)	%of budget spend	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Improved service delivery	All	100%	%of budget spend	100%	68%	G
Workforce profiles in compliance with annual EE targets in all occupation levels	Management to actively pursue the annual EE targets during the selection and appointments processes to achieve employment equity in their respective Directorates/Departments	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Employment Equity	All	Preferential treatment of suitably qualified and competent people from designated groups with appointments and promotions in all occupation levels	Compliance with set targets	100%	100%	G
Administering of CDW in liaison with regional co-ordinator	100% spending of budget	Good Governance and Public Participation	Provision democratic and accountable governance	Support of CDWs	All	CDWs not directly part of municipal structures but fall under the Premier's Office	Ongoing, QR	10000%	10000%	G
Ward committee policy evaluated and refined on an annual basis	Evaluation of ward committee policy	Good Governance and Public Participation	Provision democratic and accountable governance	Governance principles applied to WC	All	Ward Councilors, area Directors and, where necessary other officials, full involvement with ward committees	Annually	100%	100%	G
Implementation of gazetted by-laws	Once promulgated, directors to report on how by-laws relevant to their directorates are enforced	Good Governance and Public Participation	Provision democratic and accountable governance	Regulation of municipal services	All	Number of outstanding by-laws	Quarterly reporting	100%	100%	G

Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Financial Compliance & Good Practice	All	Internal Audit unit and Audit Committee functional and acting in compliance with legislation	% queries rectified within 6 months of receipt	80%	100%	G
SDBP reporting	Timeous reporting to MM before due dates	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Financial Compliance & Good Practice	All	Quarterly reporting	% regular reporting	100%	100%	G
Improved financial management	Compile an action plan with corrective actions to address matters raised in the AG management letter	Municipal Financial Viability and Management	Provision democratic and accountable governance	Sound financial management	All	Annual Report	Action plan completed 30 days after receipt of man letter	100%	100%	G
Performance rating system of consultants and contractors instituted and maintained	Performance rating criteria and schedule established	Basic Service Delivery	Provision and maintenance of municipal services	Enforcement of contract provisions and performance as targeted	All	Inadequate performance of consultants and contractors, e.g. project management, infrastructure construction and EIAs/RODs	Annual feedback provided to service providers	100%	100%	G
Effective project management of capital projects, including contract management of service providers, ensuring realisation of projected spending per quarter	Spending in capital budget with full quality, cost, time and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Maximum development in infrastructure and services	All	O/Shasa large number of capital projects mostly in community services and infrastructure and planning	% of budget spend	74.83%	74.83%	G
Daily and monthly inputs into the system and reporting thereon to identify performance, non-performance, trends and other essential management information	Daily inputs and monthly reporting ongoing	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Effective management information system	All	All directorates handling complaints/queries/request regarding services linked to EMS have the responsibility to capture the data required on a daily basis and report monthly thereon	Monthly reporting	100%	100%	G
Preparation for and participation in the listed meetings	Ongoing preparation and attendance of meetings with governance and related structures	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Knowledge based, sound decision-making	All	Attendance of Monthly meetings - PFC - 3 Mayco - 1, Council - 1, LLF - 1, Training - 1	98% attendance to meetings	98%	100%	G
AREA MANAGEMENT: GANSBAAI										
Minor assets area manager: gb	% of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	All	100%	% of budget spend	100%	100%	G

Mhor assets - ward specific - community centre - furniture and equipment	% of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	2	100%	% of budget spend	100%	100%	G
Mhor assets - ward specific - furniture for new community hall	% of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	1;	100%	% of budget spend	0%	98%	G
Mhor assets - ward specific - air-conditioner - tourism info centre	% of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	1;	100%	% of budget spend	0%	100%	G
Sportsfield - shelters - ward specific	% of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	1;	100%	% of budget spend	100%	0%	G
Compliance with legally required community participation	Scheduling of monthly ward committee meetings in synergy with PFC and Council meetings, agendas for VC meetings 7 days prior to meetings with previous minutes, quarterly advertising of meetings to s.21 of MSA	Good Governance and Public Participation	Provision democratic and accountable governance	Community Consultation & Participation	1; 2	Existing policy & schedule for 10 established ward committees - the latter ties in with PFC and Council meetings	100% compliance	100%	100%	G
Effective hiring and booking system for various community halls	Hiring and booking system for community halls	Basic Service Delivery	Provision and maintenance of municipal services	Effective usage of community halls	1; 2	Administration of community halls	Establishment of system and monthly performance reporting	100%	100%	G
Management and monitoring of the launching facilities	Quarterly meetings with governing bodies	Basic Service Delivery	Provision and maintenance of municipal services	Effective management and monitoring of the launching facilities	1; 2	Number of boat launching facilities under control of municipality	Quarterly meetings held	2	2	G
Management and monitoring of the launching facilities	Financial management, record keeping and monitoring of safe use	Basic Service Delivery	Provision and maintenance of municipal services	Effective management and monitoring of the launching facilities	1; 2	Number of boat launching facilities under control of municipality	Monthly reporting	100%	100%	G

Effective management and maintenance of the caravan parks	Daily management and monitoring of bookings, maintenance, contracts, financial matters	Basic Service Delivery	Provision and maintenance of municipal services	Accountability	1; 2	Caravan parks under municipal ownership	Not more than 3 complaints received per month re the management and maintenance of parks	18	1	G
Daily services to communities	Literacy campaigns once per quarter in one of the towns	Basic Service Delivery	Provision and maintenance of municipal services	Various projects and programmes - attached as Annexure 1 to the Scorecard of each director incl reference to grant / other funds received, project planning, projected cash flow management, scheduled site meetings	1; 2	SLA with province for the 7 libraries	Campaigns held during library week and per quarter	100%	100%	G
Cleanliness of graveyards	Maintain general cleanliness of the graveyards	Basic Service Delivery	Provision and maintenance of municipal services	Appearance of towns, image of municipality	1; 2	Cemeteries are in a good condition - linked to EMS	Zero complaints received regarding the general cleanliness	0%	0%	G
Maintain record of burials	Accurate update of graveyard registers / burials	Basic Service Delivery	Provision and maintenance of municipal services	Accountability	1; 2	Cemeteries are in a good condition - linked to EMS	Regular update of the register and monthly performance reporting	100%	100%	G
Availability of grave sites	Accurate information in availability of grave sites and wall of remembrance spaces	Basic Service Delivery	Provision and maintenance of municipal services	Appearance of towns, image of municipality	1; 2	Cemeteries are in a good condition - linked to EMS	Regular update of existing records	100%	100%	G
Project management of capital projects, including contract management of service providers	Spending in capital budget with full quality, cost, time and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Cost-effective, time-effective sound administrative practices	1; 2	O/S has a large number of capital projects mostly in community services and infrastructure and planning	Quarterly reporting of % of budget spend	98%	92%	O
Effective maintenance to keep municipal buildings in a good condition	Ongoing maintenance and renovations as budgeted for the financial year	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Maintenance	1; 2	Ongoing maintenance of municipal buildings	% of budget spend	100%	100%	G
Cost-effective, time effective sound administrative practices	Incoming mail at decentralised offices delivered to centralised registry office within 24hrs	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Record Management	1; 2	Collaborator programme / module in place, helpdesk & control room memo's generated linked into the system	100% compliance	100%	100%	G

Communities fully up to date with Council decisions and reasons thereof	Regular feedback to WC meetings re decisions taken by Council	Good Governance and Public Participation	Provision democratic and accountable governance	Transparency, accountability	1; 2	Ward Councilors, area Directors and, where necessary other officials, full involvement with ward committees	Ongoing, QR	100%	100%	G
Fully functioning and empowering ward committees	Visual presentations to WC meetings re decisions and other relevant matters	Good Governance and Public Participation	Provision democratic and accountable governance	Improved communication with public, councilors' accountability to electorate, positive influence on attitude of officials	1; 2	Ward Councilors, area Directors and, where necessary other officials, full involvement with ward committees	Ongoing, QR	100%	100%	G
AREA MANAGEMENT: HERMANUS										
Mhoro assets -camping site: onrus	%of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	All	100%	%of budget spend	100%	100%	G
Mhoro assets -auditorium	%of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	All	100%	%of budget spend	100%	98%	G
Hofrioollyn opgradering	%of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	4	100%	%of budget spend	100%	100%	G
Communities fully up to date with Council decisions and reasons thereof	Regular feedback to WC meetings re decisions taken by Council	Good Governance and Public Participation	Provision democratic and accountable governance	Transparency, accountability	All	Ward Councilors, area Directors and, where necessary other officials, full involvement with ward committees	Ongoing, QR	100%	100%	G
Fully functioning and empowering ward committees	Visual presentations to WC meetings re decisions and other relevant matters	Good Governance and Public Participation	Provision democratic and accountable governance	Improved communication with public, councilors' accountability to electorate, positive influence on attitude of officials	All	Ward Councilors, area Directors and, where necessary other officials, full involvement with ward committees	Ongoing, QR	100%	100%	G

Compliance with legally required community participation	Scheduling of monthly ward committee meetings in synergy with PFC and Council meetings, agendas for WC meetings 7 days prior to meetings with previous minutes, quarterly advertising of meetings to s.21 of MSA	Good Governance and Public Participation	Provision democratic and accountable governance	Community Consultation & Participation	All	Existing policy & schedule for 10 established ward committees - the latter ties in with PFC and Council meetings	100% compliance	10000%	99.50%	O
Effective hiring and booking system for various community halls	Hiring and booking system for community halls	Basic Service Delivery	Provision and maintenance of municipal services	Effective usage of community halls	All	Administration of community halls	Establishment of system and monthly performance reporting	100%	80%	O
Effective management and maintenance of the caravan parks	Daily management and monitoring of bookings, maintenance, contracts, financial matters	Basic Service Delivery	Provision and maintenance of municipal services	Maintenance of caravan parks	All	Caravan parks under municipal ownership	Not more than 3 complaints received per month re the management and maintenance of parks	18	O	G
Daily services to communities	Literacy campaigns once per quarter	Basic Service Delivery	Provision and maintenance of municipal services	Various projects and programmes - attached as Annexure 1 to the Scorecard of each director incl reference to grant / other funds received, project planning, projected cash flow management, scheduled site meetings	All	SLA with province for the 7 libraries	Campaigns held during library week and per quarter	100%	100%	G
Cleanliness of graveyards	Maintain general cleanliness of the graveyards	Basic Service Delivery	Provision and maintenance of municipal services	Effective management of the cemeteries	All	Cemeteries are in a good condition - linked to EMS	Zero complaints received regarding the general cleanliness	0%	1%	G
Maintain record of burials	Accurate update of graveyard registers / burials	Basic Service Delivery	Provision and maintenance of municipal services	Effective management of the cemeteries	All	Cemeteries are in a good condition - linked to EMS	Regular update of the register and monthly performance reporting	100%	100%	G

Availability of grave sites	Accurate information in availability of grave sites and wall of remembrance spaces	Basic Service Delivery	Provision and maintenance of municipal services	Effective management of the cemeteries	All	Cemeteries are in a good condition - linked to EMS	Regular update of existing records	100%	100%	G
Project management of capital projects, including contract management of service providers	Spending in capital budget with full quality, cost, time and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Effective project management of capital projects	All	O/S has a large number of capital projects mostly in community services and infrastructure and planning	Quarterly reporting of % of budget spend	98%	100%	G
Effective maintenance to keep municipal buildings in a good condition	Ongoing maintenance and renovations as budgeted for the financial year	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Maintenance	All	Ongoing maintenance of municipal buildings	% of budget spend	10000%	10000%	G
Cost-effective, time effective sound administrative practices	Incoming mail at decentralised offices delivered to centralised registry office within 24hrs	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Record Management	All	Collaborator programme/module in place, helpdesk & control room memo's generated linked into the system	100% compliance	10000%	8975%	O
AREA MANAGEMENT: HANGKUP/KLEINMOND										
Municipal assets - community buildings km	% of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	All	100%	% of budget spend	100%	100%	G
Municipal assets - area manager km	% of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	All	100%	% of budget spend	100%	100%	G
Communities fully up to date with Council decisions and reasons thereof	Regular feedback to WC meetings re decisions taken by Council	Good Governance and Public Participation	Provision democratic and accountable governance	Transparency, accountability	All	Ward Councilors, area Directors and, where necessary other officials, full involvement with ward committees	Ongoing, QR	100%	100%	G

Fully functioning and empowering ward committees	Visual presentations to VC meetings on municipal services and other relevant matters	Good Governance and Public Participation	Provision democratic and accountable governance	Improved communication with public, councilors' accountability to electorate, positive influence on attitude of officials	All	Ward Councilors, area Directors and, where necessary other officials, full involvement with ward committees	Ongoing, QR	100%	100%	G
Compliance with legally required community participation	Scheduling of monthly ward committee meetings in synergy with PFC and Council meetings, agendas for VC meetings 7 days prior to meetings with previous minutes, quarterly advertising of meetings to s.21 of MSA	Good Governance and Public Participation	Provision democratic and accountable governance	Community Consultation & Participation	All	Existing policy & schedule for 10 established ward committees - the latter ties in with PFC and Council meetings	100% compliance	100%	100%	G
Effective hiring and booking system for various community halls	Hiring and booking system for community halls	Basic Service Delivery	Provision and maintenance of municipal services	Appearance of towns, image of municipality	All	Administration of community halls	Establishment of system and monthly performance reporting	100%	100%	G
Effective management and maintenance of the caravan parks	Daily management and monitoring of bookings, maintenance, contracts, financial matters	Basic Service Delivery	Provision and maintenance of municipal services	Applications	All	Caravan parks under municipal ownership	Not more than 3 complaints received per month re the management and maintenance of parks	18	1	G
Daily services to communities	Literacy campaigns once per quarter	Basic Service Delivery	Provision and maintenance of municipal services	Various projects and programmes - attached as Annexure 1 to the Scorecard of each director incl reference to grant / other funds received, project planning, projected cash flow management, scheduled site meetings	All	SLA with province for the 7 libraries	Campaigns held during library week and per quarter	100%	100%	G
Cleanliness of graveyards	Maintain general cleanliness of the graveyards	Basic Service Delivery	Provision and maintenance of municipal services	Appearance of towns, image of municipality	All	Cemeteries are in a good condition - linked to EMS	Zero complaints received regarding the general cleanliness	0%	0%	G

Maintain record of burials	Accurate update of graveyard registers /burials	Basic Service Delivery	Provision and maintenance of municipal services	Appearance of towns, image of municipality	All 9 1Q	Cemeteries are in a good condition -linked to EMS	Regular update of the register and monthly performance reporting	100%	100%	G
Availability of grave sites	Accurate information into availability of grave sites and wall of remembrance spaces	Basic Service Delivery	Provision and maintenance of municipal services	Appearance of towns, image of municipality	All	Cemeteries are in a good condition -linked to EMS	Regular update of existing records	100%	100%	G
Project management of capital projects, including contract management of service providers	Spending into capital budget with full quality, cost, time and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Community Development	All	O/Shasa large number of capital projects mostly into community services and infrastructure and planning	Quarterly reporting of %of budget spend	86.50%	82.50%	O
Effective maintenance to keep municipal buildings in a good condition	Ongoing maintenance and renovations as budgeted for the financial year	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Maintenance	All	Ongoing maintenance of municipal buildings	%of budget spend	100%	100%	G
Cost-effective, time effective sound administrative practices	Incoming mail at decentralised offices delivered to centralised registry office within 24hrs	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Record Management	All	Collaborator programme /module in place, helpdesk & control room memo's generated linked into the system	100% compliance	100%	100%	G
AREA MANAGEMENT: STANFORD										
Mhoro assets -area manager(st)	%of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	3	100%	%of budget spend	100%	100%	G
Mhoro assets -ward specific -weed eaters	%of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	3	100%	%of budget spend	0%	100%	G
Mhoro assets -ward specific -w/spec furniture	%of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	3	100%	%of budget spend	0%	100%	G

Relocation of municipal store	%of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	3	100%	%of budget spend	100%	100%	G
Communities fully up to date with Council decisions and reasons thereof	Regular feedback to WC meetings re decisions taken by Council	Good Governance and Public Participation	Provision democratic and accountable governance	Transparency, accountability	3	Ward Councilors, area Directors and, where necessary other officials, full involvement with ward committees	Ongoing, QR	100%	100%	G
Fully functioning and empowering ward committees	Visual presentations to WC meetings re municipal services and other relevant matters	Good Governance and Public Participation	Provision democratic and accountable governance	Improved communication with public, councilors' accountability to electorate, positive influence on attitude of officials	3	Ward Councilors, area Directors and, where necessary other officials, full involvement with ward committees	Ongoing, QR	10000%	10000%	G
Compliance with legally required community participation	Scheduling of monthly ward committee meetings in synergy with PFC and Council meetings, agendas for WC meetings 7 days prior to meetings with previous minutes, quarterly advertising of meetings to s.21 of MSA	Good Governance and Public Participation	Provision democratic and accountable governance	Community Consultation & Participation	3	Existing policy & schedule for 10 established ward committees - the latter ties in with PFC and Council meetings	100% compliance	100%	100%	G
Effective hiring and booking system re various community halls	Hiring and booking system for community halls	Basic Service Delivery	Provision and maintenance of municipal services	Cost-effective, time-effective sound administrative practices	3	Administration of community halls	Establishment of system and monthly performance reporting	100%	100%	G
Effective management and maintenance of the caravan parks	Daily management and monitoring of bookings, maintenance, contracts, financial matters	Basic Service Delivery	Provision and maintenance of municipal services	Maintenance of caravan parks	All	Caravan parks under municipal ownership	Not more than 3 complaints received per month re the management and maintenance of parks	18	0	G

Daily services to communities	Literacy campaigns once per quarter	Basic Service Delivery	Provision and maintenance of municipal services	Various projects and programmes - attached as Annexure 1 to the Scorecard of each director incl reference to grant / other funds received, project planning, projected cash flow management, scheduled site meetings	3	SLA with province for the 7 libraries	Campaigns held during library week and per quarter	100%	100%	G
Cleanliness of graveyards	Maintain general cleanliness of the graveyards	Basic Service Delivery	Provision and maintenance of municipal services	Appearance of towns, image of municipality	3	Cemeteries are in a good condition - linked to EMS	Zero complaints received regarding the general cleanliness	0%	100%	G
Maintain record of burials	Accurate update of graveyard registers / burials	Basic Service Delivery	Provision and maintenance of municipal services	Good administration	3	Cemeteries are in a good condition - linked to EMS	Regular update of the register and monthly performance reporting	100%	100%	G
Availability of grave sites	Accurate information into availability of grave sites and wall of remembrance spaces	Basic Service Delivery	Provision and maintenance of municipal services	Focused, holistic and integrated maintenance - effective service delivery	3	Cemeteries are in a good condition - linked to EMS	Regular update of existing records	100%	100%	G
Project management of capital projects, including contract management of service providers	Spending into capital budget with full quality, cost, time and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Enforcement of contract provisions and performance as targeted	3	O/S has a large number of capital projects mostly into community services and infrastructure and planning	Quarterly reporting of % of budget spend	98%	100%	G
Effective maintenance to keep municipal buildings in a good condition	Ongoing maintenance and renovations as budgeted for the financial year	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Maintenance	3	Ongoing maintenance of municipal buildings	% of budget spend	100%	100%	G
Cost-effective, time effective sound administrative practices	Incoming mail at decentralised offices delivered to centralised registry office within 24hrs	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Record Management	3	Collaborator programme / module in place, helpdesk & control room memo's generated linked into the system	100% compliance	100%	100%	G

OPERATIONAL MANAGEMENT: GANSBAAI										
Municipal assets - gb operational manager	% of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	All	100%	% of budget spend	0%	100%	G
New tar roads	% of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	1;	100%	% of budget spend	100%	100%	G
Effective beach maintenance programme & monthly record keeping thereof	Ongoing, monthly monitored and database kept updated. 90% of work orders (including routine maintenance) completed in 21 days.	Basic Service Delivery	Provision and maintenance of municipal services	Beaches	All	Beaches to be well maintained	100% compliance with completion time	100%	100%	G
Effective storm water maintenance & monthly record keeping thereof	Maintenance of all catchpits and open storm water channels	Basic Service Delivery	Provision and maintenance of municipal services	Storm water Network	All	Storm water network to be well maintained	100% compliance with completion time	100%	100%	G
Effective storm water maintenance & monthly record keeping thereof	Ongoing maintenance services, monthly monitored and database kept updated. 90% of work orders (including routine maintenance) completed in 21 days.	Basic Service Delivery	Provision and maintenance of municipal services	Storm water Network	All	Storm water network to be well maintained	100% compliance with completion time	100%	100%	G
Effective road repair services & monthly record keeping thereof	Ongoing road repair services, monthly monitored and database kept updated. 90% of work orders (including routine maintenance) completed in 21 days.	Basic Service Delivery	Provision and maintenance of municipal services	Road Maintenance	All	Road repair services in all formal towns	90% compliance with completion time	9000%	10000%	G
Effective waste removal services & monthly record keeping thereof	Ongoing removal services, monthly monitored and database kept updated. 90% of work orders (including routine maintenance) completed in 21 days.	Basic Service Delivery	Provision and maintenance of municipal services	Removal services	All	Waste removal services in all formal towns but lack of services in certain neighborhoods	90% compliance with completion time	9000%	10000%	G

Sewerage blockages and other interruptions minimised	At least 90% of works orders completed within 21 days of receipt (including routine maintenance)	Basic Service Delivery	Provision and maintenance of municipal services	Sanitation Services	All	Minimum interruptions due to sewer blockages and related problems	100% compliance with completion time	10000%	10000%	G
Water interruptions minimised	At least 90% of works orders completed within 21 days of receipt (including routine maintenance)	Basic Service Delivery	Provision and maintenance of municipal services	Water Supply Provision	All	Limited services interruption	100% compliance with completion time	10000%	10000%	G
Water interruptions minimised	Prolonged (12 hours) water supply interruptions fewer than 3 times per annum	Basic Service Delivery	Provision and maintenance of municipal services	Water Supply Provision	All	Limited services interruption	100% compliance with completion time	100%	100%	G
All requests, complaints, etc. daily captured on EMS and EMS used to measure performance and trends	All jobs/requests captured within 24 hours	Basic Service Delivery	Provision and maintenance of municipal services	O & M Information System	All	All maintenance projects and routine maintenance linked to EMS	100% compliance	100%	100%	G
Response to all citizen complaints/enquiries within an acceptable period	Daily recording of enquiries/requests on EMS and at least 90% of work orders completed within 21 days	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Customer Care	All	Responsive to residents' queries, requests	90% compliance with response time	9000%	10000%	G
OPERATIONAL MANAGEMENT: HERVANUS										
Minor assets - water (dist-hm)	% of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	All	100%	% of budget spend	0%	100%	G
Minor assets - hm operational manager	% of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	All	100%	% of budget spend	0%	90%	G
Pipe replacement	% of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	8	100%	% of budget spend	100%	62%	R
Pipe replacement	% of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	3	100%	% of budget spend	100%	20%	R

Paving (harveya rd)	%ofbudgetspend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	10	100%	%ofbudgetspend	0%	100%	G
Tarling roads-agapanthus	%ofbudgetspend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	10	100%	%ofbudgetspend	0%	100%	G
Sypaadjes	%ofbudgetspend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	8	100%	%ofbudgetspend	100%	100%	G
Sidewalks	%ofbudgetspend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	8	100%	%ofbudgetspend	100%	100%	G
Tarling of roads	%ofbudgetspend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	8	100%	%ofbudgetspend	100%	100%	G
Teervan strate	%ofbudgetspend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	8	100%	%ofbudgetspend	100%	100%	G
Tarling of streets	%ofbudgetspend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	7	100%	%ofbudgetspend	100%	100%	G
Stormwater	%ofbudgetspend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	7	100%	%ofbudgetspend	100%	100%	G
Deurgangskamp - opgradering	%ofbudgetspend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	6	100%	%ofbudgetspend	100%	100%	G
Informal settlements stormwater	%ofbudgetspend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	5	100%	%ofbudgetspend	100%	100%	G
Femkloof stormwater	%ofbudgetspend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	4	100%	%ofbudgetspend	100%	100%	G

Kerk str stormwater	%of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	4	100%	%of budget spend	100%	100%	G
Sewerage	%of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	8	100%	%of budget spend	100%	0%	R
Play park equipment	%of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	3	100%	%of budget spend	100%	100%	G
Toilets at mossel river	%of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	3	100%	%of budget spend	100%	0%	R
Effective beach maintenance programme & monthly record keeping thereof	Ongoing, monthly monitored and database kept updated. 90% of works orders (including routine maintenance) completed in 21 days.	Basic Service Delivery	Provision and maintenance of municipal services	Beaches	All	Beaches to be well maintained	90% compliance with completion time	9000%	10000%	G
Effective storm water maintenance & monthly record keeping thereof	Maintenance of all catchpits and open stormwater channels	Basic Service Delivery	Provision and maintenance of municipal services	Storm water Network	All	Storm water network to be well maintained	100% compliance with completion time	100%	100%	G
Effective storm water maintenance & monthly record keeping thereof	Ongoing maintenance services, monthly monitored and database kept updated. 90% of works orders (including routine maintenance) completed in 21 days.	Basic Service Delivery	Provision and maintenance of municipal services	Storm water Network	All	Storm water network to be well maintained	90% compliance with completion time	9000%	10000%	G
Effective road repair services & monthly record keeping thereof	Ongoing road repair services, monthly monitored and database kept updated. 90% of works orders (including routine maintenance) completed in 21 days.	Basic Service Delivery	Provision and maintenance of municipal services	Road Maintenance	All	Road repair services in all formal towns	90% compliance with completion time	9000%	10000%	G

Effective waste removal services & monthly record keeping thereof	Ongoing removal services monthly monitored and database kept updated. 90% of work orders (including routine maintenance) completed in 21 days	Basic Service Delivery	Provision and maintenance of municipal services	Removal services	All	Waste removal services in all formal towns but lack of services in certain neighborhoods	90% compliance with completion time	9000%	10000%	G
Sewerage blockages and other interruptions minimised	At least 90% of work orders completed within 21 days of receipt (including routine maintenance)	Basic Service Delivery	Provision and maintenance of municipal services	Sanitation Services	All	Minimum interruptions due to sewer blockages and related problems	90% compliance with completion time	9000%	10000%	G
Water interruptions minimised	At least 90% of work orders completed within 21 days of receipt (including routine maintenance)	Basic Service Delivery	Provision and maintenance of municipal services	Water Supply Provision	All	Limited services interruption	90% compliance with completion time	9000%	10000%	G
Water interruptions minimised	Prolonged (12 hours) water supply interruptions fewer than 3 times per annum	Basic Service Delivery	Provision and maintenance of municipal services	Water Supply Provision	All	Limited services interruption	100% compliance with completion time	3%	100%	G
All requests, complaints, etc. daily captured on EMS and EMS used to measure performance and trends	All jobs/requests captured within 24 hours	Basic Service Delivery	Provision and maintenance of municipal services	O & M Information System	All	All maintenance projects and routine maintenance linked to EMS	100% compliance	100%	100%	G
Response to all citizen complaints/enquiries within acceptable period	Daily recording of enquiries/requests on EMS and work orders completed within 21 days	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Customer Care	All	Responsive to residents' queries, requests	90% compliance with response time	9000%	10000%	G
OPERATIONAL MANAGEMENT: HANGKLIP/KLEINMOND										
Stormwater plan implementation phase 2	% of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	1Q	100%	% of budget spend	0%	100%	G
Stormwater plan implementation phase 2	% of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	1Q	100%	% of budget spend	0%	100%	G
Stormwater (9th street)	% of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	9	100%	% of budget spend	0%	100%	G

Effective beach maintenance programme & monthly record keeping thereof	Ongoing, monthly monitored and database kept updated. 90% of work orders (including routine maintenance) completed in 21 days.	Basic Service Delivery	Provision and maintenance of municipal services	Beaches	All	Beaches to be well maintained	90% compliance with completion time	9000%	10000%	G
Effective storm water maintenance & monthly record keeping thereof	Maintenance of all catchpits and open stormwater channels	Basic Service Delivery	Provision and maintenance of municipal services	Storm water Network	All	Storm water network to be well maintained	100% compliance with completion time	100%	100%	G
Effective storm water maintenance & monthly record keeping thereof	Ongoing maintenance services, monthly monitored and database kept updated. 90% of work orders (including routine maintenance) completed in 21 days.	Basic Service Delivery	Provision and maintenance of municipal services	Storm water Network	All	Storm water network to be well maintained	90% compliance with completion time	9000%	78.33%	O
Effective road repair services & monthly record keeping thereof	Ongoing road repair services, monthly monitored and database kept updated. 90% of work orders (including routine maintenance) completed in 21 days.	Basic Service Delivery	Provision and maintenance of municipal services	Road Maintenance	All	Road repair services in all formal towns	90% compliance with completion time	9000%	10000%	G
Effective waste removal services & monthly record keeping thereof	Ongoing removal services, monthly monitored and database kept updated. 90% of work orders (including routine maintenance) completed in 21 days.	Basic Service Delivery	Provision and maintenance of municipal services	Removal services	All	Waste removal services in all formal towns but lack of services in certain neighborhoods	90% compliance with completion time	90%	100%	G
Sewerage blockages and other interruptions minimised	At least 90% of work orders completed within 21 days of receipt (including routine maintenance)	Basic Service Delivery	Provision and maintenance of municipal services	Sanitation Services	All	Minimum interruptions due to sewer blockages and related problems	90% compliance with completion time	9000%	10000%	G
Water interruptions minimised	At least 90% of work orders completed within 21 days of receipt (including routine maintenance)	Basic Service Delivery	Provision and maintenance of municipal services	Water Supply Provision	All	Limited services interruption	90% compliance with completion time	9000%	10000%	G

Water interruptions minimised	Prolonged (12hours) water supply interruptions fewer than 3 times per annum	Basic Service Delivery	Provision and maintenance of municipal services	Water Supply Provision	All	Limited services interruption	100% compliance with completion time	3%	100%	G
All requests, complaints, etc. daily captured on EMS and EMS used to measure performance and trends	All jobs/requests captured within 24 hours	Basic Service Delivery	Provision and maintenance of municipal services	O & M Information System	All	All maintenance projects and routine maintenance linked to EMS	100% compliance	100%	100%	G
Response to all citizen complaints/enquiries within acceptable period	Daily recording of enquiries/requests on EMS and work orders completed within 21 days	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Customer Care	All	Responsive to residents' queries, requests	90% compliance with response time	90%	100%	G
OPERATIONAL MANAGEMENT: STANFORD										
Effective beach maintenance programme & monthly record keeping thereof	Ongoing, monthly monitored and database kept updated. 90% of work orders (including routine maintenance) completed in 21 days.	Basic Service Delivery	Provision and maintenance of municipal services	Beaches	All	Beaches to be well maintained	100% compliance with completion time	100%	100%	G
Effective storm water maintenance & monthly record keeping thereof	Maintenance of all catchpits and open storm water channels	Basic Service Delivery	Provision and maintenance of municipal services	Storm water Network	3	Storm water network to be well maintained	100% compliance with completion time	100%	100%	G
Effective storm water maintenance & monthly record keeping thereof	Ongoing maintenance services, monthly monitored and database kept updated. 90% of work orders (including routine maintenance) completed in 21 days.	Basic Service Delivery	Provision and maintenance of municipal services	Storm water Network	3	Storm water network to be well maintained	100% compliance with completion time	100%	100%	G
Effective road repair services & monthly record keeping thereof	Ongoing road repair services, monthly monitored and database kept updated. 90% of work orders (including routine maintenance) completed in 21 days.	Basic Service Delivery	Provision and maintenance of municipal services	Road Maintenance	3	Road repair services in all formal towns	100% compliance with completion time	10000%	97.67%	O

Effective waste removal services & monthly record keeping thereof	Ongoing removal services monthly monitored and database kept updated. 90% of work orders (including routine maintenance) completed in 21 days.	Basic Service Delivery	Provision and maintenance of municipal services	Removal services	3	Waste removal services in all formal towns but lack of services in certain neighborhoods	100% compliance with completion time	10000%	9910%	O
Sewerage blockages and other interruptions minimised	At least 90% of work orders completed within 21 days of receipt (including routine maintenance)	Basic Service Delivery	Provision and maintenance of municipal services	Sanitation Services	All	Minimum interruptions due to sewer blockages and related problems	100% compliance with completion time	10000%	9907%	O
Water interruptions minimised	At least 90% of work orders completed within 21 days of receipt (including routine maintenance)	Basic Service Delivery	Provision and maintenance of municipal services	Water Supply Provision	3	Limited services interruption	100% compliance with completion time	3%	100%	G
Water interruptions minimised	Prolonged (12 hours) water supply interruptions fewer than 3 times per annum	Basic Service Delivery	Provision and maintenance of municipal services	Water Supply Provision	3	Limited services interruption	100% compliance with completion time	100%	100%	G
All requests, complaints, etc. daily captured on EMS and EMS used to measure performance and trends	All jobs/requests captured within 24 hours	Basic Service Delivery	Provision and maintenance of municipal services	O & M Information System	3	All maintenance projects and routine maintenance linked to EMS	100% compliance	100%	100%	G
Response to all citizen complaints/enquiries within acceptable period	Daily recording of enquiries/requests on EMS and work orders completed within 21 days	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Customer Care	3	Responsive to residents' queries, requests	90% compliance with response time	90%	100%	G
HOUSING AND SOCIAL UPLIFTMENT										
Sanford provincial grant	% of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	3	100%	% of budget spend	100%	100%	G
Effective management of rental stock and transfer process completed by June 2011	Facilitate transfer of rental stock	Basic Service Delivery	Provision and maintenance of municipal services	Rental Stock	All	The deadline for transfer of stock must be extended given the problems experienced, e.g. ±200 houses of which costs exceed the subsidy	Quarterly reporting	100%	100%	G

Effective management of informal settlements	Up to date record-keeping of structures	Basic Service Delivery	Provision and maintenance of municipal services	Informal Settlements	All	Illegal squatting to be managed through updating of records and monthly monitoring	Quarterly reporting	100%	100%	G
Effective participation in and/or completion of campaigns, surveys, etc.	Hold workshops (permitted by allocated budget) with target community with regard to housing consumer education	Basic Service Delivery	Provision and maintenance of municipal services	Further Development	All	Upon request from nat/prov govt, assistance with initiatives to stimulate further development	Workshops held	100%	100%	G
Effective administration of applications and operational verification processes for housing	Daily recording of applications and verification of waiting list	Basic Service Delivery	Provision and maintenance of municipal services	Applications	All	Handle administration and verification of applications	Quarterly reporting	100%	100%	G
Response to all citizen complaints/enquiries within an acceptable period	Daily recording of enquiries/requests on incoming mail within 24 hours to central registry & response to consumer/public enquiries/requests with 14 days	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Customer Care	All	Responsive to residents' queries, requests	100% compliance with response time	10000%	94.33%	O
SPECIAL PROJECTS										
Minor assets manager: corporate projects	% of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	All	100%	% of budget spend	0%	0%	G
Hawston multi purpose centre	% of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	8	100%	% of budget spend	100%	0%	R
Reduced outstanding debt per contracted account holder	Ensure deduction from salaries for contribution to municipal service accounts	Basic Service Delivery	Provision and maintenance of municipal services	LLPP	All	Debtors database from DB4 financial system	Monthly monitoring and quarterly reporting	100%	100%	G
Database per project	Identification of workers per project from municipal account holders	Basic Service Delivery	Provision and maintenance of municipal services	LLPP	All	Local Labour Promotion Project concept in place for delivery of projects	Database created per project	100%	100%	G
List of identified projects	Identification projects from capital/operational budget	Basic Service Delivery	Provision and maintenance of municipal services	LLPP	All	Local Labour Promotion Project concept in place for delivery of projects	01-May	100%	100%	G

FNBS system enables expanded management of vehicles	Quarterly inspections scheduled with 7 days' notice	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Expanded maintenance of council fleet	All	FNBS auto system installed for technical detail where relevant	100% compliance with inspection targets	100%	100%	G
Effective communication with the community	Communication via voice message system to communities wrt disasters/disruption of services	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Effective and efficient customer care	All	In place is an emergency control room service record wrt disasters, a/h disruptions of service delivery	100% in respect of communication	100%	100%	G
Effective emergency control room service	90% completion of generated work (except disasters) within 24 hours	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Control Room	All	In place is an emergency control room service record wrt disasters, a/h disruptions of service delivery	100% compliance with completion time	10000%	9994%	O

INFRASTRUCTURE AND PLANNING

KPI Name	Definition	Nat. KPA	Mun. KPA	Org / Objective	Wards	Baseline	Target Unit	Consolidated performance		
								Target	Actual	R
								DIRECTOR: INFRASTRUCTURE & PLANNING		
Workforce profiles in compliance with annual EE targets in all occupation levels	Management to actively pursue the annual EE targets during the selection and appointments processes to achieve employment equity in their respective Directorates/Departments	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Employment Equity	All	Preferential treatment of suitably qualified and competent people from designated groups with appointments and promotions in all occupation levels	Compliance with set targets	100%	100%	<div><div></div></div>

Submission of Annual Report information	Departmental Report submitted by 30 November	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Annual Departmental Report	All	Annual Report information submitted	%submitted by November	100%	100%	G
Implementation of Internal audit queries from date of final report	%of queries rectified within 6months	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Financial Compliance & Good Practice	All	Internal Audit unit and Audit Committee functional and acting in compliance with legislation	%queries rectified within 6months of receipt	8000%	71.50%	O
SDBP reporting	Timeous reporting to MM before due dates	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Financial Compliance & Good Practice	All	Quarterly reporting	%regular reporting	100%	100%	G
Implementation of gazetted by-laws	Once promulgated, directors to report on how by-laws relevant to their directorates are enforced	Good Governance and Public Participation	Provision democratic and accountable governance	Regulation of municipal services	All	Number of outstanding by-laws	Ongoing, quarterly reports	100%	100%	G
Improved financial management	Compile an action plan with corrective actions to address matters raised in the AG management letter	Municipal Financial Viability and Management	Provision democratic and accountable governance	Sound financial management	All	Annual Report	Action plan completed 30days after receipt of man letter	100%	100%	G
Performance rating system of consultants instituted and maintained	Monitoring of performance of service providers and steps taken as dictated by performance	Basic Service Delivery	Provision and maintenance of municipal services	Enforcement of contract provisions and performance as targeted	All	Inadequate performance of consultants e.g. project management, infrastructure construction and EIAs/RODs	Annual reporting for consultants	100%	100%	G
Effective project management of capital projects, including contract management of service providers, ensuring realisation of projected spending per quarter	%spending iro capital budget	Basic Service Delivery	Provision and maintenance of municipal services	Maximum development iro infrastructure and services	All	Overstrand has a large number of capital projects mostly iro infrastructure and planning	Quarterly reporting	98%	81%	O
Well functioning staff establishment	Ongoing management of staff based on job descriptions and where in place also performance targets	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Good, sound administration	All	Directors responsible for optimum functioning of staff, motivation of staff and promoting good relations amongst staff	monthly meetings held with management team	1	1.67	G

Preparation for and participation in the listed meetings	Ongoing preparation and attendance of meetings with governance and related structures	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Knowledge based, sound decision-making	All	Attendance of Monthly meetings - PFC - 3 Mayco - 1, Council - 1 & ITSC-1, EMT-1, DM-1	100% attendance of all meetings	100%	100%	G
TOWN PLANNING, SPATIAL DEVELOPMENT AND PROPERTY ADMINISTRATION										
Minor assets-town planning	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	All	100%	% Progress with the project	100%	0%	R
Kleinmond housing (csr grant)	%of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	9	100%	%of budget spend	100%	0%	R
Kleinmond provincial grant	%of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	9	100%	%of budget spend	100%	0%	R
Strict compliance to legislation iro citizen inclusiveness	Accurate and comprehensive fixed assets register with annual report to Council	Basic Service Delivery	Provision and maintenance of municipal services	Complete asset register	All	Adequate management of resources and data	09-Jun	100%	100%	G
Contact management	Effective management of all council contracts and review of all existing contracts by due date	Basic Service Delivery	Provision and maintenance of municipal services	Property Administration	All	Adequate management of resources and data	100% of all contracts identified for review as per Collaborator report	100%	52.50%	R
Strict compliance to legislation iro citizen inclusiveness	Applications assessed within 28 days	Basic Service Delivery	Provision and maintenance of municipal services	Property Administration	All	Citizen inclusiveness adhered to	100% of all applications received assessed within 28 days	100%	100%	G
Systematic approach to ensure compliance	Database of records to enable more systematic law enforcement	Basic Service Delivery	Provision and maintenance of municipal services	Law enforcement	All	Currently in reaction to complaints	100% of council resolutions within 6 months from the date of the resolution	98%	50%	R

Consolidated scheme regulations	Consolidated scheme regulations operational	Basic Service Delivery	Provision and maintenance of municipal services	Scheme regulations	All	Towns still have own scheme regulations	09-Dec	100%	100%	G
Refinement of SDF	Various SDF Projects taken to completion	Basic Service Delivery	Provision and maintenance of municipal services	SDF	All	Completed SDF - annual refinement	Advertised SDF projects for public comment before end of June	100%	100%	G
Tracking system used and maintained	Monthly reporting on applications received and processed	Basic Service Delivery	Provision and maintenance of municipal services	Tracking & monitoring processes	All	Tracking system operational	Monthly report on application stats	100%	100%	G
Minimise uncompleted applications	Implement processes and systems to minimise uncompleted applications	Basic Service Delivery	Provision and maintenance of municipal services	TP Application process	All	30 Backlogs from 2008/09	Not more than 200 outstanding applications by end of June	100%	100%	G
Response to all citizen complaints/enquiries within acceptable period	Response to consumer/public enquiries/complaints within 14 days	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Customer Care	All	Responsive to residents' queries, requests	95% attended to within 14 days	95%	100%	G
BUILDING SERVICES										
Minor assets - building services	% spending in capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	All	100%	% Progress with the project	100%	100%	G
Kleinmond yard moving	% spending in capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	9	100%	% Progress with the project	100%	85%	O
Monthly consolidated electronic report of activities	Monthly, provision of statistics to Stats SA	Basic Service Delivery	Provision and maintenance of municipal services	Statistics & reporting	All	An updated database of all building stats	Monthly reports submitted	100%	100%	G
Response to all citizen complaints/enquiries within acceptable period	Response to consumer/public enquiries/complaints within 14 days	Basic Service Delivery	Provision and maintenance of municipal services	Customer Care	All	Citizen inclusiveness adhered to	95% attended to within 14 days	95%	95%	G

Effective control over building projects affecting the heritage of O/S	Screening of new applications weekly and monthly meetings of Heritage Committee	Basic Service Delivery	Provision and maintenance of municipal services	Conservation areas & heritage resources	All	To protect conservation areas and buildings of 60+ yrs	10 heritage com meetings per year	6	11	G
Effective building inspection processes to ensure compliance and std of construction not compromised	Inspect buildings within 48 hours of request through lifespan of construction	Basic Service Delivery	Provision and maintenance of municipal services	Building inspections	All	Building inspections per application approx. 3X for normal residential and more as complexity increases	98% of all inspections within 48 hours	98%	100%	G
Well functioning and informed staff establishment	Monthly meetings held with staff	Basic Service Delivery	Provision and maintenance of municipal services	Staff Management	All	Monthly meetings	1 meeting per region per month	18	24	G
Effective processes of consideration, decision-making, communication with applicants	All compliant building plans approved within 21 days of receipt	Basic Service Delivery	Provision and maintenance of municipal services	Building plans	All	On average 150 building plan applications received per month	98% approved within 21 days	9500%	10000%	G
WASTE SERVICES										
Mfathm transfer station	% spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	5	100%	% Progress with the project	100%	100%	G
Drop off facilities(st)	% spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	3	100%	% Progress with the project	100%	100%	G
Office at voelklip drop-off. (no. 2 de mond)	% spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	3	100%	% Progress with the project	100%	100%	G
Drop-off at voelklip (no. 1-711)	% spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	3	100%	% Progress with the project	100%	100%	G

Drop-off at peary beach	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	2	100%	% Progress with the project	100%	100%	G
Gansbaai waste management facility	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	1;	100%	% Progress with the project	100%	100%	G
Legal compliance	Annual external audit of permitted waste disposal sites	Basic Service Delivery	Safe and healthy environment	Comply with waste disposal site permit conditions	All	annual audit of sites	3 external audits	3	3	G
Response to all citizen complaints/enquiries within acceptable period	Response to consumer/public enquiries/complaints within 14 days	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Customer Care	All	Responsive to residents' queries, requests	98% attended to within 14 days	95.00%	97.50%	G
ELECTRICITY DISTRIBUTION AND STREET LIGHTING: GANSBAAI & STANFORD										
Spotlights -rugby field (st)	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	3	100%	% Progress with the project	100%	90%	O
Stupgrading of low voltage network phase 6	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	3	100%	% Progress with the project	100%	100%	G
Beverly hills organised housing project bulk supply	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	2	100%	% Progress with the project	100%	100%	G
Beverly hills electricity supply to organised informal 150house holds	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	2	100%	% Progress with the project	100%	100%	G
Dk upgrading of low voltage network - cliffstr/vyfer phase 3	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	2	100%	% Progress with the project	100%	100%	G

Dk upgrading of internal medium voltage network phase 3	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	2	100%	%Progress with the project	100%	100%	G
Masakhane organised informal housing project phase 3 (173 connections)	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	1;	100%	%Progress with the project	100%	100%	G
Kb upgrading of apie le roux substation	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	1;	100%	%Progress with the project	100%	100%	G
Gb upgrading of ko-op 11 kv switching station	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	1;	100%	%Progress with the project	100%	100%	G
Dk upgrading of external medium voltage network phase 3	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	1;	100%	%Progress with the project	100%	100%	G
To ensure save working procedures and environment	Hold regular Health & Safety meetings	Basic Service Delivery	Safe and healthy environment	Compliance with Health and Safety Regulations	All	Manager responsible to set safety standards as per Health & Safety Act	10 meetings	6	6	G
Attend to customer requests and complaints	Respond timeously to residents' queries, complaints and service disruptions. Log and allocate all complaints and requests.	Basic Service Delivery	Provision and maintenance of municipal services	Customer Care	1; 2 3	Respond timeously to residents' queries, complaints re service disruptions	Attend to 80% in 30 days	8000%	10000%	G
To prevent losses and ensure that all consumptions is measured by meter	Regular investigations of illegal connections, meter audits and meter replacements	Basic Service Delivery	Provision and maintenance of municipal services	Energy & cost effective management processes and reporting systems	1; 2 3	Manage illegal connections and network losses	To keep average annual losses below 12.5%	7500%	10000%	G

Well functioning and informed staff establishment	Monthly meetings held with staff	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Staff Management	1; 2; 3	Well functioning staff structure	10 meetings	6	6	G
ELECTRICITY DISTRIBUTION AND STREET LIGHTING: HERMANUS & HANG KUP/KLEINMOND										
Minor assets - elect (dist-hm)	% spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	All	100%	% Progress with the project	100%	100%	G
Minor assets - electricity (admin) hm & km	% spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	All	100%	% Progress with the project	100%	100%	G
Mv network upgrade	% spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	9	100%	% Progress with the project	100%	100%	G
Upgrade lv network + replace overhead lv cables	% spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	9	100%	% Progress with the project	100%	100%	G
Create proper 3-legged ringfeed in hawston by installing 70mm cu cable from sea view m/s to arsenal	% spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	8	100%	% Progress with the project	100%	100%	G
Replace 16mm cu overhead line in church street (hawston) from strand street mini up to marine drive 1	% spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	8	100%	% Progress with the project	100%	100%	G
Sandbaai replacement of overhead line from business park to trf 1	% spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	7	100%	% Progress with the project	100%	100%	G

Install 2nd 185mm cu cable from industrial substation to sandbaai substation	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	7	100%	% Progress with the project	100%	100%	G
Lv upgrading /replacement and minisub replacements	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	4	100%	% Progress with the project	100%	100%	G
Extension of industrial substation to accommodate new still street and sandbaai feeders	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	4	100%	% Progress with the project	100%	100%	G
Install 2nd 120mm cu cable from still street substation to church street extension mu and replace 70mm cu cable with 120mm cu cable between extension mu and tobago bay	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	4	100%	% Progress with the project	100%	100%	G
Install 3rd industrial still street feeder	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	4	100%	% Progress with the project	100%	100%	G
Buying back spare capacity	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	4	100%	% Progress with the project	100%	100%	G
New 66kv intake point	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	4	100%	% Progress with the project	100%	100%	G
To ensure save working procedures and environment	Hold regular Health & Safety meetings	Basic Service Delivery	Safe and healthy environment	Compliance with Health and Safety Regulations	All	Manager responsible to set safety standards as per Health & Safety Act	10 meetings	6	5	O

Attend to customer requests and complaints	Respond timeously to residents' queries, complaints and service disruptions. Log and allocate all complaints and requests.	Basic Service Delivery	Provision and maintenance of municipal services	Customer Care	4 5 6 7 8 9	Respond timeously to residents' queries, complaints re service disruptions	Attend to 80% in 30 days	8000%	10000%	G
To prevent losses and ensure that all consumption is measured by meter	Regular investigations of illegal connections, meter audits and meter replacements	Basic Service Delivery	Provision and maintenance of municipal services	Unaccounted technical and non technical losses for Electricity	4 5 6 7 8 9	Manage illegal connections and network losses	To keep average annual losses below 12.5%	7500%	10000%	G
Well functioning and informed staff establishment	Monthly meetings held with staff	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Staff Management	4 5 6 7 8 9	Well functioning staff structure	10 meetings	6	6	G
PROJECT MANAGEMENT AND DEVELOPMENT CONTROL										
Sanford reservoir	% spending in capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	3	100%	% Progress with the project	100%	100%	G
St housing scheme reservoir & pipeline	% spending in capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	3	100%	% Progress with the project	100%	100%	G
Replace sand filter, valves & pipework	% spending in capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	2	100%	% Progress with the project	100%	100%	G
Franskrans treatment works (phase 2) + (mig)	% spending in capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	1;	100%	% Progress with the project	100%	100%	G
Sidewalk gb new high school	% spending in capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	2	100%	% Progress with the project	100%	100%	G

Paddavlei	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	8	100%	%Progress with the project	100%	100%	G
Sewerage network implementation cbd phase	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	1;	100%	%Progress with the project	100%	100%	G
Swimming pool	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	4	100%	%Progress with the project	100%	100%	G
Upgrade of market square	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	4	100%	%Progress with the project	100%	100%	G
Upgrade of market square	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	4	100%	%Progress with the project	100%	100%	G
Hermanusverby pad	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Improved service delivery	4	100%	%Progress with the project	100%	100%	G
Compliance with implementation and reporting requirements	100%compliance with implementation and reporting requirements	Basic Service Delivery	Provision and maintenance of municipal services	Compliance with MG grant conditions	All	Comply with requirements	100%compliance with all requirements	10000%	9833%	O
Developed and approved Integrated Transportation Plan	Develop an ITPwith the District Municipality and obtain approval from Council	Basic Service Delivery	Provision and maintenance of municipal services	Transportation Plan	All	Hermanus Transportation Plan	end of February	100%	100%	G
Response to all citizen complaints/enquiries within a acceptable period	Response to consumer/public enquiries/complaints with 14days	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Customer Care	All	Responsive to residents' queries, requests	98%within 14days	9500%	6583%	R

ENVIRONMENTAL SERVICES

[illegible]

Maintain and update all spatial data sets	Update of all known spatial data changes to the GIS	Basic Service Delivery	Provision and maintenance of municipal services	Effective service delivery	All	Hard and software and GIS in place	100% of all changes recorded in the register updated on the system	100%	100%	G
Response to all citizen complaints/enquiries within acceptable period	Response to consumer/public enquiries/complaints within 14 days	Basic Service Delivery	Provision and maintenance of municipal services	Complaints/Enquiries	All	Citizen inclusiveness adhered to	98% attended to within 14 days	98%	100%	G
WATER SERVICES AND TRANSPORTATION SERVICES										
Minor assets - project management & dev control	% spending in capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	All	100%	% Progress with the project	100%	100%	G
Upgrade overstrand telemetry system	% spending in capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	All	100%	% Progress with the project	100%	100%	G
Groundwater source development and mgmt. (srk)	% spending in capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	All	100%	% Progress with the project	100%	100%	G
Pipe replacement (to reduce water losses)	% spending in capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	1Q	100%	% Progress with the project	100%	100%	G
Roof over settling tank (buffelsriver wtw)	% spending in capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	9	100%	% Progress with the project	100%	100%	G

Prekstoel wtw replace main control panel	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	4	100%	%Progress with the project	100%	100%	G
Prekstoel wtw replace main control panel	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	4	100%	%Progress with the project	100%	100%	G
Prekstoel wtw lime dosing equipment upgrade	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	4	100%	%Progress with the project	100%	0%	R
Prekstoel wtw lime dosing equipment upgrade	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	4	100%	%Progress with the project	100%	35%	R
Gateway wellfield development (umvoto)	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	4	100%	%Progress with the project	100%	100%	G
Prekstoel wtw upgrade	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	4	100%	%Progress with the project	100%	100%	G
Stanford aquifer development (umvoto)	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	3	100%	%Progress with the project	100%	100%	G
Reservoir capacity (new reservoir) investigate water treatment options, complete implementation of measures for filtration, disinfection & telemetry	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	2	100%	%Progress with the project	100%	100%	G

Network upgrading	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	1;	100%	% Progress with the project	100%	100%	G
Wtw - investigation into disinfection at all raw water stations to comply to latest safety standards klipgat, de kelderscaves, stanfordsbai, perlemoenbai, klipfonteyn, b'bos, buffeljags	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	1;	100%	% Progress with the project	100%	100%	G
Wwtw upgrading (ssi report)	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	9	100%	% Progress with the project	100%	100%	G
Wwtw upgrading (ssi report)	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	8	100%	% Progress with the project	100%	100%	G
Wwtw upgrading (ssi report)	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	4	100%	% Progress with the project	100%	50%	R
GBWwtw - compliance with Environmental Management Plan	%spending iro capital budget with full quality, cost, time, environmental and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	1;	100%	% Progress with the project	100%	100%	G
Wwtw upgrading (ssi report)	%of budget spend	Basic Service Delivery	Provision and maintenance of municipal services	Improved service delivery	3	100%	%of budget spend	100%	35%	R
Storm water masterplan extended by adding Pingle Bay and Gansbaai	Updating with Pingle Bay and Gansbaai being added during financial year	Basic Service Delivery	Provision and maintenance of municipal services	Storm water Masterplan	All	Partly in place with updating taking place	Pingle Bay and Gansbaai Master plans completed by end of June	100%	100%	G

Liaison with Provincial Roads Department	Quarterly attendance of ProvTech meetings	Basic Service Delivery	Provision and maintenance of municipal services	Provincial Roads	All	Various provincial road projects in planning phase	attendance of meetings	100%	100%	G
Sustainable water resource development and management to all areas	Ongoing development of sources and treatment capacity	Basic Service Delivery	Provision and maintenance of municipal services	Sustainable Water	All	Water resources development essential	bi-annual report on source and treatment capacity	100%	100%	G
Updated water and sanitation master plan	Ongoing updating of water and sanitation master plan	Basic Service Delivery	Provision and maintenance of municipal services	Master plan	All	Water and sanitation master plan in place	updated master plans by the end of June	100%	100%	G
Licenses of all the WTW and VWTW revised to current volumes treated and renewed	Liaise with DWAF to revise volumes and renew licenses	Basic Service Delivery	Provision and maintenance of municipal services	Licenses	All	33 water uses of which the authorisations are in various stages of non-compliance, i.e. some already expired and others about to expire	17 applications submitted to DWAF by end of June	17	16	O
Monitoring of water and waste water quality compliance	Ongoing monitoring of laboratory results	Basic Service Delivery	Provision and maintenance of municipal services	Water and waste water quality	All	Water services authority regulation	monthly monitoring results of all sampling points	100%	100%	G
Legal compliant WSDP	Annual audit of WSDP within 120 days from end of the financial year	Basic Service Delivery	Safe and healthy environment	WSDP	All	Legally compliant WSDP	end of October	100%	100%	G
Response to all citizen complaints/enquiries within acceptable period	Response to consumer/public enquiries/complaints within 14 days	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Customer Care	All	Responsive to residents' queries, requests	98% within 14 days	9500%	10000%	G
										L

ECONOMIC DEVELOPMENT

KPI Name	Definition	Nat. KPA	Mun. KPA	Org / Objective	Wards	Baseline	Target Unit	Consolidated performance
----------	------------	----------	----------	-----------------	-------	----------	-------------	--------------------------

								Target	Actual	R
DIRECTOR ECONOMIC DEVELOPMENT										
Ndpg -developing economic spaces (zw, st, gb)	% Budget spend	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Improved service delivery	All	100%	% of budget spend	100%	75%	O
Workforce profiles in compliance with annual EE targets in all occupation levels	Management to actively pursue the annual EE targets during the selection and appointments processes to achieve employment equity in their respective Directorates/Departments	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Employment Equity	All	Preferential treatment of suitably qualified and competent people from designated groups with appointments and promotions in all occupation levels	Compliance with set targets	100%	100%	G
Submission of Annual Report information	Departmental Report submitted by 30 November	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Annual Departmental Report	All	Annual Report information submitted	% submitted by November	100%	100%	G
Implementation of Internal audit queries from date of final report	% of queries rectified within 6 months	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Financial Compliance & Good Practice	All	Internal Audit unit and Audit Committee functional and acting in compliance with legislation	% queries rectified within 6 months of receipt	80%	80%	G
SDBP reporting	Timeous reporting to MM before due dates	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Financial Compliance & Good Practice	All	Quarterly reporting	% regular reporting	100%	100%	G
Well functioning staff establishment	Monthly meetings with staff establishment	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Staff Management	All	Directors responsible for optimum functioning of staff, motivation of staff and promoting good relations amongst staff	Monthly meetings held	100%	100%	G
All policies developed, approved and implemented	Once approved, directors to report on how policies and promulgated by laws relevant to their directorates are implemented	Good Governance and Public Participation	Provision democratic and accountable governance	Legal compliance, sound administration	All	Inadequate or lack of policies - some in draft form, others approved but not implemented, others still to be developed, e.g. health and safety policy, training & development policy, etc.	Ongoing, quarterly reports	100%	100%	G

Improved financial management	Compile an action plan with corrective actions to address matters raised in the AG management letter	Municipal Financial Viability and Management	Provision democratic and accountable governance	Sound financial management	All	Annual Report	Action plan completed 30 days after receipt of man letter	100%	100%	G
Site plans and Public participation	Draft site plans completed and public participation and consultations conducted for all projects	Local Economic Development	Promotion of tourism, economic and rural development	Enforcement of contract provisions and performance as targeted	All	Substantial funding available for neighborhood development	100% compliance for all projects	10000%	10000%	G
Funds for neighborhood development obtained	Regular follow-up of application	Local Economic Development	Promotion of tourism, economic and rural development	Funding for local development	All	Substantial funding available for neighborhood development	Sept & Dec 2009 QRS	100%	100%	G
Completion of beehive facilities through NDFG Project	Identify land for beehives, appoint service providers and monitor construction of the project	Local Economic Development	Promotion of tourism, economic and rural development	Enforcement of contract provisions and performance as targeted	All	Need for Small Business support	Quarterly reporting on progress	10000%	10000%	G
Compliance with SDA	Monitor implementation of SDA and provide support	Local Economic Development	Promotion of tourism, economic and rural development	Fully functioning OLEDA	All	A dedicated local economic development agency can fast track LED projects, access/utilise more grant funding - trend in local government	Ongoing, QRS	10000%	8667%	O
Monitor performance of DMO	Regular monitoring of SDA with DMO	Local Economic Development	Promotion of tourism, economic and rural development	Viable structure for tourism promotion and marketing	All	Management and monitoring of DMO essential especially if funded by municipality	Quarterly reporting of compliance	100%	100%	G
Reviewed and updated LED strategy	Strategy, policy and 5-year plan reviewed and report to Council including risk/liabilities/constraints, e.g. electricity availability, not detailed in existing strategy	Local Economic Development	Promotion of tourism, economic and rural development	LED strategy	All	Existing LED strategy, policy and 5 year plan	Review by May 2010	100%	100%	G
Performance rating system of consultants and contractors instituted and maintained	Performance rating criteria and schedule established, service providers rated and meetings held re performance	Basic Service Delivery	Provision and maintenance of municipal services	Enforcement of contract provisions and performance as targeted	All	Inadequate performance of consultants and contractors, e.g. project management, infrastructure construction and EIAs/RODs	Annual feedback provided to service providers	100%	100%	G

Effective project management of capital projects, including contract management of service providers, ensuring realisation of projected spending per quarter	Spending in capital budget with full quality, cost, time and health and safety control exercised	Basic Service Delivery	Provision and maintenance of municipal services	Maximum development in infrastructure and services	All	O/Shasha large number of capital projects mostly in community services and infrastructure and planning	% of budget spend	86.50%	100.00%	G
Preparation for and participation in the listed meetings	Ongoing preparation and attendance of meetings with governance and related structures	Municipal Transformation and Institutional Development	Provision democratic and accountable governance	Knowledge based, sound decision-making	All	Attendance of Monthly meetings - PFC - 3 Mayco - 1, Council - 1, LLF - 1, Training - 1	100% attendance to meetings	100%	100%	G
OLEDA										
Explore new income streams	Enter into suitable arrangements with possible donors	Local Economic Development	Promotion of tourism, economic and rural development	Sound financial management	All	Financially dependant on the municipality	Enter into at least two arrangements by the end of May 2010	2	1	R
Implement effective financial management	Submit monthly reports to municipality	Local Economic Development	Promotion of tourism, economic and rural development	Effective management implementation performance monitoring	All	Annual financial statements	Monthly reporting	1	0.83	O
Performance management mechanisms	Implement performance management mechanisms	Local Economic Development	Promotion of tourism, economic and rural development	Effective management implementation performance monitoring	All	no official performance management	Quarterly reporting of achievement of key performance indicators and targets	100%	100%	G
Develop efficient and effective internal business systems to ensure delivery	Complete development of key systems for e.g. filing, procurement, etc	Local Economic Development	Promotion of tourism, economic and rural development	Integrated processes enabling efficient, cost, energy effective administration	All	Inefficient business systems processes	100% completion by the end of November 2009	100%	90%	O
Establish strategic partnerships to enhance capacity	Identify and establish appropriate strategic partnerships to enhance programme implementation	Local Economic Development	Promotion of tourism, economic and rural development	Enhance learning and growth through strategic partnerships	All	Strategic partnerships exist	Identify 6 partnerships by the end of June 2010	6	6	G

Participate and attend events on sustainable economic development	Attend events as speaker and participant	Local Economic Development	Promotion of tourism, economic and rural development	Learning and growth of the agency	All	Attend courses, lectures, seminars and conferences	Attend 3 courses/lectures/seminars/conferences by the end of June	3	10	G
Develop and implement an effective communication campaign	Increase awareness around OLEDA in terms of news reports/articles	Local Economic Development	Promotion of tourism, economic and rural development	Effective communication	All	Communication plan	5 Articles/reports for the year	5	7	G
Retain and acquire customers and ensure customer satisfaction	Identify flagship projects on behalf of the Overstrand Municipality	Local Economic Development	Promotion of tourism, economic and rural development	Customer perspective	All	Milestones set in the business plan	100% compliance with the milestones set in the business plan and report quarterly on achievement	100%	100%	G
LED										
Facilitation of business partnerships, specific and targeted capacity, mentoring and support with private sector	Establishment of capacitated SMME's	Local Economic Development	Promotion of tourism, economic and rural development	Emerging Service Provider Empowerment Programme (ESPEP)	All	Programme aimed at developing the capacity and enhancing potential of emerging enterprises and SMMEs to conduct and operate own businesses effectively and efficiently.	Quarterly reporting on progress	10000%	8333%	O
Attendance of District IGR Cluster meetings as applicable to each Directorate	Full attendance of cluster meetings and feedback reports	Good Governance and Public Participation	Provision democratic and accountable governance	Improved IGR	All	IGR Clusters to be used for inter-governmental unity and support	Attendance of all related meetings	10000%	10000%	G
Alignment of projects and initiatives to local based economic situation	Adopt profile and implement recommendations	Local Economic Development	Promotion of tourism, economic and rural development	Socio economic development in Overstrand	All	Detailed study to be conducted on the current state of the O/Socio-economic climate	10-Jun	100%	100%	G

Rural study recommendations adopted and implemented	Progressive implementation of recommendations	Local Economic Development	Promotion of tourism, economic and rural development	Obtain information of development needs within the rural areas	All	Rural study finalised	Quarterly reporting on progress	100%	100%	G
Database and donor sources for project funding	Create database of all possible development projects and donor sources available	Local Economic Development	Promotion of tourism, economic and rural development	Holistic approach to resource mobilization	All	Substantial funding available for neighborhood development	01-Apr	100%	100%	G
Formalization of a % of enterprises	Database of economic enterprises established	Local Economic Development	Promotion of tourism, economic and rural development	Database of economic enterprises	All	No database of economic enterprises in different municipal areas	Quarterly reporting on progress	100%	100%	G
Skills development Approach	Facilitate establishment of task group of NGOs and other stakeholders using SP report as departure point	Local Economic Development	Promotion of tourism, economic and rural development	Skills development of community	All	Further education and training possibilities for communities	Quarterly reporting on progress	100%	100%	G
Youth desk established and successfully administered and managed	Establishment of youth desk in process	Local Economic Development	Promotion of tourism, economic and rural development	LED for youth	All	There is a need to assist the youth to be better equipped with education, training, info, well being, career planning, etc. to make informed, responsible decisions	Appointment of suitable outreach offices by the end of March 2010 and recruitment and placement of	100%	100%	G
Attendance of provincial and local forums	Participation in provincial and district tourism forums (by invitation)	Local Economic Development	Promotion of tourism, economic and rural development	Good relationship with tourism partners	All	O/S to get a share of the tourism market during 2010	Attendance of all related meetings	100%	88%	O

PERFORMANCE REPORT OLEDA

PURPOSE

The aim of this report is to give an overview of Oleda's achievements in terms of its key performance areas/milestones for 2009/2010.

BACKGROUND

The Overstrand Local Economic Development Agency (Pty) Ltd (OLEDA) was established after a resolution was taken in 2003 by the Overstrand Municipal Council that a legal entity be created, separate but wholly owned by the municipality which would focus on the achievement of selected goals and objectives set out by Council.

The Overstrand Municipal Council, on 31 October 2007, reaffirmed the establishment of the Development Agency and also approved proposed projects as critical undertakings to be facilitated by the Development Agency as well as the approval of defined geographic areas which may be investigated for further projects.

All approved projects/precincts are incorporated in the Integrated Development Plan (IDP) of the Overstrand Municipality and are aligned with Local Economic Development strategies as strategic thrusts for local economic development in the area.

OLEDA was established in terms of the Municipal Systems Act, 2000 (Act No 32 of 2000), the Municipal Finance Management Act, 2003 (Act No 56 of 2003) and the Companies Act, 1973 (Act No 61 of 1973).

The core business of OLEDA is entrenched in Section 152 of the Constitution under the *objects of local government*, specifically in Section 152(1) (c) *to promote social and economic development*.

PERFORMANCE REVIEW

OLEDA (PTY) LTD identified the following **strategic outcomes**:

STRATEGIC OUTCOMES
(Strategic outcomes are the long- term desired impact that gives strategic focus towards an end state.)
1. The Overstrand LED Agency is recognised as a leader in sustainable economic development through its flagship projects.
2. Citizens, councillors, board members and employees of OLEDA have an established culture of sustainable economic development.
3. OLEDA (PTY) LTD is a well- established company.

Balanced Scorecard applied to OLEDA (Marius Venter) from the four perspectives:

Customer perspective:

(Retain, acquire customers and ensure customer satisfaction.)

- To identify and implement flagship projects on behalf of the Overstrand Municipality.
- To develop and implement capacity building programmes focussed on customised entrepreneurship-training programmes.

-
- To enter into suitable strategic partnership to enhance service delivery.

Financial perspective:

(Facilitate new growth, achieve better asset utilisation, and manage internal and external costs and risks).

- To implement an effective financial management system.
- To explore new income streams.
- To enter into strategic partnerships to enhance ability to do fundraising.

Internal Business process perspective:

(To meet the targets, satisfy stakeholders, improving quality of services, system improvements).

- To develop efficient and effective internal business systems to ensure delivery.
- To implement performance management mechanisms.
- To acquire appropriate skills and capacity to ensure service delivery.

Learning and growth perspective:

- To attend relevant courses, lectures, seminars and conferences.
- To establish partnering arrangements to share and learn from best practises.
- To enter into strategic partnerships to enhance capacity.

The following **strategic objectives**, **key performance indicators** and **targets** were identified:

STRATEGIC OBJECTIVES (KPA) (These are the key areas of activity, that when completed contribute tangibly to the achievement of outcomes.)	KEY PERFORMANCE INDICATORS (Indicate how much progress has been made in achieving the strategic objectives.)	TARGETS	ACHIEVED TO 31/12/2009
CUSTOMER PERSPECTIVE			
To identify and implement flagship projects on behalf of Overstrand Municipality For e.g. (Tourism initiatives)	See Milestones in business plan.	100%.	SEE PROGRESS REPORT (ANNEXURE B)
To develop and implement an effective communication campaign.	Increased awareness around OLEDA Number of news reports/articles. Approved annual report	Communication Plan 5 Articles/ reports/ward comm.attendance. Positive rating on annual rating.	ACHIEVED 7 ARTICLES AS AT 31/12/2009
To develop and implement capacity building	Number of programmes.	At least 1 programme by Feb 2010	BOARD DECIDED MUNICIPAL LED UNIT FUNCTION
LEARNING AND GROWTH PERSPECTIVE (16)			
To participate and attend events on sustainable economic development.	Number as speaker and participant	3 by June 2010.	SPEAKER *INVITATIONAL LECTURE LED UJ

			06/08/2009 *BUSINESS SUMMIT 14/08/2009 *MTHIMKULU VILLAGE 21/08/2009 *PRESENTATION TO WESTERN CAPE STANDING COMMITTEE 02/09/2009 *SAMAF 07/10/2009 *UNIVERSITY OF WESTERN CAPE 08/10/2009 *CEO FORUM (TZANEEN) 20/10/2009 *SALGA LED ROUND TABLE 13/11/2009
To identify and establish appropriate strategic partnerships to enhance programme implementation.	Number of strategic partnerships.	6 by June 2010.	ACHIEVED 4 AS AT 31/12/2009 HMO, HERMANUS ASTRONOMY ASSOCIATION, MTHIMKULU VILLAGE, CENLED
INTERNAL BUSINESS SYSTEMS PERSPECTIVE (16)			
To develop efficient and effective internal business	Level of completion of key systems for e.g. Filing,	100% by November 09	90% ACHIEVED

systems to ensure delivery.	procurement etc.		
To implement performance management mechanisms.	Level of completion.	Quarterly reviews.	ONGOING
FINANCIAL PERSPECTIVE (16)			
To implement effective financial management.	An unqualified audit report. Approval of financial statements Monthly reporting	June 2010	SUBMITTED UPDATED MONTHLY REPORTS TO PARENT MUNICIPALITY
To identify and explore new income streams.	Approved 2009/12 Business Plan and Budget Rand value of additional revenue streams. IDC / Municipal Business Plan for 2010/11	R 3 325 000 for 2009 R 300 000 for 2009. R 6 207 500, R 6 500 000 (2010/2011)	FACILITATED R3 470 000
To enter into suitable arrangements with possible donors.	Number of arrangements.	At least two by May 2010	

9. Way Forward

Although Oleda has achieved or is in the process of achieving the milestones for 2009/2010 it was reported that various difficulties were experienced. These challenges emanated as a result of capacity, legislative compliance, sustainability and audit costs. The municipality considered all these challenges and it was recommended to disestablish Oleda (Pty) Ltd before the start of the 2010/2011 financial year.

The Board of Directors considered the recommendations made by the parent municipality during a board meeting held on 12 February 2010 and confirmed that it would be in the interest of the parent municipality to disestablish the agency.

CHAPTER 3

HUMAN RESOURCES AND ORGANISATIONAL MANAGEMENT

3.1. Introduction

Given the geographical scope and demographics of the Overstrand region, the Overstrand Municipality's mission statement to deliver optimal services in support of sustainable economic, social and environmental goals within the framework of specific strategic objectives, also presents a major challenge to the Human Resources Department that must ensure that:



an efficient workforce of the right quantity and quality is maintained at all times to enable the Municipality to live up to the expectations of all its residents and stakeholders.

Human Resources Department currently has a staff complement of 16, and is optimally structured to fulfil the duties normally associated with a Human Resources Department. The key functional objectives of the Human Resources Department are incorporated in the Municipality's SDBIP to ensure effective service delivery on an ongoing basis.

Specific focus areas in the Human Resources Department include:

- Implementation of the TASK job grading system as agreed with SALGBC for all municipalities and the training of nominated employees to assist as job description writers and post level adjudicators;
- Promote employment equity and diversity awareness amongst all employees through ongoing workshops to be attended by all employees;
- Promote equity in the workforce through the Integration of numerical targets with the recruitment of new employees and the promotion of existing employees;
- Formalizing and implementing a system based Performance Management process. This system will also enable the Municipality to identify potential candidates from the designated groups for further development and training, solely for the purpose of succession planning and internal promotions as required by the Employment Equity Act 55 of 1998.

The above initiatives are also part of a longer term strategy that will contribute to the Overstrand Municipality commitment of optimal service delivery whilst at the same time fulfils its socio-economic obligation which entails the upliftment of all communities and culture groups in the Overstrand region.

3.2. Policies and Legal Compliance

The Human Resources Department is well aware of the legislative and regulatory requirements that will ensure that the Municipality and all its Directorates function in full compliance to such requirements. Human resources policies are revised on an ongoing basis to ensure that best practices are applied when dealing with human resources related matters across all Directorates.

Communication strategies and governance forums are in place to ensure that all human resources strategies, policies and practices are deployed in a culture of collaborative and constructive participation amongst management, its employees and all its stakeholders, including organised labour.

3.3. Organisational Structure and Staffing

In its ongoing endeavour to continuously improve its service delivery and operational efficiency to the communities, OLEDA, previously operated as an autonomous entity within the Overstrand Municipality, but has now been incorporated as part of the Overstrand organisational structure. (Figure 3.1: Macro Structure)

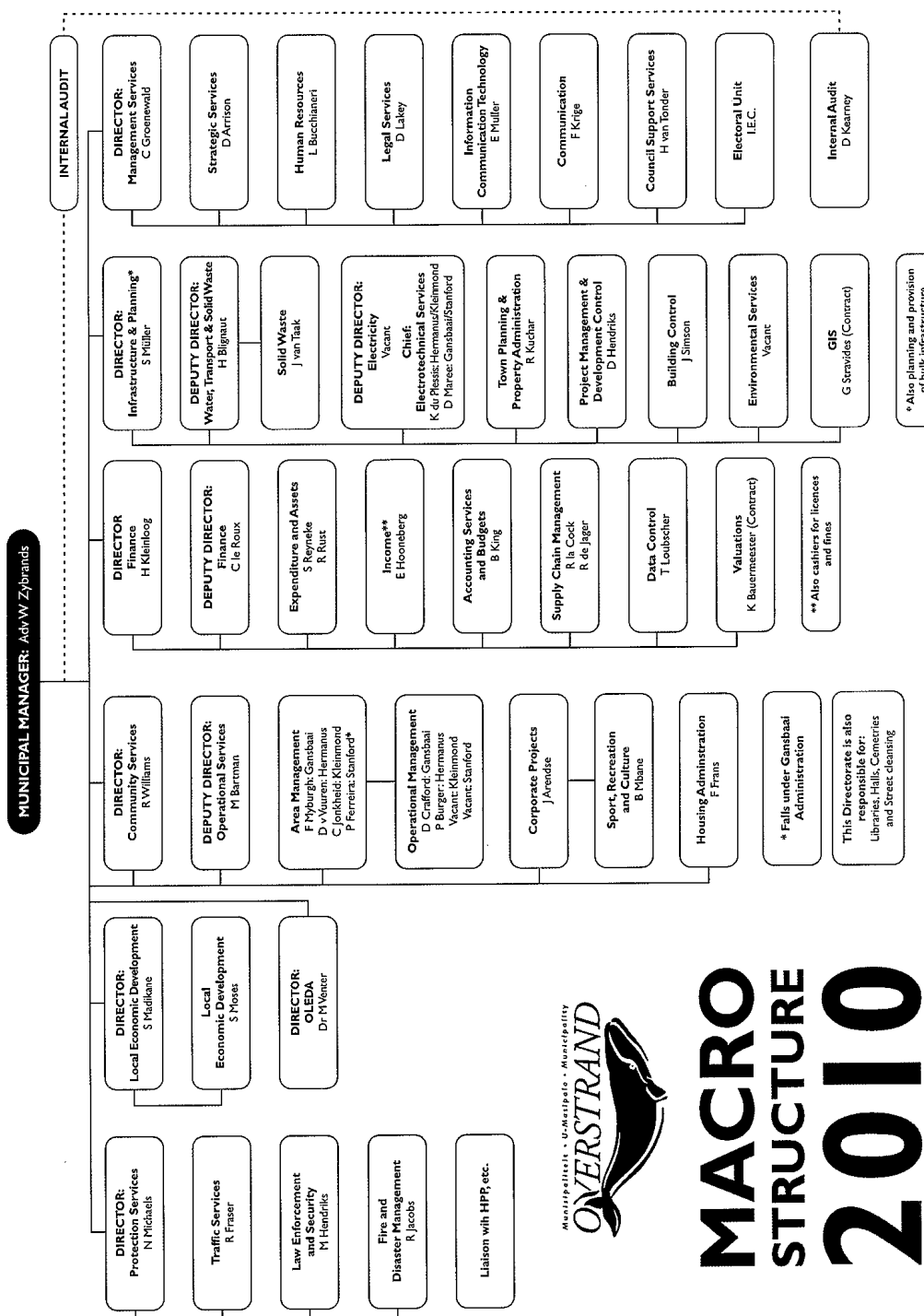


Table 3.1 Municipal Workforce Profile

As at 30 June 2010, the number of employees on the fixed establishment was 1070 employees, distributed among the 7 Directorates, plus the staff complements reporting directly to the Municipal Manager.

Overstrand Municipality Workforce Profile as at 30 June 2010												
Culture/ Gender	AM	CM	IM	WM	AF	CF	IF	WF	Total Appoin tees	Vacanci es	Total Work force	% of Work force
Top Management	1	2		5					8		8	0.7%
Senior Management	0	5	0	18	0	2	0	6	31	5	36	3.4%
Professional Qualified	0	2	0	11	0	2	0	9	24	18	42	3.9%
Technically Skilled	5	27	0	47	4	10	1	18	112	28	140	13.1%
Semi Skilled	59	128	0	29	20	66	0	68	370	23	393	36.7%
Unskilled	206	174	0	6	13	19	0	1	419	32	451	42.1%
Total Workforce	271	338	0	116	37	99	1	102	964	106	1070	100.0%
% of Total Workforce	25.3%	31.6%	0.0%	10.8 %	3.5%	9.3%	0.1%	9.5%	90.1%	9.9%	100.0 %	

Directorate	Mun Mgr	Comm Serv	Finance	Infra Structur e	LED	Mgt Serv	Protect Serv	O LEDA	Total
Workforce Per Directorate	12	710	112	119	4	43	68	2	1070
% of Workforce	1.1%	66.4%	10.5%	11.1%	0.4%	4.0%	6.4%	0.2%	100.0%

3.4. TASK Job Grading System

Due to the uncertainty regarding TASK, the job descriptions are not yet completed. However, 70% of the posts were benchmarked against generic posts and interchangeable posts where a job description was already in place.

3.5. Staff Movements

➤ Terminations

For the year under review, out of the 50 terminations, there were only 14 discretionary resignations by employees, which represent a discretionary staff turnover of only 1.4%. The total staff turnover for the year amounts to only 5.0%.

➤ Appointments and Promotions

For purposes of cash flow management, filling of vacancies were frozen and the moratorium was only lifted in October 2009. This was followed by an intensive recruitment campaign starting in November 2009. Average of 8 to 9 appointments is made per month. This is a decrease from the previous year (14 per month) due to moratorium placed on appointments.

3.6. *Personnel Administration*

➤ *Document Archiving*

The document archiving for employee records has been re-structured to conform to the requirements of the Provincial Archives Record Services Act 3 Of 2005 of the Western Cape. All employee records should be updated and filed within one day. The compliance rating for this KPI is currently 90%.

➤ *Leave Administration and Management*

Specific management processes were introduced to ensure that where possible, absence due to leave taken is managed more effectively:

○ *Family Responsibility Leave*

For the year under review a total number of 233 employees were granted 632 days of family responsibility leave – average of 2.71 days per employee. This is nearly 50% down from the previous period, averaging 4.71 days per employee.

○ *Sick Leave*

Decrease in sick leave granted from previous years due to co-operation of management regarding enforcement of incapacity hearings:

Financial year	Full time staff	Days sick leave p.a.	Average per staff member p.a.
2005/06	738	16 552	22,43
2006/07	766	13 729	17,92
2007/08	859	9 813	11,42
2008/09	933	5 147	5,52
2009/10	964	5416	5.61

3.7. *Performance Management*

A Performance Management System (Ignite) has been procured and will be implemented in two phases:

Phase 1 – 2010/2011: for senior executive and senior managers

Phase 2 – 2011/2012: all other employees'

Phase 1 will be supplemented by a training programme to equip management with the necessary skills to effectively implement the PMS for its employees once phase 2 becomes operational.

The Rewards and Recognition Committee (RRC) has also been established as required by policy and will meet bi-monthly once the management training has been completed.

3.8. *Training and Skills Development*

➤ *Work Skills Plan*

A Work Skills Plan for the Overstrand Municipality has been compiled and submitted to Local government SETA and quarterly reports are submitted to the Training Committee to monitor progress on all training initiatives.

➤ *Mentorship Programme*

A Mentorship programme (Project Grey Power) has been introduced to enable suitable qualified and experienced people from the local community to act as mentors for learner ships, and in some instances, for employees as part of their career growth. It is also the intent to use this mentorship programme to assist nominated employees from the designated groups with their career objectives and succession planning as part of the overall strategy to promote equity in the workplace.



During 2009 a training strategy was introduced to achieve a more sustainable contribution towards the development and career growth of employees. As part of the overall training and development strategy the following focus areas were identified:

- Focussed training and development programmes to encourage and train line managers to take full responsibility for the development and coaching of their staff;
- Performance related training of management to address deficiencies in work performance;
- Competency based approach to Job descriptions. – Train managers to evaluate posts to identify essential competencies required for job design and person specifications. This will then enable management to identify specific training needs for its employees to improve their job performance;
- Employee Potential – Train managers to assist employees and supervisors in the formulation of Personal Development Plans (PDPs)
- Accelerated training and development – Train management to identify candidates for Accelerated Development Programme (ADP) and formulation of programmes;
- Mentoring and Coaching - Train management and supervisors as mentors and coaches;
- Training Resources – Train Management in the budgeting aspects of the Work Skills Plan (WSP);
- Evaluation of training effectiveness – To create a learning culture amongst management by training them organisation development skills.

In line with the strategies for all local government institutions to enhance the financial and accountancy acumen of employees, a programme has been introduced whereby all management and senior staff are required to attend the training and accreditation courses in compliance with regulatory requirements set by the MFMA and National Treasury.

3.9. Occupational Health and Safety

➤ Risk Management

The Staff member responsible for Labour relations has been appointed to also perform the duties of the OHS officer. The employee has now completed the accredited NOSA training course, awaiting results to become available during August 2010.

The Central Safety Committee has been restructured to be more representative and now operates more effectively.

The training of safety officers is a recurring process every two years to ensure ongoing compliance with the Health and Safety Act, 85 of 1993. Candidates for training have already been nominated by management in all the applicable Directorates. Training is scheduled to commence in October 2010.

An OHS audit (risk profiling has been done by an independent service provider for the Overstrand municipality. The implementation of the risk management programme in all operational areas in the Municipality is still in progress but due to budget constraints and technical issues not previously anticipated (especially in the ICT areas) could not be completed as planned.

➤ Injuries on Duty

For the year under review an analysis has been made of the "injuries on duty" (IOD's) and the financial implications thereof for the Municipality. All documentation and reporting processes are in compliance with the requirements of the COIDA Act, 130 of 1993.

➤ Employee Wellbeing

A full time Occupational Health Nurse is employed to manage and oversee the ongoing wellbeing of all employees. She also assists in incapacity hearings to assess the emotional and physical wellbeing of employees and do follow up sessions as may be required from time to time.

Due to the geographical scope of the municipality, all safety officers in the Municipality are trained in first aid and the required first aid kits are issued to all trained officials.

Primary and secondary health care is primarily performed on a walk-in basis, and when needed employees are referred for more specialised consultation.

HIV/AIDS remains a key focus area in the Municipality and various initiatives were launched during the year to promote an ongoing awareness amongst employees as well as in the communities.

As part of the Municipality's social commitment to also contribute to the overall wellbeing of our communities, various awareness campaigns were launched, primarily focussing on drug and alcohol abuse, and child care.

Good relationships are also maintained with NGO's, medical aid funds and medical professionals to assist with open days in the various municipal regions with blood pressure tests, eye tests, lung functions and health assessments of a general nature.

3.10. Labour Relations

The Local Labour Forum meets regularly and minutes are kept. Very good and sound working relationships are maintained with organised labour which also contributes to the harmonious labour situation in the Overstrand region

Grievances and disciplinary hearings are managed and processed with the full cooperation of all stakeholders. Fifty four officials have been trained to act as chairpersons and initiators of disciplinary hearings.

3.11. Employment Equity

For the period 2009/2010, employment equity targets for the different culture /gender groups were determined for the first time to ensure reasonable progress is made towards achieving equity in the municipal work force, as compared to the economic active population profile for the Overstrand community.

Specific initiatives were launched to ensure that progress will be made towards achieving equity in the workplace, primarily in the areas of recruitment, promotions, training and development, and succession planning.

The Scarce Skills Policy is also used to retain people from designated groups in cases where it seems justified.

Employment equity awareness and diversity workshops are being scheduled for all employees to attend. Employment equity awareness and diversity now also forms part of the induction course for all new employees.

CHAPTER 4

FUNCTIONAL AREA SERVICE DELIVERY REPORTING

This chapter deals with how services were delivered during the financial year under review and indicates the performance within the different functional areas with highlights per area.

4.1 OFFICE OF THE MUNICIPAL MANAGER

SERVICE DELIVERY (BATHO PELE)

A strong focus was placed on improved service delivery with a drastically improved response to correspondence from the public and diligently monitoring the system of target dates for the execution of Council resolutions.

GREY POWER PROJECT

This project is gaining momentum and various reports on the successful use of grey power, especially in regard to trainees were obtained.

PERFORMANCE MANAGEMENT

A key outcome of this process was the acceptance by the Executive Mayor of the Service Delivery and Budget Implementation Plan (SDBIP) for 2009/2010 in terms of the MFMA in June 2009. This plan encompasses a functional business plan for each management unit as well as a capital budget implementation plan where applicable. The Municipality is in the process of developing and implementing a new performance management system that will cascade the performance system to lower levels within the organisation.

The SDBIP remains the foundation document for determining the performance agreements and plans of the Municipal Manager and senior managers.

During January 2010 the KPIs as per SDBIP were revised during a thorough process of engagement with all responsible officials.

Although it has been standard practice to monitor the performance of all major contractors/service providers, this system has during the year under review, been rolled out to smaller service providers.

It is the objective to eventually evaluate the performance of all providers of goods and services.

REVISED IDP 2009/2010

We believe that before we can allocate our available resources, we must first understand the needs and desires of our communities and residents. By looking ahead and asking our public what they need, we establish a vision for the level of service we will provide in accordance with available resources. Community consultation as well as transparency of processes is of utmost importance. The process plan was approved at an August Council meeting in 2008.

POLICY DEVELOPMENT

Most of the outstanding policies were developed during the year. Most of these were developed by the Directors involved, but ultimately it required a top management input. Where required most of the policies have already been converted into by-laws.

INTERNAL AUDIT SERVICES

- *Main priority:*
 - Continuous internal auditing according to a risk based audit plan, internal audit program and ad hoc priority audits.
- *Functional strategies:*
 - Promoting appropriate ethics and values within the organisation
 - Evaluate controls to ensure the implementation and maintenance of effective controls
 - Communicate with management on risk assessment and risk management
 - Ensure that internal audit resources are appropriate, sufficient and effectively deployed to execute the approved plan and to add value to the governance of the organisation
 - Report process to the Audit Committee

The Public Sector Risk Management Framework was introduced to the Western Cape municipalities by National Treasury in March 2009.

The Internal Audit Unit took up the challenge to initiate and advise the Municipality with the implementation of Risk Management. Firstly, visual presentations were given to Top Management and the Mayoral Committee. The presentation explained the various concepts, processes and roles and responsibilities of the stakeholders.

After in principle adoption of risk management into the Municipality, Internal Audit proceeded to compile the following documents which were approved by Council in November 2009:

Risk Management Policy

Risk Management Strategy

Risk Management Implementation Plan

Thereafter the said presentation was also given to all managers as an introduction to and training in risk management. A competent Risk Committee was established and forth flowing from an enterprise risk assessment, the Committee identified the risks. These high exposure risks were responded to positively by management through the allocation of the necessary budget to mitigate them during 2010/11. It is most pleasing to report that most of these projects should be completed during the said year.

Although there are still aspects that require attention, risk management has been successfully embedded in the Overstrand Municipality.

IMPROVED STAFF DISCIPLINE AND PUBLIC RELATIONS

There is a symbiotic relationship between dedicated, disciplined staff and good service delivery which in turn leads to sound public relations.

Where necessary firm action was taken against staff who transgressed the staff code of ethics. By using a zero tolerance approach against all forms of fraud, corruption or theft, a clear message is sent to staff to toe the legal line.

Conversely all expressions of public appreciation for excellent service delivery and courtesy received have been lauded and the staff were praised. There will always be room for improvement, but the dedication and commitment of the staff is already reflected in the generally recognised high standard of service delivery.

4.2 DIRECTORATE: MANAGEMENT SERVICES

INTRODUCTION

The Directorate: Management Services consist of the following departments:

- Strategic Services
- Communication
- ITC
- Records and Council support
- Legal Services and
- Human Resources

STRATEGIC SERVICES

- *Main priority:*
 - Co-ordination of the annual IDP process and reporting requirements to Council

The Manager: Strategic Services serves on a Provincial Task Team for Public Participation (representing the Overberg Region) which Task Team has as its terms of reference the gathering of information and documenting "Best Practices" – of which the Overstrand Model for Ward Committees is regarded as one.

Overstrand Municipality's IDP, is compiled in house and was assessed and rated as one of the top IDPs in the Western Cape.

SOCIAL DEVELOPMENT

The social development section of this department was involved in various initiatives and activities in our organisation e.g.

Children

- The Overstrand Municipality has submitted a final application for the construction of **three foster care homes in Zwelihle**. If the project is approved, the Overstrand Municipality will become the first Municipality in the Western Cape to benefit from the Western Cape Department of Local Government and Housing's Special Needs Housing Policy. The foster care home will cater for orphans with special needs.
- The Overstrand Municipality is currently busy with an **ECD Audit**. The audit will provide vital information for planning and identification of projects to improve this important sector. The audit is being performed by the ECD assistants appointed by the ECD Forum. Their collaboration is evidence of the good relations that the municipality has built up

with ECD service providers in the Overstrand. The appointment of ECD assistants is the first project launched by the ECD Service Provider Forum and the Municipality was involved in the project design and conceptualisation phases.

- The Municipality continuously support the efforts of the **Protocol for Child Abuse** by participating in their monthly meetings and providing them with a facility to hold the meetings.

Gender

16 Days of Activism Against the Abuse of Women and Children:

The municipality provided all the internal staff with support ribbons in the form of lapel pins, lanyards, key rings and cell phone charms (all junior town council members also received cell phone charms). Outside workers were given T-Shirts with official 16 Day Campaign Logo.

The municipality also **co-operated with the District Municipality** in an event aimed at key role players – the municipality provided a facility, assisted with the distribution of invitations and formed part of the planning committee of the Overstrand 16 Days of Activism Campaign.

The municipality participated in the hosting of the **Stop the Bus Campaign** - a NGO that provides counselling and support to abused women. The contingent from Stop the Bus was received by the social development officer and accompanied to the venue. The venue (Zwelihle Community Hall) was again provided by the municipality. The Stop the Bus campaign had sessions with key role-players in the community and had a second session where counselling and support was provided to abused women.

Disability

The municipality participated in the Western Cape Department of Local Government and Housing's **disability audit**. The results will be presented to municipal officials on 2 September 2010 and will give us direction and guidelines for improvement.

The social upliftment officer is also in the process of compiling a booklet to provide information about what to expect from the municipality with regards to **disability issues**.

Mayoral Projects

The total value of the project was R210 000. The Project affected the lives of **2700 children** between the ages 1 day to 9 years. **82 institutions (67 creches rest were frailcare and youth centres)**.

COMMUNICATION

- *Ma in p r i o r i t y:*
 - Improve the public image of the Overstrand Municipality
- *F u n c t i o n a l s t r a t e g i e s:*
 - Empowerment of staff through training, motivation and improved internal communication systems.
 - Facilitate and maintain formal and informal communication processes
 - Formation of partnerships with stakeholders
 - Maintaining effective communication strategies and developing new ones where necessary.

Overstrand Municipality is a shining example of how the excellent execution of communication strategies, programmes and projects can lead to mutual understanding and enlightenment between local government and its stakeholders, i.e. residents, ratepayers, employees, councillors and management.

At a time when many if not all municipal boycotts, uprisings and even violence are blamed on poor communication, Overstrand Municipality succeeded in opening communication channels to and from its stakeholders. This does not mean that frustration and anger are absent, but platforms have been created for the expressing views, ideas and explanations.

Paramount in this process are the community newspapers – fluctuating in numbers, but in the report period there were five weekly papers and three monthlies, community magazines, community radio and a vast array of other media, such as ratepayer newsletters. A strong point was that the Mayor responded in person to critical readers' letters, which lead to even more letters, but also more opportunities to explain decisions and policies in a free and independent medium. Through the office of the communication manager reporters also could get access to municipal information and response to news queries, while there was also structured and sustained programme in place to identify news and release it to the media, including regional papers (Die Burger, Cape Times, Cape Argus). The exposure that the Overstrand Municipality got in this way was worth millions of rands, if measured in terms of advertising rates.

However, nothing surpasses the Overstrand Municipality's own newsletter, the Overstrand Bulletin, in quality and quantity of municipal information as well in reaching residents and or ratepayers, locally and countrywide, even overseas. This publication is published in the official language (Afrikaans, English and isiXhosa) of the ratepayer and distributed monthly to 32 000 account holders as well as through municipal offices and libraries. It is also posterized and placed on notice boards at community halls and taxi ranks.

Supplementing this is the municipal website, www.overstrand.gov.za, that is thanks to the excellent management of contents, such as news, tenders, vacancies, notices and general information, attracting more and more unique visitors every day – up from 2500 per month early in 2009 to more than 5000 per month currently.

The more than 1000 staff members are informed and inspired with a monthly newsletter, Phambili, which is once again available in the language of choice: Afrikaans/English or isiXhosa. Use is made of team building opportunities, such as Casual Day and events like the opening day of the FIFA World Cup Tournament. The department also delivers an important contribution towards the induction of new employees.

Flowing from this it is clear that the Communication Department is taking the promotion of multilingualism seriously and is therefore the custodians of the Municipal Language Policy. Use is made of free lance translators and subeditors to keep the cost down of this very important service.

They are also looking after the image of the municipality by means of a Corporate Identity Manual and assist all departments and sections with the design of signage, publications, etc.

Promotion of the municipal brand, which must count amongst the strongest in local government because of all the prizes and awards won, is done at major events and festivals. There is also a small budget for advertising and corporate gifts, which is well managed. The hanging of flags and banners along the streets of the Overstrand towns during the FIFA World Cup tournament serves as an example.

To ensure proper administration of sponsorships and MFMA compliance the department took on the handling of Grants-in-Aid.

A future vision is demonstrated by means of projects involving the youth, such as the Junior Council, which is run with the help of the Enlighten Education Trust, the Municipal Showcase, to which school groups are invited to give learners an understanding of the municipality, and the Mayor's programme of recognition, i.e. Environment Award, Night of Excellence and Women of the Year.

LEGAL SERVICES

The main function of this service is to render a comprehensive administrative and legal support service to the political structures which include the committees of Council, the Executive Mayor as well as the corporate structure.

All critical **by-laws** are in place.

The following by-laws will be revised during the 2010/11 financial year:

- Streets, Public Places and Nuisances;
- Electricity
- Water Provision

The By-law on Outdoor Signage is ready for submission to Council and the by-law on Control of Liquor Outlets is currently receiving attention.

The following cases have been **dealt with**:

- Eviction: Von Wüstenhof Trust.
- F J J van der Westhuizen vs Otto and Overstrand Municipality.
- C C Groenewald N.O. et al vs M5 Developments.
- Peter Stark Civils vs Overstrand Municipality.
- Eviction: Karl Titus.
- P Commeford vs Overstrand Municipality.
- LM Mhlaluka : **Irregular** lease agreement.

The following matters are currently **receiving attention**:

- SALA Pension Fund vs Overstrand Municipality.
- Mooizicht Gardens Home Owners' Association vs Overstrand Municipality.
- Councillor contribution: Municipal Councillor Pension Fund.
- S vs A L Blanckenberg (the latter is a municipal official).
- Overstrand Municipality vs Corptrain (Pty) Ltd.
- Overstrand Municipality vs MVS Coastal.
- Overstrand Municipality vs Paradise Park.
- R R Schubert (Portion 3 of the Farm *Berg Plas* Nr 291, Bredasdorp) vs Overstrand Municipality.

COUNCIL SUPPORT SERVICES

- *Main priority*

The main function of this service is to render a comprehensive administrative support service to the corporate structure of the municipality.

Meetings of Council, Mayoral Committee, Portfolio Committees, Local Labour Forum and Training Committees took place as scheduled. Meetings of the Section 62 Appeals Committee and all other relevant committees of the Municipality took place as and when necessary. Agenda and minutes of said meetings were distributed in time.

MEETING S	2009/2010	2008/2009
Council	8	9
Special Council	4	4
Mayoral Committee	8	9
Special Mayoral Committee	4	4
Portfolio Committees	8	9
Special Portfolio Committees		1
Training Committee	7	6
Local Labour Forum	7	7
Section 62 Appeals	9	14

Resolution Module of Collaborator: Reports on the execution of resolutions are submitted to full-time Councillors, Municipal Manager and Directors on a monthly basis.

Contract Management Module of Collaborator is operational in order to comply with legislative provisions regarding monitoring of contracts.

Monitoring of correspondence from Collaborator system

Directorate User Workflow (Correspondence Only)						
	2008 - 2009			2009 - 2010		
	In	Out	Diff	In	Out	Diff
July	1736	1585	-151	1303	1252	-51
August	1731	1432	-299	1376	1349	-27
September	1618	1639	21	1528	1544	16
October	1763	1965	202	1739	1756	17
November	1415	1601	186	1566	1476	-90
December	1166	1161	-5	1177	1185	8
January	1227	1132	-95	1331	1396	65
February	1430	1925	495	1709	1539	-170
March	1577	1866	289	1838	1686	-152
April	1337	1281	-56	1565	1571	6
May	1382	1398	16	1705	1867	162
June	1335	1297	-38	2134	2042	-92
Total	17717	18282	565	18971	18663	-308

Administrative Office User Workflow (Correspondence Only)						
	2008 - 2009			2009 - 2010		
	In	Out	Diff	In	Out	Diff
July	1736	1585	-151	1303	1252	-51
August	1731	1432	-299	1376	1349	-27
September	1618	1639	21	1528	1544	16
October	1763	1965	202	1739	1756	17
November	1415	1601	186	1566	1476	-90
December	1166	1161	-5	1177	1185	8
January	1227	1132	-95	1331	1396	65
February	1430	1925	495	1709	1539	-170
March	1577	1866	289	1838	1686	-152
April	1337	1281	-56	1565	1571	6
May	1382	1398	16	1705	1867	162
June	1335	1297	-38	2134	2042	-92
Total	17717	18282	565	18971	18663	-308

Cognisance should also be taken of the following:

- **Filing System** approved by National Archive on 13 July 2010.
- **PAIA manual** updated December 2009 and May 2010.
- **Records Management Policy** approved by National Archives during March 2010
- **Policy Bundle** continuously updated

Four registry officials successfully completed registry courses at National Archives.

Registry Audit by National Archives was mainly positive with the exception of

- **minor matters** at Housing, Town Planning and Human Resources (that are already receiving attention) and
- **unsatisfactory conditions** at Traffic and Finance (the latter will hopefully be addressed during the current financial year).

INFORMATION COMMUNICATIONS TECHNOLOGY

- *Main priority:*
 - Establishment of proper ICT management, upgrade of the ICT network and communications infrastructures and entrenchment of ICT disciplines and training
- *Constraints*
 - Historical insufficient investment in ICT
 - Inadequate and partially obsolete ICT infrastructure
 - Inadequate network and communications infrastructure
 - Historical lack of effective management of ICT resulting in serious risks and backlogs
- *Functional strategies*

- Stabilization, upgrade, development and management of ICT, network and communications infrastructures
- Establishment of proper backup, disaster recovery and business continuity procedures
- Establishment of full corporate management of ICT by implementation of an ICT steering committee, monitoring of usage of ICT facilities, measurement of IT service delivery and full corporate participation in the development and integration of ICT systems and infrastructure
- Provision of the ICT solutions and service delivery required by the business at best cost

Improvements to date

- Wide Area Connectivity
 - Configured Quality of Service on Links to External Offices
 - Removal of slow Diginet Lines and Cost
 - Improved Speed to all connected sites
 - Improved VOIP usage to all connected sites
 - Improved High Site Infrastructure
 - Internet Usage is monitored and reported
- Server Environment
 - Backup Device put in place for Hermanus Site
 - Sweating of Assets of best of breed servers through proactive maintenance of hardware
 - Operating Systems maintained for maximum use.
 - Latest Service Packs and Security Patches Maintained through proactive services.
 - Server Consolidation project to:
 - Reduce Hardware Maintenance Costs
 - Increase Hardware Productivity
 - Reduce environmental Costs (Power, Air Conditioning, Space etc.)
 - Provide Better Resource Availability
 - Implement latest Linux OS for better Integration to 3rd Parties
 - Centralised Backups Implementation
 - Central Control of Data
 - Central Control of Backups
 - Increased ROI for Radio Links
 - Improved Recovery times for Data retrieval
 - Less Administrative overhead on Site Staff
 - Single point of Accountability allows easier management of Backups
 - Compliance with Auditor General
 - All backups signed and filed
 - Tape are taken offsite
 - Backup Process Documented
- Licensing Compliance

-
- Compliancy Issues have been addressed
 - Asset Management software is in place
 - Licensing requirements are up to date
 - Management Tools
 - Network Monitoring Tools to be implemented
 - Review Line usage
 - Centralization of Configurations
 - Asset management of Network Devices
 - Simplified Administration
 - Improved recovery time in event of Device Failure
 - Disaster Recovery Plans
 - Onrus selected as DR Site
 - Server Room plans in place
 - DR Technology POC running to Onrus
 - Testing Payday Replication
 - Testing EMISS Replication
 - Testing Collab Replication
 - Testing Link utilisation
 - Testing data transfer sizes

Future improvements

- Redundancy Configuration for Radio Network
- Deployment DR Environment
- Documentation of DR Process
- DR Testing Plan
- Improvement of AD Environment
- Integration of asset management into Desktop Management Console
- Review of Proxy Replacement Technology (BorderManager End of Life)
- Development of Infrastructure Administration and Standards Documentation

Other matters

- ICT is currently investigating the **upgrading** of the Municipality's **two way radio system vs PTT**
- ICT Steering Committee **Charter and Policies** adopted by Council
- **Ongoing savings** per annum as a result of "internal" telephone calls between the corporate head office and the administrations via the RF network instead of TELKOM lines. (The Municipality furthermore opted for the latest **"Super Saver" package** by combining the Gansbaai, Stanford, Hermanus and Kleinmond Telkom accounts to save another **15 %** on all calls made, which includes all cell phone calls.
- Installation of **back-up generators** in phases
- Replacement of **"Olifantsberg"** mast
- **Upgrading of RF network** due to increasing usage.

- Appointment of **ICT Business Analyst** of critical importance
- **Revision of Telephone Policy** to provide for ad hoc-cell phone allowances.

HUMAN RESOURCES

TASK Job Grading System

A total number of **788 posts were evaluated and audited** by the then Principal Job Evaluation Committee and the National Moderation Commission. A Final Outcomes Report was released on 28 July 2008 by the SALGBC. A further **364 posts were benchmarked** by the then TASK Job Evaluation Committee and the TASK Project Manager through comparing posts with posts already evaluated and audited or by grading the posts by applying the TASK job evaluation principles.

Due to the uncertainty regarding TASK and because of the absence of formal structures to re-evaluate posts or the evaluation of new posts, no job description forms were completed. However it must be mentioned that about 70% of the posts that were benchmarked, were benchmarked against generic posts and interchangeable posts where a job description was already in place.

The municipality is in the process of purchasing the **TASK Job Evaluation System Software from Deloitte**, the franchise holders of the system. Deloitte will also train the **Job Evaluation Committee** (consisting of senior officials representing the employer and employee representatives as job evaluators. It is envisaged that the evaluation of posts will commence as soon as possible after 1 November 2010 but, bearing in mind the ending of the audit process and the availability of said senior staff, not later than 1 December 2010. **Deloitte** will also be **responsible for the auditing** of the results as submitted by the job evaluation committee.

Vacancies

As at 30 June 2010 there were **1071 posts** on the Municipality's approved establishment. This figure included **107 vacancies** which were in different stages of the recruitment process.

A breakdown of the 107 vacancies as at 30 June 2010 follows:

1	Vacancies not approved for recruitment	43
2	Vacancies advertised	51
3	Interviews in process	13
4	Total vacancies	107

Human Resources Staff Restructure

Following the implementation of the first phase of the so-called **Brink report** on the restructuring of the Department: Human Resources, the following appointments were made and transfers took place:

- Assistant HR Officer - A qualified human resources official was recruited from the Provincial Administration to deal with the administration of "Performance Management" of Managers and their subordinates – this is to take place in close co-operation with the Department: Strategic Services.
- Clerk Grade 1 - An internal transfer from Internal Audit - assist with the implementation a new archiving system for all human resources related documentation. The archiving system for employee records has been re-organised to conform to the requirements of the Provincial Archives Record Services Act 3 Of 2005 of the Western Cape.

- Clerk Grade 1 – An external appointment to assist the HR Officer currently responsible for OHS as well as Labour Relations with the co-ordination and administration of incapacity hearings, disciplinary hearings and record keeping of relevant statistics. This employee was also specifically appointed to act as an interpreter in hearings when such services might be required.

Two positions were restructured:

- Senior Administrator - Ongoing assessment, monitoring and reporting on employment equity compliance as well as the project management of external service providers in the rendering of IT systems support to the Department: Human Resources.
- Chief Clerk - Operational Support – rendering support to line management with the newly implemented TASK job grading system; the administration of management information from the Payday system and the ongoing administration of Project Grey Power.

Family responsibility leave

For the year under review a total number of **233 employees** were granted **632 days** of family responsibility leave – average of 2.71 days per employee. This is nearly **50% less** from the previous period, averaging **4.71 days per employee**.

Sick leave

Minute increase in sick leave granted.

Financial year	Full time staff	Days sick leave p.a.	Average per staff member p.a.
2005/06	738	16 552	22,43
2006/07	766	13 729	17,92
2007/08	859	9 813	11,42
2008/09	933	5 147	5,52
2009/10	964	5416	5.61

(Source: Ex Payday System)

Service Terminations: July 2009 to June 2010

Termination Categories	WM	WF	AM	AF	IM	IF	CM	CF	TOTALS
Contract Expired	3	2	1	2	0		5	1	14
Temp Absc	1								1
Medical Board			1				1		2
Death			1				3		4
Dismissals	2		1				6	0	9
Early Retirement									0
Transferred		1							1
Resigned	4		3	1			5	1	14
Pensioned	2		1				1	1	5
TOTALS	12	3	8	3	0	0	21	3	50

Appointments for year under review

Appointments: July 2009 to June 2010								
	African		Coloured		Indian		White	
	M	F	M	F	M	F	M	F
Appointments	13	5	17	12	0	0	16	22
Promotions	6	1	0	2	0	0	7	2
Totals per Culture/Gender	19	6	17	14	0	0	23	24
Totals per Culture group	25		31		0		47	
Overall Total	103							

Average of **8,5 appointments per month** - decrease from previous year (14 per month).

Policies

The following policies have been **adopted** by Council and implemented during the year under review:

- HIV/AIDS policy approved in September 2009;
- Recruitment and Selection policy also approved in September 2009.

The following policies are in **draft format** and currently under review:

- Staff Succession Planning;
- Leave Policy;
- Employee Wellness;
- Mentorship Policy and Guidelines; and
- Temporary and Casual Workers Policy.

Full implementation of **electronic leave module** scheduled for September 2010. This system is currently supplemented with a paper based system for all employees until such time as the leave module is fully implemented,

The electronic **time and attendance module** (Supervision) has been decommissioned with effect from 30 June 2010. Time and Attendance has now reverted back to a paper based process.

To improve the approval process for the recruitment of new staff an electronic **recruitment module** was developed and successfully implemented in October 2009.

Employment equity

An EE Report and EE Plan was **drafted in February 2010** and submitted to the EEC for approval. Same was submitted to the **LLF in May 2010**.

As part of the municipality's overall strategy to sensitise all employees regarding EE, an organisation wide campaign was launched in June 2010 to promote a **greater awareness of employment equity** and diversity and the compliance requirements as provided for in the EE Policy.

Separate KPIs have also been introduced for all Directorates to ensure that the responsibility for the effective implementation of employment equity falls within the domain of every directorate in the Municipality.

As at 30 June 2010 the **work force profile** for the Municipality reflected the employment equity status as indicated below.

Culture/ Gender	AM	CM	IM	WM	AF	CF	IF	WF	Total Perm	Vacancies	Total Posts
Top Management	1	2	0	5	0	0	0	0	8	0	8
EE Targets				-1		1					
<i>Total Movements</i>	0	0	0	0	0	0	0	0			
Snr Management	0	5	0	18	0	2	0	6	31	5	36
EE Targets	1			-1		1		-1			
<i>Total Movements</i>	0	0	0	0	0	0	0	0		5	
Prof Qualified	0	2	0	11	0	2	0	8	23	19	42
EE Targets	1			-1							
<i>Total Movements</i>	0	0	0	6	0	1	0	3		19	
Skilled Technical	5	27	0	47	4	10	1	18	112	28	140
EE Targets	2	-2		-5	2	2		1			
<i>Total Movements</i>	3	5	0	4	3	3	0	2		28	
Semi Skilled	59	128	0	29	20	66	0	68	370	23	393
EE Targets		-13		3	5	4		1			
<i>Total Movements</i>	5	7	0	5	0	1	0	8		23	
Unskilled	206	174	0	6	13	19	0	1	419	32	451
EE Targets	-24	-26		11	6	14		19			
<i>Total Movements</i>	9	12	0	2	1	2	0	4		32	
Total Perm Work force June 2010	271	338	0	116	37	99	1	101	963	107	1070
Total Non Permanent	1	2	0	3	0	2	0	2	10		
Total Work Force - June 2010	272	340	0	120	37	101	1	103	973	107	1080

In general the following assessments can be made from the above:

- **Females** in all occupation levels are still **under represented**.
- **White males**, although under represented in general terms, are still **over represented in the more senior positions**. This is mainly due to the fact that people from the designated groups are not so readily available when opportunities for appointments present it self.
- In the **lower occupation levels, Coloured and African males are still over represented** compared to all other population/gender groups, mainly due to employment strategies in previous years.

In addition to the above, **two new posts** have been created for relieve staff, specifically from the **designated groups**, in order to provide in-house training for purposes of appointment in other positions

Skills development

The introduction of **Project Grey Power** to enable suitable qualified and experienced people from the local community to act as mentors for learnerships is not yet progressing as anticipated. In areas where such mentors are deployed some measure of success has been achieved:

- Human Resources: A mentor has been appointed to primarily focus on the implementation of employment equity and the administration of the Project Grey Power initiative, whilst also assisting in other areas within Human Resources where specific but scarce management skills are required, i.e. Management Information Systems.
- Community Services and Protection Services: Mentors are deployed in the semi skilled and unskilled levels of employment, primarily to develop specific work skills and improve productivity in general.
- In Infrastructure and Planning a mentor with specific skills was deployed.

Training and courses during year under review were attended by **571 employees** and **67 employees enrolled as students**. **100%** of training budget spent.

Courses Employees	Total Employees	COMM SERV	FINANCE	INFRASTRUCTURE	LED	MANAGEMENT SERV & MM	PROTECTION SERV
Jul-09	63	14	1	4	0	13	31
Aug-09	54	17	15	2	0	4	16
Sep-09	65	20	0	0	0	20	25
Oct-09	67	5	0	24	0	0	30
Nov-09	65	14	14	23	0	6	8
Dec-09	8	4	3	1	0	0	0
Jan-10	12	4	0	7	0	1	0
Feb-10	50	33	2	10	0	5	0
Mar-10	31	15	2	1	2	4	7
Apr-10	69	28	24	5	1	0	9
May-10	70	35	23	7	0	4	1
Jun-10	17	11	6	0	0	0	0
Total YTD	571	200	90	84	3	57	127

Student Enrollments: July 2009 to June 2010							
Student Enrollments	Total	COMM SERV	FIN	INFRA-STRUCTURE	LED	MANAGEMENT SERV & MM	PROTECTION SERV
Jul-09	18	6	7	2	1	2	0
Aug-09	8	2	1	0	0	1	4
Sep-09	2	0	1	0	0	1	0
Oct-09	0	0	0	0	0	0	0
Nov-09	4	3	0	0	0	0	1
Dec-09	0	0	0	0	0	0	0
Jan-10	12	1	2	3	0	1	5
Feb-10	10	7	1	0	0	0	2
Mar-10	4	1	1	1	0	0	1
Apr-10	2	2	0	0	0	0	0
May-10	0	0	0	0	0	0	0
Jun-10	7	2	2	0	0	3	0
Total YTD	67	24	15	6	1	8	13

Performance Management

A Performance Management System (**Ignite**) for staff from Managers and lower has been procured and are being implemented in two phases:

- Phase 1 – 2010/2011: for Managers and middle management
- Phase 2 – 2011/2012: for all other employees.

Phase 1 will be supplemented by a training programme to equip management with the necessary skills to effectively implement the PMS for its employees once phase 2 becomes operational.

The **Rewards and Recognition Committee** (RRC) has also been established as required by policy and will meet bi-monthly once the management training has been completed.

Occupational Health and Safety

The Staff member responsible for Labour Relations also performs the duties of the **OHS officer**. The employee has now completed the **advanced accredited NOSA training course**, awaiting results to become available during August 2010.

The **Central Safety Committee** has been restructured to be more representative and now operates more effectively.

The **training of safety officers** is a recurring process every two years to ensure ongoing compliance with the Health and Safety Act, 85 of 1993. Candidates for training have already been nominated by management in all the applicable Directorates. Training is scheduled to commence in October 2010.

Overstrand wide OH&S audit (risk profile) been done by service provider – the implementation of risk management programme in all operational areas in the Municipality is under way but due to budget constraints and technical issues not previously anticipated (especially in the ICT areas) could not be completed as planned. The target date for completion is now set for end October 2010.

For the year under review an analysis has been made of the **"injuries on duty"** (IOD's) and the financial implications for the Municipality as indicated in the schedule below:

Month	Days Lost	Total Cost
Jul-09	76	R 16,761.62
Aug-09	82	R 16,645.34
Sep-09	17	R 4,624.30
Oct-09	30	R 7,642.34
Nov-09	16	R 4,366.46
Dec-09	62	R 12,716.98
Jan-10	39	R 11,742.95
Feb-10	5	R 1,155.95
Mar-10	81	R 42,992.23
Apr-10	58	R 13,999.53
May-10	59	R 15,222.83
Jun-10	60	R 13,510.21
GRAND		
TOTAL	585	R 161,380.74

Labour relations

Local Labour Forum properly constituted and meets regularly – minutes are kept.

Very good and **sound working relationship** with organised labour.

Industrial action in April 2010 without major incidents – Minimum Services Agreement was in place – open communication channels to both trade unions. No incidents of unruly behaviour were reported and no charges were laid against any employee.

Fifty four officials have been trained to act as **chairpersons and initiators** of disciplinary hearings. In more complex matters the services of external professionals were obtained.

Grievances and disciplinary hearings for the year under review:

Labour Relations - Report Period: July 2009 to 30 June 2010									
		Male				Female			
	Totals	A	C	I	W	A	C	I	W
1. Grievances									
Community Services	0	0	0	0	0	0	0	0	0
Finance	0	0	0	0	0	0	0	0	0
Infrastructure & Planning*	0	0	0	0	1	0	0	0	0
Management Services	0	0	0	0	0	0	0	0	0
Protection Services	0	0	0	0	0	0	0	0	0
Local Economic Development	0	0	0	0	0	0	0	0	0
2. Disciplinary Hearings									
Community Services	35	18	12	0	3	0	1	0	0
Finance	1	0	0	0	0	0	0	0	1
Infrastructure & Planning	0	0	0	0	0	0	0	0	0
Management Services	1	0	0	0	0	0	0	0	1
Protection Services	3	0	2	0	1	0	0	0	0
Local Economic Development	0	0	0	0	0	0	0	0	0

- **Four (4) officials were suspended** pending the outcome of disciplinary hearings whilst **three (3) officials resigned after charge sheets** were served upon them.
- **Three appeals** were resolved **in favour of the employees**. Two were re-instated. A third employee preferred to decline re-instatement.

Employee Wellbeing

HIV/AIDS Awareness and Counselling					
Month		Hermanus	Kleinmond	Gansbaai/Stanford	Totals Additional Comments
Jun-09		10	20		30 An HIV/AIDS awareness campaign has been launched. Employees were requested to decorate coffee tins as canisters to be used for condoms.
Jul-09		3	18	24	45 HIV Wellness days scheduled in all regions with assistance of medical and NGO's

					covering all services. Additional HIV awareness sessions cancelled due to strike.
Aug-09		5	1	0	6
Sep-09		2	0	3	5
Oct-09		0	8	12	20
Nov-09		8	3	13	24
Dec-09					0 International HIV Awareness Day - 2009/12/01. Sessions scheduled in all the Regions. All office employees received chocolates with HIV message and HIV pin. Field workers received refreshments and a musical performance with themes on HIV, drugs and alcohol abuse.
Jan-10		3	0	0	3
Feb-10		39	0	0	39 HIV counselling in Auditorium
Mar-10		4	0	0	4
Apr-10		3	0	0	3
May-10		0	0	1	1
Jun-10		24	0	0	24
Jul-10		49	8	43	100 HIV/AIDS Awareness as part of wellness days
Totals		150	58	96	0

Primary Health Care and Occupational Health Care and Awareness					
Month	Primary health Care	Occupational Health Care	Members	Non Members	Additional Comments on Occupational Health Care (Initially member & non-member stats were kept by Medical Aid Associations on members and non-members)
Jul-09	69		148	303	Wellness days scheduled in all regions with assistance of medical and NGO's covering all services. Additional HIV awareness sessions cancelled due to strike.
Aug-09	12	8			Eye tests done and glasses provided by Stellenbosch Optician. Three employees counselled for alcohol abuse and send for in-patient rehab. 2 x Anti-natal classes held in Zwelihle - 8 mothers attended.
Sep-09	60	11			First Aid classes held in Hermanus and Kleinmond.
Oct-09	46	47			Dietician invited to hold health talks with operational staff in Hermanus and Gansbaai.
Nov-09	74	85			Hermanus Showcase - General awareness talks on occupation Health and safety.
Dec-09	51	53			
Jan-10	71	72			Hearing Aid tests done for all regions and all operational staff.
Feb-10	58	69			Ongoing hearing tests
Mar-10	47	93			Kidney unit In Hermanus held talks on kidney and urinal conditions. Ear, nose and throat specialist

					consultations with the Tygerberg Unit
Apr-10	46	85			First Aid training in all the regions
May-10	14	51			Nursing sister was on leave. Child care awareness and mortality rate under children in Kleinmond due to diarrhea.
Jun-10	23	91			Support group on alcoholism and drug abuse launched in June in Hermanus. Bi-monthly meetings of 30 minutes will be scheduled on Fridays to promote a sustainable awareness amongst employees.
Totals	639	749			
Additional Comments:					
1. All primary health support is done in the Hermanus health care consulting room.					
2. Occupational Health Care includes: > One-on-one sessions with employees as referred by management for i.e. drug and alcohol abuse, medical check ups, vaccinations and emotional counselling. > Group sessions scheduled (in regions) with NGO's, Medical aid schemes - also awareness and health care sessions with communities					
3. Pre-natal classes held bi-monthly in Zwelihle.					
4. Intranet home page update every month with health tips and/or specific health events.					

4.3 DIRECTORATE: FINANCIAL SERVICES

The Directorate: Financial Services consists of the following departments:

- Expenditure and Assets
- Income
- Supply Chain Management
- Accounting Services
- Valuations

EXPENDITURE AND ASSETS

The main purpose of this service area is the provision of professional financial services to Management and Council in respect of the salary budget process, payroll, creditors administration and financial administration of council's capital assets, capital assets register, insurance policy and external borrowing.

• *Main priorities*

- Co-ordination of the annual salary budget process
- Staff payroll administration
- Creditors payment administration
- Capital assets administration
- Capital assets register
- Council's insurance policy
- External borrowing
- Financial management support and control

- *Functional strategies*

- To ensure effective co-ordinating creditors and payroll management processes.
- Strive to ensure compliance and consistency with all applicable regulations, policies and other legislation.
- Effective capital asset administration.
- Proper insurance risk management.
- External borrowing levels.
- To produce regular information relating to payroll and creditors.

- *Managerial priorities*

- Capacity building of functional staff.
- Improvement of internal control measures and systems.
- Promote work ethics.
- Review and implementation of workflow processes.
- Review and implement effective policies and by-laws.

Payment of creditors within 30 days of date of invoices, is well above the performance set .

The actual total operating expenditure compared to the budget realized on 95,6% and the actual expenditure on the capital budget was 93%.

Expenditure management is under control, although overtime and acting allowance, which improved on previous years, are still not satisfactory.

Asset management had workshops presented by Ducharme Consultants to all staff involved in assets maintenance.

ACCOUNTING SERVICES

- *Main priorities*

- To provide sustainable professional financial services to Council, Management and various external bodies in respect of year-end and in-year financial reporting, financial management, the operational and capital budget, and the implementation of the Municipal Finance Management Act (MFMA), GRAP/GAMAP and international accounting standards. Management of cash flow and investments

- *Functional strategies*

- Proper co-coordinating of annual budget process.
- Ensure timeous annual closedown of accounts and preparation and completion of annual financial statements, attend to auditors during annual audit and financial aspects of annual report (including response to Auditor-General report).
- To produce regular financial reports as required by Council, National and Provincial treasuries, in accordance with applicable legislation.
- Implement and maintain GRAP/GAMAP, and international accounting standards and chart of accounts.
- Effective cash flow management.
- Introduce and update applicable policies.

- *Managerial priorities*

- Capacity building of functional staff.
- Review and improvement of internal control measures and systems.
- Promote work ethics.

-
- Review and implementation of workflow processes and manuals.
 - Review and implement effective policies and by-laws.
- *Constraints*
 - Lack of trained staff due to a loss of skilled personnel.
 - Inexperienced functional staff throughout the department attending to critical issues which places arduous burden on management staff.
 - Recruitment of suitably qualified staff to fill vacancies.

FINANCIAL STATEMENTS

The Annual Financial Statements for 2008/9 were successfully compiled and submitted to the Auditor General before 31 August 2009.

The Annual Financial Statements were fully GRAP compliant, although the Auditor General had a different viewpoint regarding the disclosure of the assets register retrospectively. This issue was taken up with the office of the Accountant General and we were exempted from this disclosure due to its impracticability. An unqualified audit report was subsequently received.

BUDGET

The budget process was completed in good time and the budget was approved by Council 30 days before the start of the budget year as prescribed in Section 24(1) of the MFMA.

All budget related policies were reviewed to ensure that they are in line with applicable legislation and were approved by Council in terms of Section 17(3) of the MFMA. The adjustment budget was timeously compiled and approved by Council on 25 February 2010.

INCOME SERVICES

- *Main priorities*
 - To ensure the levying of service charges and property rates and the collection of all income owing to the Municipality.
- *Functional strategies*
 - To provide and maintain an effective customer focused service to deal with client queries.
 - To ensure a sustainable implementation of the Municipality's indigent policy.
 - To ensure proper administration with regards to the annual review and calculation of property rates and tariffs.
 - To effectively administer and maintain debt management including the writing off, of irrecoverable debts.
 - To produce regular management performance information relating to income collection.
 - To compile and revise tariff policies and structures.
 - To ensure the monthly reading of electricity and water meters.
 - To timeously send out accurate and understandable service charges and rates bills.
 - To commission the valuation of properties for the purpose of property rates assessments.
 - To maintain the data input of debtors accounts.
- *Managerial priorities*
 - Capacity building of functional staff.
 - Improvement of internal control measures and systems.
 - Promote work ethics.

- Review and implementation of work flow processes and manuals.
- To review and implement effective policies and by-laws.

REVENUE

When comparing the revenue budget to actual revenue collected, the Municipality recovered 99,7% of the budgeted figures.

The outstanding debtors at year-end compared to the previous year increased from R49,9m to R54,7m, an increase of R4,8m (9,6%). This is lower than the average increase in the monthly municipal account and was during the period of the economic downfall in South Africa.

SUPPLY CHAIN MANAGEMENT

- *Main priorities*
 - To ensure the provision of a supply chain management system which is transparent, efficient, equitable, competitive, ensures best value for money for the Municipality, applies the highest possible ethical standards and promotes local economic development.
 - To ensure professional and legal financial services to manage the supply chain / procurement administration process.
- *Functional strategies*
 - To ensure effective co-ordinating supply chain management processes.
 - To ensure compliance and consistency with all applicable regulations, policies and other legislation.
 - To ensure proper control and management of the municipal stores function.
 - To develop and establish a database and skills list of existing and prospective suppliers/tenderers.
- *Managerial priorities*
 - Capacity building of functional staff.
 - Improvement of internal control measures and systems.
 - To promote work ethics.
 - Review and implementation of workflow processes and manuals.
 - To review and implement effective policies and by-laws.

The annual stock take was done on 20 and 21 May 2010 together with staff of the Auditor General.

The Creditors' and Suppliers' database are updated on a daily basis.

During the year under review, the Bid Adjudication Committee (BAC) awarded 54 tenders to the value of R136 932 294 (each in excess of R200 000) of which we received two disputes in awarding the tender and neither were successful.

The number of quotations between R30 000 and R200 000 amounted to 88 to the value of R5 264 020.

VALUATIONS

A supplementary roll was submitted which contained 3 634 entries. We received 42 objections which were referred to the valuers. Twenty adjustments were made, of which 5 were more than 10%. These had to be referred to the Valuation Appeal Board for confirmation.

The valuation roll is updated regularly in the property register, as well as on the website.

4.4 INFRASTRUCTURE AND PLANNING

The Directorate of Infrastructure and Planning consists of the following departments:

- Engineering Services
- Town Planning and Property Administration
- Building Control
- Environmental Services

MANAGEMENT OF STAFF

The staff complement of the Directorate has grown from 31 in 2007 to 141 in 2010. The current employment level in the Directorate is 94% (9 vacancies out of a total staff compliment of 141). A formal management meeting is held every 2 weeks with managers. At these meetings, managers report on progress for the past week and indicate priorities for the next week. In this way their performance is monitored and evaluated by the Director and the other managers and co-ordination and co-operation is encouraged. This forum is also used to mentor the more inexperienced managers. The format of the meetings is informal and brief, and everyone is encouraged to participate.

Individual meetings are held monthly with managers to discuss details regarding their sections.

EVALUATION OF SERVICE PROVIDERS

Formal project management procedures have been implemented on all capital projects. These procedures include monthly reporting on physical progress, quality, expenditure, health and safety management, environmental management and adherence to an agreed program. By actively managing capital projects, consultants and contractors perform better and Council receives better value for their money.

ENGINEERING SERVICES

This Section is responsible for the following:

- Master planning of engineering infrastructure (water, sewerage, roads, storm water and electricity)
- Procurement of consulting and contracting services for infrastructure projects,
- Project management of infrastructure projects
- Management of grant funding i.e. MIG, EPWP, USAID, Lotto, etc
- Engineering comments on town planning applications
- Approval of engineering services designs and standards for new developments,
- Compilation of services agreements for new developments
- Liaison with consultants, developers and contractors
- In-house design and support for LLP projects

- Special studies for example desalination and groundwater

BUILDING CONTROL

This Section is responsible for the following:

- Approval of building plans
- Building control
- Compiling statistics on building activities in our area
- Project management of Municipal building projects

ENVIRONMENTAL SERVICES

This Section is responsible for the following:

- Management of municipal Nature Conservation Areas
- Management of Environmental Projects
- Liaison and networking with the public, donors and other conservation related Government Departments and NGO's
- Advise Council and officials on environmental matters.

ENGINEERING PLANNING

• *Main priorities*

- Potable water treatment and distribution

• *Constraints*

- Treatment and distribution systems inadequate
- Backlog in rural areas

• *Functional strategies*

- Development and management of resources and licensing
- WSDP updating
- Bulk service planning / distribution masterplanning
- Water project implementation
- Monitoring of quality and compliance
- Demand and loss management programmes

▪ **Major achievements**

- One additional senior technician recruited for this section.
- Water Services Development Plan updated and audit completed.
- Water- and Sewage Master Plans updated taking into account the proposed densification strategy.
- Improved "Blue Drop" assessment: Overstrand average score went up from 42% to 66% (95% required for Blue Drop status).
- First "Green Drop" assessment: Overstrand average score = 62%. Western Cape average = 48% (69% of municipalities assessed).
- Water Demand Management Forum established in the Municipality.

Capital programme

Water

Gansbaai: New Franskraal WTW, 2ML reservoir and bulk pipeline upgrade completed.

Pearly Beach: New WTW installed, pump station upgraded and water tower repaired.

Buffeljagtsbaai: New 90kl reservoir constructed, one new borehole drilled (volume and quality good).

Stanford: New 1.5ML reservoir constructed, 2 boreholes drilled.

Betty's Bay, Kleinmond: Pipe replacement contract completed.

Hermanus: Groundwater development 11 boreholes, planning for Preekstoel WTW refurbishment and extension completed.

Sewerage

Gansbaai, Stanford, Hawston, Kleinmond: Small upgrades at WWTW for operational reasons and to comply with legislation.

Gansbaai: Extension of CBD sewer network.

Hermanus: Planning for major upgrade in 2 phases – refurbishment and extension from 7.5 ML/d to 12.0ML/d.

Expenditure of Capital Budget:

Project Manager	Budget	Actual	% Expenditure
D Hendriks	35,367,560	35,037,355	99%
H Blignaut	21,413,802	20,338,230	95%
% of directorate	22%	22%	
% of municipality	18%	19%	
K du Plessis	16,634,440	13,972,379	84%
D Maree	10,814,540	10,814,272	100%
R Kuchar	12,413,418	10,231,160	82%
J Simson	1,517,591	1,473,353	97%
L Steyn	1,672	1,671	100%
Total Infrastructure and Planning	98,163,023	91,868,420	94%
% of municipality	83%	84%	
Total all other directorates	20,630,353	16,976,375	82%
Total for municipality	118,793,376	108,844,795	92%

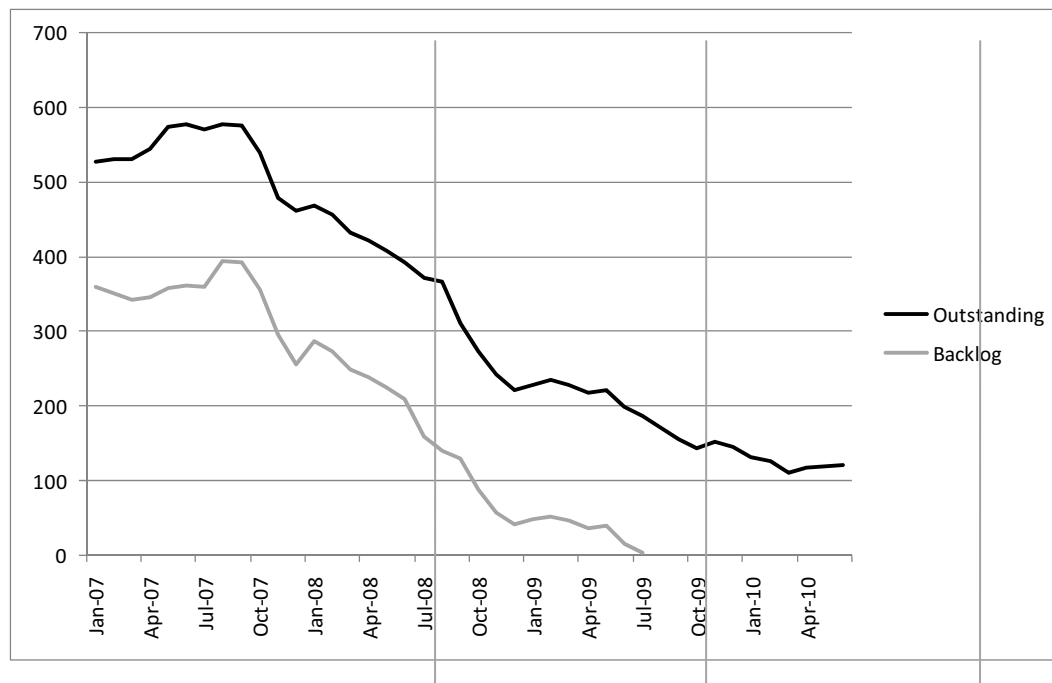
TOWN PLANNING AND PROPERTY ADMINISTRATION

- *Main priorities*
 - *Compliance with all relevant legislation*
 - *Ensure a safe, healthy and sustainable environment for inhabitants of Overstrand through propertown planning*
 - *Ensure proper administration of council owned property*
 - *Ensure compliance with Council's Asset Management Policy and Municipal Finance Act*
- *Constraints*
 - *Compatibility with the Provincial spatial development framework*

- *Different town planning schemes*
 - *Low levels of law enforcement*
 - *Sensitive environment*
 - *Urban sprawl*
 - *Lack of planning in rural areas*
 - *Unbalanced urban fabric*
 - *Lack of proper database on council owned property*
- *Functional strategies*
 - *To effectively address reasonable social needs and expectations of the community*
 - *To develop and sustain an environment which supports tourism and LED of the Overstrand region as a whole*
 - *To promote a safe and efficient transport infrastructure network*
 - *Ensure compliance to all relevant legislation*

■ Major achievements

- The backlog of unprocessed town planning applications was worked away in the previous financial year. During this financial year the number of outstanding applications has been reduced further, from 198 (2008/9) to 121. The average processing time of an application is now 4 months compared to 6 months a year ago and 12 months two years ago.



- Scheme regulations – good progress made with completion expected in September 2010.
- Agricultural Sector Plan – comments from all relevant government departments included.
- Estuary Management Plan (Kleinrivier) – completed but waiting for comments from government departments. Implementations going ahead through Klein River Estuary Forum (KREF).
- Growth Management Study – draft advertised for public comment.
- Sandbaai Commonage – town planning completed and EIA completed and submitted to DEA&DP.
- Mitchell Square – conceptual planning completed and presented to Heritage Committee.

Housing planning

- Stanford – 88 houses completed, loose ends being tied up.
- Kleinmond – construct of 410 houses started with assistance from the Department of Science and Technology.
- Mooi Uitsig – planning for 13 houses started.
- Hermanus: Swartdam Road corridor – planning started.

PROPERTY ADMINISTRATION

■ Progress

○ Correspondence:	Incoming letters received	= 1 523
	Outgoing letters and replies	= 1 857
○ Land sales:	Approved in principle	= 29
	Final approval	= 15
	Transferred	= 24
○ Leases:	New and renewals	= 58
○ Other:	Encroachments, etc	= 12

■ Progress with important land transactions:

- Kleinmond: Relocation of the municipal store – rezoning completed and land sold by tender.
- Kleinmond: long term lease at beach front – restaurant established and operational.
- Sandbaai Commonage – portion sold to Curro on tender.
- Hermanus: Municipal Store and Circus Land – EIA being done in-house.
- Hermanus: Land North of Gateway for Helipad – tender process completed, award to be made shortly.
- Hermanus: Land at Municipal Offices – continuing negotiations with national Department of Public Works.
- Hermanus: Relief Road – three houses acquired, one house swapped and various other pieces of land acquired and swapped.
- Hermanus: Sea Weed Farm – land sold to lessee.
- Hermanus: Schulphoek – land sold and transferred.
- Hawston: Commonage – tender process completed, award to be made shortly.

Expenditure of Capital Budget

Project Manager	Budget	Actual	% Expenditure
D Hendriks	35,367,560	35,037,355	99%
H Blignaut	21,413,802	20,338,230	95%
K du Plessis	16,634,440	13,972,379	84%
D Maree	10,814,540	10,814,272	100%
R Kuchar	12,413,418	10,231,160	82%
% of directorate	13%	11%	
% of municipality	10%	9%	
J Simson	1,517,591	1,473,353	97%
L Steyn	1,672	1,671	100%
Total Infrastructure and Planning	98,163,023	91,868,420	94%
% of municipality	83%	84%	
Total all other directorates	20,630,353	16,976,375	82%
Total for municipality	118,793,376	108,844,795	92%

PROJECT MANAGEMENT AND DEVELOPMENT CONTROL

- Major achievements
 - Municipal Infrastructure Grant (MIG): 100% expenditure – R10.1m.
 - Successful lobbying (with other stakeholders) of the Department of Transport to budget for Overstrand projects as follows:
 - Gansbaai to Elim (DR1205)
 - 2009/10: 38km completed, 32km remaining.
 - Hermanus to Caledon (MR269 or R320)
 - 2010/11 R55m
 - 2011/12 R80m
 - 2012/13 R25m
 - Sandbaai to Hermanus + 2 intersections (TR28/1)
 - 2011/12 : R10m
 - 2012/11 : R25m
 - Franskraal (DR1214)
 - 2012/13 : R10m
 - Capital programme
 - Hawston: Paddavlei stormwater – major portion completed.
 - Hermanus: CBD Relief Road – construction started.
 - Hermanus: Upgrading of Market Square successfully completed.
 - Kleinmond: Engineering services for the housing project (410 units)
 - Development control
 - Hermanus: Whale Bay Cascade services agreement finalized.
 - Hermanus: Station Site – final draft of services agreement with developer. Bulk services levies paid.

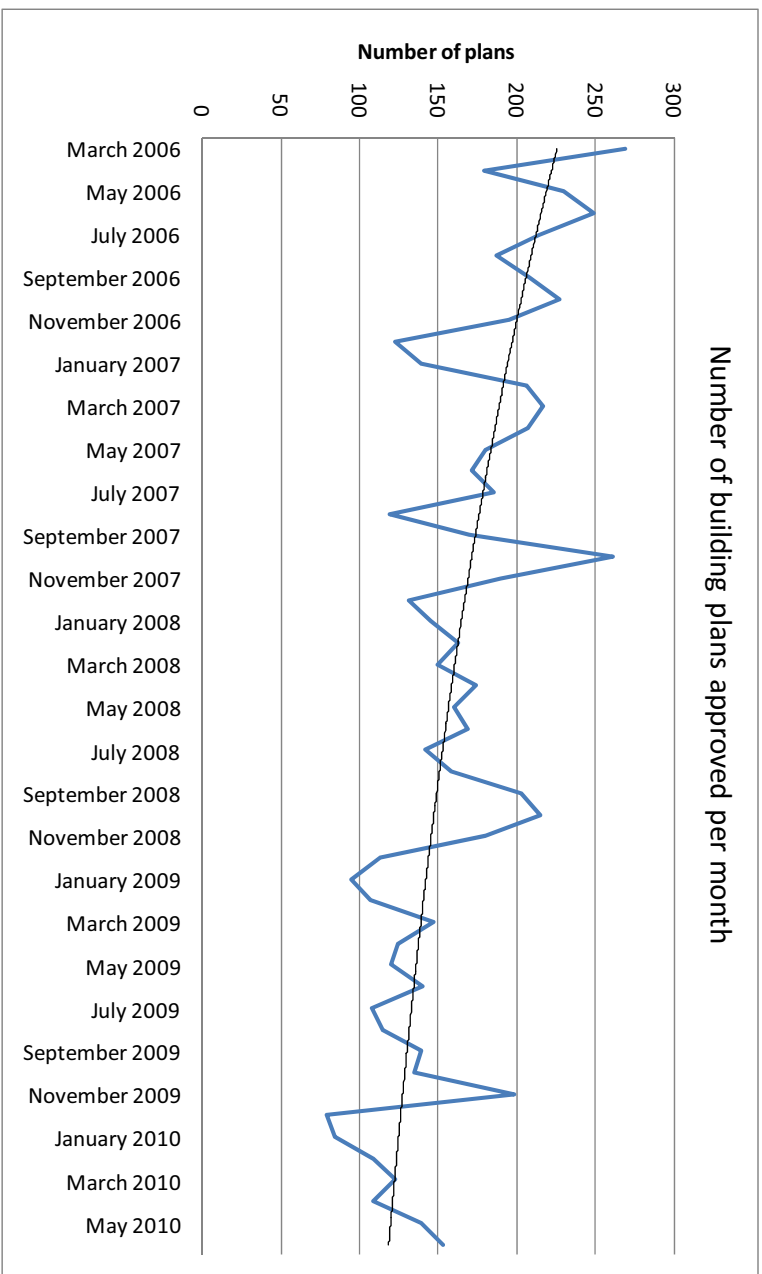
- Onrus: Tweefonteine – first draft of services agreement with developer.
- Fisherhaven: Benguela Cove – ongoing negotiations with developer regarding bulk sewer line and irrigation water.
- Sandbaai: Curro Skool – bulk levies paid.
- Hermanus: Abagold – Bulk levies paid.
- Sandbaai: Afrimark and KFC.
- Hemel & Aarde Estate, Erf 8073.

Expenditure of Capital Budget:

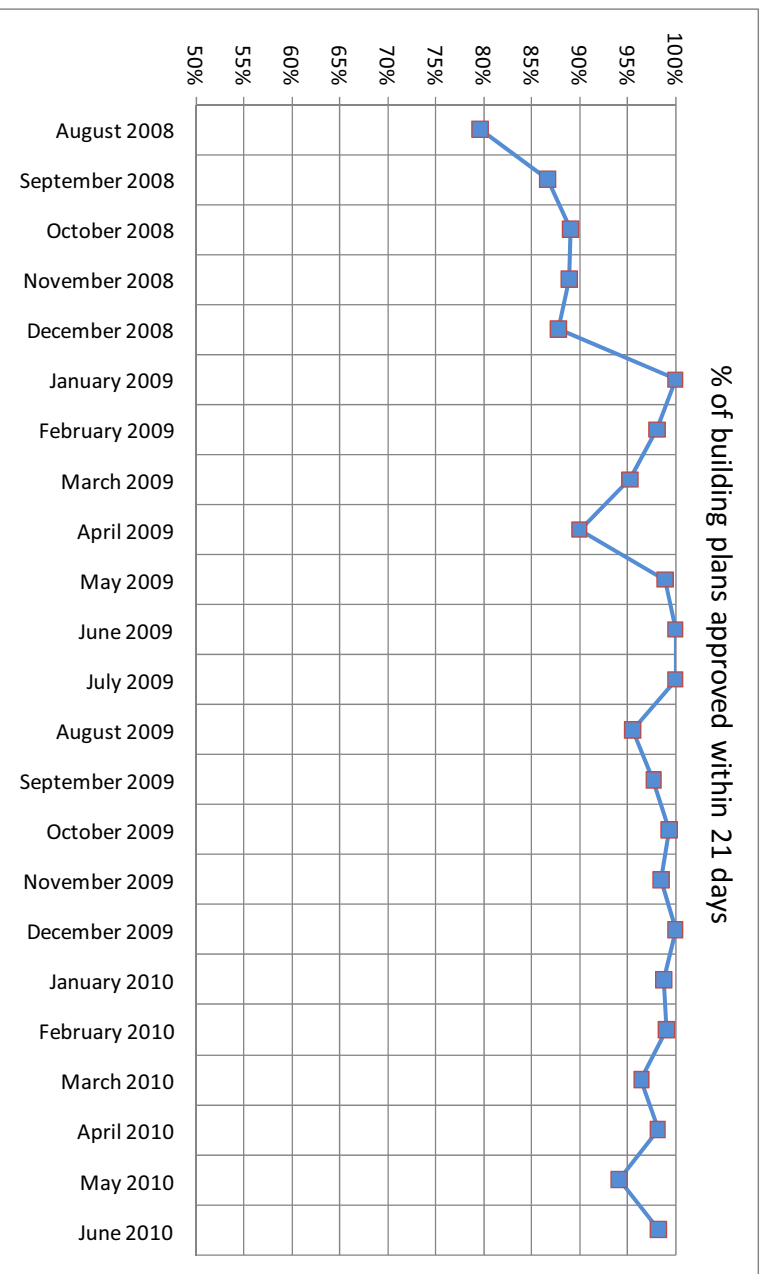
Project Manager	Budget	Actual	% Expenditure
D Hendriks	35,367,560	35,037,355	99%
% of directorate	36%	38%	
% of municipality	30%	32%	
H Blignaut	21,413,802	20,338,230	95%
K du Plessis	16,634,440	13,972,379	84%
D Maree	10,814,540	10,814,272	100%
R Kuchar	12,413,418	10,231,160	82%
J Simson	1,517,591	1,473,353	97%
L Steyn	1,672	1,671	100%
Total Infrastructure and Planning	98,163,023	91,868,420	94%
% of municipality	83%	84%	
Total all other directorates	20,630,353	16,976,375	82%
Total for municipality	118,793,376	108,844,795	92%

BUILDING SERVICES

- *Main priority:*
 - Control of all building works in the Overstrand
- *Constraints*
 - No dedicated staff – capital projects.
 - Large influx into informal areas. (Law enforcement officer needed).
 - Limited office accommodation facilities for staff / and office equipment
 - Limited inspection capacity
- *Functional Strategies*
 - To evaluate all building plans
 - To provide information relating to submission of building plans
 - To provide reliable building statistics
 - To inspect all building works
 - To provide building control
 - To project manage civic buildings, capital projects and large building maintenance projects



- o Good improvement in percentage of plans approved within 21 days:



Expenditure of Capital Budget

Project Manager	Budget	Actual	% Expenditure
D Hendriks	35,367,560	35,037,355	99%
H Blignaut	21,413,802	20,338,230	95%
K du Plessis	16,634,440	13,972,379	84%
D Maree	10,814,540	10,814,272	100%
R Kuchar	12,413,418	10,231,160	82%
J Simson	1,517,591	1,473,353	97%
% of directorate	2%	2%	
% of municipality	1%	1%	
L Steyn	1,672	1,671	100%
Total Infrastructure and Planning	98,163,023	91,868,420	94%
% of municipality	83%	84%	
Total all other directorates	20,630,353	16,976,375	82%
Total for municipality	118,793,376	108,844,795	92%

ELECTRICAL SERVICES

- *Main priority*
 - To supply reliable, affordable and cost-effective electricity
- *Constraints*
 - Backlog in provision and maintenance of infrastructure
 - Deterioration of networks in coastal areas
 - Risk of non compliance with distribution license conditions
 - Rapid development placing enormous strain on existing infrastructure
 - Uncertainty of REDS
 - ESKOM power shortage: Nationally
- *Functional strategies*
 - Measurement of provision of services
 - Installation of monitoring equipment
 - Inspection and repair of equipment
 - Compilation and execution of electrical master plan
 - Installation of new equipment
- Major achievements
 - Good progress made with the implementation of the new Health and Safety system (based on the NOSA 5* system).
 - 2 999 meters audited, 234 meters replaced, 322 illegal connections/tampers removed.
 - Good response to requests/complaints from the public:

Month	Start	Received	Completed	Carried forward
Jul-09	0	614	608	6
Aug-09	6	818	809	15
Sep-09	15	814	803	26
Oct-09	26	959	941	44
Nov-09	44	731	714	61
Dec-09	61	878	876	63
Jan-10	63	492	492	63
Feb-10	63	777	774	66
Mar-10	66	796	790	72
Apr-10	72	604	600	76
May-10	76	1320	1298	98
Jun-10	98	827	754	171
Total		9,630	9,459	
Average		803	788	
% completed			98%	

Expenditure of Capital Budget

Total capital budget = R27,448,980
 Total expenditure = R24,786,652
 % expenditure = 90%

Project Manager	Budget	Actual	% Expenditure
D Hendriks	35,367,560	35,037,355	99%
H Blignaut	21,413,802	20,338,230	95%
K du Plessis	16,634,440	13,972,379	84%
% of directorate	17%	15%	
% of municipality	14%	13%	
D Maree	10,814,540	10,814,272	100%
% of directorate	11%	12%	
% of municipality	9%	10%	
R Kuchar	12,413,418	10,231,160	82%
J Simson	1,517,591	1,473,353	97%
L Steyn	1,672	1,671	100%
Total Infrastructure and Planning	98,163,023	91,868,420	94%
% of municipality	83%	84%	
Total all other directorates	20,630,353	16,976,375	82%
Total for municipality	118,793,376	108,844,795	92%

ENVIRONMENTAL MANAGEMENT SERVICES

- *Main Priority*
 - Management of all human activities that impact on ecological processes and biodiversity.
- *Constraints*
 - Lack of document management system.
 - Lack of information systems.
 - Lack of operational requirements such as vehicles and equipment.
- *Functional Strategies*
 - Promotion of a sustainable environment in collaboration with other sections
 - Identify environmental issues and communicate information amongst a wide range of stakeholders;
 - Plan, implement, monitor, audit and report within the scope of the integrated environmental management plan.
 - Promote compliance with National Legislation, Standards and other environmental management requirements;
 - Promotion of shared responsibility with regard to sustainable development;
 - Promote public participation, education and empowerment of communities.
 - Commission projects to rehabilitate degraded ecosystems
 - Promote optimal management of municipal reserves and protected spaces;
 - Promote effective control of invasive alien species threatening natural biodiversity.
- Major achievements
 - Good overall performance of the section
 - The total staff complement is now 19, including 11 in the Hermanus Baboon Monitor Project.
 - Hermanus Baboon Management Project one of the best in the country.
 - Klein River Estuary Forum (KREF) established. The post of Estuary Manager has been established in KREF and filled (Sue Matthew) with funding from CAPE.
 - Good relations maintained with stakeholders.
- Working for Water (WfW)
 - The DWA WfW project was moved to this section on 1 July 2009.
 - Job creation: this project created 58 full time job opportunities for the year (13 726 person days + 3 office staff).
 - R2 334 497 was paid out to local alien clearing teams.
 - Financial performance:

Original Budget	R	2,951,875
Income	R	3,474,034
Expenditure	R	2,777,588
Surplus	R	696,447
2010/11 budget	R	3,993,673

GEOGRAPHIC INFORMATION SYSTEM - GIS

- Major achievements
 - One additional GIS technician employed. Total staff consists of a part time manager and two full time GIS technicians.
 - ArcGIS Server (including SDE and IMS) installed.
 - Data migrated to SQL Server 2008 Express.
 - Data being served on intranet to selected users.
 - Data sets being expanded and maintained all the time, for example we now have the 2007 Landsat satellite data for our whole area.
 - Although this is a small section, we are slowly developing it into a state of the art GIS department.

WASTE MANAGEMENT PLANNING

- *Main priorities*
 - Refuse removal, recycling and disposal on landfill site
- *Constraints*
 - Gansbaai and Stanford disposal facilities inadequate
- *Functional strategies*
 - Develop Integrated Waste Management Strategy
 - Implement bulk service planning
 - Solid Waste project implementation
 - Ensure permit compliance
 - Ensure Waste minimisation
 - Development of alternative mechanisms/conventional methods
 - Development of rehabilitation sites
- Major achievements
 - Compilation of an Integrated Waste Management Plan.

	RECYCLING FIGURES PER TON	
	2008/2009	2009/2010
PAPER	228,499	188,503
GLASS	321,100	300,586
CARTON	78,345	83,728
TINS	36,163	29,481
PLASTIC	162,281	109,474

4.5 COMMUNITY SERVICES

The Directorate of Community Services consists of the following departments:

Area Management in the four decentralised administrations
 Operational Management in the four decentralised administrations
 Housing and Community Development
 Corporate Projects

MANAGEMENT OF STAFF

The level of employment in the directorate, consisting of 690 posts (previous year =694), stood at 94% (previous year = 92%) by 30 June 2010.

Communication / interaction

A number of 8 meetings were held with the management team of the directorate. The purpose of these meetings is mainly:

To collectively resolve service delivery challenges, promote execution of responsibilities in a uniform manner within decentralised administration areas, communicate new strategies and programmes and give necessary report backs, and to evaluate various tasks.

Training

A number of 192 training opportunity were attended by permanent personnel members. The courses included Anti Corruption/Fraud, High Angle 1, Registry Clerk Course, Major Incident Medical Management System, Hazchem, First Aid Level 3, Building Regulations, Lifting Tackle Inspection Workshop, Client Service & Telephone Etiquette, Computer Course, Control Room Course, Pavement Maintenance & Rehabilitation, Chainsaw Training, IMQS Workshop, Excel & Microsoft Word Training, Waste Disposal Facilities, Hazmet Awareness, Paraffien Safety Measures, Waste Water Treatment, Venus Workshop, Water Treatment, Tractor Driver Training, Beginners Computer Training, IMQS Roads Module Training,

Disciplinary action

The following disciplinary action was taken against employees within the directorate, namely:

SANCTION	TOTAL	%PY
Warnings	37	195
Demotions	1	33
Suspensions	6	200
Dismissals	7	43

Overtime-management

The management of overtime for operational personnel was implemented in the EMIS system in June 2010.

AREA MANAGEMENT responsible for -

- Community Consultation & Participation
- Libraries
- Caravan Parks
- Boat Launch facilities
- Area administration
- Venue management
- Cemeteries

The main function of this service area is to ensure the provision of services to the various towns and communities in the Overstrand area in an integrated sustainable manner. Another key focus area is to promote democratic and accountable governance via the functioning of the ward committees.

The functional strategies of this service include:

- Ensuring administrative support services on a decentralised basis
- Ensuring a customer care in decentralised areas
- Facilitating the public participation process
- Provision of library services
- Provision of cemetery services
- Ensuring the extension, upgrading and maintenance of infrastructure
- Management of caravan parks
- Management of incoming mail in decentralized areas
- Management of sport infrastructure
- Facilitation of community development by promoting social upliftment, tourism and local economic development
- Management of staff and utilisation of operational budgets

Constraints

- Shortage in available land for cemetery space
- Continuous vandalism of community facilities
- Upkeeping/maintenance of common playing surfaces for various sporting activities and provision of specialised playing infrastructure/equipment

COMMUNITY CONSULTATION & PARTICIPATION

A number of 8 ward committee (WC) meetings were scheduled per ward committee per Council's monthly meeting cycle on the annual roster, with timeous distribution of agendas. The average attendance over the financial year was 7 members per committee.

The municipal policy regarding the Ward Committee system was timely reviewed by May 2010 by Council.

LIBRARIES

Five temporary personnel members were appointed on one year contracts by July 2008 (Gansbaai = 2, Stanford = 1, Hermanus = 1, Zwelihle = 1). One person resigned at Gansbaai and was replaced during the third quarter. Literacy campaigns mainly occurred during library week in the months of May and June 2009. The library grant for the 2008/09 financial year to the amount R505, 000.00 was 100% spent on employment of contract personnel, maintenance work on buildings, equipment and literacy programmes. A business plan for the 2009/10 Government grant to the amount of R556,000,00 was submitted by 24 February 2009 as per request by the Provincial Department.

LIBRARIES: MEMBERSHIP & BOOK CIRCULATION

HERMANUS					HAWSTON				MOUNT PLEASANT				ZWELIHLE			
2008/9	Adults	Child	Total	Circulation	Adults	Child	Total	Circulation	Adults	Child	Total	Circulation	Adults	Child	Total	Circulation
Jul 2008	7150	654	7804	24418	1610	1667	3277	5060	694	805	1499	5536	450	1126	1576	3443
Aug 2008	7141	655	7796	22322	788	983	1771	4950	705	828	1533	5225	452	1128	1580	3152
Sep 2008	7145	655	7800	21983	821	984	1805	4692	715	833	1548	5113	456	1129	1585	3074
Okt 2008	7110	651	7761	23171	830	995	1825	4292	720	839	1559	5602	456	1129	1585	2165
Nov 2008	7109	659	7768	20459	849	1001	1850	3428	725	847	1572	4628	456	1129	1585	2068
Des 2008	7130	547	7677	20239	854	1007	1861	2280	727	800	1527	3844	456	1129	1585	1193
Jan 2009	7128	551	7679	20692	866	1021	1887	3042	733	809	1542	3976	460	1146	1606	2277
Feb 2009	7156	567	7723	20810	894	1057	1951	4069	742	821	1563	5002	466	1146	1612	2491
Mrt 2009	7170	574	7744	21430	909	1084	1993	4547	760	831	1591	5347	466	1146	1612	2630
Apr 2009	7181	581	7762	21585	917	1101	2018	4221	766	839	1605	5247	473	1146	1619	2779
Mei 2009	7189	592	7781	21233	947	1113	2060	4811	777	905	1682	5716	481	1163	1644	2854
Jun 2009	7208	602	7810	23939	973	1130	2103	4734	792	915	1707	6051	484	1166	1650	2522
HERMANUS					HAWSTON				MOUNT PLEASANT				ZWELIHLE			
2009/10	Adults	Child	Total	Circulation	Adults	Child	Total	Circulation	Adults	Child	Total	Circulation	Adults	Child	Total	Circulation
Jul 2009	7221	612	7833	25045	1002	1147	2149	4933	800	939	1739	6155	486	1167	1653	3193
Aug 2009	7195	609	7804	23987	1017	1159	2176	5137	804	958	1762	5817	486	1207	1693	2887
Sep 2009	7170	619	7789	23172	1038	1178	2216	4619	810	964	1774	5853	493	1304	1797	3138
Okt 2009	7199	626	7825	22617	1056	1236	2292	6085	817	970	1787	6081	493	1329	1822	3107
Nov 2009	7168	623	7791	22566	1062	1247	2309	4891	822	979	1801	5420	494	1341	1835	3488
Des 2009	7184	625	7809	21871	1066	1247	2313	2559	824	982	1806	4718	494	1343	1837	1928
Jan 2010	7196	640	7836	21309	1085	1275	2360	3562	829	987	1816	5012	501	1353	1854	3449
Feb 2010	7207	647	7854	21657	1105	1292	2397	4627	840	995	1835	5217	503	1357	1860	3040
Mrt 2010	7070	647	7717	25536	1128	1312	2440	4636	847	1007	1854	6020	511	1384	1895	4033
Apr 2010	7050	658	7708	21816	1144	1332	2476	4309	852	1013	1865	5745	514	1400	1914	3860
Mei 2010	7071	665	7736	22054	1166	1355	2521	4781	854	1024	1878	5936	520	1410	1930	3614
Jun 2010	7098	669	7767	22955	1180	1365	2545	3456	859	1039	1898	5033	524	1518	2042	3484

CARAVAN PARKS

Daily management and monitoring of bookings, maintenance, contracts and financial matters fall within the responsibility of the Area Managers. Overall good performances at caravan parks were received per reports from Area Managers.

BOAT LAUNCH FACILITIES

Effective management and monitoring of the launching facilities, facilitation of safety, revenue base, financial management and monitoring of safe use. Performance according to KPI at Kleinbaai. A number of 6568 boats were launched with an income in the amount of R376,790,00. No incidents occurred.

CORPORATE PROJECTS responsible for –

- Local Labour Promotion Project
- Vehicle Fleet
- Control Room
- Sport and Recreation

CONTROL ROOM

A summary of the performance regarding the daily capturing of all attainable requests/complaints from public on EMIS and execution at a rate of at least 90% generated work (except disasters) within 24 hours, is listed in the table below.

Number of cases receipt	% completed	Number of bulk SMS messages	Number of individual sms	Budget spend
6508	100	116	546,537	R149,532,52

FLEET MANAGEMENT

Verification of individual drivers' licences take place upon the issuing of Petrocards of each vehicle. Quarterly inspections of all motorised vehicles (263 in total) and 55 trailers took place. Number of 302 drivers attended a number of four informative workshops regarding the fleet management. Daily monitoring of 221 vehicles fitted with Netstar tracking systems took place. Spending of the operational budgets is specified in table below:

ADMIN	FUEL				MAINTENANCE	
	BUDGET	EXPENDITURE	%SPEND	BUDGET	EXPENDITURE	%SPEND
GANSBAAI	R 1,841,670.00	R 1,417,051.38	76,94%	R 1,494,460.00	R 915,660.12	61,27%
HERMANUS	R 3,106,060.00	R 2,854,735.25	91,91%	R 3,304,190.00	R 2,099,711.89	63,55%
KLEINMOND	R 1,883,960.00	R 1,774,872.97	94,21%	R 2,135,820.00	R 1,161,466.46	54,38%
STANFORD	R 330,490.00	R 216,714.75	65,57%	R 260,170.00	R 140,702.96	54,08%
GRAND TOTAL	R 7,162,180.00	R 6,263,374.35	87,45%	R 7,194,640.00	R 4,317,541.43	60,01%

LOCAL LABOUR PROMOTION PROGRAMME (LLPP)

A project manager and two project leaders were contracted to manage the projects. The number of projects, employees, reduction of outstanding municipal services debt is reflected in table below:

NO OF PROJECTS		ACTUAL SPENDING		CONTRIBUTION TO DEBTOR'S ACCOUNTS		NUMBER OF EMPLOYMENT OPPORTUNITIES	
TOTAL	%PY	AMOUNT		AMOUNT	%PY	TOTAL	%PY
25	109	R3,763,295.84	123	118,623.00	80	244	99

Note: The percentage previous year with regard to contribution to debtor's accounts is mainly due to the fact that contractors and specialised skills may be appointed without outstanding services accounts. The last mentioned however positively influenced the quality of work.

SPORT & RECREATION

The main purpose for the sport and recreation department is to promote sport and recreation to contribute towards the reconciliation and development of the Overstrand community through the provision of equitable, accessible and affordable facilities, programs and services.

Producing of sports policies that are accommodative and suitable for the community of Overstrand and the promotion of a healthy lifestyle and to develop sport programs by ensuring participation and development of talent and proper administration of sport.

Our main focus currently is:

- Education and Training
- Establishment of Sports Structures
- Holiday programs
- Facility maintenance
- Establishment of policies
- Building relationships between the 3 spheres of government

Lotto Application for the development of sport infrastructure. An application was submitted during June 2009 to the amount of R4,150,500.00. An amount of R1,000,000.00 was awarded in the meantime to Overstrand municipality.

OPERATIONAL MANAGEMENT responsible for –

- Engineering Management Information System (EMIS)
- Water Services
- Solid Waste
- Roads and Stormwater

ENGINEERING MANAGEMENT INFORMATION SYSTEM (EMIS)

Requests and response to reported disruption, maintenance (including routine work) are recorded in the mentioned system. In terms of the SDBIP the key performance indicators for dealing with works orders in the mentioned electronic system are that *at least 90% completion of works orders (including routine maintenance) within 30 days*. The information in table below is for the following services rendered by Community Services, namely, sewer & tankers, roads, solid

waste, parks and buildings. All administrations exceeded 90% performance. The excellent performance is also contributed by the appointment of a system administrator who monitors the capturing of data and also provides assistance on a daily basis.

EMIS : CUMULATIVE STATISTICS				
2009/10			2009/08	
WORKS ORDERS	% COMPLETED	%PY (number completed)	WORKS ORDERS	% COMPLETED
50792	99.5	116	43548	99.5

PLANTMAN PROJECT

An electronic system (known as PLANTMAN) that will be used to pro-actively maintain and manage infrastructure are currently implemented. The information of most of the targeted (example water assets) assets is loaded into the system. A tender document for the appointment of contractors has been compiled and will be advertised during September 2010.

EVALUATION OF SERVICE PROVIDERS

A template was developed to evaluate the performance of service providers on a monthly basis with regard to formal and informal tenders by the relevant project managers. A stamp was furthermore developed to evaluate service providers with regard to quotations (below R30,000,00). It was implemented in the directorate from 1 June 2010 on a trial basis and is to be formally implemented from 1 July 2010.

WATER SERVICES

Business plan and consumer charter were developed for Water Services Provider.

HOUSING SERVICES

- *Main priority*
 - To facilitate and maintain sustainable low cost and affordable housing development in the Overstrand and to develop an enabling environment for social housing opportunities.
 - Promote the provision of certain basic social/community amenities and economic facilities within existing and new housing areas as well as within informal settlements.
- *Constraints*
 - Growing backlog of housing units
 - Growing informal settlements
 - Limited basic services in informal settlements
 - Limited availability of suitable land for housing and cost thereof
 - Cost of infrastructure
- *Functional strategies*
 - Development of an integrated plan and housing policy
 - Management of informal settlements via an electronic data base
 - Management of housing capital projects
 - Management of approved 5 year housing plan (See Annexure B)
 - Applications to Province for housing projects in view of completed land audit

- Facilitate the establishment of comprehensive amenities
- Management of rental stock
- Management of housing administration
- Accreditation of Municipality

The Stanford low cost housing project, consisting of 88 units, was completed during the financial year. The housing administration captured and scanned the waiting list information of the total number of 10, 026 applicants for Overstrand June 2010 in the newly developed electronic waiting list. A list of 452 potential beneficiaries for the low cost housing project (410 units) at Kleinmond with the highest need for housing was submitted to Council by November 2009. The additional 42 names are possible replacements in the event of non-participation by applicants or disapproval by the Provincial Housing Department, if individuals do not qualify for low cost housing in terms of national criteria.

A new service provider for informal settlement management in Overstrand was appointed on 1 June 2010 for a period of three years. A survey was done (March 2010) on the number of informal housing units in the Overstrand. A conveyancing clerk was appointed (11 August 2009) to mainly support the project regarding second generation low cost transfers and to manage the initial transfers of low cost housing units to rightful owners.

A number of 63 training sessions regarding Housing Consumer Education were conducted in the Overstrand.

FINANCIAL MANAGEMENT

A summary on the report for the operational spending of the directorate appear in the table below. The management information for the directorate, regarding progress spending on the operational budget was developed in conjunction with the Finance directorate.

2009/10		2008/09	
BUDG ETED A MO UNT (A MENDED)	%SPENDING (C UMULA TIVE)	BUDG ETED A MO UNT (A MENDED)	% SPENDING (C UMULA TIVE)
R 158,411,315,00	97,40	R99,329,226,00	114

4.6 PROTECTION SERVICES

As practitioners, working in the environment of public safety, we are very well aware of our difficulties when performing our duties. There is no disguising the facts that we face some daunting tasks within the ambit of public safety.

The public safety of our citizens in the Overstrand has been given high priority on our agenda. We don't need to emphasise the untold suffering and trauma within our communities caused by lawlessness. We cannot erase that which is ugly and repulsive and claim the happiness that comes with freedom if our communities live in fear, closeted behind walls and barbed wire, ever anxious in their houses on the streets and on our roads, unable to freely enjoy our public spaces.

The Directorate of Protection Services consists of the following departments:

- Traffic Services responsible for -
Enforcement of road traffic legislation
- Law Enforcement and Security Services responsible for -
Enforcement of by-laws, regulations and other relevant legislation
- Fire and Disaster Management responsible for -
Enforcement of fire and emergency legislation

MANAGEMENT OF STAFF

The staff establishment of this Directorate comprises of 59 members of which 12 perform functions of an administrative nature. The above figure includes qualified, uniformed members from the mentioned lines of discipline.

Transformation in particular and service delivery in general, needed serious remedial interventions. This was partly addressed with the approval of a new structure by the Municipal Manager (and considering inputs from the LLF on 9 March 2009) and filling of critical vacancies. 13 Command and control positions will be filled from 1 July 2009. In addition to this four administrative positions were identified in order to render an effective and efficient administrative service. These positions, as well as other positions that became vacant, will be advertised and filled in September 2009.

TRAFFIC & LICENSING

- *Main priority*
 - To plan and execute a sustainable programme of road traffic and by-law enforcement.
- *Functional strategies*
 - Enforcement of relevant legislation and municipal regulations
 - Improve public awareness of road safety
 - Ensure high payment levels of penalties
 - Management of Traffic and Law Enforcement resources
 - Provision of effective card license process
 - Update and formalize by-laws
 - Investigate an integrated law-enforcement system

➤ Implementation of security services at strategic points

Along with the Provincial Road Traffic Authorities we exercise joint responsibility for law enforcement and road safety initiatives in our area and the level of co-operation amongst the staff is excellent.

During the period 1 July 2009 – 30 June 2010 the following statistics wrt to Traffic Services were recorded:

LICENSING		
	2009/10	2008/09
Roadworthy applications	1 571	2942
Roadworthy certificates issued	2 851	2668
Learner's Lisence applications	3 152	2816
Learner's Lisence issued	2 215	1528
Driver's Lisence applications	1 671	1480
Driver's Lisence converted and issued	6 039	6193
Professional Driver's Permits issued	853	745

O P E R A T I O N A L

O F F E N C E S	2009/2010	2008/2009 (Dec 2008 – Jun 2009)
UNLICENSED MOTOR VEHICLE	3 337	1333
UNLICENSES DRIVERS	2 003	979
UNROADWORTHY	134	69
STOP SIGNS	254	134
RED ROBOTS	26	29
SAFETY BELLS	116	98
BRAKES	39	55
NUMBER PLATES	350	240
TYRES	284	75
DRUNKEN DRIVING	47	15
OTHER OFFENCES	2 454	858
ARRESTS	53	25
DEFECTIVE LIGHTS	307	248
SUSPENDED VEHICLES	138	34
FRAUDULENT DOCUMENTS	12	5
PARKING OFFENCES	1 342	585
OIL LEAKS	8	3
TAXI RELATED OFFENCES		
ROAD TRANSPORT PERMIT	163	52
OPERATORS CERTIFICATES	61	18
OVERLOADING	40	14
TOTAL CASES	11197	4869
SPEEDING CASES	6744	10886
ACCIDENTS & MINOR INCIDENTS	263	113

FINANCIAL MANAGEMENT

A summary on the report for the financial management for the department is as follows:

		2009/2010		2008/2009	
		BUDGET	ACTUALS	BUDGET	ACTUALS
1010070221	COURT FINES	R3 000 000	R2 372 909	R4 600 000	R3 191 371.16
1010070241	PARKING FEES	R120 000	R145 789.48	R300 000	R114 874.76
1010070259	ROADWORTHY CERTIFICATES	R360 000	R405 426.54	R360 000	R424 559.99
1010070288	SUNDRY INCOME	R150 000	R178 615.06	R150 000	R159 211.67
1010070291	TEMPORARY & SPECIAL PERMITS (VEHICLE REGISTRATION)	R50 000	R51 043.01	R48 000	R51 206.42
1010070296	AGENCY FEES	R1 720 000	R1 820 101.44	R1 747 000	R1 946 573.19
1010070302	POUND FEES	R20 000	R8 026.33	R14 000	R12 934.98
1010070347	DRIVERS LICENCES	R1 230 000	R1 088 819.31	R1 100 000	R1 185 129.40

LAW ENFORCEMENT

MANAGEMENT OF LAW ENFORCEMENT & SECURITY SERVICES

The primary function of this service is to concentrate upon municipal compliances within the communities, yet also handsomely contributed towards the containment of criminality within their areas of jurisdiction. Private security firms are deployed to protect council assets. This service also share and develop best practices for effective municipal policing methods and management.

A zero tolerance crusade, in order to address petty crimes in the diminishment of crime in Overstrand and to make the streets safer was introduced. The following statistics reflect the improvement in by-law enforcement activities:

Specialized investigations		
	2008/2009	2009/2010
COMPLAINTS	ATTENDED	ATTENDED
Warrants of Arrest	403	870
Scheme Regulations	304	378
Buildings	212	392
Internal Investigations	14	75
Special Investigations	22	18
Business Licenses	74	28
TOTAL	838	1871

GENERAL LAW ENFORCEMENT ACTIVITIES (started splitting capturing as from July 2009)

	2009/2010
COMPLAINTS	ATTENDED
Investigations	2058
Plot Clearing	947
Cats & Dogs	758
Illegal dumping/Litter	169
Collect/deliver documents	76
Building control/Contravention	53
Insurance claims	48
Illegal business	41
Unlawful estate agent boards	33
Unlawful advertising boards	31
Others	59
TOTAL	4273

FIRE AND DISASTER MANAGEMENT

- *Main priority*
 - Provision of an adequate Fire Protection Service, Two-way radio communications system and Disaster Management System
- *Functional strategies Fire Services*
 - Integrated risk profile and fire management plan of area of jurisdiction.
 - Improving of weight and speed of response
 - Improve of call receipt and processing requirements
 - Provision of vehicle and equipment availability and maintenance programme (Replacement and upgrading)
 - Improving of incident management procedures (Internal and external roll players)
 - Expand pre-fire planning and risk visits
 - Expand fire safety functions
 - Expand full-time staffing levels
 - Improvement of staff training levels

Functional strategies Disaster Management

- Integrated risk profile and disaster management plan of area of jurisdiction.
- Effective and efficient disaster response mechanism
- Management of a disaster
- Contingency Planning

It is accepted that all citizens are vulnerable to the impacts of fire and disasters. This vulnerability increases exponentially for the geographically isolated rural poor, already engaged in a daily struggle to meet the most basic of human needs. This service strives to manage to challenges

pro-active disasters and effectively respond to the eventualities which will inevitably occur in our working environments and areas of jurisdiction. The following number of cases attended to can be used to determine the effectiveness of the service.

	2009/2010	2008/09	2007/08
INCIDENTS			
VELD AND BUSH FIRES	224	146	157
RESIDENTIAL FIRES	20	30	28
INFORMAL DWELLINGS	46	44	40
COMMERCIAL FIRES	3	3	7
VEHICLE FIRES	28	6	10
REFUSE & GRASS FIRES	64	59	62
MVA	78	74	76
RESCUES	18	8	4
OTHER FIRES	48	36	2
VELD FIRES LARGE	42	37	0
SPECIAL SERVICES	86	112	116
LIQUID AND GAS FIRES	0	0	0
HAZMAT	10	0	0
False alarms/Good intent	62	24	
TO TAL	665	555	503

TRAINING	DATE	NO
Formal Courses		
B.A. Compressor Course	19 June 2009	2 members
High Angle 1 (5 days)	20 July 2009	6 members
High Angle 1 (5 days)	27 July 2009	7 members
MIMMS 1 (1 day))	27 September 2009	15 members
Control Room Training (5 days)	09 March 2010	12 members
Hazmat Awareness (5 days)	15 March 2010	12 members
First Aid (5 days)	13 October 2009	11 members
B.A. Compressor Course (5 days)	16 June 2010	3 members
Grey Power		
Fire Team Training (3 days)	3 May 210	6 members
Fire Team Training (3 days)	10 May 2010	8 members
Fire Team Training (3 days)	17 May 2010	9 members
Fire Team Training (3 days)	24 May 2010	9 members
Fire Team Training (3 days)	31 May 2010	7 members
Fire Team Training (3 days)	7 June 2010	5 members
Fire Team Training (3 days)	14 June 2010	5 members
Fire Team Training (3 days)	21 June 2010	4 members

PLOT CLEARING

Plot Clearing remains a challenge and new strategies are constantly looked at in order to improve this service in conjunction with the area administration offices. Statistics below are for the period July 2009 – June 2010

PLOT CLEARING	NOTICES ISSUED	INSPECTIONS
January		
February	19	
March	13	61
April	2	54
May		81
June		50
July		11
August		
September		
October	13	17
November	376	376
December	24	
TOTAL	447	650

4.7 LOCAL ECONOMIC DEVELOPMENT

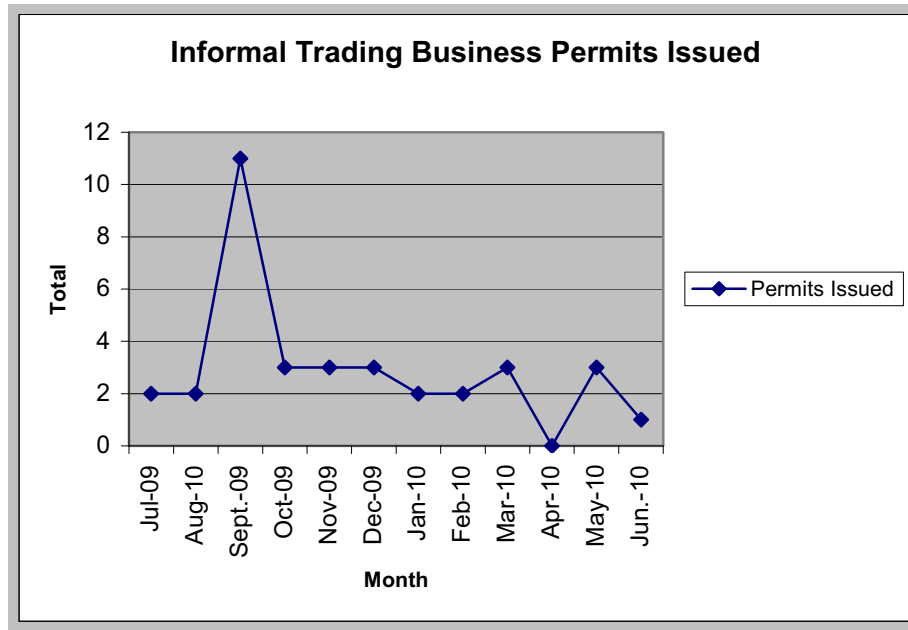
This directorate is for

- Economic development,
- Rural development and,
- Tourism

LED PROJECTS

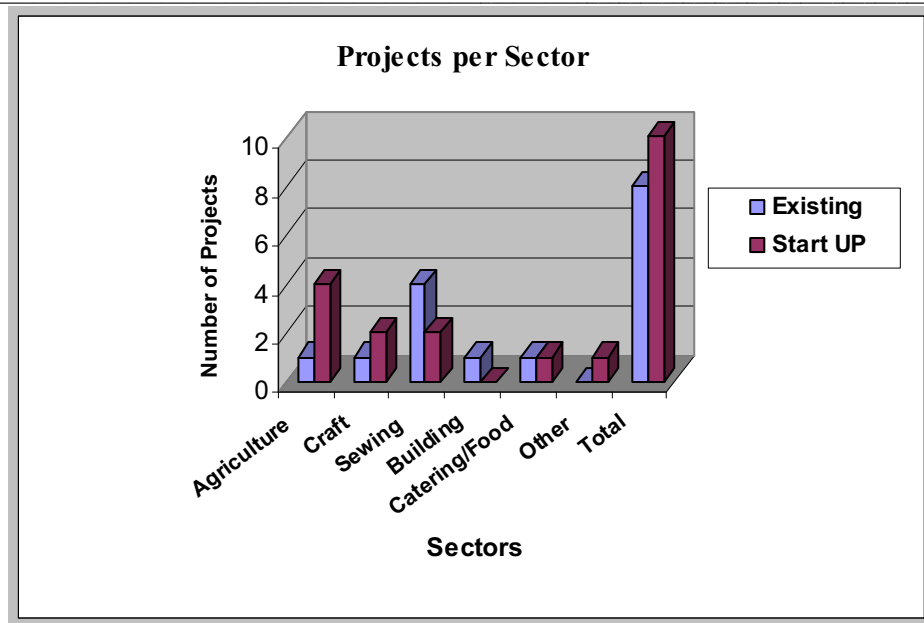
- **Cape Whale Coast Signage** (Provincial Task team on tourism, service provider briefing and tender documents development, development of a marketing plan (approved by Province), gaps identified and process in place to deal with. Status is project delivered.
- **Neighbourhood Development Grant** (Zwelihle Taxi Rank complete with new additions being handled i.e completion of taxi office and ATM, Business plans for Sportsfield and Masakhane approved and funds secured, Thembelihle, Swartdam road and Hawston including Hawston harbour to be finalised for funding), with the following objectives:-
 - **enterprise survey** and needs analysis and spatial mapping,
 - monthly accounting and financial accounting in line,
 - **info booklet** to communicate,
 - assist with **development of opportunities** linked to developments,
 - integration of **trained and mentored** emerging contractors,
 - integration of **local service providers** such as cleaning, mosaics and landscaping.
- **Tourism Barometer** – tool to analyse impact of tourism in the local economy, analyse trends on a constant basis, one-on-one contact and survey with local product owners, local businesses and use of municipal statistics from usage of water and electricity to visits in places of interest.

- Other initiatives include job creation through entrepreneurship:
 - **Business in the Box (4i's)** – this is a project introduced and supported by Bondiblu a spectacle company to build social capital and encouraging participation of older persons in the economy. People are tested for their ability to read and can buy glasses at R30 a pair (very affordable and accessible as it can be delivered direct to the client). The pilot was at an old age home in Zwelihle.
 - **Business training for job creation** and entrepreneurship skills development. The ability to sell a product is critical given the buying power and existing wealth in the area. This training will focus specifically on goal setting and how to turn product into income.

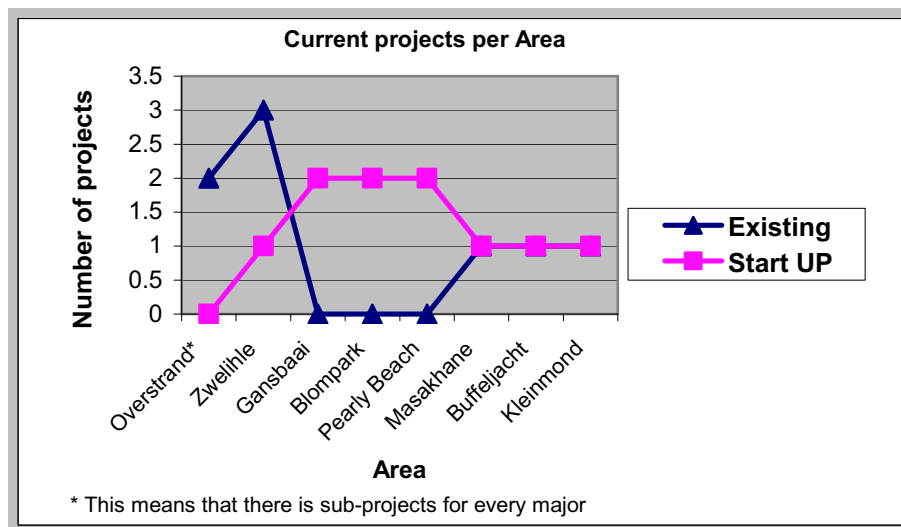


LEVERAGING SUPPORT AND RESOURCES

- **Foster relations between Private sector and local initiatives** i.e. Coca Cola with informal traders, bulk supply and branding, sub-contracting and skill upgrade to improve quality and delivery,
- **Linkages with other spheres of government** – Agriculture for technical and funding support of agricultural projects, Economic development for SMME and emerging contractor development aimed at job creation, Public works for capacity building, funding of mentors and EPWP and support with template for development of tracking tool,



- Shark and Whale industry project support and marketing linkages as community outreach when acquiring licences.
- **Increase in new start ups** – increase outreach and lack of jobs;



SERVICES

- Socio-economic data made available on request,
- Dealing with walk-ins and providing advice on business and project ideas,
- Linkages and networks / negotiate training and funding support,
- Foster relationships between private sector in the first economy and the second economy (i.e. mentorship, sub-contracting and skills upgrade),

CO-OPERATION WITH NON-GOVERNMENT ORGANISATIONS

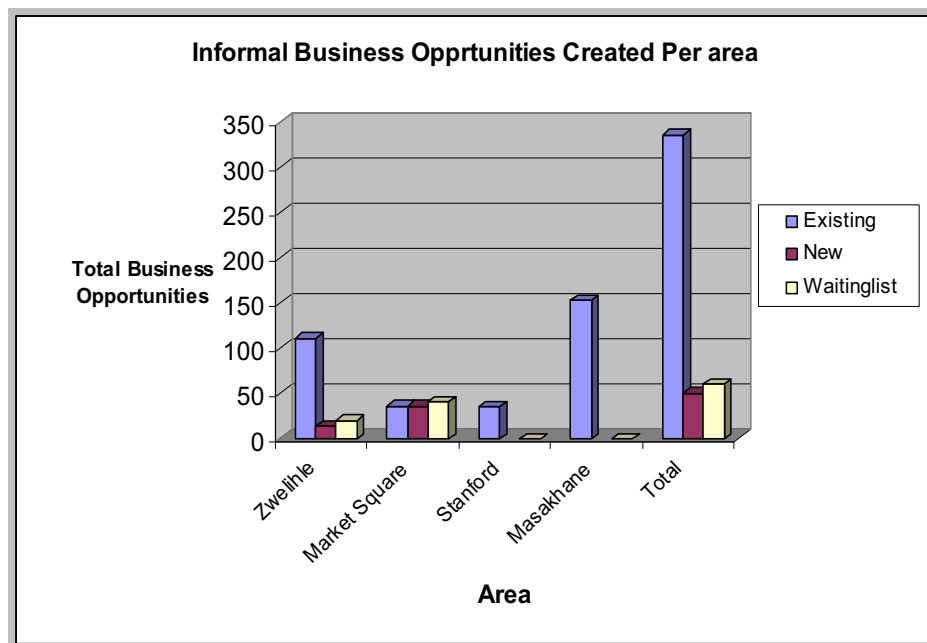
- **O TI / Learn-to-Earn** – skills development, micro finance and youth development,
- **Masifundise** – skills transfer and job creation,
- **O verstrand Enterprise Development Initiatives** – enterprise development support / mentoring,
- **C ape Craft and Design Institute** – crafters initiatives support

TOURISM

- Marketing initiatives support with the DMO;
- Marketing plan development,
- Provincial support both financial and technical,
- Route communication design (print and visual),
- Crafters route design and product development,

SUPPORT FUNDING AND LINKAGES

- Community based initiatives with **60 beneficiaries** for job creation and social capital building – requests are increasing due to need for self-employment, satisfying the needs of the community,
- **Emerging contractor development programme** – draft policy document in place and to be work shopped with all parties (comments and alignment from provincial departments of Public Works and DEDAT),
- **Database of emerging contractors** completed and synchronised with SCM – Tracking system to be shared by the Dept. of Public Works to assess impact of inputs,



ENTERPRISES / INFORMAL TRADING

- The fastest growing sector,
- Effective and contributing to job creation,

- Address developmental needs in community,
- Taking full advantage of new infrastructure, (Market Square there were more than 70 applications, and the Zwelihle CBD more than 40)

2. O LEDA / DMO

- 2.1 **O LEDA** is now integrated into the Municipality with the same mandate of facilitating projects with economic potential. The focus will be aligning efforts and processes to ensure greater impact on project design and implementation
- 2.2 **DMO** – Project based support, linkages with other spheres of government, providing relevant information and support marketing efforts. We are in consultation with the Directors in a process of integrating activities and deliverables of the DMO on quarterly basis and align into the municipal dashboard for audit purposes. A champion need to be in place (CEO) and governance separate to the day to day running (this can avoid conflict of interest and justification of board remuneration).

3. YOUTH ENTERPRISE DESK

- 3.1 Young people trained from Mt Pleasant, Zwelihle, Hawston on business skills, computer training etc. Assisting with setting up a registered Co-operative to access assistance with bicycles from Ben Bike,
- 3.2 The newly established NYDA that took over from Umsobomvu cancelled existing agreements with Municipalities and are mooted a new partnership model with Municipalities for Youth development. Due to lack of funds from the NYDA the Youth Advisory Centre could not be established.
- 3.3 Our office is working on integrating youth based initiatives in partnership with local non-government organisations,

CHAPTER 5

AUDITED STATEMENTS AND RELATED FINANCIAL INFORMATION



Overstrand Municipality
Annual Consolidated Financial Statements
for the year ended June 30, 2010

**OVERSTRAND MUNICIPALITY
ANNUAL CONSOLIDATED FINANCIAL STATEMENTS**

for the year ended 30 June 2010

APPROVAL OF ANNUAL CONSOLIDATED FINANCIAL STATEMENTS

I am responsible for the preparation of these annual consolidated financial statements, which are set out on pages 1 to 70, in terms of Section 126(a) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I verify that the salaries, allowances and benefits of Councillors, loans made to Councillors, if any, and payments made to Councillors for loss of office, if any, as disclosed in the notes of these annual consolidated financial statement are within the upper limits of the framework envisaged in Section 210 of the Constitution, read with the Remuneration of Public Office Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.



W Zylstra
Municipal Manager

08 December 2010

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Index

Index	Page
Statement of Financial Position	154
Statement of Financial Performance	155
Statement of Changes in Net Assets	156 - 157
Cash Flow Statement	158
Accounting Policies	159 - 170
Notes to the Financial Statements	171 - 214
Unaudited Appendixes:	
Appendix A: Schedule of External loans	215
Appendix B: Analysis of Property, Plant and Equipment	216 -217
Appendix C: Segmental analysis of Property, Plant and Equipment	218
Appendix D: Segmental Statement of Financial Performance	219
Appendix E(1): Actual versus Budget (Revenue and Expenditure)	220
Appendix E(2): Actual versus Budget (Acquisition of Property, Plant and Equipment)	221
Appendix F: Disclosure of Grants and Subsidies in terms of the Municipal Finance Management Act	222

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Statement of Financial Position

		Economic Entity		Municipality	
Figures in Rand	Notes	2010	Restated 2009	2010	Restated 2009
Assets					
Current assets					
Inventories	3	4,634,802	4,571,367	4,634,802	4,571,367
Other financial assets	4	10,000,000	-	10,000,000	-
Operating lease asset	5	744,064	754,993	744,064	754,993
Trade and other receivables from exchange transactions	6	30,408,119	42,556,568	30,408,119	42,520,977
Other receivables from non-exchange transactions, including taxes and transfers	7	15,633,554	18,532,823	15,633,554	18,532,823
Consumer debtors	8	35,105,859	36,500,690	35,105,859	36,500,690
Long term receivables	9	31,363	110,099	31,363	110,099
Cash and cash equivalents	10	19,623,308	14,558,288	19,623,308	11,859,898
		116,181,069	117,584,828	116,181,069	114,850,847
Non-current assets					
Investment property	11	66,837,900	47,341,200	66,837,900	47,341,200
Property, plant and equipment	12	2,912,643,273	2,899,272,151	2,912,643,273	2,899,159,921
Intangible assets	13	2,577,277	2,363,581	2,577,277	2,360,000
Other financial assets	4	2,631,821	8,875,521	2,631,821	8,875,521
Long term receivables	9	173,993	311,407	173,993	311,407
		2,984,864,264	2,958,163,860	2,984,864,264	2,958,048,049
Non-current assets held for sale	14	19,298,638	18,851,000	19,298,638	18,851,000
Total Assets		3,120,343,971	3,094,599,688	3,120,343,971	3,091,749,896
Liabilities					
Current liabilities					
Other financial liabilities	15	9,265,081	23,092,373	9,265,081	23,092,373
Trade and other payables from exchange transactions	16	73,540,770	98,801,201	73,540,770	98,698,442
Consumer deposits	17	13,893,478	11,379,540	13,893,478	11,379,540
Retirement benefit obligation	18	1,759,872	1,064,897	1,759,872	1,064,897
Unspent conditional grants and receipts	19	1,778,016	5,394,370	1,922,016	2,894,370
Provisions	20	4,491,632	1,952,424	4,491,632	1,952,424
Deferred lease liability		-	1,839	-	-
		104,728,849	141,686,644	104,872,849	139,082,046
Non-current liabilities					
Other financial liabilities	15	171,488,108	103,132,935	171,488,108	103,132,935
Retirement benefit obligation	18	54,827,128	52,453,742	54,827,128	52,453,742
Provisions	20	25,917,467	24,700,581	25,917,467	24,700,581
		252,232,703	180,287,258	252,232,703	180,287,258
Total Liabilities		356,961,552	321,973,902	357,105,552	319,369,304
Net Assets		2,763,382,419	2,772,625,786	2,763,238,419	2,772,380,592
Nett assets					
Revaluation reserve		315,176,077	315,176,077	315,176,077	315,176,077
Housing development fund	50	1,918,403	3,328,676	1,918,403	3,328,676
Accumulated surplus		2,446,287,939	2,454,121,033	2,446,143,939	2,453,875,839
		2,763,382,419	2,772,625,786	2,763,238,419	2,772,380,592

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Statement of Financial Performance

Figures in Rand	Notes	Economic Entity		Municipality	
		2010	Restated 2009	2010	Restated 2009
Revenue					
Property rates	21	121,922,911	116,200,501	121,922,911	116,200,501
Service charges	22	292,633,636	230,908,179	292,633,636	230,908,179
Property rates - penalties		827,811	836,157	827,811	836,157
Rental income		5,842,353	5,089,324	5,842,353	5,089,324
Public contributions		8,467,834	1,624,455	8,467,834	1,624,455
Fines		2,528,628	3,511,569	2,528,628	3,511,569
Licences and permits		1,410,817	1,600,346	1,410,817	1,600,346
Government grants	23	59,152,174	44,768,757	56,652,174	44,098,257
Other income	24	22,429,078	18,528,970	23,444,737	18,524,050
Interest received	25	5,043,733	5,907,832	4,956,885	5,753,469
Total Revenue		520,258,975	428,976,090	518,687,786	428,146,307
Expenditure					
Employee costs	26	(157,863,189)	(124,310,935)	(156,843,819)	(123,649,487)
Remuneration of councillors	27	(4,529,711)	(4,270,505)	(4,529,711)	(4,270,505)
Depreciation and amortisation	28	(101,176,882)	(34,157,863)	(101,142,706)	(34,145,424)
Impairment		(117,000)	-	(117,000)	-
Finance costs	29	(19,294,616)	(7,526,953)	(19,294,616)	(7,526,953)
Debt impairment	30	(9,507,272)	(4,964,544)	(9,507,272)	(4,964,544)
Repairs and maintenance		(48,928,673)	(42,151,735)	(48,925,451)	(42,151,209)
Bulk purchases	31	(78,005,898)	(59,353,373)	(78,005,898)	(59,353,373)
Contracted services	32	(14,461,156)	(11,745,950)	(14,461,156)	(11,745,950)
Grants and subsidies	33	(11,817,760)	(9,308,485)	(11,817,760)	(9,308,485)
General expenses	34	(111,442,651)	(100,611,579)	(110,827,156)	(100,701,283)
Total Expenditure		(557,144,808)	(398,401,922)	(555,472,545)	(397,817,213)
Loss on sale of assets		7,046,456	(331,290)	7,046,456	(331,290)
Fair value adjustment		19,857,210	-	19,857,210	-
(Deficit)/Surplus for the year		(9,982,167)	30,242,878	(9,881,093)	29,997,804

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Statement of Change in Net Assets

Figures in Rand	Revaluation reserve	Housing development fund	Total reserves	Accumulated surplus	Total net assets
Economic Entity					
Opening balance previously reported	-	3,317,403	3,317,403	422,745,979	426,063,382
Adjustments:					
Prior year adjustments	-	-	-	9,087,143	9,087,143
Restated balance at July 1, 2008	-	3,317,403	3,317,403	431,833,122	435,150,525
Changes in net assets:					
Surplus for the year	-	-	-	30,242,878	30,242,878
Prior year error - unbundling of assets	-	-	-	1,942,906,937	1,942,906,937
Change in accounting policy - recognition of Investment property	-	-	-	47,341,200	47,341,200
Change in accounting policy - recognition of Non-current assets held for sale	-	-	-	18,851,000	18,851,000
Landfill sites Rehabilitation adjustment	-	-	-	(11,515,780)	(11,515,780)
Post retirement benefit adjustments	-	-	-	(7,366,234)	(7,366,234)
Cleaning up illegal dumping adjustment	-	-	-	1,915,999	1,915,999
Movement in self insurance fund	-	-	-	(78,465)	(78,465)
Transfer to housing development fund	-	11,273	11,273	(11,273)	-
Revaluation on land	315,176,077	-	315,176,077	-	315,176,077
Accounting errors	-	-	-	1,529	1,529
Total changes	315,176,077	11,273	315,187,350	2,022,287,791	2,337,475,141
Opening balance previously reported	265,574,077	3,328,676	268,902,753	2,355,437,157	2,624,339,910
Adjustments:					
Prior year adjustments	49,602,000	-	49,602,000	98,683,876	148,285,876
Restated balance at July 1, 2009	315,176,077	3,328,676	318,504,753	2,454,121,033	2,772,625,786
Surplus for the year	-	-	-	(9,982,167)	(9,982,167)
Transfer to housing development fund	-	(1,410,273)	(1,410,273)	1,419,540	9,267
Movement in self insurance fund	-	-	-	729,653	729,653
Total changes	-	(1,410,273)	(1,410,273)	(7,832,974)	(9,243,247)
Balance at 01/07/2010	315,176,077	1,918,403	317,094,480	2,446,287,939	2,763,382,419

50

Note(s)

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Statement of Change in Net Assets (continued)

Figures in Rand	Revaluation reserve	Housing development fund	Total reserves	Accumulated surplus	Total net assets
Municipality					
Opening balance previously reported	-	3,317,403	3,317,403	422,745,979	426,063,382
Adjustments:					
Prior year adjustments	-	-	-	9,087,143	9,087,143
Restated balance at July 1, 2008	-	3,317,403	3,317,403	431,833,122	435,150,525
Changes in net assets:					
Surplus for the year	-	-	-	29,997,804	29,997,804
Prior year error - unbundling of assets	-	-	-	1,942,906,937	1,942,906,937
Change in accounting policy - recognition of Investment property	-	-	-	47,341,200	47,341,200
Change in accounting policy - recognition of Non-current assets held for sale	-	-	-	18,851,000	18,851,000
Landfill sites Rehabilitation adjustment	-	-	-	(11,515,780)	(11,515,780)
Post retirement benefit adjustments	-	-	-	(7,366,234)	(7,366,234)
Cleaning up illegal dumping adjustment	-	-	-	1,915,999	1,915,999
Movement in self insurance fund	-	-	-	(78,465)	(78,465)
Transfer to housing development fund	-	11,273	11,273	(11,273)	-
Revaluation on land	315,176,077	-	315,176,077	-	315,176,077
Accounting errors	-	-	-	1,529	1,529
Total changes	315,176,077	11,273	315,187,350	2,022,042,717	2,337,230,067
Opening balance previously reported	265,574,077	3,328,676	268,902,753	2,355,131,237	2,624,033,990
Adjustments:					
Prior year adjustments	49,602,000	-	49,602,000	98,744,602	148,346,602
Restated balance at July 1, 2009	315,176,077	3,328,676	318,504,753	2,453,875,839	2,772,380,592
Changes in net assets:					
Surplus for the year	-	-	-	(9,881,093)	(9,881,093)
Transfer to housing development fund	-	(1,410,273)	(1,410,273)	1,419,540	9,267
Movement in self insurance fund	-	-	-	729,653	729,653
Total changes	-	(1,410,273)	(1,410,273)	(7,731,900)	(9,142,173)
Balance at June 30, 2010	315,176,077	1,918,403	317,094,480	2,446,143,939	2,763,238,419

Note(s) 50

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Cash Flow Statement

Figures in Rand	Notes	Economic Entity		Municipality	
		2010	2009	2010	2009
Cash flows from operating activities					
Receipts					
- Taxation		121,922,911	116,200,501	121,922,911	116,200,501
- Sales of goods and services		294,028,467	221,015,936	294,028,467	221,015,936
- Grants		55,679,820	33,090,460	55,679,820	29,919,960
- Other receipts		56,675,268	6,141,456	57,655,336	6,172,127
Payments					
- Employee costs		(154,938,828)	(125,741,165)	(153,775,458)	(125,079,717)
- Suppliers		(78,005,898)	(59,353,373)	(78,005,898)	(59,353,373)
- Other payments		(222,249,495)	(159,825,582)	(221,533,519)	(160,017,519)
Cash generated from operations	35	73,112,245	31,528,233	75,971,659	28,857,915
Interest income		5,043,733	5,907,832	4,956,885	5,753,469
Finance costs		(19,294,616)	(7,526,953)	(19,294,616)	(7,526,953)
Transfers to self insurance fund		729,653	(78,466)	729,653	(78,466)
Prior period adjustments		-	9,088,789	-	9,088,669
Movement in housing development fund		9,267	-	9,267	-
Net cash from operating activities		59,600,282	38,919,435	62,372,848	36,094,634
Cash flows from investing activities					
Purchase of property, plant and equipment	12	(84,080,837)	(127,429,004)	(84,059,831)	(127,304,912)
Construction of property, plant and equipment	12	(31,249,708)	(46,889,057)	(31,249,708)	(46,889,057)
Sale of property, plant and equipment	12	7,623,986	(331,290)	7,528,226	(331,290)
Purchase of other intangible assets	13	(226,404)	(4,158)	(219,695)	-
Sale of other intangible assets	13	8,090	-	-	-
Movement in financial assets		(3,756,300)	53,650,343	(3,756,300)	53,650,343
Movement in long term receivables		106,051	118,215	106,051	118,215
Net cash from investing activities		(111,575,122)	(120,884,951)	(111,651,257)	(120,756,701)
Cash flows from financing activities					
Movement in other financial liabilities		54,527,761	74,902,065	54,527,881	74,902,065
Movement in deferred rental liability		(1,839)	1,839	-	-
Movement in consumer deposits		2,513,938	1,158,618	2,513,938	1,158,618
Net cash from financing activities		57,039,860	76,062,522	57,041,819	76,060,683
Total cash movement for the year		5,065,020	(5,902,994)	7,763,410	(8,601,384)
Cash at the beginning of the year		14,558,288	20,461,282	11,859,898	20,461,282
Net increase/(decrease) in cash and cash equivalents	10	19,623,308	14,558,288	19,623,308	11,859,898

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Accounting Policies

1. Presentation of Financial Statements

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention.

These annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The accounting policies applied are consistent with those used to present the previous year's financial statements, unless otherwise explicitly stated. The details of any changes in accounting policies and comparative restatements are explained in the relevant policy.

A summary of the significant accounting policies are set out below.

1.2. Significant judgements

The following are the critical judgements that the management have made in the process of applying the economic entity's Accounting Policies and that have the most significant effect on the amounts recognised in the Annual Consolidated Financial Statements:

1.2.1. Revenue recognition

Accounting Policy 12.1 on Revenue from Exchange Transactions and Accounting Policy 12.2 on Revenue from Non-exchange Transactions describes the conditions under which revenue will be recorded by the management of the economic entity.

In making their judgement, management considered the detailed criteria for the recognition of revenue as set out in GRAP 9: Revenue from Exchange Transactions and, in particular, whether the economic entity, when goods are sold, had transferred to the buyer the significant risks and rewards of ownership of the goods and when services is rendered, whether the service has been rendered. The management of the economic entity is satisfied that recognition of the revenue in the current year is appropriate.

1.2.2. Financial assets and financial liabilities

The classification of financial assets and financial liabilities is based on judgement by management.

1.2.3. Provisions and contingent liabilities

Management judgement is required when recognising and measuring provisions and when measuring contingent liabilities as set out in notes 20 and 37 respectively. Provisions are discounted where the effect of discounting is material using actuarial valuations.

1.3. Sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

1.3.1. Impairment of Financial Assets

Accounting Policy 10.1.5 on Impairment of Financial Assets describes the process followed to determine the value with which financial assets should be impaired. In making the estimation of the impairment, the management of the economic entity considers the detailed criteria of impairment of financial assets as set out in IAS 39: Financial Instruments - Recognition and Measurement. The management of the economic entity is satisfied that impairment of financial assets recorded during the year is appropriate. Details of the impairment loss calculation are provided in Note {N#} to the Annual Consolidated Financial Statements.

1.3.2. Useful lives of Property, Plant and Equipment

As described in Accounting Policy 6.2, the economic entity depreciates its property, plant and equipment, investment property and intangible assets over the estimated useful lives of the assets, taking into account the residual values of the assets at the end of their useful lives, which is determined when the assets are available for use. The useful lives and residual values of the assets are based on industry knowledge.

1.3.3. Defined Benefit Plan Liabilities

As described in Accounting Policy 15, the economic entity obtains actuarial valuations of its defined benefit plan liabilities. The defined benefit obligations of the economic entity that were identified are Post-retirement Health Benefit Obligations and Long-service Awards. The estimated liabilities are recorded in accordance with the requirements of IAS 19. Details of the liabilities and the key assumptions made by the actuaries in estimating the liabilities are provided in Notes 18 and 20 to the Annual Financial Statements.

2. PRESENTATION CURRENCY

The annual consolidated financial statements are presented in South African Rand, which is the functional currency of the economic entity, and amounts are rounded off to the nearest R1.

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Accounting Policies

3. GOING CONCERN ASSUMPTION

The annual consolidated financial statements have been prepared on the assumption that the economic entity is a going concern and will continue in operation for the foreseeable future.

4. OFFSETTING

Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a Standard of GRAP.

5. ACCUMULATED SURPLUS

Included in the accumulated surplus of the economic entity, are the following reserves that are maintained in terms of specific requirements:

5.1. Housing Development Fund

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the economic entity were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes, both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

5.2. Self-Insurance Reserve

The economic entity has a Self-Insurance Reserve to set aside amounts to offset potential losses or claims that cannot be insured externally. The balance of the self-insurance fund is invested in short-term investments.

Claims are settled by transferring a corresponding amount from the self-insurance reserve to the accumulated surplus.

5.3. Revaluation Reserve

The surplus arising from the revaluation of land and buildings is credited to a non-distributable reserve. The revaluation surplus is realised as revalued buildings are depreciated, through a transfer from the revaluation reserve to the accumulated surplus/ (deficit). On disposal, the net revaluation surplus is transferred to the accumulated surplus/ (deficit) while gains or losses on disposal, based on revalued amounts, are credited or charged to the Statement of Financial Performance.

6. PROPERTY, PLANT AND EQUIPMENT

6.1. Measurement

Property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the economic entity. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

Subsequent to initial recognition, items of property, plant and equipment is stated at cost, less accumulated depreciation and accumulated impairment losses, where applicable. Infrastructure assets are stated at the depreciated replacement cost.

Subsequent to initial recognition, land and buildings are carried at a revalued amount based on municipal valuations, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed by external independent valuers with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

An increase in the carrying amount of land and buildings as a result of a revaluation is credited directly to a revaluation surplus reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

A decrease in the carrying amount of an asset as a result of a revaluation is recognised in surplus or deficit, except to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

Where items of property, plant and equipment have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified except where the impairment reverses a previous revaluation.

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Accounting Policies

The cost of an item of property, plant and equipment acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets was measured at its fair value. If the acquired item can not be measured at its fair value, its cost is measured at the carrying amount of the asset given up.

Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery of the asset are enhanced in excess of the originally assessed standard of performance. If expenditure only restores the originally best estimate of the expected useful life of the asset, then it is regarded as repairs and maintenance and is expensed. The enhancement of an existing asset so that its use is expanded or the further development of an asset so that its original life is extended are examples of subsequent expenditure which is capitalised.

6.2. Depreciation

Depreciation is calculated on cost, using the straight line method, to allocate their cost to their residual values over the estimated useful lives of the assets. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The depreciation rates are initially based on the following originally estimated useful lives and thereafter on the estimated remaining useful lives as at year-end:

	Years		Years
Infrastructure		Other	
Roads :	30	Buildings	30
Pedestrian Malls	30	Specialist vehicles	10
Electricity	20-30	Other vehicles	5
Water	15-20	Office equipment	1-7
Sewerage	15-20	Furniture and fittings	1-10
Housing	30	Watercraft	15
		Bins and containers	5
Community		Specialized plant and	
Improvements	30	Equipment	10-15
Recreational Facilities	20-30	Other plant and	
Security	5	Equipment	2-5
		Intangible assets	2-5

The residual value, the useful life of an asset and the depreciation method is reviewed annually and any changes are recognised as a change in accounting estimate.

6.2.1. Heritage assets

These are assets that are defined as culturally significant resources which are not depreciated owing to the uncertainty regarding their estimated useful lives.

6.2.2. Land

Land is not depreciated as it is deemed to have an indefinite useful life.

6.2.3. Incomplete construction work

Incomplete construction work is stated at historical cost. Depreciation only commences when the asset is available for use.

6.3. Landfill sites

The economic entity has an obligation to rehabilitate its landfill sites in terms of its licence stipulations. Provision is made for this obligation in accordance with the economic entity's accounting policy on non-current provisions – see Accounting Policy 14 on Provisions.

6.4. Disposal of property, plant and equipment

The book values of assets are written off on disposal. The difference between the net book value of assets (cost less accumulated depreciation and accumulated impairment losses) and the sales proceeds is included in the Statement of Financial Performance as a gain or loss on disposal of property, plant and equipment.

6.5. Impairment

The economic entity assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the economic entity estimates the recoverable amount of the individual asset.

Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and an impairment loss is charged to the Statement of Financial Performance.

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Accounting Policies

6.6. Derecognition

Items of Property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

7. INTANGIBLE ASSETS

Identifiable non-monetary assets without physical substance held for use in the production or supply of goods or services, for rental to others, or for administrative purposes are classified and recognised as intangible assets.

Internally generated intangible assets are subject to strict recognition criteria before they are capitalised. Research expenditure is never capitalised and are charged against income as incurred, while development expenditure is only capitalised to the extent that:

- the economic entity intends to complete the intangible asset for use or sale;
- it is technically feasible to complete the intangible asset;
- the economic entity has the resources to complete the project; and
- it is probable that the economic entity will receive future economic benefits or service potential.

Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, where applicable.

In terms of GRAP 102, intangible assets are distinguished between internally generated intangible assets and other intangible assets. It is further distinguished between indefinite or finite useful lives. Intangible assets with finite useful lives are amortised over its useful life. Where intangible assets are deemed to have an indefinite useful life, such intangible assets are not amortised but is subject to an annual impairment test.

Where items of intangible assets have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified except where the impairment reverses a previous revaluation. The impairment loss is the difference between the carrying amount and the recoverable amount.

The estimated useful life and amortisation method are reviewed annually at the end of the financial year. Any adjustments arising from the annual review are applied prospectively.

8. INVESTMENT PROPERTY

Investment property is property held to earn rental revenue or for capital appreciation or both.

Investment Property is carried at fair value, representing open market value determined annually. The valuations are not performed by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. Changes in fair values are recorded in the Statement of Financial Performance as part of other income.

Where the classification of an investment property is based on management's judgement, the following criteria have been applied to distinguish investment properties from owner-occupied property or property held for resale:

- All properties held to earn market-related rentals or for capital appreciation or both and that are not used for administrative purposes and that will not be sold within the next 12 months are classified as Investment Properties.
- land held for a currently undetermined future use.
- a building owned and leased out under one or more operating leases.
- leased properties that are held to provide a social (community) service or that are necessary for employees to perform their job functions, but which also generates rental revenue are not seen as investment properties. The rental revenue generated is incidental to the purposes for which the property is held.
- a building that is vacant but is held to be leased out under one or more operating leases.

The gain or loss arising on the disposal of an investment property is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Accounting Policies

9. NON-CURRENT ASSETS HELD FOR SALE

Non-current Assets and Disposal Groups are classified as held-for-sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current Assets (and Disposal Groups) classified as held-for-sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

The gain or loss on the eventual sale of non-current assets held for sale is included in the Statement of Financial Performance as gain or loss on sale of assets. The gain or loss on the eventual sale of non-current assets held for sale, is calculated on the difference between the net disposal proceeds and the carrying amount of the individual asset or the disposal group.

10. FINANCIAL INSTRUMENTS

Financial instruments are initially measured at fair value plus, in the case of a financial asset or liability not at fair value through the statement of financial performance, transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability. The subsequent measurement of financial instruments is dealt with as follows:

10.1. Financial Assets

A financial asset is any asset that is a cash or contractual right to receive cash. The economic entity classifies its investments in the following categories:

- Financial assets at fair value through profit or loss.
- Loans and Receivables,
- Held to maturity investments and
- Financial assets available for sale.

The classification is dependent on the purpose for which the financial asset is acquired and is as follows:

10.1.1. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets that meet either of the following conditions:

- they are classified as held for trading; or
- upon initial recognition they are designated as at fair value through the Statement of Financial Performance.

They are subsequently measured at fair value at the statement of financial position date with the profit or loss being recognised in the Statement of Financial Performance.

10.1.2. Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the economic entity provides money, goods or services directly to a debtor without any intention of trading such debtors. Loans and debtors are included in the trade and other receivables in the statement of financial position and are subsequently measured at amortised cost using the effective interest rate method.

10.1.3. Held-to-maturity Investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable dates of maturity which the economic entity intend and are able to keep to maturity. They are included under non-current and current assets in the statement of financial position and are subsequently measured at amortised cost using the effective interest rate method.

10.1.4. Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale and comprises of cash and equity instruments held in shares. They are included under current assets in the statement of financial position and are initially and subsequently measured at fair value at the statement of financial position date, except for investments in equity instruments that do not have quoted market price in an active market and whose fair value cannot be reliably measured, which are measured at cost.

10.1.5. Impairment of financial assets

An assessment is performed at each reporting date to determine whether objective evidence exist that a financial asset is impaired, such as the probability of insolvency or significant financial difficulties of the debtor. If there is such evidence the recoverable amount is estimated and an impairment loss is recognised in surplus or deficit.

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Accounting Policies

Initially Accounts Receivable are valued at fair value and subsequently carried at amortised cost using the effective interest rate method. An estimate is made for doubtful debt based on past default experience of all outstanding amounts at year-end. Bad debts are written off the year in which they are identified as irrecoverable. Amounts receivable within 12 months from the date of reporting are classified as current.

A provision for impairment of trade receivables is established when there is objective evidence that the economic entity will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

Consumer Debtors are stated at cost less a provision for bad debts. The provision is made so that the recoverability of Consumer Debtors is assessed individually and then collectively after grouping the assets in financial assets with similar credit risk characteristics. Government accounts are not provided for as such accounts are regarded as receivable. The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the Statement of Financial Performance.

With the exception of Available-for-Sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Statement of Financial Performance to the extent that the carrying amount of the investment, at the date the impairment is reversed, does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of Available-for-Sale equity securities, impairment losses previously recognised through profit or loss are not reversed through the Statement of Financial performance. Any increase in fair value subsequent to an impairment loss is recognised directly in equity.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Financial Performance.

10.2. Financial Liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset to another entity. There are two main categories of Financial Liabilities, the classification determining how they are measured. Financial liabilities may be measured at:

- Fair value through profit or loss; or
- Other financial liabilities at amortised cost

All financial liabilities including trade and other payables, are measured at amortised cost using the effective interest rate method. Financial liabilities include borrowings, other non-current liabilities (excluding provisions) and trade and other payables (excluding provisions). Interest-bearing external loans and bank overdrafts are recorded net of direct issue costs. Finance charges, including premiums payable, are accounted for on an accrual basis.

Trade Payables and Other

Trade payables and other are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

10.3. Derecognition of financial assets and liabilities

The economic entity derecognises Financial Assets only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity, except when Council approves the write-off of Financial Assets due to non recoverability.

If the economic entity neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the economic entity recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the economic entity retains substantially all the risks and rewards of ownership of a transferred financial asset, the economic entity continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. The economic entity derecognises Financial Liabilities when, and only when, the economic entity's obligations are discharged, cancelled or they expire.

11. INVENTORIES

Consumable stores, raw materials, work-in-progress and finished goods are valued at the lower of cost and net realisable value. In general, the basis of determining cost is the weighted average cost of commodities. If inventories are to be distributed at no charge or for a nominal charge they are valued at the lower of cost and current replacement cost.

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Accounting Policies

Water and purified effluent are valued at purified cost insofar as it is stored and controlled in reservoirs at year-end.

Unsold properties are valued at the lower of cost and net realisable value on a weighted average cost basis. Direct costs are accumulated for each separately identifiable development. Costs also include a proportion of overhead costs.

Cost of inventory comprises all costs of purchase, cost of conversion and other cost incurred in bringing the inventory to its present location and condition. Where inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related income is recognised. Redundant and slow-moving inventories are identified and written down from cost to net realisable value with regard to their estimated economic or realisable values. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Differences arising on the valuation of inventory are recognised in the Statement of Financial Performance in the year in which they arose. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

12. REVENUE RECOGNITION

Revenue comprises the fair value of the remuneration received or receivable for the sale of services or goods in the ordinary course of the economic entity's activities. Revenue is shown net of value-added tax, returns, rebates and discounts.

The economic entity recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the economic entity and when specific criteria have been met for each of the municipalities' activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The economic entity bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised as follows:

12.1. Revenue from Exchange Transactions

12.1.1. Service Charges

Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption, based on the consumption history, are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced, except at year-end when estimates of consumption up to year-end are recorded as revenue without being invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. In respect of estimates of consumption between the last reading date and the reporting date, an accrual is made based on the average monthly consumption of consumers.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has a water connection. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month.

Service charges from sewerage and sanitation are charged on both vacant and developed property using the tariffs approved from Council and are levied monthly.

12.1.2. Pre-paid electricity

Revenue from the sale of electricity prepaid units is recognised when the risks and rewards of ownership has passed to the buyer.

Revenue received from pre-paid electricity sales are deferred and recognised as revenue on the consumption basis, commencing on the date of purchase. The consumption of pre-paid electricity is measured by using a trend analysis and other historical data about electricity usage, including how often an electricity card is purchased or additional units of electricity loaded onto a pre-paid card.

12.1.3. Interest earned

Interest earned on investments is recognised in the Statement of Financial Performance on the time proportionate basis that takes into account the effective yield on the investment.

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Accounting Policies

12.1.4. Royalties

Royalties are recognised on an accrual basis in accordance with the substance of the relevant agreement. Royalties determined on a time basis are recognised on a straight-line basis over the period of the agreement. Royalty arrangements that are based on production, sales and other measures are recognised by reference to the underlying arrangement.

12.1.5. Tariff Charges

Revenue arising from the application of the approved tariff of charges is recognised when the service is rendered by applying the relevant approved tariff. This includes the issuing of licences and permits.

12.1.6. Income from agency services

Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

12.1.7. Housing rental and instalments

Finance income from the sale of housing by way of instalment sales agreements or finance leases is recognised on a time proportion basis.

12.1.8. Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- The economic entity has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The economic entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits or service potential associated with the transaction will flow to the economic entity.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

12.2. Revenue from non-exchange transactions

Revenue from non-exchange transactions refers to transactions where the economic entity received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

12.2.1. Rates and taxes

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis with reference to the principal amount receivable and effective interest rate applicable.

12.2.2. Fines

Fines constitute both spot fines and summonses. Revenue from spot fines and summonses is recognised when payment is received together with an estimate of fines and summonses that will be received based on past experience of amounts collected.

12.2.3. Public contributions

Revenue from public contributions is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment is brought into use. Where public contributions have been received but the economic entity has not met the condition, a liability is recognised.

12.2.4. Other Donations and Contributions

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, when such items of property, plant and equipment are brought into use.

Contributed property, plant and equipment are recognised when such items of property, plant and equipment are brought into use.

12.2.5. Revenue from recovery of unauthorised, irregular, fruitless and wasteful expenditure

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Accounting Policies

13. CONDITIONAL GRANTS AND RECEIPTS

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the economic entity has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the economic entity with no future related costs are recognised in the Statement of Financial Performance in the period in which they become receivable.

Government grants and conditional receipts are recognised as revenue when:

- (a) it is probable that the economic benefits or service potential associated with the transaction will flow to the entity,
- (b) the amount of the revenue can be measured reliably, and
- (c) to the extent that there has been compliance with any restrictions associated with the grant.

14. PROVISIONS

Provisions are recognised when the economic entity has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at reporting date and the amount of a provision is the present value of the expenditure expected to be required to settle the obligation. When the effect of discounting is material, provisions are determined by discounting the expected future cash flows that reflect current market assessments of the time value of money. The impact of the periodic unwinding of the discount is recognised in the Statement of Financial Performance as a finance cost as it occurs.

15. EMPLOYEE BENEFITS

15.1. Short-term Employee Benefits

The costs of all short-term employee benefits such as leave pay, are recognised during the period in which the employee renders the related service. The liability for leave pay is based on the total accrued leave days at year end and is shown as a payable in the Statement of Financial Position. The economic entity recognises the expected cost of performance bonuses only when the economic entity has a present legal or constructive obligation to make such payment and a reliable estimate can be made.

15.2. Long-service Allowance

The economic entity has an obligation to provide Long-service Allowance Benefits to all of its employees. According to the rules of the Long-service Allowance Scheme, which the economic entity instituted and operates, an employee (who is on the current Conditions of Service), is entitled to a cash allowance, calculated in terms of the rules of the scheme, after 10, 15, 20, 25 and 30 years of continued service. The economic entity's liability is based on an actuarial valuation. The projected unit credit method has been used to value the liabilities. Actuarial gains and losses on the long-term incentives are accounted for through the statement of financial performance.

15.3. Post Retirement Benefits

The economic entity provides post retirement benefits for its employees and councillors.

Defined Contribution Plans

A defined contribution plan is a plan under which the economic entity pays fixed contributions into a separate entity. The economic entity has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to service in the current or prior periods.

The economic entity's contributions to the defined contribution funds are established in terms of the rules governing those plans.

Contributions are recognised in the Statement of Financial Performance in the period in which the service is rendered by the relevant employees. The economic entity has no further payment obligations once the contributions have been paid.

Defined Benefit Plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

15.3.1. Medical Aid: Continued Members

The economic entity has an obligation to provide Post-retirement Health Care Benefits to certain of its retirees. According to the rules of the Medical Aid Funds, with which the economic entity is associated, a member (who is on the current Conditions of Service), on retirement, is entitled to remain a continued member of the Medical Aid Fund, in which case the economic entity is liable for a certain portion of the medical aid membership fee.

The defined benefit liability is the aggregate of the present value of the defined benefit obligation and unrecognised actuarial gains and losses, reduced by unrecognised past service costs. The plan is unfunded. The present value of the defined benefit obligation is calculated using the projected unit credit method, incorporating actuarial assumptions and a discount rate based on the government bond rate.

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Accounting Policies

Past-service costs are recognised immediately in income, unless the changes to the plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

15.3.2. Actuarial Gains and Losses

The economic entity recognises actuarial gains and losses in full in the period in which they occur. Actuarial valuations are performed bi-annually.

15.3.3. Provincially-administered Defined Benefit Plans

The economic entity contributes to various National- and Provincial-administered Defined Benefit Plans on behalf of its qualifying employees. These funds are multi-employer funds (refer to Note 18 of the Annual Financial Statements for details). The contributions to fund obligations for the payment of retirement benefits are charged against revenue in the year they become payable. These defined benefit funds are actuarially valued bi-annually on the Projected Unit Credit Method basis. Deficits are recovered through lump sum payments or increased future contributions on a proportional basis from all participating municipalities.

16. LEASES

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the lessee.

Operating leases are those leases that do not fall within the scope of the above definition.

The economic entity as Lessee

Property, plant and equipment subject to finance lease agreements are capitalised at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liabilities are raised as Finance Lease Obligations. The cost of the item of property, plant and equipment is depreciated at appropriate rates on the straight-line basis over its estimated useful life. Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred.

Operating lease rentals are recognised as an expense on a straight-line basis over the term of the relevant lease. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset.

The economic entity as Lessor

Amounts due from lessees under finance leases or instalment sale agreements are recorded as receivables at the amount of the economic entity's net investment in the leases. Finance lease or instalment sale income is allocated to accounting periods so as to reflect a constant periodic rate of return on the economic entity's net investment outstanding in respect of the leases or instalment sale agreements.

Rental income from operating leases is recognised and recorded on a straight-line basis over the term of the relevant lease.

17. BORROWING COSTS

The economic entity capitalise borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Other borrowing costs are recognised as an expense in the Statement of Financial Performance.

18. CASH AND CASH EQUIVALENTS

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. Cash and cash equivalents are carried in the Statement of Financial Position at fair value.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand and cash with bank, net of bank overdrafts.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdrafts are expensed as incurred.

19. VALUE ADDED TAX

The economic entity accounts for Value Added Tax on the cash basis.

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Accounting Policies

20. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in the notes to the annual financial statements.

21. GRANTS-IN-AID

The economic entity transfers money to individuals, organisations and other sectors of government from time to time. When making these transfers, the economic entity does not:

- receive any goods or services directly in return, as would be expected in a purchase or sale transaction;
- expect to be repaid in future; or
- expect a financial return, as would be expected from an investment.

These transfers are recognised in the Statement of Financial Performance as expenses in the period that the events giving rise to the transfer occurred.

22. UNAUTHORISED EXPENDITURE

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, economic entity or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance in the year that the expense was incurred and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

23. IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's or Municipal Entities' supply chain management policies. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

24. FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance in the year that the expenditure was recorded and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

25. FOREIGN CURRENCIES

Transactions in foreign currencies are initially recorded at the prevailing exchange rate on the dates of the transactions. Monetary assets and liabilities denominated in such foreign currencies are retranslated at the rates prevailing at the reporting date. Exchange differences are included in the Statement of Financial Performance.

26. COMPARATIVE INFORMATION

26.1. Current year comparatives:

Budgeted amounts have, in accordance with GRAP 1, been provided in an annexure to these financial statements and forms part of the audited annual financial statements.

26.2. Prior year comparatives:

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the amendment. The nature and reason for the restatement is disclosed.

27. CHANGES IN ACCOUNTING POLICIES, ESTIMATES AND ERRORS

Changes in accounting policies that are effected by management are applied retrospectively in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such cases the economic entity shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Accounting Policies

Changes in accounting estimates are applied prospectively in accordance with GRAP 3 requirements. Details of changes in estimates are disclosed in the notes to the annual financial statements where applicable.

Correction of Errors is applied retrospectively in the period in which the error has occurred in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the economic entity shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

28. RELATED PARTIES

Individuals as well as their close family members, and/or entities are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions. Key management personnel is defined as the Municipal Manager, Chief Financial Officer and all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager.

29. EVENTS AFTER THE REPORTING DATE

Events after the reporting date that are classified as adjusting events are accounted for in the Annual Financial Statements. The events after the reporting date that are classified as non-adjusting events after the reporting date are disclosed in the notes to the Annual Financial Statements.

30. STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The following GRAP standards have been issued but are not yet effective and have not been early adopted by the economic entity:

GRAP 18	Segment Reporting - issued March 2005
GRAP 21	Impairment of Non-cash-generating Assets - issued March 2009
GRAP 23	Revenue from Non-Exchange Transactions (Taxes and Transfers) - issued February 2008
GRAP 24	Presentation of Budget Information in Financial Statements - issued November 2007
GRAP 25	Employee Benefits - issued December 2009
GRAP 26	Impairment of Cash-generating Assets - issued March 2009
GRAP 103	Heritage Assets - issued July 2008
GRAP 104	Financial Instruments - issued October 2009

Application of all of the above GRAP standards will be effective from a date to be announced by the Minister of Finance. This date is not currently available.

The ASB Directive 5 paragraph 29 allows for the economic entity to select to apply the principles established in a Standard of GRAP that has been issued, but is not yet in effect, in developing an appropriate accounting policy dealing with a particular transaction or event before applying paragraph .12 of the GRAP 19 on Accounting Policies, Changes in Accounting Estimates and Errors.

The economic entity applied the principles established in the following Standards of GRAP that have been issued, but is not yet in effect, in developing appropriate accounting policies dealing with the following transactions, but have not early adopted these Standards:

- Impairment of Non-cash-generating Assets (GRAP 21 - issued March 2009)
- Revenue from Non-Exchange Transactions (GRAP 23 - issued February 2008)
- Employee Benefits (GRAP 25 - issued December 2009)
- Impairment of Cash-generating Assets (GRAP 26 - issued March 2009)

The following other standards, amendments to standards and interpretations have been issued but are not yet effective and have not been early adopted by the economic entity:

- IAS 36 Impairment of assets - amended version effective 1 January 2010
- IAS 39 Financial Instruments: Recognition and Measurement - amended version effective 1 January 2010

Management has considered all the above standards issued but not yet effective and anticipates that the adoption of these standards will not have a significant impact on the financial position, financial performance or cash flows of the economic entity.

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009
2. Change in accounting policy and prior period errors				
Economic Entity				
Various accounting errors				
A number of errors in the prior period's appropriations and transactions was discovered during the current financial period.				
The effect of these changes are as follows:				
			Restated	
			2009	
Movement in the Financial Performance Statement:				
(Increase) / Decrease in Income				
Revenue - service charges			(708,709)	
Revenue - fines			(14,051)	
Revenue - rental			(84,043)	
Revenue - other			(6,434,380)	
Interest received			1,672,626	
Increase / (Decrease) in Expenses				
General expenses				
- Sundry			43,900	
- Lease rentals			134	
Finance costs			(8,536)	
Employee related costs			119,866	
Repairs and maintenance			(1,717,159)	
Opening balance of Accumulated Surplus at 01 July 2008			(9,087,143)	
			(16,217,475)	
Movement in the Financial Position Statement:				
(Increase) / Decrease in Accumulated Surplus			(98,683,876)	
(Increase) / Decrease in Current Liabilities				
Trade and other payables			2,037,813	
- Insurance Claims			(49,491)	
- Retention fees			208,227	
- Control account - sundry			1,338,708	
- Deferred income			60,804	
- Deposits			54,713	
- Other payables			(61,028)	
- Prepaid vending			580,803	
- Trade payables			(94,922)	
Unspent grants			18,435,734	
(Increase) / Decrease in Non-current Liabilities				
Other financial liabilities			21,049	
Provisions			(566,360)	
Increase / (Decrease) in Non-current Asset				
Long term receivables				
- Land sales			(2,800)	
Other financial assets			(5,176,093)	
Fixed assets			82,606,401	
Investment properties			(140,000)	
Increase / (Decrease) in Current Asset				
Inventory			33,415	
- Stores, materials and fuels			37,896	
- Water			(4,481)	
Trade and other receivables			2,721,928	
- Insurance Claims			49,491	
- Control account - sundry			(59,323)	
- Control account - salaries			-	
- Trade			2,731,760	
Consumer debtors			(891,278)	
Operating lease			(395,934)	
			-	

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

	Economic Entity		Municipality	
Figures in Rand	2010	2009	2010	2009

2. Changes in accounting policy and prior period errors (continued)

Reconciliation of adjustments due to change in accounting policies and prior period errors

	Previously reported 2009	Amount of correction 2009	Restated 2009
Increase in Accumulated Surplus 1 July 2008	422,745,979	9,087,143	431,833,122
Write off interest and penalties for consumer debtors		(20,628)	
Consumer debtors billing credits and debits		(797,857)	
Write back stale cheques		(364)	
Write off retention money		208,227	
Raising of LGSETA debtors		260,119	
Correction of creditor for road scrapping		(35,782)	
Write back of VGK Cansbaai land sales debtor		(2,500)	
Correction of interest paid on DBSA external loan		12,512	
Correction of interest on RMB/Momentum investment for sinking fund		(3,640,873)	
Correction of interest received from New Republic Bank (NRB)		64,612	
Correction of unreconciled deposits		1,285,311	
Correction of deferred income provision		42,259	
Correction of deposits received		86,374	
Correction of unspent grants		11,935,202	
Correction of MIG debtor		750,000	
Correction of store stock		6,624	
Raising of gratification creditor		(566,360)	
Correction of operating lease		(440,498)	
Correction of telephone, plot and debt recovery and insurance		(58,995)	
Correction of medical contribution		(238)	
Prior year adjustments		9,087,143	
Increase in surplus for the year 30 June 2009	23,112,550	7,130,331	30,242,881
Net Assets and Liabilities as at 30 June 2009	Previously reported 2009	Amount of correction 2009	Restated 2009
Net assets	2,624,339,914	148,285,876	2,772,625,790
Housing Development Fund	3,328,676	-	3,328,676
Revaluation reserve	265,574,077	49,602,000	315,176,077
Accumulated Surplus/(Deficit)	2,355,437,161	98,683,876	2,454,121,037
Non-current liabilities	179,741,947	545,311	180,287,258
Long-term liabilities	103,153,984	(21,049)	103,132,935
Post-retirement medical aid benefits obligation	52,453,742	-	52,453,742
Other non-current provisions	24,134,221	566,360	24,700,581
Current liabilities	162,160,186	(20,473,547)	141,686,639
Consumer deposits	11,379,540	-	11,379,540
Provisions	1,952,424	-	1,952,424
Trade and other payables	100,839,010	(2,037,813)	98,801,197
Unspent conditional grants and receipts	23,830,104	(18,435,734)	5,394,370
Current portion of Post-retirement medical aid benefit obligation	1,064,897	-	1,064,897
Current portion of long-term liabilities	23,092,373	-	23,092,373
Deferred rental liability	1,838	-	1,838
Total Net Assets and Liabilities	2,966,242,047	128,357,640	3,094,599,687

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009

2. Changes in accounting policy and prior period errors (continued)

Net Assets and Liabilities as at 30 June 2009 (continued)

	Previously reported 2009	Amount of correction 2009	Restated 2009
ASSETS			
Non-current assets	2,831,274,351	126,889,510	2,958,163,861
Property, plant and equipment	2,767,063,749	132,208,403	2,899,272,152
Intangible Assets	2,363,581	-	2,363,581
Investment property	47,481,200	(140,000)	47,341,200
Other financial assets	14,051,614	(5,176,093)	8,875,521
Long-term receivables	314,207	(2,800)	311,407
Non-current assets held for sale	18,851,000	-	18,851,000
Current assets	134,967,696	1,468,131	136,435,827
Inventory	4,537,951	33,415	4,571,366
Consumer debtors	37,391,968	(891,278)	36,500,690
Trade and other receivables	39,834,640	2,721,928	42,556,568
Operating lease receivable	1,150,927	(395,934)	754,993
Current portion of long-term receivables	110,099	-	110,099
VAT	18,532,823	-	18,532,823
Non-current assets held for sale	18,851,000	-	18,851,000
Cash and cash equivalents	14,558,288	-	14,558,288
Total Assets	2,966,242,047	128,357,640	3,094,599,687
Surplus/(Deficit) for the year	23,112,550	7,130,331	30,242,881

Municipality

Various accounting errors

A number of errors in the prior period's appropriations and transactions was discovered during the current financial period.

The effect of these changes are as follows:

	Restated 2009
Movement in the Financial Performance Statement:	
(Increase) / Decrease in Income	
Revenue - service charges	(708,709)
Revenue - fines	(14,051)
Revenue - rental	(84,043)
Revenue - other	(6,434,360)
Interest received	1,672,626
Increase / (Decrease) in Expenses	
General expenses	
- Sundry	43,900
- Lease rentals	134
Finance costs	(8,536)
Employee related costs	59,140
Repairs and maintenance	(1,717,159)
Opening balance of Accumulated Surplus at 01 July 2008	(9,087,143)
	(16,278,201)

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009

2. Changes in accounting policy and prior period errors (continued)

Various accounting errors (continued)

Restated
2009

Movement in the Financial Position Statement:

(Increase) / Decrease in Accumulated Surplus (98,744,602)

(Increase) / Decrease in Current Liabilities

Trade and other payables

2,098,539

- Retention fees

208,227

- Control account - sundry

1,338,708

- Deferred income

60,804

- Deposits

54,713

- Other payables

(302)

- Prepaid vending

580,803

- Insurance Claims

(49,491)

- Trade payables

(94,922)

Unspent grants

18,435,734

(Increase) / Decrease in Non-current Liabilities

Other financial liabilities

21,049

Provisions

(566,360)

Increase / (Decrease) in Non-current Asset

Long term receivables

- Land sales

(2,800)

Other financial assets

(5,176,093)

Fixed assets

82,606,401

Investment properties

(140,000)

Increase / (Decrease) in Current Asset

Inventory

33,415

- Stores, materials and fuels

37,896

- Water

(4,481)

Trade and other receivables

2,721,928

- Control account - sundry

(59,323)

- Control account - salaries

-

- Insurance Claims

49,491

- Trade

2,731,760

Consumer debtors

(891,278)

Operating lease

(395,934)

-

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009

2. Changes in accounting policy and prior period errors (continued)

Reconciliation of adjustments due to change in accounting policies and prior period errors

	Previously reported 2009	Amount of correction 2009	Restated 2009
Increase in Accumulated Surplus 1 July 2008	422,745,979	9,087,143	431,833,122
Write off interest and penalties for consumer debtors		(20,628)	
Consumer debtors billing credits and debits		(797,857)	
Write back stale cheques		(364)	
Write off retention money		208,227	
Raising of LGSETA debtors		260,119	
Correction of creditor for road scrapping		(35,782)	
Write back of VGK Cansbaai land sales debtor		(2,500)	
Correction of interest paid on DBSA external loan		12,512	
Correction of interest on RMB/Momentum investment for sinking fund		(3,640,873)	
Correction of interest received from New Republic Bank (NRB)		64,612	
Correction of unreconciled deposits		1,285,311	
Correction of deferred income provision		42,259	
Correction of deposits received		86,374	
Correction of unspent grants		11,935,202	
Correction of MIG debtor		750,000	
Correction of store stock		6,624	
Raising of gratification creditor		(566,360)	
Correction of operating lease		(440,498)	
Correction of telephone, plot and debt recovery and insurance		(58,995)	
Correction of medical contribution		(238)	
Prior year adjustments		9,087,143	
Increase in surplus for the year 30 June 2009	22,806,750	7,191,057	29,997,807
Net Assets and Liabilities as at 30 June 2009	Previously reported 2009	Amount of correction 2009	Restated 2009
Net assets	2,624,033,994	148,346,602	2,772,380,596
Housing Development Fund	3,328,676	-	3,328,676
Revaluation reserve	265,574,077	49,602,000	315,176,077
Accumulated Surplus/(Deficit)	2,355,131,241	98,744,602	2,453,875,843
Non-current liabilities	179,741,947	545,311	180,287,258
Long-term liabilities	103,153,984	(21,049)	103,132,935
Post-retirement medical aid benefits obligation	52,453,742	-	52,453,742
Other non-current provisions	24,134,221	566,360	24,700,581
Current liabilities	159,616,314	(20,534,273)	139,082,041
Consumer deposits	11,379,540	-	11,379,540
Provisions	1,952,424	-	1,952,424
Trade and other payables	100,796,976	(2,098,539)	98,698,437
Unspent conditional grants and receipts	21,330,104	(18,435,734)	2,894,370
Current portion of Post-retirement medical aid benefit obligation	1,064,897	-	1,064,897
Current portion of long-term liabilities	23,092,373	-	23,092,373
Total Net Assets and Liabilities	2,963,392,255	128,357,640	3,091,749,895

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009

2. Changes in accounting policy and prior period errors (continued)

Net Assets and Liabilities as at 30 June 2009 (continued)

	Previously reported 2009	Amount of correction 2009	Restated 2009
ASSETS			
Non-current assets	2,831,158,540	126,889,510	2,958,048,050
Property, plant and equipment	2,766,951,519	132,208,403	2,899,159,922
Intangible Assets	2,360,000	-	2,360,000
Investment property	47,481,200	(140,000)	47,341,200
Investments	14,051,614	(5,176,093)	8,875,521
Long-term receivables	314,207	(2,800)	311,407
Current assets	132,233,715	1,468,131	133,701,846
Inventory	4,537,951	33,415	4,571,366
Trade Receivables	37,391,968	(891,278)	36,500,690
Other Receivables	39,799,049	2,721,928	42,520,977
Operating lease receivable	1,150,927	(395,934)	754,993
Current portion of long-term receivables	110,099	-	110,099
VAT	18,532,823	-	18,532,823
Non-current assets held for sale	18,851,000	-	18,851,000
Cash and cash equivalents	11,859,898	-	11,859,898
Total Assets	2,963,392,255	128,357,640	3,091,749,895
Surplus/(Deficit) for the year	22,806,750	7,191,057	29,997,807

3. Inventories

Stores and materials	4,327,596	4,524,868	4,327,596	4,524,868
Water	352,099	111,478	352,099	111,478
	4,679,695	4,636,346	4,679,695	4,636,346
Inventories (write-downs)	(44,893)	(64,979)	(44,893)	(64,979)
	4,634,802	4,571,367	4,634,802	4,571,367

Amounts recognised as expenditure during the period R4,881,875.41 (2009/2010) and R4,367,867.38 (2008/2009).

4. Other financial assets

Held to maturity

New Republic Bank	2,631,821	2,631,821	2,631,821	2,631,821
-------------------	-----------	-----------	-----------	-----------

The bank is under receivership since October 1999. Interest only accrued till 31 December 2007. There is no guarantee that the municipality will receive the full value of the investment. During the previous year, a dividend of R0.45 on the original capital still outstanding has been received. This brings the total payout to 89% of the original investment.

Due to the fact that the majority of the debt still to be collected, by the receivers, involve some form of legal action, it is not possible to determine a date as to when the liquidation process will be completed. Management is unable to make a reliable estimate of the value of the potential impairment as at 30 June 2010, as insufficient information was available.

ABSA bank call account	10,000,000	-	10,000,000	-
------------------------	------------	---	------------	---

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009

4. Other financial assets (continued)

Rand Merchant bank/Momentum
Policy backed loan structure. The investment was
redeemed during the year.

- 6,178,541 - 6,178,541

Eskom
Long term investments in lieu of consumer deposits.
The investment was redeemed during the year.

- 65,159 - 65,159

Total other financial assets

12,631,821 8,875,521 12,631,821 8,875,521

Non-current assets

Held to maturity

2,631,821 8,875,521 2,631,821 8,875,521

Current assets

Held to maturity

10,000,000 - 10,000,000 -
12,631,821 8,875,521 12,631,821 8,875,521

In determining the recoverability of other financial assets, the Overstrand Municipality considers any change in the credit quality of the other financial assets from the date the credit was initially granted up to the reporting date.

5. Operating lease asset / (accrual)

Current assets 744,064 754,993 744,064 754,993

6. Trade and other receivables from exchange transactions

Trade debtors	16,857,139	18,987,313	16,857,139	18,986,233
Deposits	107,022	117,802	107,022	107,022
Control accounts - sundry	13,443,958	23,451,453	13,443,958	23,427,722
	<u>30,408,119</u>	<u>42,556,568</u>	<u>30,408,119</u>	<u>42,520,977</u>

In determining the recoverability of trade and other receivables, the Overstrand Municipality considers any change in the credit quality of the trade and other receivable from the date the credit was initially granted up to the reporting date.

7. Other receivables from non-exchange transactions, including taxes and transfers

VAT 15,633,554 18,532,823 15,633,554 18,532,823

In determining the recoverability of other receivables, the Overstrand Municipality considers any change in the credit quality of the other receivable from the date the credit was initially granted up to the reporting date.

8. Consumer debtors

Gross balances

Government	1,680,187	1,915,027	1,680,187	1,915,027
Business	7,575,369	6,348,528	7,575,369	6,348,528
Individual	49,399,433	44,171,579	49,399,433	44,171,579
	<u>58,654,989</u>	<u>52,435,134</u>	<u>58,654,989</u>	<u>52,435,134</u>

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009
8. Consumer debtors (continued)				
Less: Provision for bad debts				
Government	-	-	-	-
Business	(1,285,828)	(738,992)	(1,285,828)	(738,992)
Individual	(22,263,302)	(15,195,452)	(22,263,302)	(15,195,452)
	<u>(23,549,130)</u>	<u>(15,934,444)</u>	<u>(23,549,130)</u>	<u>(15,934,444)</u>
Net balance				
Government	1,680,187	1,915,027	1,680,187	1,915,027
Business	6,289,541	5,609,536	6,289,541	5,609,536
Individual	<u>27,136,131</u>	<u>28,976,127</u>	<u>27,136,131</u>	<u>28,976,127</u>
	<u>35,105,859</u>	<u>36,500,690</u>	<u>35,105,859</u>	<u>36,500,690</u>
Government				
Current (0 - 30 days)	137,126	170,709	137,126	170,709
31 - 60 days	67,811	52,294	67,811	52,294
61 - 90 days	58,621	29,621	58,621	29,621
91 - 120 days	25,992	38,220	25,992	38,220
+ 120 days	<u>1,390,637</u>	<u>1,624,183</u>	<u>1,390,637</u>	<u>1,624,183</u>
	<u>1,680,187</u>	<u>1,915,027</u>	<u>1,680,187</u>	<u>1,915,027</u>
Business				
Current (0 - 30 days)	6,078,964	3,609,871	6,078,964	3,609,871
31 - 60 days	52,183	503,744	52,183	503,744
61 - 90 days	41,174	184,907	41,174	184,907
91 - 120 days	14,851	109,563	14,851	109,563
+ 120 days	<u>102,369</u>	<u>1,201,451</u>	<u>102,369</u>	<u>1,201,451</u>
	<u>6,289,541</u>	<u>5,609,536</u>	<u>6,289,541</u>	<u>5,609,536</u>
Individual				
Current (0 - 30 days)	14,168,034	16,613,419	14,168,034	16,613,419
31 - 60 days	2,611,213	3,269,901	2,611,213	3,269,901
61 - 90 days	590,720	1,130,356	590,720	1,130,356
91 - 120 days	458,562	793,568	458,562	793,568
+ 120 days	<u>9,307,602</u>	<u>7,168,883</u>	<u>9,307,602</u>	<u>7,168,883</u>
	<u>27,136,131</u>	<u>28,976,127</u>	<u>27,136,131</u>	<u>28,976,127</u>
Reconciliation of bad debt provision				
Balance at beginning of the year	15,934,444	14,507,484	15,934,444	14,507,484
Contributions to provisions	9,507,273	4,964,545	9,507,273	4,964,545
Bad debts written off against provision	<u>(1,892,588)</u>	<u>(3,537,585)</u>	<u>(1,892,588)</u>	<u>(3,537,585)</u>
	<u>23,549,129</u>	<u>15,934,444</u>	<u>23,549,129</u>	<u>15,934,444</u>

In determining the recoverability of consumer debtors, the Overstrand Municipality considers any change in the credit quality of the consumer debtor from the date the credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, management believes no further credit provisions are required in excess of the present allowance for doubtful debts.

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009
9. Long term receivables				
Non-current portion				
Land sales	12,324	19,776	12,324	19,776
Officials: Study loans	-	5,000	-	5,000
Officials: Bursary fund	-	806	-	806
Housing selling scheme loans	19,459	47,982	19,459	47,982
Sport clubs	142,210	237,843	142,210	237,843
	<u>173,993</u>	<u>311,407</u>	<u>173,993</u>	<u>311,407</u>
Current portion				
Officials: Car loans	-	110,099	-	110,099
Officials: Study loans	5,300	-	5,300	-
Housing selling scheme loans	713	-	713	-
Sport clubs	25,350	-	25,350	-
	<u>31,363</u>	<u>110,099</u>	<u>31,363</u>	<u>110,099</u>
Total				
Long term receivables - Non-current portion	173,993	311,407	173,993	311,407
Long term receivables - Current portion	31,363	110,099	31,363	110,099
	<u>205,356</u>	<u>421,506</u>	<u>205,356</u>	<u>421,506</u>

In determining the recoverability of long term receivables, the Overstrand Municipality considers any change in the credit quality of the long term receivables from the date the credit was initially granted up to the reporting date.

10. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	15,000	15,932	15,000	15,420
Bank balances	19,608,308	14,542,356	19,608,308	11,844,478
	<u>19,623,308</u>	<u>14,558,288</u>	<u>19,623,308</u>	<u>11,859,898</u>

Economic Entity

The municipality had the following bank accounts

Account number/description	Bank statement balances			Cash book balances		
	30 June 2010	30 June 2009	30 June 2008	30 June 2010	30 June 2009	30 June 2008
ABSA bank - 322 000 035	27,921,943	10,435,754	48,300,352	19,025,442	11,714,680	166,616,889
Hermanus Primary bank account						
ABSA bank - 322 017 0240	-	39,155	8,043	-	(239,397)	(28,888,283)
Gansbaai						
ABSA bank - 405 835 6861	-	4,851	26,969	-	13,185	(41,388,278)
Hangklip-Kleinmond						
ABSA bank - 405 589 9787	5,382	5,250	6,006	3,897	(8,358)	(292,395)
Onrus caravan park						
ABSA bank - 405 642 0921	60,428	52,521	163,206	18,275	(180,645)	(309,084)
Traffic department						
ABSA bank - 406 657 8021	788,925	524,177	172,219	297,744	262,239	(75,287,487)
Debtors accounts						
ABSA bank - 407 298 3157	262,950	282,774	-	262,950	282,774	-
Gansbaai sport centre						
ABSA bank - 407 182 5530	-	2,886,884	-	-	2,697,878	-
Overstrand Local Economic Development (Pty) Ltd						
Cash on hand in floats and petty cash	-	-	-	15,000	15,932	9,920
Total	<u>29,039,628</u>	<u>14,231,366</u>	<u>48,676,795</u>	<u>19,623,308</u>	<u>14,558,288</u>	<u>20,461,282</u>

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009

10. Cash and cash equivalents (continued)

Municipality

The municipality had the following bank accounts

Account number/description	Bank statement balances			Cash book balances		
	30 June 2010	30 June 2009	30 June 2008	30 June 2010	30 June 2009	30 June 2008
ABSA bank - 322 000 035	27,921,943	10,435,754	48,300,352	19,025,442	11,714,680	166,616,889
Hermanus Primary bank account						
ABSA bank - 322 017 0240	-	39,155	8,043	-	(239,397)	(28,888,283)
Gansbaai						
ABSA bank - 405 835 6861	-	4,851	26,969	-	13,185	(41,388,278)
Hangklip-Kleinmond						
ABSA bank - 405 589 9787	5,382	5,250	6,006	3,897	(8,358)	(292,395)
Onrus caravan park						
ABSA bank - 405 642 0921	60,428	52,521	163,206	18,275	(180,645)	(309,084)
Traffic department						
ABSA bank - 406 657 8021	788,925	524,177	172,219	297,744	262,239	(75,287,487)
Debtors accounts						
ABSA bank - 407 298 3157	262,950	282,774	-	262,950	282,774	-
Gansbaai sport centre						
Cash on hand in floats and petty cash	-	-	-	15,000	15,420	9,920
Total	29,039,628	11,344,482	48,676,795	19,623,308	11,859,898	20,461,282

11. Investment property

	2010			2009		
	Cost/Valuation	Accumulated Depreciation	Carrying value	Cost/Valuation	Accumulated Depreciation	Carrying value
Investment property	66,837,900	-	66,837,900	47,341,200	-	47,341,200

Economic Entity

Reconciliation of Investment property - 2010

	Opening balance	Fair value adjustment	Total
Investment property	47,341,200	19,496,700	66,837,900

Reconciliation of Investment property - 2009

	Opening balance	Transfers	Total
Investment property	-	47,341,200	47,341,200

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009

11. Investment property (continued)

Municipality

Reconciliation of Investment property - 2010

	Opening balance	Fair value adjustment	Total
Investment property	47,341,200	19,496,700	66,837,900

Reconciliation of Investment property - 2009

	Opening balance	Transfers	Total
Investment property	-	47,341,200	47,341,200

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

Revenue earned on investment properties for the 2009/10 financial year was R401,758 (2008/09: R348,940).

All transfers to Investment Property was from owner-occupied property.

12. Property, plant and equipment

	2010			2009		
	Cost/Valuation	Accumulated Depreciation	Carrying value	Cost/Valuation	Accumulated Depreciation	Carrying value
Economic Entity						
Buildings	121,213,425	(5,319,888)	115,893,537	115,829,300	-	115,829,300
Community	94,385,164	(26,149,827)	68,235,337	94,257,930	(21,621,314)	72,636,616
Heritage	66,228,309	-	66,228,309	66,228,308	-	66,228,308
Infrastructure	4,670,353,739	(2,400,834,309)	2,269,519,430	4,573,818,741	(2,320,823,542)	2,252,995,199
Land	357,445,177	-	357,445,177	350,071,400	-	350,071,400
Other assets	56,681,526	(21,360,043)	35,321,483	55,424,601	(13,913,273)	41,511,328
	5,366,307,340	(2,453,664,067)	2,912,643,273	5,255,630,280	(2,356,358,129)	2,899,272,151
Municipality						
Buildings	121,213,425	(5,319,888)	115,893,537	115,829,300	-	115,829,300
Community	94,385,164	(26,149,827)	68,235,337	94,257,930	(21,621,314)	72,636,616
Heritage	66,228,309	-	66,228,309	66,228,308	-	66,228,308
Infrastructure	4,670,353,739	(2,400,834,309)	2,269,519,430	4,573,818,741	(2,320,823,542)	2,252,995,199
Land	357,445,177	-	357,445,177	350,071,400	-	350,071,400
Other assets	56,681,526	(21,360,043)	35,321,483	55,300,509	(13,901,411)	41,399,098
	5,366,307,340	(2,453,664,067)	2,912,643,273	5,255,506,188	(2,356,346,267)	2,899,159,921

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009

12. Property, plant and equipment (continued)

Economic Entity

Reconciliation of property, plant and equipment - 2010

	Opening balance	Additions	Disposals/ Donated	Under Construction	Transfers	Depreciation	Total
Buildings	115,829,300	5,534,125	-	-	(140,000)	(5,329,888)	115,893,537
Community	72,636,616	127,234	-	-	-	(4,528,513)	68,235,337
Heritage	66,228,308	-	-	-	-	-	66,228,308
Infrastructure	2,252,995,199	69,188,094	(348,835)	31,249,708	-	(83,564,736)	2,269,519,430
Land	350,071,400	7,437,905	-	-	(64,128)	-	357,445,177
Other assets	41,511,328	1,793,479	(234,195)	-	-	(7,749,128)	35,321,484
	2,899,272,151	84,080,837	(583,030)	31,249,708	(204,128)	(101,172,265)	2,912,643,273

Reconciliation of property, plant and equipment - 2009

	Opening balance	Additions	Under Construction	Revaluations	Depreciation	Total
Buildings	66,960,536	7,881,394	616,419	43,413,963	(3,043,012)	115,829,300
Community	14,113,207	932,676	-	58,292,850	(702,117)	72,636,616
Heritage	1,088,522	-	-	65,139,786	-	66,228,308
Infrastructure	352,426,295	103,566,811	46,099,390	1,775,794,552	(24,891,849)	2,252,995,199
Land	34,895,323	-	-	315,176,077	-	350,071,400
Other assets	31,544,479	15,048,123	173,248	265,787	(5,520,309)	41,511,328
	501,028,362	127,429,004	46,889,057	2,258,083,015	(34,157,287)	2,899,272,151

Municipality

Reconciliation of property, plant and equipment - 2010

	Opening balance	Additions	Disposals	Under Construction	Transfers	Depreciation	Total
Buildings	115,829,300	5,534,125	-	-	(140,000)	(5,329,888)	115,893,537
Community	72,636,616	127,234	-	-	-	(4,528,513)	68,235,337
Heritage	66,228,308	-	-	-	-	-	66,228,308
Infrastructure	2,252,995,199	69,188,094	(348,835)	31,249,708	-	(83,564,736)	2,269,519,430
Land	350,071,400	7,437,905	-	-	(64,128)	-	357,445,177
Other assets	41,399,098	1,772,473	(132,935)	-	-	(7,717,152)	35,321,484
	2,899,159,921	84,059,831	(481,770)	31,249,708	(204,128)	(101,140,289)	2,912,643,273

Reconciliation of property, plant and equipment - 2009

	Opening balance	Additions	Under Construction	Revaluations	Depreciation	Total
Buildings	66,960,536	7,881,394	616,419	43,413,963	(3,043,012)	115,829,300
Community	14,113,207	932,676	-	58,292,850	(702,117)	72,636,616
Heritage	1,088,522	-	-	65,139,786	-	66,228,308
Infrastructure	352,426,295	103,566,811	46,099,390	1,775,794,552	(24,891,849)	2,252,995,199
Land	34,895,323	-	-	315,176,077	-	350,071,400
Other assets	31,544,479	14,924,031	173,248	265,787	(5,508,447)	41,399,098
	501,028,362	127,304,912	46,889,057	2,258,083,015	(34,145,425)	2,899,159,921

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009

13. Intangible assets

	2010			2009		
	Cost/ Valuation	Accumulated Depreciation	Carrying value	Cost/ Valuation	Accumulated Depreciation	Carrying value
Economic Entity						
Water rights	2,360,000	-	2,360,000	2,360,000	-	2,360,000
Computer software, other	684,725	(467,448)	217,277	469,188	(465,607)	3,581
	3,044,725	(467,448)	2,577,277	2,829,188	(465,607)	2,363,581
Municipality						
Water rights	2,360,000	-	2,360,000	2,360,000	-	2,360,000
Computer software, other	684,725	(467,448)	217,277	465,030	(465,030)	-
	3,044,725	(467,448)	2,577,277	2,825,030	(465,030)	2,360,000

Economic Entity

Reconciliation of intangible assets - 2010

	Opening balance	Additions	Disposals	Amortisation	Total
Water rights	2,360,000	-	-	-	2,360,000
Computer software, other	3,581	226,404	(8,090)	(4,618)	217,277
	2,363,581	226,404	(8,090)	(4,618)	2,577,277

Reconciliation of intangible assets - 2009

	Opening balance	Additions	Amortisation	Total
Water rights	2,360,000	-	-	2,360,000
Computer software, other	-	4,158	(577)	3,581
	2,360,000	4,158	(577)	2,363,581

Municipality

Reconciliation of intangible assets - 2010

	Opening balance	Additions	Amortisation	Total
Water rights	2,360,000	-	-	2,360,000
Computer software, other	-	219,695	(2,418)	217,277
	2,360,000	219,695	(2,418)	2,577,277

Reconciliation of intangible assets - 2009

	Opening balance	Additions	Amortisation	Total
Water rights	2,360,000	-	-	2,360,000

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009

14. Non-current assets held for sale

Assets meeting the definition and recognition criteria of non-current assets held for sale are reclassified and measured in accordance with GRAP 100 requirements.

ERF NO. 11006 portion of erf 774 - Station Site

Council approved the rezoning of erf 774 to General business zone. It was sold to Shoprite Checkers (PTY) LTD for R17 000 000 for further development. Transfer is expected during 2011.

ERF NO. 6408 - Kleinmond Service Yard

Council decided to sell this property as it was under-utilised and ideal location for the extension for the central business area of Kleinmond. It was sold to Danmarest (PTY) LTD for R4 617 000 and transfer is expected during 2011.

ERF NO. 6830 - Hermanus

Council decided to sell this property for the purposes of consolidating it with an adjacent erf. It was sold to HN De Villiers for R5 000 and transfer is expected during 2011.

ERF NO. 7288 - Community

Council decided to sell this property to SOFCA. Transfer is expected during 2011.

ERF NO. 11000 portion of erf 243 - Hermanus

Council decided to sell this property to Abalone farm, Abagold. Transfer is expected during 2011.

ERF NO. 11138 portion of erf 243 - Hermanus

Council resolved to sell the property on 1 September 2009. It was sold to The United Church on 22 February 2010. Transfer took place in August 2010.

Non-current assets held for sale comprises the following:

Erf no. 11006 - Hermanus Station Site	16,800,000	16,800,000	16,800,000	16,800,000
Erf no. 6408 - Kleinmond Service Yard	2,050,000	2,050,000	2,050,000	2,050,000
Erf no. 6830 - Hermanus	1,000	1,000	1,000	1,000
Erf no. 7288 - Hermanus	50,000	-	50,000	-
Erf no. 11000 - Hermanus	37,129	-	37,129	-
Erf no. 11138 - Hermanus	360,509	-	360,509	-
	19,298,638	18,851,000	19,298,638	18,851,000

15. Other financial liabilities

Held at amortised cost

Annuity loans	180,753,189	126,225,308	180,753,189	126,225,308
---------------	-------------	-------------	-------------	-------------

Non-current liabilities

At amortised cost	171,488,108	103,132,935	171,488,108	103,132,935
-------------------	-------------	-------------	-------------	-------------

Current liabilities

At amortised cost	9,265,081	23,092,373	9,265,081	23,092,373
	180,753,189	126,225,308	180,753,189	126,225,308

The fair values of the financial liabilities were determined as follows:

- The management of the municipality is of the opinion that the carrying value of Financial Assets and Financial Liabilities recorded at amortised cost in the Annual Financial Statements approximate their fair values. The fair value of Financial Assets and Financial Liabilities were determined after considering the standard terms and conditions of agreements entered into between the municipality and other parties as well as the the current payment ratio's of the municipality's debtors.
- At the reporting date there are no significant concentrations of credit risk for Loans and Receivables at Fair Value. The carrying amount reflected above represents the municipality's maximum exposure to credit risk for such loans and receivables.

Refer to page 214 for maturity analysis of financial liabilities.

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009
16. Trade and other payables from exchange transactions				
Trade payables	33,220,050	64,765,916	33,220,050	64,763,891
Retention money	8,402,873	8,347,362	8,402,873	8,347,362
Prepaid vending	-	308,173	-	308,173
Payments received in advance	3,955,665	3,398,847	3,955,665	3,396,747
Other payables	4,675,006	2,250,042	4,675,006	2,189,316
Deposits received	268,429	333,240	268,429	333,240
Deferred income	212,848	182,411	212,848	182,411
Control accounts - sundry	9,982,319	7,365,490	9,982,319	7,365,490
Control accounts - salaries	58,755	48,600	58,755	48,600
Builders' deposits	6,522,236	6,083,093	6,522,236	6,083,093
Accrued leave pay	6,242,589	5,718,027	6,242,589	5,680,119
	73,540,770	98,801,201	73,540,770	98,698,442

17. Consumer deposits

Services	13,893,478	11,379,540	13,893,478	11,379,540
----------	------------	------------	------------	------------

18. Retirement benefits

Defined benefit plan

The municipality provides certain post-retirement health care benefits by funding the medical aid contributions of qualifying retired members of the municipality. According to the rules of the Medical Aid Funds, with which the municipality is associated, a member (who is on the current Conditions of Service) is entitled to remain a continued member of such medical aid fund on retirement, in which case the municipality is liable for a certain portion of the medical aid membership fee. The municipality operates an unfunded defined benefit plan for these qualifying employees. No other post-retirement benefits are provided to these employees.

The municipality makes monthly contributions for health care arrangements to the following medical aid schemes:

- Bonitas;
- LA Health;
- Prosano;
- Samwumed; and
- Keyhealth.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at 30 June 2010 by Mr DR Poane, Fellow of the Actuarial Society of South Africa, including projections for the 2011 and 2012 financial periods. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The members of the Post-employment Health Care Benefit Plan are made up as follows:

In-service Members (Employees)	378
Continuation Members (Retirees, widowers and orphans)	66
Total Members	444

Carrying value

Present value of the defined benefit obligation-wholly unfunded	(56,587,000)	(53,518,639)	(56,587,000)	(53,518,639)
Non-current liabilities	(54,827,128)	(52,453,742)	(54,827,128)	(52,453,742)
Current liabilities	(1,759,872)	(1,064,897)	(1,759,872)	(1,064,897)
	(56,587,000)	(53,518,639)	(56,587,000)	(53,518,639)

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009
18. Retirement benefits (continued)				
Movement for the year				
Opening balance	53,518,639	47,582,639	53,518,639	47,582,639
Net expense recognised in the statement of financial performance	3,068,361	5,936,000	3,068,361	5,936,000
	56,587,000	53,518,639	56,587,000	53,518,639
Net expense recognised in the statement of financial performance				
Current service cost	3,872,000	3,129,292	3,872,000	3,129,292
Interest cost	4,428,000	3,806,611	4,428,000	3,806,611
Benefits paid	(1,603,000)	(999,903)	(1,603,000)	(999,903)
Actuarial gain/(loss)	(3,628,639)	-	(3,628,639)	-
	3,068,361	5,936,000	3,068,361	5,936,000
Contributions expected to be paid:				
Contributions paid	1,519,169	1,560,129	1,519,169	1,560,129
Key assumptions used				
Assumptions used on the last valuation on Wednesday, June 30, 2010.				
Discount rates used	8.25%	8.00%	8.25%	8.00%
Health care cost inflation rate	6.75%	6.50%	6.75%	6.50%
Net effective discounted rate	1.41%	1.41%	1.41%	1.41%
Management assessed the assumptions used and found it to be adequate.				
The effect of an increase of 1% in the assumed medical cost trend rates:				
Aggregate current service and interest cost	7,283,250	7,000,621	7,283,250	7,000,621
Accumulated post-employment benefit obligation	49,658,000	53,583,357	49,658,000	53,583,357
The effect of an decrease of 1% in the assumed medical cost trend rates:				
Aggregate current service and interest cost	9,565,750	6,871,185	9,565,750	6,871,185
Accumulated post-employment benefit obligation	65,214,000	53,453,921	65,214,000	53,453,921
Amounts for the current and previous 4 years of the present value of the defined benefit obligation:				
2010	56,587,000			
2009	53,518,638			
2008	47,582,639			
2007	42,244,466			
2006	37,623,678			

Defined contribution plan

It is the policy of the municipality to provide retirement benefits to all its employees. A number of defined contribution provident funds, all of which are subject to the Pensions Fund Act exist for this purpose.

The municipality is under no obligation to cover any unfunded benefits.

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009
19. Unspent conditional grants and receipts				
Government grants:				
Provincial Administration Western Cape - grants	-	7,037	-	7,037
Financial management grant	-	820,157	-	820,157
National Treasury - Municipal system improvement grant	-	2,902	-	2,902
Provincial Treasury - Housing consumer education	204,888	185,433	204,888	185,433
Provincial Treasury - Multi purpose centre (Hawston)	-	78,016	-	78,016
Industrial Development Corporation grant	-	2,500,000	-	-
	204,888	3,593,545	204,888	1,093,545
Conditional receipts:				
Hawston housing contribution	-	116,534	-	116,534
Cleanest town competition	21,586	56,576	21,586	56,576
VUNA awards competition	394,109	594,089	394,109	594,089
ABSA mentorship (Grey power)	50,000	30,000	50,000	30,000
Spaces for sport	252,599	247,768	252,599	247,768
Cape Town routes unlimited	200,000	-	200,000	-
World wildlife fund - Table mountain fund grant	231,814	-	231,814	-
OLED - IDC grant for interns	-	-	144,000	-
CSIR - Housing grant	173,420	-	173,420	-
Kleinmond 410 project - Participation fees	6,600	-	6,600	-
Infrastructure contribution - storm water	-	24,612	-	24,612
Infrastructure contribution - Sandbaai erf	-	731,246	-	731,246
Overberg District Municipality - Whale coast signage	243,000	-	243,000	-
	1,573,128	1,800,825	1,717,128	1,800,825
Total	1,778,016	5,394,370	1,922,016	2,894,370
Movement during the year				
Balance at the beginning of the year	2,894,370	5,019,966	2,894,370	5,019,966
Additions during the year	35,645,988	32,281,119	35,789,988	29,781,119
Income recognised during the year	(36,671,608)	(24,828,472)	(36,671,608)	(24,828,472)
Transfer to debtors	(90,734)	(7,078,243)	(90,734)	(7,078,243)
	1,778,016	5,394,370	1,922,016	2,894,370

The nature and extent of government grants recognised in the financial statements and an indication of other forms of government assistance from which the entity has directly benefited; and

Unfulfilled conditions and other contingencies attaching to government assistance that has been recognised.

20. Provisions

Economic Entity

Reconciliation of provisions - 2010

	Opening balance	Adjustments	Utilised during the year	Total
Rehabilitation of tip sites	22,025,498	(3,030,073)	-	18,995,425
Clearing out of alien vegetation	3,385,533	3,214,467	-	6,600,000
Long service bonuses	675,614	3,629,386	-	4,305,000
Gratification payable	566,360	-	(57,686)	508,674
	26,653,005	3,813,780	(57,686)	30,409,099

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

	Economic Entity		Municipality	
Figures in Rand	2010	2009	2010	2009

20. Provisions (continued)

Reconciliation of provisions - 2009

	Opening balance	Adjustments	Utilised during the year	Total
Rehabilitation of tip sites	11,031,931	11,515,779	(522,212)	22,025,498
Clearing out of alien vegetation	4,380,000	-	(994,467)	3,385,533
Long service bonuses	592,183	83,431	-	675,614
Gratification payable	623,710	-	(57,350)	566,360
Cleaning up of illegal dumping	4,267,000	(1,915,999)	(2,351,001)	-
	20,894,824	9,683,211	(3,925,030)	26,653,005

Municipality

Reconciliation of provisions - 2010

	Opening balance	Adjustments	Utilised during the year	Total
Rehabilitation of tip sites	22,025,498	(3,030,073)	-	18,995,425
Clearing out of alien vegetation	3,385,533	3,214,467	-	6,600,000
Long service bonuses	675,614	3,629,386	-	4,305,000
Gratification payable	566,360	-	(57,686)	508,674
	26,653,005	3,813,780	(57,686)	30,409,099

Reconciliation of provisions - 2009

	Opening balance	Adjustments	Utilised during the year	Total
Rehabilitation of tip sites	11,031,931	11,515,779	(522,212)	22,025,498
Clearing out of alien vegetation	4,380,000	-	(994,467)	3,385,533
Long service bonuses	592,183	83,431	-	675,614
Gratification payable	623,710	-	(57,350)	566,360
Cleaning up of illegal dumping	4,267,000	(1,915,999)	(2,351,001)	-
	20,894,824	9,683,211	(3,925,030)	26,653,005

Non-current liabilities	25,917,467	24,700,581	25,917,467	24,700,581
Current liabilities	4,491,632	1,952,424	4,491,632	1,952,424
	30,409,099	26,653,005	30,409,099	26,653,005

Rehabilitation of tip sites:

The costs to rehabilitate all identified sites in the Overstrand is estimated at R18,995,425.

Clearing out of alien vegetation:

Approx. 20% of a total area of 26 154ha must be cleared during the next five years and the estimated cost amounts to R6.6m.

Long service provision:

Post retirement benefits relating to long service bonuses have been provided for. An actuarial valuation has been carried out by a professional actuary as at 30 June 2010. The provision has been adjusted with the projection from the 2010 report.

21. Property rates

Rates received

Residential and Business	121,922,911	116,200,501	121,922,911	116,200,501
--------------------------	-------------	-------------	-------------	-------------

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009

22. Service charges

Sale of electricity	148,216,320	113,486,842	148,216,320	113,486,842
Sale of water	75,032,548	53,852,917	75,032,548	53,852,917
Refuse removal	33,224,600	31,512,376	33,224,600	31,512,376
Sewerage and sanitation charges	36,160,168	32,056,044	36,160,168	32,056,044
	<u>292,633,636</u>	<u>230,908,179</u>	<u>292,633,636</u>	<u>230,908,179</u>

23. Government grants and subsidies

National Equitable share	22,452,206	20,894,239	22,452,206	20,894,239
National FMG grant	1,570,157	884,531	1,570,157	884,531
Municipal Systems Improvement grant (MSIG)	402,902	397,098	402,902	397,098
Provincial Library grant	556,000	505,419	556,000	505,419
Provincial Proclaimed Roads Maintenance grant	-	16,000	-	16,000
Provincial MIG grant	9,459,015	14,188,000	9,459,015	14,188,000
Provincial Social housing projects grant	17,722,670	5,416,114	17,722,670	5,416,114
Provincial Multi purpose centre grant	78,016	616,419	78,016	616,419
DWAF Masibimbane project grant	-	1,031,470	-	1,031,470
Provincial Community development workers grant	96,000	96,000	96,000	96,000
National INEP grant	1,921,000	-	1,921,000	-
Provincial housing consumer education	130,545	52,967	130,545	52,967
National Neighbourhood development partners grant	2,263,663	-	2,263,663	-
Industrial development corporation grant	2,500,000	667,000	-	-
Standard bank netball clinic	-	3,500	-	-
	<u>59,152,174</u>	<u>44,768,757</u>	<u>56,652,174</u>	<u>44,098,257</u>

Unconditional grants: National - Equitable share

In terms of the constitution, this grant is used to subsidise the provision of basic services to indigent community members. All registered indigents receive a monthly subsidy based on the basic service charges for water, electricity, sewerage, refuse and 6kl free basic water and 50kw unit of electricity (2009: same principal applied), which is funded from this grant.

Conditional grants: National - FMG grant

Balance unspent at beginning of year	820,157	1,204,688	820,157	1,204,688
Current year receipts	750,000	500,000	750,000	500,000
Conditions met - transferred to revenue	(1,570,157)	(884,531)	(1,570,157)	(884,531)
Conditions still to be met - transferred to liabilities (see note 19)	-	820,157	-	820,157

Conditional grants: National - MSIG grant

Balance unspent at beginning of year	2,902	-	2,902	-
Current year receipts	400,000	400,000	400,000	400,000
Conditions met - transferred to revenue	(402,902)	(397,098)	(402,902)	(397,098)
Conditions still to be met - transferred to liabilities (see note 19)	-	2,902	-	2,902

Conditional grants: Provincial - Library grant

Current year receipts	556,000	505,419	556,000	505,419
Conditions met - transferred to revenue	(556,000)	(505,419)	(556,000)	(505,419)
Conditions still to be met - transferred to liabilities (see note 19)	-	-	-	-

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009
23. Government grants and subsidies (continued)				
Conditional grants: Provincial - Main road subsidy				
Current year receipts	-	16,000	-	16,000
Conditions met - transferred to revenue	-	(16,000)	-	(16,000)
Conditions still to be met - transferred to liabilities (see note 19)	-	-	-	-
Conditional grants: PAWC - Other grants				
Balance unspent at beginning of year	7,037	702,247	7,037	702,247
Current year receipts	-	-	-	-
Transferred to debtors	(7,037)	(695,210)	(7,037)	(695,210)
Conditions still to be met - transferred to liabilities (see note 19)	-	7,037	-	7,037
Conditional grants: PAWC - Housing consumer education				
Balance unspent at beginning of year	185,433	88,400	185,433	88,400
Current year receipts	150,000	150,000	150,000	150,000
Conditions met - transferred to revenue	(130,545)	(52,967)	(130,545)	(52,967)
Conditions still to be met - transferred to liabilities (see note 19)	204,888	185,433	204,888	185,433
Conditions have been met and the money has been committed. The unspent portion will be spend during the 2010/2011 year.				
Conditional grants: National - Neighbourhood development partners grant				
Current year receipts	2,263,663	-	2,263,663	-
Conditions met - transferred to revenue	(2,263,663)	-	(2,263,663)	-
Conditions still to be met - transferred to liabilities (see note 19)	-	-	-	-
Conditional grants: Provincial - MIG funds				
Current year receipts	11,930,655	14,188,000	11,930,655	14,188,000
Conditions met - transferred to revenue	(9,459,015)	(14,188,000)	(9,459,015)	(14,188,000)
Transferred to debtors	(2,471,640)	-	(2,471,640)	-
Conditions still to be met - transferred to liabilities (see note 19)	-	-	-	-
Conditional grants: National - INEP grant				
Current year receipts	1,921,000	-	1,921,000	-
Conditions met - transferred to revenue	(1,921,000)	-	(1,921,000)	-
Conditions still to be met - transferred to liabilities (see note 19)	-	-	-	-
Conditional grants: Provincial - Social housing				
Current year receipts	17,722,670	5,416,114	17,722,670	5,416,114
Conditions met - transferred to revenue	(17,722,670)	(5,416,114)	(17,722,670)	(5,416,114)
Conditions still to be met - transferred to liabilities (see note 19)	-	-	-	-
Conditional grants: Provincial - Multi purpose centre				
Balance unspent at beginning of year	78,016	694,435	78,016	694,435
Conditions met - transferred to revenue	(78,016)	(616,419)	(78,016)	(616,419)
Conditions still to be met - transferred to liabilities (see note 19)	-	78,016	-	78,016

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009
23. Government grants and subsidies (continued)				
Conditional receipts: DWAF - Masibimbane project				
Balance unspent at beginning of year	-	297,000	-	297,000
Current year receipts	-	734,470	-	734,470
Conditions met - transferred to revenue	-	(1,031,470)	-	(1,031,470)
Conditions still to be met - transferred to liabilities (see note 19)	-	-	-	-
Conditional receipts: Community development workers				
Current year receipts	-	96,000	-	96,000
Conditions met - transferred to revenue	-	(96,000)	-	(96,000)
Conditions still to be met - transferred to liabilities (see note 19)	-	-	-	-
Conditional grants: Industrial development corporation				
Balance unspent at beginning of year	2,500,000	-	2,500,000	-
Current year receipts	-	3,167,000	-	3,167,000
Conditions met - transferred to revenue	(2,500,000)	(667,000)	(2,500,000)	(667,000)
Conditions still to be met - transferred to liabilities (see note 19)	-	2,500,000	-	2,500,000
Conditional receipts: Standard bank netball clinic				
Current year receipts	-	3,500	-	3,500
Conditions met - transferred to revenue	-	(3,500)	-	(3,500)
Conditions still to be met - transferred to liabilities (see note 19)	-	-	-	-
24. Other Income				
Administration charges	188,906	221,335	188,906	221,335
Admission fees received	680,922	416,873	680,922	416,873
Boat launching permits	-	49,260	-	49,260
Building plan fees	2,583,627	2,366,403	2,583,627	2,366,403
Cemetery fees	144,697	144,459	144,697	144,459
Commission received	62,599	52,894	62,599	52,894
Debtback charges	1,513,835	1,686,895	1,513,835	1,686,895
Developers contributions	8,016,927	6,500,534	8,016,927	6,500,534
Library fees received	79,061	72,388	79,061	72,388
Other income	2,159,418	3,572,283	3,175,077	3,567,363
Parking fees received	145,789	114,875	145,789	114,875
Plot clearing charges	288,571	527,848	288,571	527,848
Post office agency	33,339	43,150	33,339	43,150
Pound fees received	8,026	12,935	8,026	12,935
Private telephone calls	369,167	301,026	369,167	301,026
Provision for rehabilitation of tipsites	3,030,073	-	3,030,073	-
Reconnection fees	151,596	133,639	151,596	133,639
Remedial action fee	4,356	5,263	4,356	5,263
Roadworthy certificates	405,427	424,560	405,427	424,560
SETA claims	575,257	513,531	575,257	513,531
Swimming pool fees	48,330	29,811	48,330	29,811
Tax liability write-off	293,542	-	293,542	-
Town planning fees	846,959	702,294	846,959	702,294
Valuation and clearance certificates	385,605	281,422	385,605	281,422
Vehicle permits	234,434	196,080	234,434	196,080
Vehicle registration fees	178,615	159,212	178,615	159,212
	22,429,078	18,528,970	23,444,737	18,524,050

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009
25. Investment revenue				
Interest revenue				
Investments and loans	3,893,144	3,488,547	3,806,296	3,334,184
Consumer debtors	1,150,589	2,419,285	1,150,589	2,419,285
	<u>5,043,733</u>	<u>5,907,832</u>	<u>4,956,885</u>	<u>5,753,469</u>
26. Employee related costs				
Basic	94,227,645	77,973,160	93,549,733	77,525,283
Bonus	7,040,396	5,578,239	6,962,754	5,517,513
Medical aid - company contributions	6,193,312	5,244,676	6,193,312	5,244,676
UIF	986,443	856,838	976,562	853,976
Other payroll levies	264,644	160,238	44,165	37,755
Leave pay provision charge	2,134,920	1,176,282	2,134,920	1,176,282
Post-employment benefits - pension - Defined contribution plan	23,683,243	12,420,473	23,649,787	12,392,973
Overtime payments	9,800,747	10,913,565	9,800,747	10,913,565
Long service bonuses	836,763	565,954	836,763	565,954
Acting allowances	828,990	578,257	828,990	578,257
Car allowances	6,245,153	5,240,831	6,245,153	5,240,831
Housing benefits and allowances	1,041,767	1,237,876	1,041,767	1,237,876
Standby allowances	3,435,075	1,277,739	3,435,075	1,277,739
Sundry allowances	421,162	374,209	421,162	374,209
Group life - company contributions	634,935	653,458	634,935	653,458
Full time union representative	87,994	59,140	87,994	59,140
	<u>157,863,189</u>	<u>124,310,935</u>	<u>156,843,819</u>	<u>123,649,487</u>
Remuneration of the Municipal Manager				
Annual Remuneration	969,025	776,168	969,025	776,168
Car Allowance	60,000	60,000	60,000	60,000
Contributions to UIF, Medical and Pension Funds	212,450	169,617	212,450	169,617
Performance Bonus	30,000	-	30,000	-
Total Remuneration	<u>1,271,475</u>	<u>1,005,785</u>	<u>1,271,475</u>	<u>1,005,785</u>
Cellphone allowance	12,825	-	12,825	-
Remuneration of director: Finance				
Annual Remuneration	802,687	594,318	802,687	594,318
Car Allowance	44,340	33,403	44,340	33,403
Contributions to UIF, Medical and Pension Funds	166,657	120,669	166,657	120,669
Performance Bonus	66,252	30,078	66,252	30,078
Total Remuneration	<u>1,079,936</u>	<u>778,468</u>	<u>1,079,936</u>	<u>778,468</u>
Cellphone allowance	12,825	-	12,825	-
Remuneration of director: Community Services				
Annual Remuneration	595,482	434,022	595,482	434,022
Car Allowance	150,768	132,978	150,768	132,978
Computer allowance	3,912	3,908	3,912	3,908
Contributions to UIF, Medical and Pension Funds	146,377	109,033	146,377	109,033
Performance Bonus	37,064	16,414	37,064	16,414
Total Remuneration	<u>933,603</u>	<u>696,355</u>	<u>933,603</u>	<u>696,355</u>
Cellphone allowance	12,825	-	12,825	-

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

	Economic Entity		Municipality	
Figures in Rand	2010	2009	2010	2009
26. Employee related costs (continued)				
Remuneration of director: Local Economic Development				
Annual Remuneration	477,597	389,223	477,597	389,223
Car Allowance	115,000	120,000	115,000	120,000
Contributions to UIF, Medical and Pension Funds	108,134	88,574	108,134	88,574
Performance Bonus	-	19,020	-	19,020
Total Remuneration	700,731	616,817	700,731	616,817
Cellphone allowance	12,825	-	12,825	-
Remuneration of director: Infrastructure and planning				
Annual Remuneration	695,575	513,844	695,575	513,844
Car Allowance	129,528	129,530	129,528	129,530
Computer allowance	6,516	6,513	6,516	6,513
Contributions to UIF, Medical and Pension Funds	170,117	127,134	170,117	127,134
Performance Bonus	74,533	22,500	74,533	22,500
Total Remuneration	1,076,269	799,521	1,076,269	799,521
Cellphone allowance	12,825	-	12,825	-
Remuneration of director: Protection Services				
Annual Remuneration	464,565	233,998	464,565	233,998
Car Allowance	120,000	70,000	120,000	70,000
Contributions to UIF, Medical and Pension Funds	119,246	60,004	119,246	60,004
Performance Bonus	22,050	-	22,050	-
Total Remuneration	725,861	364,002	725,861	364,002
Cellphone allowance	12,825	-	12,825	-
Remuneration of director: Management Services				
Annual Remuneration	546,005	284,483	546,005	284,483
Car Allowance	72,000	80,000	72,000	80,000
Contributions to UIF, Medical and Pension Funds	147,825	79,237	147,825	79,237
Performance Bonus	31,602	-	31,602	-
Total Remuneration	797,432	443,720	797,432	443,720
Cellphone allowance	12,825	-	12,825	-
Acting allowance	13,821	-	13,821	-
	26,646	-	26,646	-
Remuneration of director: OLEDA				
Annual Remuneration	40,417	-	40,417	-
Car Allowance	10,000	-	10,000	-
Contributions to UIF, Medical and Pension Funds	7,404	-	7,404	-
Total Remuneration	57,821	-	57,821	-
Remuneration of the chief executive officer				
Annual Remuneration	444,583	286,666	-	-
Travel, motor, accommodation, subsistence and other allowances	185,214	118,592	-	-
Cost to company - Contributions to pension fund	33,456	27,500	-	-
Cost to company - 1% UIF contributions	1,373	998	-	-
Cost to company - Contributions to provident fund	29,244	-	-	-
Performance- and other bonuses	77,642	60,726	-	-
Total Remuneration	771,512	494,482	-	-

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009
26. Employee related costs (continued)				
Remuneration of the directors				
Emoluments				
Rev. E Arrison	4,500	18,000	-	-
Prof. D Brink	4,500	10,500	-	-
Prof. A Nieuwoudt	3,000	12,000	-	-
Mr. N Nomkhila	4,500	18,000	-	-
Mr. PH Pieters	3,000	15,000	-	-
Ms. NE Pike	3,000	13,500	-	-
Mr. DK Smith	4,500	16,500	-	-
	<u>27,000</u>	<u>103,500</u>	<u>-</u>	<u>-</u>
Subsistence allowances				
Rev. E Arrison	-	720	-	-
Prof. D Brink	1,256	-	-	-
Prof. A Nieuwoudt	-	-	-	-
Mr. N Nomkhila	-	720	-	-
Mr. PH Pieters	-	720	-	-
Ms. NE Pike	1,927	-	-	-
Mr. DK Smith	2,838	1,731	-	-
	<u>6,021</u>	<u>3,891</u>	<u>-</u>	<u>-</u>
27. Remuneration of councillors				
Executive Major	555,008	518,696	555,008	518,696
Deputy Executive Major	407,905	414,958	407,905	414,958
Mayoral Committee Members	863,567	769,591	863,567	769,591
Speaker	444,005	414,958	444,005	414,958
Councillors	2,259,226	2,152,302	2,259,226	2,152,302
	<u>4,529,711</u>	<u>4,270,505</u>	<u>4,529,711</u>	<u>4,270,505</u>
28. Depreciation and amortisation				
Property, plant and equipment	101,172,264	34,157,286	101,140,289	34,145,424
Intangible assets	4,618	577	2,418	-
	<u>101,176,882</u>	<u>34,157,863</u>	<u>101,142,707</u>	<u>34,145,424</u>
29. Finance costs				
Current borrowings	<u>19,294,616</u>	<u>7,526,953</u>	<u>19,294,616</u>	<u>7,526,953</u>
30. Debt impairment				
Contributions to bad-debt provision	<u>9,507,272</u>	<u>4,964,544</u>	<u>9,507,272</u>	<u>4,964,544</u>
31. Bulk purchases				
Electricity	<u>78,005,898</u>	<u>59,353,373</u>	<u>78,005,898</u>	<u>59,353,373</u>
32. Contracted services				
Specialist services	6,318,853	6,231,971	6,318,853	6,231,971
Other contractors	8,142,303	5,513,979	8,142,303	5,513,979
	<u>14,461,156</u>	<u>11,745,950</u>	<u>14,461,156</u>	<u>11,745,950</u>

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009
33. Grants and subsidies paid				
Other subsidies				
Low house-hold subsidies	11,817,760	9,308,485	11,817,760	9,308,485
34. General expenses				
Accounting fees	30,627	17,393	-	-
Advertising	1,057,790	1,159,682	1,053,476	1,159,447
Auditors remuneration	3,232,554	2,266,910	3,102,087	2,266,910
Bank charges	898,068	848,104	892,504	842,591
Billing charges	4,768,101	6,047,441	4,768,101	6,047,441
Chemicals	6,084,558	6,728,753	6,084,558	6,728,753
Cleaning	4,231	1,518	-	-
Commission paid	2,291,557	1,215,633	2,291,557	1,215,633
Computer expenses	4,948	1,080	-	-
Conditional receipts expenses	12,249,442	7,113,444	12,249,442	7,113,444
Consulting and professional fees	959,345	1,838,084	911,599	1,460,381
Consumables	1,223,815	1,364,540	1,223,815	1,364,540
Debt collection	1,964,072	1,633,892	1,964,072	1,633,892
Deeds office cost	105,014	66,334	105,014	66,334
Delegate expenses	116,287	122,350	116,287	122,350
Donations	5,500	-	-	-
Electricity	1,598,198	1,313,432	1,592,821	1,312,394
Fuel and oil	5,880,834	6,696,119	5,880,834	6,696,119
Hermanus public protection	3,144,004	2,736,244	3,144,004	2,736,244
Hire	287,701	447,203	287,701	447,203
Improvement rebates	17,354,711	16,533,199	17,354,711	16,533,199
Insurance	2,144,885	3,523,799	2,144,885	3,523,799
Lease rentals on operating lease	1,871,641	273,368	1,807,060	214,365
Managment of informal settlements	1,241,156	1,795,222	1,241,156	1,795,222
Municipal charges	7,016,583	4,497,151	7,016,583	4,497,151
Municipal entity contribution	-	-	-	750,000
Occupational health and safety	66,170	115,239	66,170	115,239
Other expenses	6,297,895	3,620,643	6,129,157	3,514,191
Postage and courier	584,977	1,042,965	584,977	1,042,965
Printing and stationery	1,390,380	1,388,429	1,369,856	1,371,272
Property valuation charges	664,098	1,774,027	664,098	1,774,027
Radio license fees	26,356	35,484	26,356	35,484
Rates income foregone	3,890,368	1,949,666	3,890,368	1,949,666
Reference library	441,055	238,410	441,055	238,410
Refuse/recycle bags	186,230	211,130	186,230	211,130
Security services	2,720,003	1,796,251	2,718,072	1,795,415
Solid waste chipping	1,688,668	1,258,443	1,688,668	1,258,443
Solid waste dumping fees	2,838,261	2,735,331	2,838,261	2,735,331
Solid waste haulage	1,677,326	1,645,097	1,677,326	1,645,097
Special projects	1,017,537	441,358	1,017,537	441,358
Staff welfare	16,311	21,320	11,537	20,368
Subscriptions and membership fees	697,279	591,963	697,279	591,963
Subsistance and transport	683,398	664,185	659,009	610,437
Sundry expenses	160,544	385,715	160,544	385,471
Telephone and fax	5,049,462	5,998,058	5,007,265	5,988,382
Tourism development	2,935,510	2,937,198	2,935,510	2,937,198
Training	1,222,861	955,082	1,185,102	950,717
Uniforms and protective clothing	972,652	900,602	972,652	900,602
Venue expenses	187,739	219,834	175,911	216,451
Veterinary department	414,965	548,193	414,965	548,193
Water levies	76,984	896,061	76,984	896,061
	111,442,651	100,611,579	110,827,156	100,701,283

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009
35. Cash generated from operations				
(Deficit) / Surplus before taxation	(9,982,167)	30,242,878	(9,881,093)	29,997,804
Adjustments for:				
Depreciation and amortisation	101,176,882	34,157,863	101,142,706	34,145,424
Deficit / (Surplus) on sale of assets	(7,046,456)	331,290	(7,046,456)	331,290
Assets donated	5,500			
Interest received	(5,043,733)	(5,907,832)	(4,956,885)	(5,753,469)
Finance costs	19,294,616	7,526,953	19,294,616	7,526,953
Fair value adjustments	(19,857,210)	-	(19,857,210)	-
Impairment deficit	117,000	-	117,000	-
Movement in operating lease assets and accruals	10,930	453,600	10,930	453,600
Movement in retirement benefit assets and liabilities	3,068,361	(1,430,230)	3,068,361	(1,430,230)
Movements in provisions	3,756,094	6,381,890	3,756,094	6,381,890
Landfill sites	-	(11,515,779)	-	(11,515,779)
Clearing of illegal dumping	-	1,915,999	-	1,915,999
Changes in working capital:				
Inventories	(63,435)	280,316	(63,435)	280,316
Trade and other receivables from exchange transactions	12,148,449	(20,499,322)	12,112,858	(20,463,731)
Consumer debtors	1,394,831	(9,892,244)	1,394,831	(9,892,244)
Long term receivables	110,099	255,318	110,099	255,318
Trade and other payables from exchange transactions	(25,260,431)	16,164,790	(25,157,672)	16,062,031
VAT	2,899,269	(5,258,960)	2,899,269	(5,258,960)
Unspent conditional grants and receipts	(3,616,354)	(11,678,297)	(972,354)	(14,178,297)
	73,112,245	31,528,233	75,971,659	28,857,915

36. Commitments

Authorised capital expenditure

Already contracted for but not provided for

• Property, plant and equipment	9,866,604	15,782,868	9,866,604	15,782,868
---------------------------------	-----------	------------	-----------	------------

Not yet contracted for and authorised by council	161,809,089	157,445,124	161,809,089	157,445,124
--	-------------	-------------	-------------	-------------

This committed expenditure relates to Property, plant and equipment and will be financed by available bank facilities, retained surpluses, existing cash resources, funds internally generated, etc.

Operating leases - as lessee (expense)

Minimum lease payments due

- within one year	788,505	874,836	788,505	811,130
- in second to fifth year inclusive	175,853	986,131	175,853	964,358
	964,358	1,860,967	964,358	1,775,488

Operating lease payments represent rentals payable by the municipality for certain of its office equipment. Leases are negotiated for an average term of seven years and rentals are fixed for an average of three years. No contingent rent is payable.

Operating leases - as lessor (income)

Minimum lease payments due

- within one year	234,189	203,127	234,189	203,127
- in second to fifth year inclusive	1,052,479	1,190,008	1,052,479	1,190,008
- later than five years	2,557,170	2,653,831	2,557,170	2,653,831
	3,843,838	4,046,966	3,843,838	4,046,966

Certain of the municipality's properties is held to generate rental income. Lease agreements are non-cancellable and have terms from 3 to 99 years.

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009

37. Contingent liabilities

M5/ASLA

The matter arose when M5 sought an order in the Western Cape High Court setting aside a decision of the then Acting Municipal Manager (the undersigned) reversing, on appeal, the allocation of a municipal tender to M5 and instead awarding the tender to ASLA. On 12 February 2009 Mr Justice Le Grange reviewed and set aside the then Acting Municipal Manager's decision. Leave for appeal was granted on 7 May 2009 as reasonable prospects of success existed that another Court may come to a different conclusion given the fact that some of the findings of the Judge are novel with regard to the provisions of the Local Government: Municipal Systems Act, 2000, (Act 32 of 2000). The approximate amount of the legal costs involved are R140,000.

SALA Pension Fund

SALA unilaterally decided to increase the employer's contribution to the said fund from 18,75 to 20,78% in 2003. A claim was instituted by the South African Local Authorities Pension Fund (SALA) in the Magistrate's Court for the district of Hermanus for the non-payment of increased contributions from July 2003 amounting to approximately R125,000 plus interest @ 15.5% p.a. from the date of demand.

Cape Joint Pension Fund

There was a shortfall in the annual earnings of the Cape Joint Pension Fund and the claim amount is R1, 390,581. We oppose the claim.

Municipal Councillors Pension Fund

Certain council members terminated their membership with the Municipal Councillors Pension Fund. There is a claim amount of R455,000 that the municipality has to recover from the members concerned and pay over to the fund. We are disputing the claim and have already sent our advocate's opinion to the fund administrators.

38. Comparative figures

Certain comparative figures have been restated, see note 2 for detail information regarding these changes.

39. Risk management

Capital risk management

The economic entity's objectives when managing capital are to safeguard the economic entity's ability to continue as a going concern in order to provide returns for member and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the municipality consists of debt, which includes the borrowings (excluding derivative financial liabilities) disclosed in note 15, cash and cash equivalents disclosed in note 10, and equity as disclosed in the statement of financial position.

Financial risk management

Due to the largely non-trading nature of activities and the way in which they are financed, municipalities are not exposed to the degree of financial risk faced by business entities. Financial Instruments play a much more limited role in creating or changing risks that would be typical of listed companies to which the IAS's mainly apply. Generally, Financial Assets and Liabilities are generated by day-to-day operational activities and are not held to manage the risks facing the municipality in undertaking its activities.

The Directorate: Financial Services monitors and manages the financial risks relating to the operations through internal policies and procedures. These risks include interest rate risk, credit risk and liquidity risk. Compliance with policies and procedures is reviewed by the internal auditors on a continuous basis, and annually by external auditors. The economic entity does not enter into or trade financial instruments for speculative purposes.

Internal audit, responsible for initiating a control framework and monitoring and responding to potential risk, reports periodically to the economic entity's audit committee, an independent body that monitors the effectiveness of the internal audit function.

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009

39. Risk management (continued)

Liquidity risk

The economic entity's risk to liquidity is a result of the funds available to cover future commitments. The economic entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

Interest rate risk

Interest Rate Risk is defined as the risk that the fair value or future cash flows associated with a financial instrument will fluctuate in amount as a result of market interest changes.

Potential concentrations of interest rate risk consist mainly of variable rate deposit investments, long-term receivables, consumer debtors, other debtors, bank and cash balances.

The economic entity limits its counterparty exposures from its money market investment operations by only dealing with well-established financial institutions of high credit standing. No investment with a tenure exceeding twelve months shall be made without consultation with the councillor responsible for financial matters.

Consumer debtors comprise of a large number of ratepayers, dispersed across different industries and geographical areas. Ongoing credit evaluations are performed on the financial condition of these debtors. Consumer debtors are presented net of a provision for impairment.

In the case of debtors whose accounts become in arrears, it is endeavoured to collect such accounts by "levying of penalty charges", demand for payment, "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

Long-term Receivables and Other Debtors are individually evaluated annually at balance Sheet date for impairment or discounting. A report on the various categories of debtors is drafted to substantiate such evaluation and subsequent impairment / discounting, where applicable.

The economic entity is not exposed to interest rate risk as the economic entity borrows funds at fixed interest rates.

The economic entity's exposures to interest rates on Financial Assets and Financial Liabilities are detailed in the Credit Risk Management section of this note.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The economic entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards. Credit guarantee insurance is purchased when deemed appropriate.

Credit quality of financial assets

Counter parties with external credit rating (Fitch's)

Other financial assets				
F1	10,000,000	6,243,700	10,000,000	6,243,700
F3	2,631,821	2,631,821	2,631,821	2,631,821
	<u>12,631,821</u>	<u>8,875,521</u>	<u>12,631,821</u>	<u>8,875,521</u>

Counter parties without external credit rating

Trade and other receivables from exchange transactions				
Group 3	16,857,139	18,987,313	16,857,139	18,986,233
Group 2	13,550,980	23,569,255	13,550,980	23,534,744
	<u>30,408,119</u>	<u>42,556,568</u>	<u>30,408,119</u>	<u>42,520,977</u>

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009

39. Risk management (continued)

Consumer debtors

Group 1	23,525,566	17,022,436	23,525,566	17,022,436
Group 2	7,732,397	4,515,929	7,732,397	4,515,929
Group 3	24,089,579	2,486,940	24,089,579	2,486,940
Group 4	3,307,447	28,409,829	3,307,447	28,409,829
	<u>58,654,989</u>	<u>52,435,134</u>	<u>58,654,989</u>	<u>52,435,134</u>

Long term receivables

Group 3	205,356	424,306	205,356	424,306
---------	---------	---------	---------	---------

F1 = Highest credit quality. Indicates the strongest capacity for timely payment of financial commitments.

F2 = Good credit quality. A satisfactory capacity for timely payment of financial commitments.

F3 = Fair credit quality. The capacity for timely payment of financial commitments is adequate.

Group 4 = Highest credit quality. Indicates the strongest capacity for timely payment of financial commitments.

Group 3 = Good credit quality. A satisfactory capacity for timely payment of financial commitments.

Group 2 = Fair credit quality. The capacity for timely payment of financial commitments is adequate.

Group 1 = Speculative. Minimal capacity for timely payment of financial commitments, plus vulnerability to near term adverse changes in the financial and economic conditions.

40. Additional disclosure in terms of Municipal Finance Management Act

VAT

VAT receivable	<u>15,633,554</u>	<u>18,532,823</u>	<u>15,633,554</u>	<u>18,532,823</u>
----------------	-------------------	-------------------	-------------------	-------------------

All VAT returns have been submitted by the due date throughout the year.

Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days at 30 June 2010:

30 June 2009	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
Group			
Berry AG	1,731	-	1,731
Herbert VR	<u>2,698</u>	<u>-</u>	<u>2,698</u>
	<u>4,429</u>	<u>-</u>	<u>4,429</u>
Municipality			
Berry AG	1,731	-	1,731
Herbert VR	<u>2,698</u>	<u>-</u>	<u>2,698</u>
	<u>4,429</u>	<u>-</u>	<u>4,429</u>

41. Actual operating expenditure versus budgeted operating expenditure

Refer to Appendix E(1) for the comparison of actual operating expenditure versus budgeted expenditure.

42. Actual capital expenditure versus budgeted capital expenditure

Refer to Appendix E(2) for the comparison of actual capital expenditure versus budgeted expenditure.

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

	Economic Entity		Municipality	
Figures in Rand	2010	2009	2010	2009

43. Financial liabilities by category

The accounting policies for financial instruments have been applied to the line items below:

	Financial liabilities at amortised cost	Fair value through surplus or deficit - held for trading	Fair value through surplus or deficit - designated	Total
Economic Entity				
2010				
Other financial liabilities	180,753,189	-	-	180,753,189
Trade and other payables	73,540,770	-	-	73,540,770
Consumer deposits	13,893,478	-	-	13,893,478
Unspent conditional grants and receipts	1,922,016	-	-	1,922,016
	<u>270,109,453</u>	<u>-</u>	<u>-</u>	<u>270,109,453</u>
2009				
Other financial liabilities	126,246,357	-	-	126,246,357
Trade and other payables	98,801,201	-	-	98,801,201
Consumer deposits	11,379,540	-	-	11,379,540
Unspent conditional grants and receipts	5,394,370	-	-	5,394,370
Deferred lease liability	1,839	-	-	1,839
	<u>241,823,307</u>	<u>-</u>	<u>-</u>	<u>241,823,307</u>
Municipality				
2010				
Other financial liabilities	180,753,189	-	-	180,753,189
Trade and other payables	73,540,770	-	-	73,540,770
Consumer deposits	13,893,478	-	-	13,893,478
Unspent conditional grants and receipts	1,922,016	-	-	1,922,016
	<u>270,109,453</u>	<u>-</u>	<u>-</u>	<u>270,109,453</u>
2009				
Other financial liabilities	126,246,357	-	-	126,246,357
Trade and other payables	98,698,442	-	-	98,698,442
Consumer deposits	11,379,540	-	-	11,379,540
Unspent conditional grants and receipts	2,894,370	-	-	2,894,370
	<u>239,218,709</u>	<u>-</u>	<u>-</u>	<u>239,218,709</u>

Fair Value:

The Fair Values of Financial Assets and Financial Liabilities are determined as follows:

- the Fair Value of Financial Assets and Financial Liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices;

The management of the economic entity is of the opinion that the carrying value of Financial Assets and Financial Liabilities recorded at amortised cost in the Annual Consolidated Financial Statements approximate their fair values. The fair value of Financial Assets and Financial Liabilities were determined after considering the standard terms and conditions of agreements entered into between the economic entity and other parties as well as the the current payment ratio's of the economic entity's debtors.

44. Operating (deficit) / surplus

Operating (deficit) surplus for the year is stated after accounting for the following:

Operating lease charges

Premises				
• Contractual amounts	110,781	95,003	46,200	36,000
Equipment				
• Contractual amounts	<u>1,760,860</u>	<u>178,365</u>	<u>1,760,860</u>	<u>178,365</u>
(Deficit) / surplus on sale of property, plant and equipment	<u>7,046,456</u>	<u>(331,290)</u>	<u>7,046,456</u>	<u>(331,290)</u>

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009

44. Operating (deficit) / surplus (continued)

Impairment on property, plant and equipment	117,000	-	117,000	-
Depreciation and amortisation on property, plant and equipment	101,176,882	34,157,863	101,142,706	34,145,424
Employee costs	162,536,900	128,520,714	161,373,530	127,919,992

45. Auditors' remuneration

Fees	3,232,554	2,266,910	3,102,087	2,266,910
------	-----------	-----------	-----------	-----------

46. Related parties

Relationships

Control entity of the municipality Overstrand Local Economic Development Agency (Pty) Ltd (OLEDA) is a 100% wholly owned entity controlled by Overstrand Municipality.

Related party transactions

Subsidies paid to

Overstrand Local Economic Development Agency (Pty) Ltd	-	-	-	750,000
--	---	---	---	---------

A grant was paid to OLEDA in order to perform its functions with regard to the promotion of local economic development in the Overstrand in accordance with Overstrand Municipality's Integrated Development Plan.

Income received on behalf of

Overstrand Local Economic Development Agency (Pty) Ltd	-	-	144,000	-
--	---	---	---------	---

The municipality received money from OLEDA for their intern salaries.

A decision was made where they decided that Overstrand Local Economic Development Agency (Pty) Ltd should be desolved and incorporated into the municipality as a department as of 31 May 2010.

47. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the council and includes an additional schedule to this note to the financial statements.

Refer to page 207 for the supply chain management deviations.

48. Irregular expenditure

Opening balance	3,268,855	-	3,268,855	-
Legal costs	904,346	1,460,381	904,346	1,460,381
Management of informal settlements	1,051,928	1,795,222	1,051,928	1,795,222
Personnel as directors of suppliers	4,175	13,252	4,175	13,252
Procurement quotes	2,000	-	2,000	-
Short advertisement period	12,539,148	-	12,539,148	-
Approved by council	(17,753,025)	-	(17,753,025)	-
	17,427	3,268,855	17,427	3,268,855

Expenditure was not incurred in accordance with the supply chain management policy.

The irregular expenditure for legal costs and management of informal settlement costs was resolved to be written off by the ordinary meeting of the council on 29 July 2010.

Expenditure was condoned in accordance with Overstrand Municipality's supply chain management policy.

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009
49. Fruitless and wasteful expenditure				
Opening balance	5,718	5,863	5,718	5,863
Fruitless and wasteful expenditure	356,250	5,718	356,250	5,718
Recovered / approved by council	(185,718)	(5,863)	(185,718)	(5,863)
	176,250	5,718	176,250	5,718

Incident

Disciplinary steps/criminal proceedings

Payment to fraudulent bank account (2009)	Referred to oversight committee for investigation. Recovered from responsible party.
Erroneous payment made to supplier (2010)	Steps taken to recover funds.

50. Housing development fund

The housing development fund was established according to the Housing Act, 1997.

The balance consists solely of extinguished loans received from the national housing board in accordance with the Housing Act, 1997.

Opening balance	3,328,676	3,317,403	3,328,676	3,317,403
Transfer to fund	(1,410,273)	11,273	(1,410,273)	11,273
	1,918,403	3,328,676	1,918,403	3,328,676

51. Multi-employer retirement benefit information

Overstrand Municipality makes provision for post-retirement benefits to eligible councillors and employees, who belong to different pension schemes.

All councillors belong to the Pension Fund for Municipal Councillors.

Employees belong to a variety of approved Pension and Provident Funds as described below.

These funds are governed by the Pension Funds Act and include both defined benefit and defined contribution schemes.

All of these afore-mentioned funds are multi-employer plans and are subject to either a tri-annual, bi-annual or annual actuarial valuation, details which are provided below.

Sufficient information is not available to use defined benefit accounting for the pension and retirement funds, due to the following reasons:

- The assets of each fund are held in one portfolio and are not notionally allocated to each of the participating employers.
- One set of financial statements are compiled for each fund and financial statements are not drafted for each participating employer.
- The same rate of contribution applies to all participating employers and no regard is paid to differences in the membership distribution of the participating employers.

It is therefore seen that each fund operates as a single entity and is not divided into sub-funds for each participating employer.

The only obligation of the municipality with respect to the retirement benefit plans is to make the specified contributions. Where councillors / employees leave the plans prior to full vesting of the contributions, the contributions payable by the municipality are reduced by the amount of forfeited contributions.

The total expense recognised in the Statement of Financial Performance of R6,2 million (2009: R5,6 million) represents contributions payable to these plans by the municipality at rates specified in the rules of the plans. These contributions have been expensed.

The Retirement Funds have been valued by making use of the Discounted Cash Flow method of valuation.

DEFINED BENEFIT SCHEMES

Cape Joint Pension Fund:

The scheme is subject to an annual actuarial valuation. The last statutory valuation was performed as at 30 June 2009.

The statutory valuation performed as at 30 June 2009 revealed that the fund had a surplus of R0,0 (30 June 2008: R182,7) million, with a funding level of 100,0% (30 June 2008: 106,5%) and a solvency reserve with a closing balance of R200,6 (30 June 2008: R0,0) million. The contribution rate paid by the members (9,00%) and the municipalities (18,00%) is less than the recommended contribution rate of 32,1%.

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

	Economic Entity		Municipality	
Figures in Rand	2010	2009	2010	2009

51. Multi-employer retirement benefit information (continued)

Government Employees Pension Fund (GEPF):

The scheme is subject to an tri-annual actuarial valuation. The last statutory valuation was performed as at 30 June 2006.

The statutory valuation performed as at 30 June 2006 revealed that the fund had a surplus of R0,0 (30 June 2004: R-12,78) million, with a funding level of 100,0% (30 June 2004: 96,5%). The contribution rate paid by the members (7,00%) and the municipalities (13,00%) is sufficient to fund the benefits accruing from the fund in the future.

South African Local Authorities Pension Fund (SALA):

The scheme is subject to an annual actuarial valuation. The last statutory valuation was performed as at 1 July 2007.

The statutory valuation performed as at 1 July 2007 revealed that the fund had a surplus of 558,4 (1 July 2006: R286,0) million, with a funding level of 110% (1 July 2006: 106%). The contribution rate paid by the members (7,50% to 9,00%) and the municipalities (15,00% to 20,80%) is sufficient to fund the benefits accruing from the fund in the future.

Local Government Pension Fund:

No details could be provided for the fund and of any valuation performed.

A contribution rate is paid by the members (7,50%) and municipalities (between 15% and 22%).

DEFINED CONTRIBUTION SCHEMES

Cape Joint Pension Fund:

The scheme is subject to an annual actuarial valuation. The last statutory valuation was performed as at 30 June 2009.

The statutory valuation performed as at 30 June 2009 revealed that the investment reserve of the fund amounted to R1 171 (30 June 2008: R12 033) million, with a funding level of 100,3% (30 June 2008: 103,3%). The contribution rate paid by the members (9,00%) and the municipalities (18,00%) is sufficient to fund the benefits accruing from the fund in the future.

Cape Joint Retirement Fund:

The scheme is subject to an annual actuarial valuation. The last statutory valuation was performed as at 30 June 2009.

The statutory valuation performed as at 30 June 2009 revealed that the assets of the fund amounted to R6 842 (30 June 2008: R6 675) million, with funding levels of 100,8% and 131,9% (30 June 2008: 101,1% and 112,2%) for the Share Account and the Pensions Account respectively. The contribution rate paid by the members (9,00%) and the municipalities (18,00%) is sufficient to fund the benefits accruing from the fund in the future.

Municipal Councillors Pension Fund:

The scheme is subject to an annual actuarial valuation. The last statutory valuation was performed as at 30 June 2006.

The statutory valuation performed as at 30 June 2006 revealed that the fund had a funding ratio of 106,5%. The contribution rate paid by the members (13,75%) and Council (15,00%) is sufficient to fund the benefits accruing from the fund in the future.

Municipal Gratuity Fund:

The scheme is subject to an annual actuarial valuation. The last statutory valuation was performed as at 30 June 2009.

The valuation performed as at 30 June 2009 revealed that the market value of the fund was R8 248,8 (30 June 2008: R8 104,4) billion. The contribution rate payable is 7,50% by the member and 22,00% by the employer. The fund was certified to be in sound financial condition as at 30 June 2007.

National Fund for Municipal Workers:

The scheme is subject to an annual actuarial valuation. The last statutory valuation was performed as at 1 July 2008.

The statutory valuation performed as at 1 July 2008 revealed that the fund had a deficit of R6,3 (1 July 2007: surplus R9,5) million, with a funding level of 99,8% (1 July 2007: 100,3%). The contribution rate paid by the members (2,00% to 7,00%) and the municipalities (2,00% to 7,00%) is sufficient to fund the benefits accruing from the fund in the future, and the actuary was satisfied that the fund will continue to be able meet it's liabilities.

Overstrand Municipality

Annual Consolidated Financial Statements for the year ended June 30, 2010

Notes to the Annual Consolidated Financial Statements

Figures in Rand	Economic Entity		Municipality	
	2010	2009	2010	2009

51. Multi-employer retirement benefit information (continued)

South African Municipal Workers Union National Provident Fund:

The scheme is subject to an tri-annual actuarial valuation. The last statutory valuation was performed as at 30 June 2005.

The statutory valuation performed as at 30 June 2005 revealed that the fund had a funding ratio of 100.0% (30 June 2002: 100,0%).

The contribution rate paid by the members (not less than 5,00%) and Council (not less than 12,00%) is sufficient to fund the benefits accruing from the fund in the future.

Liberty Life Pension Fund:

No details could be provided for the fund and of any valuation performed.

SANLAM Annuity Fund:

No details could be provided for the fund and of any valuation performed.

SANLAM Retirement Fund:

No details could be provided for the fund and of any valuation performed.

None of the above mentioned plans are State Plans.

52. Statement of comparative information

Refer to page 53 for the statement of comparative information.

53. Use of municipal funds to buy 2010 FIFA World Cup tickets and T-shirts

No municipal funds have been used to purchase 2010 FIFA World Cup tickets and T-shirts for councillors, their spouses, and/or municipal officials of Overstrand Municipality.

54. Distribution losses

	Electricity	Water
Economic Entity		
2010		
Rand value	5,230,268	9,195,433
% loss	9.30%	27.43%
2009		
Rand value	3,939,200	8,281,591
% loss	10.60%	27.25%
Municipality		
2010		
Rand value	5,230,268	9,195,433
% loss	9.30%	27.43%
2009		
Rand value	3,939,200	8,281,591
% loss	10.60%	27.25%

Material water losses to the amount of R9,195,433 (27.43%) were incurred as a result of unmetered connections, ageing pipeline infrastructure, burst pipes, old reticulation networks and other leakages as well as unmetered consumers in the municipality like fire and parks services. Alien vegetation infestation in watercourses and catchment areas is also a contributing factor.

Electricity losses amounting to R5,230,268 (9.3%) that were also incurred. This is as a result of technical losses caused by the nature of electricity and the manner of its distribution, via the network, status/condition and age of the network, weather conditions, and load on the system, as well as non-technical losses such as theft and vandalism.

55. Investigations

There are possible fraudulent claims in respect of the Working for Water project carried out on behalf of the Department of Water Affairs and Forestry. There is alleged negligence and breach of fiduciary duties by the water services manager resulting in potential fruitless and wasteful expenditure of R4 million.

OVERSTRAND MUNICIPALITY
NOTES TO THE ANNUAL CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

52. Statement of comparative and actual information

	2010								
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of MFMA)	Virement R'000 (i.t.o. council approved policy)	Final Budget	Actual Outcome	Unauthorised Expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
Financial Performance									
Property rates	120,829,900	-	-	120,829,900	121,922,911	-	1,093,011	101%	101%
Service charges	293,754,590	-	-	293,754,590	292,633,636	-	(1,120,954)	100%	100%
Investment Revenue	19,932,000	(14,260,825)	-	5,671,175	5,043,733	-	(627,442)	89%	25%
Transfers recognised - Operational	37,120,880	2,841,663	-	39,962,543	34,890,929	-	(5,071,614)	87%	94%
Other own revenue	51,562,655	(7,681,634)	-	43,881,021	45,031,151	-	1,150,130	103%	87%
Total Revenue (excl. capital transfers and contributions)	523,200,025	(19,100,796)	-	504,099,229	499,522,360	-	(4,576,869)	99%	95%
Employee costs	155,804,340	248,650	-	156,052,990	157,863,189	-	1,810,199	101%	101%
Remuneration of councillors	4,821,810	(226,270)	-	4,595,540	4,529,711	-	(65,829)	99%	94%
Debt impairment	2,000,000	-	-	2,000,000	9,507,272	-	7,507,272	475%	475%
Depreciation & asset impairment	36,348,990	72,401,531	-	108,750,521	101,293,882	-	(7,456,639)	93%	279%
Finance charges	21,375,813	(4,895,542)	-	16,480,271	19,294,616	-	2,814,345	117%	90%
Bulk purchases	81,800,080	(515,080)	-	81,285,000	78,005,898	-	(3,279,102)	96%	95%
Transfers and grants	14,000,000	-	-	14,000,000	11,817,760	-	(2,182,240)	84%	84%
Other expenditure	205,386,960	(956,398)	-	204,430,562	175,857,110	-	(28,573,452)	86%	86%
Total Expenditure	521,537,993	66,056,891	-	587,594,884	558,169,438	-	(29,425,446)	95%	107%
Surplus (Deficit)	1,662,032	(85,157,687)	-	(83,495,655)	(58,647,078)	-	24,848,577	70%	-3529%
Transfers recognised - capital	38,097,120	(12,639,222)	-	25,457,898	21,761,245	-	(3,696,653)	85%	57%
Contributions recognised - capital and contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	39,759,152	(97,796,909)	-	(58,037,757)	(36,885,833)	-	21,151,924	64%	-93%
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus (Deficit) for the year	39,759,152	(97,796,909)	-	(58,037,757)	(36,885,833)	-	21,151,924	64%	-93%

OVERSTRAND MUNICIPALITY
NOTES TO THE ANNUAL CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

52. Statement of comparative and actual information

	2010								
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of MFMA)	Virement R'000 (i.t.o. council approved policy)	Final Budget	Actual Outcome	Unauthorised Expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
<u>Capital expenditure and funds sources</u>									
Total capital expenditure	162,326,820	(48,377,177)	-	113,949,643	108,844,795	-	(5,104,848)	96%	67%
Transfers recognised - capital	38,097,120	(13,422,222)	-	24,674,898	21,761,245	-	(2,913,653)	88%	57%
Public contributions & donations	-	-	-	-	-	-	-	100%	100%
Borrowing	70,000,000	-	-	70,000,000	70,000,000	-	(2,226,195)	88%	31%
Internally generated funds	54,264,700	(34,954,955)	-	19,309,745	17,083,550	-	(2,226,195)	88%	31%
Total Capital Funding	162,361,820	(48,377,177)	-	113,984,643	108,844,795	-	(5,139,848)	95%	67%
<u>Cash flows</u>									
Net cash from (used) operating	70,172,002	(4,134,615)	-	66,037,387	62,672,148	-	(3,365,239)	95%	89%
Net cash from (used) investing	(118,782,417)	-	-	(118,782,417)	(111,950,557)	-	6,831,860	94%	94%
Net cash from (used) financing	60,915,573	-	-	60,915,573	57,041,819	-	(3,873,754)	94%	94%
Cash/cash equivalents at the year end	12,305,158	(4,134,615)	-	8,170,543	7,763,410	-	(407,133)	95%	63%

OVERSTRAND MUNICIPALITY
NOTES TO THE ANNUAL CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

Note 47: Deviations from supply chain management regulations (... continued from pg 201)

TENDERS AND QUOTATIONS DEVIATIONS FOR THE PERIOD 1 JULY 2009 TO 30 JUNE 2010

TENDER NO	Date Awarded	Deviations	Description	Area	Awarded to	Operational	Capital
SC423d/2008	08/07/2009	SCM Reg 36(1)(a)(v)	Additional Security Services Onrus Caravan Park	Onrus Caravan	Andy's Low Profile	24,000.00	
SC601a/2009	15/07/2009	SCM Reg 36(1)(a)(v)	Cleaning of Ablution Facilities	Zwelihle	Noni & Sons Transport & Projects	72,250.00	
SC697/2009	03/07/2009	SCM Reg 36(1)(a)(v)	Repair enjin CEM 11348	Hermanus	Worcester Enjin Sentrum	14,650.00	
SC702/2009	08/07/2009	SCM Reg 36(1)(a)(ii)	Anti-Corruption Workshop	Overstrand	Spartan Forensic Services	19,000.00	
SC702a/2009	31/07/2009	SCM Reg 36(1)(a)(ii)	Anti-Corruption Workshop	Overstrand	Spartan Forensic Services	19,000.00	
SC706/2009	16/07/2009	SCM Reg 36(1)(a)(v)	Accommodation four Traffic Officers attending Gene Louw College	Overstrand	Silver Protea Accommodation	43,877.19	
SC707/2009	16/07/2009	SCM Reg 36(1)(a)(ii)	Training of four traffic officers at Gene Louw Traffic College	Overstrand	Gene Louw Traffic College	16,055.86	
SC716/2009	11/08/2009	SCM Reg 36(1)(a)(v)	Purchase of Bitumen	Gansbaai	Tosas (Pty) Ltd	24,600.00	
SC722/2009	14/08/2009	SCM Reg 36(1)(a)(ii)	Repairs to CEM 12879	Overstrand	Fire Raiders Cape (Pty) Ltd	53,930.23	
SC730/2009	02/09/2009	SCM Reg 36(1)(a)(v)	Promoting community based initiatives	Overstrand	Overstrand Conservation	25,000.00	
SC731/2009	01/09/2009	SCM Reg 36(1)(a)(ii)	Blue flag beach registration fees	Overstrand	Wild Life & Environmental Soc	33,000.00	
SC736/2009	11/09/2009	SCM Reg 36(1)(a)(ii)	Repair to Radio's	Overstrand	Benilekor Communications	15,838.00	
SC736a/2009	15/09/2009	SCM Reg 36(1)(a)(ii)	Repair to Radio's	Overstrand	Benilekor Communications	10,374.00	
SC739/2009	11/09/2009	SCM Reg 36(1)(a)(ii)	Repairs to CEM 2869 Tata Fire Brigade	Gansbaai	Africa Truck Sales	16,478.64	
SC727a/2009	23/11/2009	SCM Reg 36(1)(a)(v)	Kleinmond Stores Steel Structure	Kleinmond	J & A engineering Services	3,000.00	
SC742/2009	18/08/2009	SCM Reg 36(1)(a)(ii)	Butterworths Publishers Deedsearch	Overstrand	Lexis Nexis	12,000.00	
SC747/2009	02/10/2009	SCM Reg 36(1)(a)(v)	SLA Engineering Management Information System	Overstrand	Water Management Services cc	366,050.00	
SC748/2009	23/09/2009	SCM Reg 36(1)(a)(v)	Repairs to Onrus Main Sewage Pump Station	Hermanus	HSM (Pty) Ltd	153,641.00	
SC758/2009	12/10/2009	SCM Reg 36(1)(a)(ii)	Repairs to ABB Magflow Meters	Hermanus	Prizm Systems Ltd	49,044.00	
SC766/2009	23/10/2009	SCM Reg 36(1)(a)(v)	Repairs to pumps at Sewerage and water treatment plants	Hermanus	HIM Irrigation cc	36,869.46	
SC767/2009	23/10/2009	SCM Reg 36(1)(a)(ii)	Workshop: Lifting Tackle Inspection	Overstrand	Micromega Professional Risk	33,600.00	
SC774/2009	03/11/2009	SCM Reg 36(1)(a)(v)	Upgrades EMIS System Overtime related controls	Overstrand	Solutions	17,862.50	
SC775/2009	03/11/2009	SCM Reg 36(1)(a)(ii)	UV Lamps for SMP 250-200-4 6kw	Kleinmond	Water Management Services	21,580.00	
SC776/2009	05/11/2009	SCM Reg 36(1)(a)(ii)	Repair of telemetry system	Gansbaai	Nine Kings CC	21,455.00	
SC777a/2009	16/11/2009	SCM Reg 36(1)(a)(i)	Waste Water Treatment Plant Refurbishment of 2 electric motors	Hermanus	Spectrum Communications		
SC777b/2009	16/11/2009	SCM Reg 36(1)(a)(i)	Waste Water Treatment Plant Refurbishment of 4 electric motors	Hermanus	J. Schipper & Sons	15,843.44	
SC777c/2009	16/11/2009	SCM Reg 36(1)(a)(i)	Waste Water Treatment Plant Refurbishment of Hansen gearbox	Hermanus	SEW Eurodrive	76,559.12	
SC777d/2009	16/11/2009	SCM Reg 36(1)(a)(i)	Waste Water Treatment Plant Refurbishment of Hansen gearbox	Hermanus	J. Schipper & Sons	10,539.30	
SC777e/2009	22/12/2009	SCM Reg 36(1)(a)(i)	Waste Water Treatment Plant Install Aerators	Hermanus	TGS (Transmission Gear Services Cape)	49,294.00	
SC777f/2009	22/12/2009	SCM Reg 36(1)(a)(i)	Waste Water Treatment Plant Install 4x Mixers	Hermanus	Water & Sanitation Services SA	15,587.74	
SC777g/2009	22/12/2009	SCM Reg 36(1)(a)(i)	Waste Water Treatment Plant Replace 15 KW Pump	Hermanus	Water & Sanitation Services SA	9,980.00	
SC777h/2009	22/12/2009	SCM Reg 36(1)(a)(i)	Waste Water Treatment Plant Replace Internal Pumps	Hermanus	Water & Sanitation Services SA	7,986.00	
SC777i/2009	22/12/2009	SCM Reg 36(1)(a)(i)	Waste Water Treatment Plant Replace 15 KW Pump WTW Pumpstation	Hermanus	Water & Sanitation Services SA	26,277.50	

TENDER NO	Date Awarded	Deviations	Description	Area	Awarded to	Operational	Capital
SC7771/2009	22/12/2009	SCM Reg 36(1)(a)(i)	Waste Water Treatment Plant Replace & Repair Clarifier	Hermanus	Water & Sanitation Services SA	6,371.14	
SC7778/2009	23/11/2009	SCM Reg 36(1)(a)(v)	Drivewheel	Gansbaai	M Orren	10,000.00	
SC7782/2009	16/11/2009	SCM Reg 36(1)(a)(ii)(v)	Overview of Coastal Processes i.e. moving dune	Hermanus	CT Lab	15,000.00	
SC7785/2009	16/12/2009	SCM Reg 36(1)(a)(ii)	ProvoGraph - Class B - Voltage quality recorder	Hermanus	Transtech	23,192.20	
SC7786/2009	20/11/2009	SCM Reg 36(1)(a)(ii)	Repairs to Heli 4000 Compactor CEM 23618	Kleinmond	Overstrand Build It	60,360.96	
SC7787/2009	27/11/2009	SCM Reg 32(1)(a)-d	Fire disaster Kleinmond Overhills	Overstrand	Ignite Advisory Services	310,245.61	
SC7788/2009	23/11/2009	SCM Reg 36(1)(a)(ii)	Implementation of Basic Performance Management Process	Hermanus & G	BroomEngineering	44,100.00	
SC7789/2009	27/11/2009	SCM Reg 36(1)(a)(v)	Vacuum pumps for Sewerage Tankers CEM 10616 CEM 4439	Kleinmond	Pump Service Centre	22,806.56	
SC7795/2009	10/12/2009	SCM Reg 17(1) c	CEM 6395	Overstrand	EnviroCare	21,240.00	
SC7798/2009	11/12/2009	SCM Reg 36(1)(a)(ii)	Repair Sewerage Pumps	Overstrand	PJ Technologies	25,155.00	
SC7797/2009	11/12/2009	SCM Reg 36(1)(a)(v)	Water Samples Blue Flag Beaches	Kleinmond	Pump Service Centre	44,401.09	
SC7798/2009	14/12/2009	SCM Reg 36(1)(a)(ii)	Service, programming, auditing PMAx meters	Hermanus	Maxal Projects	18,975.00	
SC7799/2009	15/12/2009	SCM Reg 36(1)(a)(ii)	Repair Sewerage Pumps different sites	Hermanus	Lateral Dynamics	90,000.00	
SC8002/2009	15/12/2009	SCM Reg 36(1)(a)(i)	Repair Alum flocculation dosing station and chlorine	Hermanus	HSM (PTY) Ltd	41,085.00	
SC8017/2009	17/12/2009	SCM Reg 36(1)(a)(v)	Repair of sludge return sewage pump WWTW	Kleinmond	Nine Kings (Pty) Ltd	34,951.00	
SC8026/2009	17/12/2009	SCM Reg 36(1)(a)(v)	Repair ultraviolet installation Kleinmond Sewage Plant	Stanford	G W Trautmann cc	44,043.32	
SC066b/2007	28/12/2009	SCM Reg 36(1)(a)(v)	Repairs to Stanford Waste Water Treatment Plant	Overstrand	Supervision Biometric systems	25,988.33	
SC266b/2008	24/11/2009	ExtensionSC266/2008	Repair door-scanners	Overstrand	Super Vision (Pty) Ltd	48,000.00	
			Bulk SMS Tool	Overstrand	CQS Technology Holdings (Pty) Ltd	20,000.00	
SC523a/2008	23/03/2010	SCM Reg 36(1)(a)(v)	Upgrade of Pro-Audit Advisor: Training	Overstrand	Ltd	17,544.45	
SC555a/2009	24/02/2010	SCM Reg 36(1)(a)(v)	Socio-Economic data licence	Overstrand	Quantec Research Pty Ltd	65,403.80	
SC708b/2009	17/03/2010	Extension SC708/2009	Construction of Sewer Pipeline in Kleinmond	Kleinmond	Peter Starke Civils cc	1,831,208.70	
SC710/2009	24/07/2009	Sale Agreement	Purchase of erf 730 Hermanus	Hermanus	LCSteyn & CJBierman		
SC711/2009	27/07/2009	SCM Reg 36(1)(a)(v)	Project Admin Kleinmond Harbour Development	Kleinmond	Taylor v Rensburg v d Spuy Trust	80,516.92	
SC712/2009	06/07/2009	SCM Reg 36(1)(a)(i)	Fire Disaster 2 Aug 09 Overhills Kleinmond	Kleinmond	Overstrand Build It (Pty)Ltd	54,298.90	
SC716a/2009	05/03/2010	SCM Reg 36(1)(a)(v)	Purchase of Bitumen	Gansbaai	Tosas (Pty) Ltd	25,550.00	
SC744a/2009	05/02/2010	SCM Reg 36(1)(a)(v)	Lifesaving Services (Kleinmond Lagoon)	Kleinmond	Nasionale See & Sand Instituut	16,105.26	
SC7771/2009	18/03/2010	SCM Reg 36(1)(a)(v)	Waste Water Treatment Plant 4 x Mixer Gearboxes & Repairs	Hermanus	(See & Sand)	106,880.37	
SC7777/2009	23/03/2010	SCM Reg 36(1)(a)(v)	Rebuild Lime Dosing Pump no2 at Hermanus WTW	Hermanus	Water & Sanitation Services SA	35,069.25	
SC7777/2009	23/03/2010	SCM Reg 36(1)(a)(v)	Emergency Repairs to Lime Dosing pump Hermanus WTW	Hermanus	Water & Sanitation Services SA	7,854.50	
SC777m/2009	23/03/2010	SCM Reg 36(1)(a)(v)	Repair Pumps of WTW after flood	Hermanus	Water & Sanitation Services SA	19,536.75	
SC806/2009	06/01/2010	SCM Reg 36(1)(a)(ii)	Rope rescue training	Overstrand	Hi-angle Rescue & Access	29,700.00	
SC810/2010	19/01/2010	SCM Reg 36(1)(a)(ii)	Calibration of vehicle testing equipment	Overstrand	Clifford Technical Services	7,149.12	
SC816/2010	15/01/2010	SCM Reg 36(1)(a)(ii)	Chlorination System Booster Pump Upgrade	Hermanus	Maxal Projects	15,683.90	
SC817/2010	29/01/2010	SCM Reg 36(1)(a)(v)	Water Management Services : Plantman Module	Overstrand	Water Management Services CC	389,000.00	49000
SC819/2010	04/02/2010	SCM Reg 36(1)(a)(v)	Repair Sludge Return Valve	Hermanus	HSM (PTY) Ltd	38,265.00	
SC820/2010	28/02/2010	SCM Reg 36(1)(a)(ii)	Slurry Dust & Road Stone Tar & Reseal	Gansbaai	Afimat Prima Kijbrenkers	24,394.38	
SC820a/2010	05/03/2010	SCM Reg 36(1)(a)(ii)	Slurry Dust & Road Stone Tar & Reseal	Gansbaai	Afimat Prima Kijbrenkers	25,600.10	
SC828/2010	01/03/2010	SCM Reg 36(1)(a)(ii)	TAG Rugby Programme Gansbaai 2010	Gansbaai	TAG Rugby	100,000.00	
SC833/2010	03/03/2010	SCM Reg 36(1)(a)(ii)	Building Services Module	Overstrand	Water Management Services CC		175215
SC835/2010	05/03/2010	SCM Reg 36(1)(a)(ii)	MyCity data service for water services monitoring	Overstrand	Flotron Instrumentation Services	22,900.00	
SC324b/2008	25/03/2010	SCM Reg 36(1)(a)(v)	Licence Fee Groupwise Novell	Overstrand	Lateral Dynamics (Pty) Ltd	350,469.00	
SC575a/2009	30/04/2010	SCM Reg 36(1)(a)(v)	Benchmarking Market-related Remuneration M.M. & Section 56 Managers	Overstrand	Work Dynamics (Pty) Ltd	12,100.00	

TENDER NO	Date Awarded	Deviations	Description	Area	Awarded to	Operational	Capital
SC025a/2010	02/06/2010	SCM Reg 36(1)(a)(v)	Printing of Water & Electricity Accounts	Overstrand	CAB Holdings Pty	244,665.20	
SC845/2010	23/03/2010	SCM Reg 36(1)(a)(ii)	Drivers Licence cards Prodiba Feb 2010	Overstrand	Prodiba (Pty) Ltd	19,252.61	
SC847/2010	26/03/2010	SCM Reg 36(1)(a)(v)	Develop Sandbaai Commonage EIA & Other Studies	Hermanus	Plan Active	184,758.10	
SC848/2010	26/03/2010	SCM Reg 36(1)(a)(v)	Develop Sandbaai Commonage Engineering Services	Hermanus	ICE Group (Pty) Ltd	85,241.90	
SC851/2010	09/04/2010	SCM Reg 36(1)(a)(ii)	Press shaft with brushes Gansbaai WWTW	Gansbaai	G W Trautmann cc	33,192.25	
SC857/2010	21/04/2010	SCM Reg 36(1)(a)(v)	By pass faulty protection relays Still Street	Hermanus	Onlab	24,306.20	
SC858/2010	21/04/2010	SCM Reg 36(1)(a)(ii)	Audit programme & maintenance Emax meters	Overstrand	PJ Technologies	29,025.00	
SC859/2010	21/04/2010	SCM Reg 36(1)(a)(ii)	Repair Transmission CEM 12876	Hermanus	Overberg Agri	26,255.05	
SC861/2010	28/04/2010	SCM Reg 36(1)(a)(ii)	Road store for road resurfacing	Gansbaai	Afrimat Prima Klipbrekers	21,241.00	
SC862/2010	23/04/2010	SCM Reg 36(1)(a)(v)	Repair ultraviolet installation Kleinmond Sewage Plant	Kleinmond	Nine Kings (Pty) Ltd	15,860.88	
SC866/2010	28/04/2010	SCM Reg 36(1)(a)(v)	Contribution for INDABA to Destination Marketing Organisation	Overstrand	DMO (Dest- nation Marketing Organisation)	50,000.00	
SC868/2010	04/05/2010	SCM Reg 36(1)(a)(ii)	Purchasing of Chemicals	Overstrand	Metsi Chem Ikapa	194,370.00	
SC875/2010	11/05/2010	SCM Reg 36(1)(a)(ii)	MyCity Telemetry	Hermanus	Flotron Instrumentation Services	42,809.00	
SC876/2010	11/05/2010	SCM Reg 36(1)(a)(ii)	Meter audit	Gansbaai	PJ Technologies	26,125.00	
SC877/2010	12/05/2010	SCM Reg 36(1)(a)(v)	Repair Sewerage Pumps at various sites	Kleinmond	Pump Service Centre	23,582.36	
SC879/2010	28/05/2010	SCM Reg 36(1)(a)(ii)	Purchase Impedograph & PQ Recorders	Kleinmond en H	C T LAB (Pty) Ltd	299175	
SC880/2010	19/05/2010	SCM Reg 36(1)(a)(v)	Transport of prosthetic whale body ex Noordhoek Beach to Hermanus Central	Hermanus	Invusa Transport	38,700.00	
SC881/2010	20/05/2010	SCM Reg 36(1)(a)(i)	Helicopter fees for fire fighting Hawston 29 Dec 2009	Hermanus	FFA Aviation	147,422.00	
SC 887/2010	01/06/2010	SCM Reg 36(1)(a)(ii)	Repair s & Maintenance of WAP high pressure pumps.	Hermanus	Boland Hoedruksuite	14,939.42	
SC889/2010	25/06/2010	SCM Reg 36(1)(a)(v)	Training to meet National Treasury's minimum competency level	Overstrand	University of Pretoria	356,250.00	
SC891/2010	15/06/2010	SCM Reg 36(1)(a)(v)	Repair Sewerage Pump Palmiet river	Kleinmond	Tri-com Africa	20,820.00	
	15/07/2009	SCM Reg 36(1)(a)(ii)	Cable joining HT cable ends Hawston Kerkstr	Hermanus	Giles Supertension	2,179.00	
	15/07/2009	SCM Reg 36(1)(a)(ii)	Repair HT cable Mariners Village	Hermanus	Giles Supertension	2,338.00	
	28/07/2009	SCM Reg 36(1)(a)(ii)	Repair faulty cable to the provincial hospital	Hermanus	Giles Supertension	2,888.00	
	21/07/2009	SCM Reg 36(1)(a)(ii)	Slurry Dust for the repair of streets	Gansbaai	Afrimat (Prima Klipbrekers)	4,905.63	
	17/07/2009	SCM Reg 36(1)(a)(ii)(v)	ISS Forms	Overstrand	Prodiba Pty Ltd	6,108.00	
	22/07/2009	SCM Reg 36(1)(a)(ii)	Repair faulty EC transmitter at GWP01	Hermanus	Flotron Instrumentation Service	6,225.00	
	27/07/2009	SCM Reg 36(1)(a)(ii)	DL Envelopes	Hermanus	SA Post Office	10,530.70	
	28/07/2009	SCM Reg 36(1)(a)(ii)	Service KLEINMOND TELEMETRY	Kleinmond	Spectrum Communications	11,457.00	
	17/07/2009	SCM Reg 36(1)(a)(ii)	New Telephone points Ontus Eng offices	Hermanus	GIJIMA Ast Holdings	14,480.00	
	16/07/2009	SCM Reg 36(1)(a)(ii)	Repairs to panel at Nema S/S	Hermanus	ABB SOUTH AFRICA (Pty) Ltd	15,000.00	
	22/07/2009	SCM Reg 36(1)(a)(ii)	Prepaid Envelopes for traffic Dept	Hermanus	SA Post Office	15,796.05	
	09/07/2009	SCM Reg 36(1)(a)(v)	Service CATERPILAR 428 E – CEM 31789	Kleinmond	Barloworld Equipment	1,165.15	
	28/07/2009	SCM Reg 36(1)(a)(v)	Repairs CEM15468	Hermanus	Mitsubishi Motors Paarden Eiland	3,758.40	
	09/07/2009	SCM Reg 36(1)(a)(v)	Leak Detection Kleinmond	Kleinmond	Detect-a-Leak	5,387.50	
	14/07/2009	SCM Reg 36(1)(a)(v)	Repair HAWSTON LT CABLE	Hermanus	Adenco Construction (Pty) Ltd	7,224.50	
	09/07/2009	SCM Reg 36(1)(a)(v)	Service CATERPILAR 428E CEM 31789	Kleinmond	Barloworld Equipment	10,047.00	
	31/07/2009	SCM Reg 36(1)(a)(v)	Repairs Grader CEM2421	Hermanus	Barloworld Equipment	10,404.03	
	20/07/2009	SCM Reg 36(1)(a)(v)	Hydraulic repairs to Nissan UD90 CEM 15338	Hermanus	Hyco Hydraulics and Pneumatics	14,500.00	
	10/07/2009	SCM Reg 36(1)(a)(v)	Duplicate keys Mercedes Benz CAM 9879	Kleinmond	Rola Motors	1,862.44	
	23/07/2009	SCM Reg 36(1)(a)(v)	Alarms Kleinmond traffic office	Kleinmond	Sandown Bay Security CC	4,135.36	
	30/07/2009	SCM Reg 36(1)(a)(v)	Remote control Auditorium lights	Hermanus	Alfie Electrical CC	4,222.68	
	10/07/2009	SCM Reg 36(1)(a)(v)	Trimming and topping and felling of tree	Hermanus	D Fourie	5,087.72	
	23/07/2009	SCM Reg 36(1)(a)(v)	Advertising Onrus Caravan Park	Hermanus	SACCTN	5,300.00	

TENDER NO	Date Awarded	Deviations	Description	Area	Awarded to	Operational	Capital
	22/07/2009	SCM Reg 36(1)(a)(v)	Cat spray to repair roads	Gansbaai	Tosas	10,892.00	
	06/08/2009	SCM Reg 36(1)(a)(ii)	Repair cable main feeders between Golf Club and Kwaaiwater switching stations	Hermanus	Giles Supertension	2,880.00	
	03/08/2009	SCM Reg 36(1)(a)(ii)	Repairs high pressure WAPDX860	Hermanus	Blue Sands Trading 275 BK H/a		
	17/08/2009	SCM Reg 36(1)(a)(ii)	Replace bushes on compactor at sewage works	Gansbaai	Boland Hoëdruksputte	3,028.70	
	04/08/2009	SCM Reg 36(1)(a)(ii)	Grade D driving licences examiner	Gansbaai	GW Trautmann	8,400.00	
	11/08/2009	SCM Reg 36(1)(a)(v)	Hydraulic repairs to FORD F7610 TRACTOR CEM 9837	Hermanus	Gene Louw Traffic College	11,676.96	
	18/08/2009	SCM Reg 36(1)(a)(v)	Security guards Gansbaai Stortingsterrein	Stanford	L.T. de Jager	3,859.65	
	18/08/2009	SCM Reg 36(1)(a)(v)	Security guards Gansbaai Werksplaas	Gansbaai	Safe Security Systems Gansbaai	6,762.71	
	18/08/2009	SCM Reg 36(1)(a)(v)	Security guards Gansbaai Rioldplaas	Gansbaai	Safe Security Systems Gansbaai	7,540.42	
	13/08/2009	SCM Reg 36(1)(a)(v)	Cat spray to repair roads	Gansbaai	Tosas	7,540.42	
	21/09/2009	SCM Reg 36(1)(a)(ii)	Repair Protophograph	Gansbaai	CT LAB	8,558.00	
	10/09/2009	SCM Reg 36(1)(a)(ii)	Repairs Shack attack pressure unit	Gansbaai	Fire Raiders Cape	2,000.00	
	21/09/2009	SCM Reg 36(1)(a)(ii)	Repairs to BEC44 Meters	Gansbaai	Merlin Gerin SA (CONLOG)	2,303.31	
	07/09/2009	SCM Reg 36(1)(a)(ii)	Spy-Yel Quick seals PMD logo & serial no.	Kleinmond	Power Measurement and Distribution	2,397.00	
	04/09/2009	SCM Reg 36(1)(a)(ii)	Service Cylinders	Gansbaai	Drager SA	3,250.00	
	10/09/2009	SCM Reg 36(1)(a)(ii)	Repairs Trailer CEM 3366	Gansbaai	High Pressure Systems	4,350.00	
	29/09/2009	SCM Reg 36(1)(a)(ii)	Repairs Wildfire Ultrastriker	Gansbaai	Fire Raiders Cape	4,522.90	
	16/09/2009	SCM Reg 36(1)(a)(ii)	Service and repair of telemetry system	Hermanus	Fire Raiders Cape	5,532.50	
	16/09/2009	SCM Reg 36(1)(a)(v)	Training and software upgrade	Gansbaai	Spectrum Communications	6,995.75	
	10/09/2009	SCM Reg 36(1)(a)(v)	Repair P.T.O. SHAFT CEM26581 Tractor	Gansbaai	PJ TECHNOLOGIES	9,400.00	
	12/09/2009	SCM Reg 36(1)(a)(v)	Electrical audit services	Hermanus	URSUS S.A. (Pty.) Ltd	9,881.00	
	30/10/2009	SCM Reg 36(1)(a)(ii)	Supply and install under diggs at Onrus river caravan park	Gansbaai	Mr Spike	7,506.41	
	14/10/2009	SCM Reg 36(1)(a)(ii)	Install and replacement of locks at Cashiers	Kleinmond	Prag Key and Heel Bar	2,040.00	
	20/10/2009	SCM Reg 36(1)(a)(ii)	Service KLEINMOND TELEMETRY	Hermanus	Spectrum Communications	1,928.50	
	30/10/2009	SCM Reg 36(1)(a)(ii)	Main broom for Duvelo 200 (straatveer masjien)	Hermanus	ASCO Family Trust	2,236.84	
	07/10/2009	SCM Reg 36(1)(a)(ii)	Repair FR PUMP CEM14827	Gansbaai	Unit-Cape Equipment	3,795.00	
	13/10/2009	SCM Reg 36(1)(a)(ii)	Telemetry repairs	Gansbaai	Fire Raiders Cape	6,114.37	
	06/10/2009	SCM Reg 36(1)(a)(ii)	Repair TRAILER PUMP & LOCKER CEM3366	Gansbaai	Fire Raiders Cape	6,545.00	
	27/10/2009	SCM Reg 36(1)(a)(v)	Security badges	Gansbaai	Spectrum Communications	8,560.00	
	07/10/2009	SCM Reg 36(1)(a)(v)	Repair air conditioner IT Server Room	Gansbaai	Fire Raiders Cape	11,797.50	
	22/10/2009	SCM Reg 36(1)(a)(v)	Repairs TOYOTA HILUX CEM5374	Gansbaai	Fire Raiders Cape	14,185.78	
	29/10/2009	SCM Reg 36(1)(a)(v)	Repair of Palmiet pumpstation PLC	Overstrand	The Badge Company	14,860.00	
	30/10/2009	SCM Reg 36(1)(a)(v)	Repair and strip transmission CAM4022	Hermanus	JM Refrigeration	1,535.09	
	09/10/2009	SCM Reg 36(1)(a)(v)	Repairs to sewerage tanker	Hermanus	Worcester Enjincentrum	2,301.01	
	30/10/2009	SCM Reg 36(1)(a)(v)	Repair Walker lawnmower	Kleinmond	WJ Colter Elektries	3,609.16	
	28/10/2009	SCM Reg 36(1)(a)(v)	Premix to repair roads	Kleinmond	Masakhane motor repairs	4,352.00	
	30/10/2009	SCM Reg 36(1)(a)(v)	Premix to repair roads	Kleinmond	Saaymans Spring Works	9,300.00	
	28/10/2009	SCM Reg 36(1)(a)(v)	Road Gravel	Gansbaai	Josco Services	11,111.67	
	23/10/2009	SCM Reg 36(1)(a)(v)	Road stone 6.7mm and 13.2mm	Gansbaai	Tosas	8,420.00	
				Gansbaai	Tosas	9,060.00	
				Hermanus	Afimat (Prima Klipbrekers)	11,550.00	
						11,637.00	

TENDER NO	Date Awarded	Deviations	Description	Area	Awarded to	Operational	Capital
	27/11/2009	SCM Reg 36(1)(a)(ii)	Repairs to WAP high pressure machine	Kleinmond	Blue Sands Trading 275 BK h/a		
	25/11/2009	SCM Reg 36(1)(a)(ii)	SABS Cold wearing course	Hermanus	Boland Hoëdruksuite	2,082.25	
	25/11/2009	SCM Reg 36(1)(a)(ii)	SABS Cold wearing course	Hermanus	Much Asphalt	4,263.30	
	27/11/2009	SCM Reg 36(1)(a)(v)	Repair and service Caterpillar 428E CEM31789	Kleinmond	Much Asphalt	4,263.30	
	24/11/2009	SCM Reg 36(1)(a)(v)	Repair exhaust manifolds CY77621	Kleinmond	Barloworld Equipment	3,830.84	
	27/11/2009	SCM Reg 36(1)(a)(v)	Repair and service Caterpillar CEM19317	Kleinmond	Palma Truck Repairs	4,200.00	
	06/11/2009	SCM Reg 36(1)(a)(v)	Disciplinary Hearing Paul De Villiers	Gansbaai	Barloworld Equipment	10,353.60	
	17/11/2009	SCM Reg 36(1)(a)(v)	Hampers for affected beneficiaries Fire Disaster	Kleinmond	Linda Potgieter	3,878.00	
	04/11/2009	SCM Reg 36(1)(a)(v)	Refreshments Mayoral Function	Kleinmond	Kleinmond Spar	3,939.15	
	01/12/2009	SCM Reg 36(1)(a)(ii)	Repairs to voice recorder system	Hermanus	Food@Hand	7,500.00	
	10/12/2009	SCM Reg 36(1)(a)(ii)	SABS Cold wearing course	Hermanus	Omllog	3,425.00	
	10/12/2009	SCM Reg 36(1)(a)(ii)	SABS Cold wearing course	Hermanus	Much Asphalt	4,346.70	
	10/12/2009	SCM Reg 36(1)(a)(ii)	SABS Cold wearing course	Hermanus	Much Asphalt	4,346.70	
	02/12/2009	SCM Reg 36(1)(a)(v)	Repairs to radios	Hermanus	Much Asphalt	4,346.70	
	23/12/2009	SCM Reg 36(1)(a)(v)	Repair Walker lawnmower	Kleinmond	Estaux Systems (Benliekor)	1,990.00	
	21/01/2010	SCM Reg 36(1)(a)(v)	Repair and replace faulty radios	Gansbaai	Josco Services	5,776.93	
	21/01/2010	SCM Reg 36(1)(a)(v)	Repair DPU 2000 relays Stilstraat substation	Hermanus	Estaux Systems (Benliekor)	5,150.00	
	21/01/2010	SCM Reg 36(1)(a)(v)	Repairs Digital repeater	Gansbaai	Technology	6,807.02	
	08/02/2010	SCM Reg 36(1)(a)(ii)	Supply and fit 682 Battery CEM10226 pump 1	Gansbaai	Fire Raiders Cape	1,389.25	
	15/02/2010	SCM Reg 36(1)(a)(ii)	Search Works	Overstrand	Law deed solutions Pty Ltd	3,082.30	
	04/02/2010	SCM Reg 36(1)(a)(ii)	Tape duct black and cable detector	Hermanus	Truvelo Manufacturers	3,215.42	
	18/02/2010	SCM Reg 36(1)(a)(ii)	Water analysing Tablets Alum 1 and 2	Hermanus	Seletech	3,330.00	
	10/02/2010	SCM Reg 36(1)(a)(ii)	Cold wearing course	Gansbaai	Much Asphalt	4,426.88	
	02/02/2010	SCM Reg 36(1)(a)(ii)	Service and repair of telemetry system	Hermanus	Spectrum Communications	4,987.00	
	02/02/2010	SCM Reg 36(1)(a)(ii)	Repair Chlor dosing system WWTW	Hermanus	Spectrum Communications	5,200.00	
	02/02/2010	SCM Reg 36(1)(a)(ii)	Repair handholds	Hermanus	Consolidated African	6,354.00	
	17/02/2010	SCM Reg 36(1)(a)(ii)	SP1 Spy-Yel Quick seals PMD logo & serial no.	Hermanus	Technologies		
	08/02/2010	SCM Reg 36(1)(a)(ii)	Deeds Searches Oct - Dec 2009	Overstrand	Power Measurement and Distribution	8,125.00	
	15/02/2010	SCM Reg 36(1)(a)(ii)	Calibration of equipment	Hermanus	Chief registrar of deeds	9,959.65	
	22/02/2010	SCM Reg 36(1)(a)(v)	Repair hydrolic system CAM31017	Kleinmond	Truvelo Manufacturers	11,425.11	
	10/02/2010	SCM Reg 36(1)(a)(v)	Repairs CEM21823	Hermanus	Hycor Hydraulics and Pneumatics	1,592.10	
	08/02/2010	SCM Reg 36(1)(a)(v)	Repair Stihl FS500 bushcutter	Hermanus	Worcester Eijnsentrum	3,355.60	
	10/02/2010	SCM Reg 36(1)(a)(v)	Repairs CEM2869	Gansbaai	Hermanus Mower Centre	4,471.82	
	15/02/2010	SCM Reg 36(1)(a)(v)	Repair caterpillar 930 front end loader CAM13541	Hermanus	Tata Hermanus	5,179.74	
	02/02/2010	SCM Reg 36(1)(a)(v)	Repair faulty radios	Gansbaai	Masakhane motor repairs	10,079.83	
	18/02/2010	SCM Reg 36(1)(a)(v)	Repair gearbox CEM 2746	Hermanus	Estaux Systems (Benliekor)	14,290.00	
	15/02/2010	SCM Reg 36(1)(a)(v)	Food for officers 31/12/2009	Overstrand	Vaal Cape Transmission	15,260.21	
	03/02/2010	SCM Reg 36(1)(a)(v)	Building sand Royal house, MP sportsground, Hermanus swimming pool	Hermanus	Steers Hermanus	2,964.87	
	25/02/2010	SCM Reg 36(1)(a)(v)	Control of sulphide sewerage odour B220R	Hermanus	LOCO GRONDVERSKUIWING & KONSTRUKSIE BK	5,811.83	
	04/03/2010	SCM Reg 36(1)(a)(ii)	Refill Drager BA cylinders	Gansbaai	Bio-Systems Distribution	9,567.98	
	03/03/2010	SCM Reg 36(1)(a)(ii)	Repair and service Drager BA cylinders	Gansbaai	Drager SA	610.00	
	16/03/2010	SCM Reg 36(1)(a)(ii)	SPY-Yel Quick seals PMD logo & serial no.	Kleinmond	Drager SA	2,100.00	
					Power Measurement and Distribution	3,250.00	

TENDER NO	Date Awarded	Deviations	Description	Area	Awarded to	Operational	Capital
	09/03/2010	SCM Reg 36(1)(a)(ii)	Parts for vacuum tanks on tankers CEM26152 and CEM4439	Hermanus	Broom Engineering	3,971.00	
	05/03/2010	SCM Reg 36(1)(a)(ii)	Repair and service high pressure trolley unit	Gansbaai	Fire Raiders Cape	4,299.77	
	02/03/2010	SCM Reg 36(1)(a)(ii)	Cold wearing course	Hermanus	Much Asphalt	4,476.66	
	09/03/2010	SCM Reg 36(1)(a)(ii)	Cold wearing course	Hermanus	Much Asphalt	4,476.66	
	24/03/2010	SCM Reg 36(1)(a)(ii)	Cold wearing course	Hermanus	Much Asphalt	4,476.66	
	16/03/2010	SCM Reg 36(1)(a)(ii)	Repairs Genset Onrusriver main sewerage pump station	Hermanus	HSM	7,700.00	
	17/03/2010	SCM Reg 36(1)(a)(ii)(v)	Service Bernad Pressure release valve	Stamford	Macsteel Fluid Control	8,393.80	
	17/03/2010	SCM Reg 36(1)(a)(ii)(v)	Tow-in of vehicles	Hermanus	Hermanus Towing	11,906.17	
	05/03/2010	SCM Reg 36(1)(a)(v)	Repairs on Talley 6045 line printer	Kleinmond	Invusa Trading t/a Ribbon Mania	3,750.00	
	24/03/2010	SCM Reg 36(1)(a)(v)	Repair Onrus River power generator	Hermanus	Overberg Diesel	4,254.39	
	10/03/2010	SCM Reg 36(1)(a)(v)	Service of caterpillar CAM16700	Kleinmond	Barloworld Equipment	12,681.04	
	04/03/2010	SCM Reg 36(1)(a)(v)	Service of existing industrial doors	Gansbaai	M&A Industrial doors	1,800.00	
	23/03/2010	SCM Reg 36(1)(a)(v)	Repair cable on Kleinbaai main HV feeder	Gansbaai	Giles Supertension	5,000.00	
	11/03/2010	SCM Reg 36(1)(a)(v)	Operating of hired power generator Onrus River	Hermanus	H.S.M	7,700.00	
	23/03/2010	SCM Reg 36(1)(a)(v)	Fault location on Kleinbaai main HV feeder	Gansbaai	Caltest CC	9,000.00	
	13/04/2010	SCM Reg 36(1)(a)(ii)	Purchase Electrode PHC2401-8	Gansbaai	Anatech Instruments Pty Ltd	2,733.60	
	07/04/2010	SCM Reg 36(1)(a)(ii)	Service of UPS	Hermanus	UPS Cape t/a AC Digital energy	3,107.50	
	06/04/2010	SCM Reg 36(1)(a)(ii)	Service and repair of telemetry system Fishershaven reservoir	Hermanus	Spectrum Communications	5,160.00	
	06/04/2010	SCM Reg 36(1)(a)(ii)	Replace foam proportioner housing CEM10226	Gansbaai	Fire Raiders Cape	5,727.55	
	06/04/2010	SCM Reg 36(1)(a)(ii)	Repair and service fire fighting equipment CEM2179	Gansbaai	Fire Raiders Cape	6,970.52	
	16/04/2010	SCM Reg 36(1)(a)(ii)	Repairs panel control room Scout camp	Hermanus	HSM	8,948.75	
	22/04/2010	SCM Reg 36(1)(a)(ii)	3 Phase PLC prepaid meters	Gansbaai	Landis+Gyr	14,300.00	
	08/04/2010	SCM Reg 36(1)(a)(v)	Service digger loader CEM31789	Hermanus	Barloworld Equipment	10,728.85	
	16/04/2010	SCM Reg 36(1)(a)(v)	Rewire and replaced burn out switch	Hermanus	Emanate Air	4,000.00	
	10/04/2010	SCM Reg 36(1)(a)(v)	Fault location on MV cable	Gansbaai	Caltest CC	5,308.00	
	28/04/2010	SCM Reg 36(1)(a)(ii)	Faultfinding faulty MV cable	Gansbaai	Caltest CC	5,308.00	
	40183	SCM Reg 36(1)(a)(ii)	Split Meter Gemini PLC	Gansbaai	Landis+Gyr	103,000.00	
	07/05/2010	SCM Reg 36(1)(a)(ii)	Cold wearing course	Hermanus	Much Asphalt	4,476.68	
	28/05/2010	SCM Reg 36(1)(a)(ii)	Repair WAP high pressure machine	Hermanus	Blue Sands Trading 275 BK h/a	7,611.55	
	31/05/2010	SCM Reg 36(1)(a)(ii)	Service and repair WAP DX860	Hermanus	Blue Sands Trading 275 BK h/a	7,611.85	
	06/05/2010	SCM Reg 36(1)(a)(ii)	Paylips	Overstrand	Boland Hoëdruksputte	8,295.00	
	11/05/2010	SCM Reg 36(1)(a)(ii)	Repair and service fire fighting equipment CEM14827	Gansbaai	Fire Raiders Cape	12,505.85	
	11/05/2010	SCM Reg 36(1)(a)(ii)	Drivers licence cards Apr 2010	Overstrand	Prodiba Pty Ltd	18,314.47	
	07/05/2010	SCM Reg 36(1)(a)(ii)	Split Meter Gemini PLC	Gansbaai	Landis+Gyr	49,590.00	
	16/05/2010	SCM Reg 36(1)(a)(v)	Repair diesel pump fire truck cem 2653	Gansbaai	Overberg Diesel	6,500.00	
	28/05/2010	SCM Reg 36(1)(a)(v)	Repair radios	Gansbaai	Esteeux Systems (Benliekor)	11,771.64	
	05/05/2010	SCM Reg 36(1)(a)(v)	Replace isolators of transformer Bergstraat Sandbaai	Hermanus	Power Transformers	2,500.00	
	05/05/2010	SCM Reg 36(1)(a)(v)	Supply transformer bushings	Hermanus	Power Transformers	2,500.00	
	07/05/2010	SCM Reg 36(1)(a)(v)	Warm SABS wearing course	Hermanus	Much Asphalt	3,648.30	
	07/05/2010	SCM Reg 36(1)(a)(v)	Warm SABS wearing course	Hermanus	Much Asphalt	3,648.30	
	07/05/2010	SCM Reg 36(1)(a)(v)	Warm SABS wearing course	Hermanus	Much Asphalt	3,648.30	
	28/05/2010	SCM Reg 36(1)(a)(v)	Faulty cable Uilenskraalmond	Gansbaai	Caltest CC	4,908.00	
	28/05/2010	SCM Reg 36(1)(a)(v)	Fault location and testing Uilenskraalmond	Gansbaai	Caltest CC	4,908.00	
	14/05/2010	SCM Reg 36(1)(a)(v)	Replace one mobile toilet (damaged)	Kleinmond	Boland Toilet Services	5,350.00	
	13/05/2010	SCM Reg 36(1)(a)(v)	Market related remuneration SEC56 Managers	Hermanus	Work Dynamics	12,100.00	

TENDER NO	Date Awarded	Deviations	Description	Area	Awarded to	Operational	Capital
	02/06/2010	SCM Reg 36(1)(a)(v)	Repair radios	Gansbaai	Esteaux Systems (Benliekor)	1,267.50	
	14/06/2010	SCM Reg 36(1)(a)(v)	Repairs to hydrolic system CAM11187	Kleinmond	Hyco Hydraulics and Pneumatics	2,800.00	
	02/06/2010	SCM Reg 36(1)(a)(v)	Service and repair Ben-Q projektor	Hermanus	Overberg Computers	3,228.07	
	02/06/2010	SCM Reg 36(1)(a)(v)	Overhaul fuel pump standby generator CEM5898	Hermanus	Overberg Diesel	4,125.00	
	25/06/2010	SCM Reg 36(1)(a)(v)	Repairs to diesel pump CEM11744	Gansbaai	Overberg Diesel	4,500.00	
	27/06/2010	SCM Reg 36(1)(a)(v)	Service and repair of repeater at Grootbos	Gansbaai	Esteaux Systems (Benliekor)	4,860.00	
	25/06/2010	SCM Reg 36(1)(a)(v)	Service and repair of repeater Pringlebaai	Gansbaai	Esteaux Systems (Benliekor)	6,280.50	
	25/06/2010	SCM Reg 36(1)(a)(v)	500hour Service CEM31339	Gansbaai	Barloworld Equipment	7,885.95	
	25/06/2010	SCM Reg 36(1)(a)(v)	Repairs to 914G loader CEM25824	Gansbaai	Barloworld Equipment	14,119.84	
	25/06/2010	SCM Reg 36(1)(a)(v)	Movement of Xerox WC5230 Traffic department	Hermanus	Cape Office Machines	565.00	
	10/06/2010	SCM Reg 36(1)(a)(v)	Install loudspeaker Motorola kit CEM8390	Hermanus	Esteaux Systems (Benliekor)	1,410.00	
	10/06/2010	SCM Reg 36(1)(a)(v)	Install radio CEM110	Gansbaai	Esteaux Systems (Benliekor)	3,394.92	
	11/06/2010	SCM Reg 36(1)(a)(v)	Repairs telemetry system water network	Kleinmond	Spectrum Communications	5,303.28	
DEVIATIONS FOR THE PERIOD 1 JULY 2008 TO 30 JUNE 2009						6,359,519.88	2,420,002.50

SCM Reg 36(1)(a)(i)	An emergency (An emergency is an unforeseeable and sudden event with harmful of potentially harmful consequences for the municipality which requires urgent action to address.)
SCM Reg 36(1)(a)(ii)	Goods or services are produced or available from a single provider only
SCM Reg 36(1)(a)(iii)	The acquisition of special works of art or historical objects where specifications are difficult to compile
SCM Reg 36(1)(a)(iv)	Acquisition of animals for zoos and/or nature and game reserves
SCM Reg 36(1)(a)(v)	Exceptional case where it was impractical or impossible to follow the official procurement processesE

OVERSTRAND MUNICIPALITY
NOTES TO THE ANNUAL CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

FINANCIAL INSTRUMENTS (Continued)

Liquidity and Interest Risk Tables

The following tables detail the municipality's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date which the municipality can be required to pay. The table includes both interest and principal cash flows.

Description	Note ref in AFS	Average effective Interest Rate %	Total R	1 - 12	1 - 2	2 - 5	More than
				Months R	Years R	Years R	5 Years
30 June 2010 Fixed Interest Rate Instruments	15	10.52%	332,961,424	28,058,590	27,971,691	75,819,100	201,112,043
30 June 2009 Fixed Interest Rate Instruments	15	10.20%	239,463,598	16,666,797	26,725,708	59,153,979	136,917,113

UNAUDITED APPENDIX A
ECONOMIC ENTITY: SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2010

	Loan Number	Redeemable	Balance at 30/06/2009 R	Received during the period R	Redeemed/ written off during period R	Balance at 30/06/2010 R	Other costs in accordance with MIFMA R
ANNUITY LOANS							
ABSA @ 10.440%	4073054262	2024	40,000,000	-	1,191,324	38,808,676	-
ABSA @ 10.82%	4073923493	2024	42,000,000	-	1,211,865	40,788,135	-
ABSA @ 10.50%	3029589816	2024	-	70,000,000	1,027,624	68,972,376	-
DBSA @ 9.171%	135357102	2020	3,455,071	-	314,097	3,140,974	-
DBSA @ 9.171%	135437101	2019	3,009,762	-	273,615	2,736,147	-
DBSA @ 9.171%	137617101	2020	2,998,558	-	260,744	2,737,814	-
DBSA @ 9.171%	104507102	2017	822,264	-	66,034	756,230	-
DBSA @ 12.00%	10216971	2022	15,883,925	-	644,250	15,239,675	-
DBSA @ 8.42%		2008	8,052,996	-	8,052,995	1	-
RAND MERCHANT @ 10.219%		2012	10,002,732	-	2,429,570	7,573,162	-
INCA @ 12.82%							
Total annuity loans			126,225,308	70,000,000	15,472,119	180,753,189	-
TOTAL EXTERNAL LOANS			126,225,308	70,000,000	15,472,119	180,753,189	-

UNAUDITED APPENDIX B
ECONOMIC ENTITY: ANALYSIS OF PROPERTY PLANT AND EQUIPMENT
30 JUNE 2010

30 JUNE 2010													
	Cost / Revaluation					Accumulated Depreciation							
	Opening Balance R	Additions R	Disposals R	Under Construction R	Transfers R	Balance before unbundling R	Closing Balance R	Opening Balance R	Depreciation R	Disposals R	Transfers R	Closing Balance R	Carrying Value R
Land	350,071,400	7,437,905	-	-	(64,129)	357,445,176	357,445,176	-	-	-	-	-	357,445,176
Land	350,071,400	7,437,905	-	-	(64,129)	357,445,176	357,445,176	-	-	-	-	-	357,445,176
Buildings													
Operational Buildings	28,157,956	3,591,401	-	-	(150,000)	31,599,357	31,599,357	-	5,329,888	-	(10,000)	5,319,888	26,279,469
Community Buildings	87,671,344	1,942,724	-	-	-	89,614,069	89,614,069	-	-	-	-	-	89,614,069
	115,829,300	5,534,125	-	-	(150,000)	121,213,426	121,213,426	-	5,329,888	-	(10,000)	5,319,888	115,893,538
Infrastructure													
Roads	1,628,506,488	9,672,141	-	11,088,161	-	1,649,266,789	1,649,266,789	707,355,134	34,384,624	-	-	741,739,758	907,527,031
Sewerage	606,902,554	3,369,665	-	1,769,362	-	612,041,581	612,041,581	274,809,838	12,607,800	-	-	287,417,638	324,623,943
Electricity	908,175,726	27,283,445	-	468,404	-	935,927,575	935,927,575	341,625,442	17,539,764	-	-	359,165,206	576,762,368
Water	1,192,409,117	11,873,460	(3,902,804)	17,923,780	-	1,218,303,553	1,218,303,553	854,894,361	14,955,397	(3,553,970)	-	866,295,788	352,007,765
Stormwater Drains	185,371,597	5,769,084	-	-	-	191,140,681	191,140,681	131,026,941	1,834,665	-	-	132,861,606	58,279,075
Solid Waste Disposal	33,937,894	5,993,432	-	-	-	39,931,325	39,931,325	3,955,316	1,525,358	-	-	5,480,674	34,450,651
Security measures	18,515,365	5,226,869	-	-	-	23,742,234	23,742,234	7,156,510	717,128	-	-	7,873,638	15,866,596
	4,573,818,741	69,188,094	(3,902,804)	31,249,707	-	4,670,353,739	4,670,353,739	2,320,823,542	83,584,736	(3,553,970)	-	2,400,834,308	2,269,519,430
Community Assets													
Recreational facilities	94,257,930	127,234	-	-	-	94,385,164	94,385,164	21,621,314	4,528,513	-	-	26,149,827	68,235,337
Other community assets	-	-	-	-	-	-	-	-	-	-	-	-	-
	94,257,930	127,234	-	-	-	94,385,164	94,385,164	21,621,314	4,528,513	-	-	26,149,827	68,235,337
Heritage Assets													
Heritage Assets	66,228,309	-	-	-	-	66,228,309	66,228,309	-	-	-	-	-	66,228,309
	66,228,309	-	-	-	-	66,228,309	66,228,309	-	-	-	-	-	66,228,309
Other Assets													
Furniture	1,718,458	272,610	(76,398)	-	-	1,914,670	1,914,670	553,278	240,318	(22,382)	-	771,214	1,143,456
Equipment	7,967,975	1,520,869	(348,217)	-	-	9,140,627	9,140,627	3,273,827	1,311,878	(212,349)	-	4,373,356	4,767,271
Vehicles	45,738,168	-	(111,939)	-	-	45,626,229	45,626,229	10,086,168	6,196,933	(67,628)	-	16,215,473	29,410,756
Inventory	-	-	-	-	-	-	-	-	-	-	-	-	-
	55,424,601	1,793,479	(536,554)	-	-	56,681,526	56,681,526	13,913,273	7,749,129	(302,359)	-	21,360,043	35,321,483
Total	5,255,630,282	84,080,838	(4,439,358)	31,249,707	(214,129)	5,366,307,340	5,366,307,340	2,356,368,130	101,172,266	(3,856,329)	(10,000)	2,453,664,067	2,912,643,273

UNAUDITED APPENDIX B
ECONOMIC ENTITY: ANALYSIS OF INTANGIBLE ASSETS
30 JUNE 2010

30 JUNE 2010													
	Cost / Revaluation					Balance before unbundling	Closing Balance	Accumulated Amortisation				Carrying Value	
	Opening Balance	Additions	Disposals	Under Construction	Transfers			Opening Balance	Depreciation	Disposals	Transfers	Closing Balance	
	R	R	R	R	R		R	R	R	R	R	R	R
Intangible assets	2,360,000	-	-	-	-	2,360,000	2,360,000	-	-	-	-	-	2,360,000
Water rights	469,188	226,404	(10,867)	-	-	684,725	684,725	465,607	4,618	(2,777)	-	467,448	217,277
Software and programm	2,829,188	-	(10,867)	-	-	2,818,321	3,044,725	465,607	4,618	(2,777)	-	467,448	2,577,277
Total	5,258,459,469	84,080,838	(4,450,226)	31,249,707	-	5,369,339,790	5,369,339,790	2,366,823,736	101,176,884	(3,859,106)	-	2,454,141,514	2,915,198,275

UNAUDITED APPENDIX C ECONOMIC ENTITY: SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2010											
	Cost			Accumulated Depreciation					Carrying Value R		
	Opening Balance R	Additions R	Under Constuction R	Disposals R	Transfers R	Opening Balance R	Depreciation R	Disposals R		Transfers R	Closing Balance R
Finance & Admin	534,984,825	2,900,587	-	(391,456)	(214,129)	17,913,690	13,797,502	(258,521)	(10,000)	31,442,671	505,837,156
Planning & Development	124,092	15,924,961	-	(145,098)	-	11,862	31,976	(43,838)	-	-	15,903,955
Community & Social Services	82,457,930	127,234	-	-	-	21,621,314	4,495,180	-	-	26,116,494	56,468,670
Sport & Recreation	5,731,750	1,166,830	-	-	-	3,144,233	-	-	-	3,144,233	3,754,347
Environmental Protection	77,028,309	-	-	-	-	-	-	-	-	-	77,028,309
Waste Management	826,212,045	15,132,181	1,769,362	-	-	409,792,096	15,967,823	-	-	425,759,919	417,353,669
Road Transport	1,628,506,488	9,672,141	11,088,161	-	-	707,355,133	34,384,624	-	-	741,739,757	907,527,033
Water	1,192,409,117	11,873,460	17,923,780	(3,902,804)	-	854,894,361	14,955,397	(3,553,970)	-	866,295,788	352,007,765
Electricity	908,175,726	27,283,445	468,404	-	-	341,625,442	17,539,764	-	-	359,165,206	576,762,369
Total	5,255,630,282	84,080,839	31,249,707	(4,439,358)	(214,129)	2,356,358,131	101,172,266	(3,856,329)	(10,000)	2,453,664,068	2,912,643,273

UNAUDITED APPENDIX D
ECONOMIC ENTITY: SEGMENTAL STATEMENT OF FINANCIAL
PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2010

2009 Actual Income R	2009 Actual Expenditure R	2009 Surplus/ (Deficit) R		2010 Actual Income R	2010 Actual Expenditure R	2010 Surplus/ (Deficit) R
21,224,879	11,765,290	9,459,589	Executive & Cou	23,249,491	44,623,011	(21,373,520)
131,079,530	52,800,660	78,278,870	Finance & Admir	134,603,786	112,182,392	22,421,394
6,205,805	20,169,055	(13,963,250)	Planning & Deve	42,930,796	30,146,138	12,784,658
1,479,849	27,915,437	(26,435,588)	Community & So	1,411,181	25,375,467	(23,964,286)
6,669,363	12,069,735	(5,400,372)	Housing	18,702,679	14,569,911	4,132,768
7,714,877	27,131,402	(19,416,525)	Public Safety	6,399,114	28,923,203	(22,524,089)
5,532,525	14,504,910	(8,972,385)	Sport & Recreati	6,771,298	16,073,294	(9,301,996)
134,290	4,388,489	(4,254,199)	Environmental P	132,744	7,720,838	(7,588,094)
31,651,252	32,140,090	(488,838)	Solid Waste Mar	36,401,020	31,799,478	4,601,542
32,056,044	34,655,902	(2,599,858)	Waste Managerr	43,542,566	37,697,041	5,845,525
43,987	48,866,091	(48,822,104)	Road Transport	1,707,411	61,747,741	(60,040,330)
67,000,042	68,268,503	(1,268,461)	Water	77,420,350	85,556,799	(8,136,449)
113,210,672	116,436,206	(3,225,534)	Electricity	155,263,687	142,604,777	12,658,910
424,003,115	471,111,770	(47,108,655)	Sub-Total	548,536,123	639,020,090	(90,483,967)
0	(70,001,560)	70,001,560	Less: Inter-departemental Charge		(80,501,800)	80,501,800
424,003,115	401,110,210	22,892,905	Total	548,536,123	558,518,290	(9,982,167)

UNAUDITED APPENDIX E(1) ECONOMIC ENTITY: ACTUAL VS. BUDGET (REVENUE AND EXPENDITURE) FOR THE YEAR ENDED 30 JUNE 2010				
	2010 Actual R	2010 Budget R	2010 Variance R	2010 Variance %
REVENUE				
Property rates	121,922,911	120,829,900	1,093,011	1
Service charges	292,633,636	293,754,590	(1,120,954)	(0)
Property rates - penalties imposed and collection charges	827,811	940,000	(112,189)	(12)
Rental Income	5,842,353	6,452,800	(610,447)	(9)
Public contributions, donated and contributed	8,467,833	17,743,000	(9,275,167)	(52)
Fines	2,528,628	3,263,800	(735,172)	(23)
Licences and permits	1,410,817	1,585,300	(174,483)	(11)
Government grants	59,152,174	65,982,763	(6,830,589)	(10)
Other income	23,453,708	11,396,121	12,057,587	106
Interest received- investment	5,043,733	5,671,175	(627,442)	(11)
Total Revenue	521,283,603	527,619,449	(6,335,846)	(1)
EXPENDITURE				
Employee related costs	157,863,189	156,052,990	(1,810,199)	(1)
Remuneration of Councillors	4,529,711	4,595,540	65,829	1
Depreciation, Impairment and amortisation	101,176,882	108,750,521	7,573,639	7
Impairment loss	117,000		(117,000)	
Finance Costs	19,294,616	16,896,771	(2,397,845)	(14)
Debt impairment	9,507,272	2,000,000	(7,507,272)	(375)
Repairs and maintenance	48,928,673	52,026,877	3,098,204	6
Bulk purchases	78,005,896	81,285,000	3,279,104	4
Contracted services	14,461,156	15,327,513	866,357	6
Grants and subsidies paid	11,817,760	14,000,000	2,182,240	16
General expenses - other (including abnormal expenses)	112,467,281	136,659,672	24,192,391	18
Total Expenditure	558,169,436	587,594,884	29,425,448	5
Gain on disposal of assets	7,046,456	0	(7,046,456)	
Fair Value Adjustment	19,857,210	0	(19,857,210)	
NET SURPLUS/(DEFICIT) FOR THE YEAR	(9,982,167)	(59,975,435)	(49,993,268)	

UNAUDITED APPENDIX E(2) ECONOMIC ENTITY: ACTUAL VS. BUDGET (ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT) FOR THE YEAR ENDED 30 JUNE 2010					
	2010 Actual R	2010 Budget R	2010 Variance R	2010 Variance %	Explanation of Significant Variances Greater than 5% versus Budget
Land					
Land	0	0	0	0	
Buildings					
Community Buildings	11,920,471	12,063,600	(143,129)	-1%	
	11,920,471	12,063,600	(143,129)	-1%	
Infrastructure					
Roads	18,496,562	18,076,279	420,283	2%	
Sewerage	6,760,682	6,860,070	(99,388)	-1%	
Electricity	26,575,762	28,811,819	(2,236,057)	-8%	Roll over projects to 2010/2011
Water	16,983,788	17,896,408	(912,620)	-5%	
Stormwater drains	7,307,015	7,369,410	(62,395)	-1%	
Solid Waste Disposal	5,993,432	6,273,708	(280,276)	-5%	
Security measures	199,708	199,708	0	0%	
	82,316,949	85,487,402	(3,170,453)	-4%	
Community Assets					
Recreational facilities	1,166,830	1,167,806	(976)	0%	
Low Cost Housing	8,117,567	10,995,220	(2,877,653)	-35%	Earlier project delays
Local Economic Dev.	3,172,103	2,354,103	818,000	26%	
	12,456,500	14,517,129	(2,060,629)	-10%	
Heritage Assets					
	0	0	0		
Other Assets					
Inventory	589,717	797,369	(207,652)	-35%	Purchases as required
ICT	1,442,450	1,770,179	(327,729)	-23%	Purchases as required
	589,717	797,369	(207,652)	-35%	
Total	107,283,637	112,865,500	(5,581,863)	-5%	

UNAUDITED APPENDIX F

ECONOMIC ENTITY: DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Grant and Subsidies Received

Name of Grants	Name of organ of state or municipal entity	Quarterly Receipts				Grants and Subsidies delayed / withheld				Reason for delay withholding of funds	Did your municipality comply with the grant conditions in terms of grant framework in the latest Division of Revenue Act	Reason for non-compliance
		June	Sept	Dec	March	June	Sept	Dec	March	June		
FMG	Nat Treasury	500,000	-	-	-	750,000	-	-	-	750,000	Y	
MSG	Nat Treasury	400,000	-	-	-	400,000	-	-	-	400,000	Y	
Library	PAWC	505,419	-	-	-	556,000	-	-	-	556,000	Y	
Community Dev. Workers	PAWC	96,000	-	-	-	96,000	-	-	-	96,000	Y	
Prov Road Subsidy	PAWC	16,000	-	-	-	-	-	-	-	-	Y	
Housing Consumer Education	PAWC	150,000	-	-	-	150,000	-	-	-	130,545	Y	
Cleanest Town Competition	PAWC	40,000	-	-	-	-	-	-	-	34,990	Y	
Social Housing	PAWC	2,176,726	-	-	-	12,392,040	-	-	-	17,722,670	Y	
MIG Projects	PAWC	10,058,000	-	-	-	15,894,000	-	-	-	11,930,655	Y	
INEG - Electricity	DME	-	-	-	-	1,921,000	-	-	-	1,921,000		
NDPG - LED	Nat Treasury	-	-	-	-	2,263,663	-	-	-	2,263,663	Y	
Masimbane Project	DWAF	297,000	-	-	-	-	-	-	-	-	Y	
Multi Purpose Centre	PAWC	-	-	-	-	-	-	-	-	78,016		
		14,239,145	-	-	-	34,422,703	-	-	-	35,883,539		

AUDITOR'S REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL LEGISLATURE AND THE COUNCIL ON OVERSTRAND MUNICIPALITY

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying consolidated financial statements of the Overstrand Municipality, which comprise the consolidated and separate statement of financial position as at 30 June 2010, and the consolidated and separate statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory information, as set out on pages 2 to 62 and 68.

Accounting officer's responsibility for the consolidated financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and in the manner required by the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act, 2009 (Act No. 12 of 2009) (DoRA). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) and section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and *General Notice 1570 of 2009* issued in *Government Gazette 32758 of 27 November 2009*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

7. In my opinion, these financial statements present fairly, in all material respects, the consolidated and separate financial position of the Overstrand Municipality as at 30 June 2010 and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended, in accordance with SA Standards of GRAP and in the manner required by the MFMA and DoRA.

Emphasis of matter

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

Restatement of corresponding figures

9. As disclosed in note 2 to the financial statements, the corresponding figures for 30 June 2009 have been restated as a result of errors discovered during 2010 in the financial statements of the Overstrand Municipality at, and for the year ended, 30 June 2009.

Material losses

10. As disclosed in note 54 to the financial statements, material water losses to the amount of R9 195 433 (27.43%) was incurred.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

11. As required by the PAA and in terms of *General Notice 1570 of 2009* issued in *Government Gazette 32758 of 27 November 2009*, I include below my findings on the report on predetermined objectives, compliance with the following laws and regulations: MFMA, DoRA, Municipal Systems Act of South Africa, 2000 (Act No. 32 of 2000) (MSA) and financial management (internal control).

Predetermined objectives

Material findings on the report on predetermined objectives, as set out on pages 19 to 85 are reported below:

Non-compliance with regulatory requirements and reporting requirements

Comparison with previous year's performance

12. The annual performance report prepared by the municipality does not reflect a comparison of the performance of the municipality during the financial year with targets set for and performances in the previous financial year in terms of section 46(1)(b) of the MSA. Furthermore measures taken to improve performance are not disclosed in terms of section 46(1)(c) of the MSA.

Indicators per the integrated development plan (IDP) inconsistent with the indicators reflected in the service delivery and budget implementation plan (SDBIP)

13. Twenty nine (29%) of performance indicators in the IDP of the municipality is not aligned with the SDBIP as required by section 38(a) of the MSA, as the changes made to the SDBIP to correctly reflect the performance indicators were not reconciled to the IDP.

Usefulness of reported information

The following criteria were used to assess the usefulness of the planned and reported performance:

- Consistency: Has the municipality reported on its performance with regard to its objectives, indicators and targets in its approved integrated development plan, i.e. are the objectives, indicators and targets consistent between planning and reporting documents?
- Relevance: Is there a clear and logical link between the objectives, outcomes, outputs, indicators and performance targets?
- Measurability: Are objectives made measurable by means of indicators and targets? Are indicators well defined and verifiable, and are targets specific, measurable, and time bound?

The following audit findings relate to the above criteria:

Reported performance targets not specific

14. For the selected development priorities / objectives, 86% of the targets reflected in the annual performance report of the municipality that are expressed as a percentage were not specific as the nature and required level of performance were not clearly defined. It is therefore not clear from the annual performance report how the percentages are derived when the targets were initially determined.

Changes to planned performance not disclosed in the annual performance report

15. For the selected development priorities / objectives, i.e. "Provision and maintenance of municipal services" and "Creation and maintenance of a safe and healthy environment", all changes to planned KPIs per the 2009/10 IDP were not disclosed / explained in the annual performance report of the municipality (100% of indicators and targets reviewed).

Compliance with laws and regulations

Supply Chain Management (SCM) Regulations

16. The municipality's SCM policy is not consistent with SCM regulation 13(1)(c), as it states that it will only obtain proof of whether persons are in the service of the state for written quotations and bids greater than R30 000. This has resulted in the municipality transacting with a supplier whose director is in the service of the state.

INTERNAL CONTROL

17. I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives as well as compliance with the MFMA, DoRA and MSA, but not for the purpose of expressing an opinion on the effectiveness of internal control.
18. The matters reported below are limited to the significant deficiencies regarding the findings on the report on predetermined objectives.

Leadership

19. The accounting officer did not exercise sufficient oversight responsibility to ensure that the strategic documents (the IDP and the SDBIP) and the reported predetermined objectives were aligned, in compliance with laws and regulations and internal control.
20. Furthermore, actions were not taken to address the risks relating to the completeness of performance reporting, as findings raised in the prior year recurred.

OTHER REPORTS

Investigations in progress

21. Allegations of irregular procurement of goods and / or services, including a possible conflict of interest at Hermanus Waste Water Treatment Works and also the Water Purification Works. Two companies regularly supplying quotations did not exist as all the contact information on the quotations were fictitious.
22. There are alleged fraudulent claims in respect of the Working for Water project carried out on behalf of the Department of Water Affairs and Forestry. Allegations of negligence and breach of fiduciary duty is under investigation.

Investigations completed during the financial year

23. An investigation was performed in respect of allegations of irregular procurement of goods and / or services, including a possible conflict of interest matter at the Hermanus Waste Water Treatment Works and also the Water Purification Works. The investigation resulted in criminal proceedings being instituted against two employees; one employee has subsequently resigned while the other employee was dismissed.

24. An investigation was performed in respect of supply chain management irregularities relating to repair work carried out at the Stanford Administrations. Quotations were fabricated using the names of service providers without their knowledge. The investigation resulted in criminal proceedings being instituted against one of the employees; however the state prosecutor opted not to prosecute. The one employee has since left the municipality while the other was re-instated based on a successful appeal but new disciplinary measures will be instituted against this employee.

Auditor - General
Cape Town

15 December 2010



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

5.1 Report of the Accounting Officer (Municipal Manager) in terms of Section 121 of the Local Government Municipal Finance Management Act No 56 of 2003 (the MFMA).

1. INTRODUCTION

The Overstrand Municipality and its wholly owned municipal entity, OLEDA (Pty) Ltd's annual financial statements (AFS) as well as the results of performance measurements were prepared and submitted to the Auditor-General by the deadline of 31 August 2010. The consolidated statements were also timeously submitted.

These AFS were revised in the light of the audit conducted by the Auditor-General staff during September, October and November 2010 and are part of this annual report. Similarly the Auditor-General's two audit reports on the AFS are included on pages 224 to 226.

The annual performance report in terms of Section 46 of the Local Government Municipal Systems Act (No 32 of 2000) has also been audited by the Auditor-General and reported on as part of its two audit reports on pages 224 to 225.

2. ARREARS ASSESSMENT

As required by the MFMA my assessment of the arrears on municipal taxes and service charges as at 30 June 2010 is as set out below:

Receivables:

		Current	120 days +
Government	R 1 680 187	R 137 126	R 1 390 637
Business	R 7 575 369	R 607 896	R 102 369
Individuals	<u>R 49 399 433</u>	<u>R 14 168 034</u>	<u>R 9 307 602</u>
	R 58 654 989	R 20 384 124	R 10 800 608

The amount that is of significant concern (i.e. more than 120 days) totals R10 800 608 of which R1,4 million is owed by Government.

Concerted efforts are being made

- to recover debts older than 120 days
- to prevent/discourage debtors from moving into higher ageing categories
- to reduce the risk of debt becoming irrecoverable.

Credit control measures are progressively tightened up, e.g. earlier cut-offs of electricity. The judgement in the case of Joseph and Others v City of Johannesburg and Others (CCT 43/09) ZACC 30 2010 (3)

compelled the Municipality to give consumers 14 days' notice of any intended disconnections of services in future. This procedure has the perhaps unintended consequence that the risk for outstanding and even bad debts has increased. Trickle control for water and the attachment of assets and the sale in execution thereof have been approved as extreme measures to collect debt.

3 REVENUE COLLECTION

This Municipality's performance for revenue collection from each source of revenue and for each vote as at 30 June 2010 constitutes a significant improvement over the previous year's results and can be summarised in the actual achievements as set out below.

	2009/10	[2008/9]
90 days	94.43%	[92.96%]
60 days	92.21%	[89.82%]
30 days	82.48%	[76.55%]

In terms of the 2009/10 SDBIP a collection target of 85% within 90 days was set.

Due to a consolidated billing system being used, it was not possible to split the revenue amongst the different sources of revenue.

4 MATERIAL LOSSES/IMPAIRMENTS

4.1 Electricity

There is a loss of approximately 9.3% on the electrical service. This is a significant improvement on the 11% of the previous financial year. It is quite normal to experience single digit percentages due to technical reasons such as voltage losses measured from the bulk intake to final reticulation destination points of consumers.

A degree of theft still takes place – especially in certain township areas. The root cause is illegal connections. The Municipality has applied its new by-laws to effectively deal with tampering and theft. The implementation thereof is, however, undermined as certain criminal elements continue to reinstate these illegal connections under cover of darkness.

Good progress has been made on metering municipal usages. Examples include the calculation of electricity used for streetlights and also for certain pumps and motors at water and sewerage installations.

4.2 Water Service

The calculated loss of approximately 28% in the water service is still above the generally accepted level of water losses.

As was reported in the previous year, the Municipality has embarked on various initiatives to curtail water losses. Over and above routine maintenance and repair work the following specific measures to curb water losses were implemented:

Replacement of aged segments of the network	R2.9m
---	-------

5 INCIDENTS OF FRAUD/CORRUPTION

The matters reported in the previous year were all finalised during the year under review.

There are possible fraudulent claims in respect of the Working for Water project carried out on behalf of the Department of Water Affairs. There is alleged negligence and breach of fiduciary duties by service providers and supervisory staff resulting in potential fruitless and wasteful expenditure of R4 million. The possibility of recovering at least a portion of this amount from the State is being pursued.

6 GENERAL AND CLOSING COMMENTS

The following observations were made during the audit process:

6.1 Compliance with Accounting Standards

Although there has been a significant improvement in the Municipality's compliance with accounting standards, it comes at a cost. Compliance does not, *per se*, equate to better service delivery at grass roots level.

Three compliance hot spots are asset management, supply chain management and the role of the internal audit unit.

With the appointment of additional staff during 2010/11 it is trusted that inroads will be made to alleviate the pressure in these three crucial areas.

6.2 Value for money

The audit costs have significantly decreased from the prior year. This decrease can be ascribed to

- the Municipality being far better prepared for the audit than in the preceding years. Credit must be given to municipal staff under the guidance of Mr Henk Kleinloog, Director: Finance and Mr Clint le Roux, Deputy Director: Finance and
- the Auditor General team working in accordance with a structured audit plan and using the institutional knowledge of the core leaders of the audit team.

6.3 Closing comments

The 2009/10 financial year had numerous highlights e.g. collecting 99% of budgeted income and 98% of budgeted operating expenditure, yielding an operating deficit of R99m whilst yielding an operating surplus of R808m when non-cash items are excluded. Expenditure on the capital budget amounted to 98%

This is due to a package of reasons e.g.

- a committed Council driven by visionary and strategic leadership under guidance of the Executive Mayor and the mayoral team
- dedicated and hardworking employees
- the diligent application and execution of policies, practices and procedures.
- the role played by the Director: Finance, Mr Henk Kleinloog, and his competent staff. His deputy, Mr Clint le Roux, with his auditing experience, acted as an invaluable link between the Municipality and the auditing team.
- the guidance and supervision of the Audit Committee and the Performance Audit Committee.
- the senior members of the auditing team and their valued knowledge of the Overstrand's specific circumstances.

WERNER ZYBRANDS
MUNICIPAL MANAGER

5.2 Report of the Audit and Performance Committee on the 2009/2010 Audit Report

The Audit Committees are independent statutory committees appointed by Council. We are pleased to present our report for the financial year ended 30 June 2010.

AUDIT COMMITTEE

Members and Meetings

The Committee consists of five members none of whom are councillors or officials of the Municipality.

The Committee members are:

GN Lawrence (Chairman), DWJ Jacobs, WRR Borchers, JNP Saayman and ME Tshabalala.

The Executive Mayor, Chairperson of the Finance and Administration Portfolio Committee, Municipal Manager, Chief Financial Officer, Director: Management Services and Manager: Internal Audit attend the meetings as well. The Committee met five times during the course of the year, excluding training sessions, meetings with the Auditor-General, etc.

Role and Responsibilities

The Committee has adopted formal terms of reference (Audit Committee Charter) which has been approved by Council. The provisions contained in the Local Government Municipal Finance Management Act, 2003 are included in the Charter.

Financial Statements and Accounting Practices

The Committee is aware that the Municipality has fully implemented the required GRAP standards. It has reviewed the financial statements and is satisfied that they are appropriate. The Committee has established a process to evaluate concerns and complaints relating to the financial reporting practices of the Municipality.

Internal Financial Controls

The Committee has reviewed -

- (i) the effectiveness of the Municipality's system of internal financial controls;
- (ii) issues raised by the internal and external audit processes; and
- (iii) policies and procedures for preventing and detecting fraud and corruption.

Based on the processes and the assurances obtained from Management, Internal Audit and the Auditor-General, the Committee believes that the internal financial controls are effective. The Committee has however, noted the issues raised by the Auditor-General and Internal Audit and will monitor the remedial process.

Internal Audit

The Committee has -

- (i) reviewed the Internal Audit Charter;
- (ii) evaluated the independence, effectiveness and performance of the internal audit function and compliance with its mandate;
- (iii) satisfied itself that the internal audit component has the necessary resources, budget, standing and authority within the Municipality to effectively discharge its functions;
- (iv) assessed the performance of the Manager: Internal Audit;
- (v) approved the Internal Audit Plan; and
- (vi) encouraged cooperation between internal and external audit.

The Manager: Internal Audit reported functionally to the Municipal Manager and the Audit Committee and had unrestricted access to the Committees. The Chairpersons of the Committees meet regularly with the Manager: Internal Audit where matters are discussed. These matters are then subsequently discussed by the full Committees. It is noted that the level of Internal Audit reports and minutes are of a high standard. This preparedness facilitated a more effective evaluating process.

Finance Function

The Committee is of the opinion that the Chief Financial Officer of the Municipality possesses the appropriate expertise and experience to meet his responsibilities required by the MFMA.

Based on the processes and the assurances obtained from Management, Internal Audit and the Auditor-General, the Committee is satisfied that the finance function has appropriate and adequate expertise and resources to perform their duties in terms of legislation and GRAP.

Risk Management

The Committee fulfils an oversight role regarding risk management as a whole and is satisfied that this function has successfully been implemented and has delivered positive outcomes in the process.

Water Management

In recent times, the provision of water has presented a serious threat to the Overstrand Municipality and is a potential risk. According to information provided to the Committee, the water reticulation systems in certain areas (Betty's Bay and Voëlklip) have deteriorated to the extent that water losses of up to 60% are experienced. The current water crisis in the Greater Hermanus Area also indicates that the strategic plan regarding water provision in the Overstrand needs urgent attention by Council and senior management. Particularly in the light of unpredictable weather patterns, the Audit Committee is of the opinion that this matter must be dealt with as a top priority.

PERFORMANCE AUDIT COMMITTEE

Members and meetings

The Performance Audit Committee consists of the same members as that of the Audit Committee except that there is a different Chairperson, namely DWJ Jacobs. The Chairman is also the chairperson of the Rewards and Recognition Committee of the Municipality.

The terms of reference of the Committee are in accordance with the Local Government Municipal Planning and Performance Management Regulations, 2001.

Although it was the intention of the Committee to consider the performance information report after each quarter, only three meetings were held due to the conversion of the performance information to a new system. The Committee is satisfied that the new system provides adequate and accurate performance information. The Performance Audit Committee also attended the training session on the new computerised performance system as presented by the consultants.

Responsibilities

The Committee reviewed –

- (i) the performance information as per the quarterly Service Delivery and Budget Implementation Plan (SDBIP) reports;
- (ii) the process of performance evaluation of top management; and
- (iii) the Integrated Development Plan and the SDBIP.

Based on the processes and the assurances obtained from management, Internal Audit and the Auditor-General, the Committee is satisfied that the performance management processes and reporting thereon are adequate.

The Committee has noted the concern of the Auditor-General that 29% of the KPI's that appear in the IDP are not aligned with the SDBP. The Committee is aware that the rationalisation of the KPI's is receiving attention and recommends that management should focus on the finalisation of this process.

CONCLUSION

As it remains the objective of the Audit Committees that the Overstrand Municipality achieves a clean Audit Report, the Committees recommend that management rectifies the items listed in the Report of the Auditor-General as a matter of priority. Progress in this regard will be monitored by the Committees.

In the final analysis the Audit Committees place their appreciation on record for the dedicated improvement in the general standards and preparedness achieved by the Overstrand Municipality. The Committees have noted in particular the comment of the Auditor-General staff that reflects a more positive attitude and relationship regarding the past year's audit.

The Committees also completed self evaluation assessments and it revealed that the Committees are fulfilling their mandate.

G N Lawrence
Audit Committee Chairman
13 January 2011

DWJ Jacobs
Performance Audit Committee Chairman

ANNEXURE 1

**OVERSTRAND MUNICIPALITY
WATER SERVICES AUDIT REPORT
FOR 2009/2010**



FINAL DOCUMENT

OVERSTRAND MUNICIPALITY



Ref 252770KS0

P O Box 20
Hermanus
7200
Tel: +27(28) 313 8000
Fax: +27(28) 3131111

PO Box 398
BELLVILLE
7535
Tel: +27 (0)21 912 3000

KV3
ENGINEERS

OVERSTRAND MUNICIPALITY
WATER SERVICES AUDIT FOR 2009/2010

ITEM	DESCRIPTION	PAGE
	LIST OF TABLES	II
	ABBREVIATIONS AND DEFINITIONS	IV
	KEY TERMS	V
	EXECUTIVE SUMMARY	VI
1.	BACKGROUN D	1
1.1	APPOINTMENT	1
1.2	PURPOSE	1
1.3	METHODOLOGY FOLLOWED	2
2	LEGISLATION	2
3.	ANNUAL REPORT	3
3.1	PERFORMANCE MANAGEMENT SYSTEM	3
3.2	Performance Highlights.....	5
3.3	National Water Services Regulation Strategy.....	6
4	SOCIO ECONOMIC PROFILE	7
5	SERVICE LEVELS	9
6	WATER RESOURCES	13
7	WATER CONSERVATION AND DEMAND MANAGEMENT	22
8	WATER SERVICES INFRASTRUCTURE	26
9	WATER BALANCE	31
10.	WATER SERVICES INSTITUTIONAL ARRANGEMENTS.....	33
11.	CUSTOMER SERVICES.....	34
12.	FINANCE.....	36
13.	PROJECTS COMPLETED	42
	REFERENCES	

LIST OF TABLES

LIST OF TABLES

TABLE 3.1	PERFORMANCE EVALUATION OF THE WATER AND SANITATION INDICATORS / TARGETS AS INCLUDED IN THE SD BIP	4
TABLE 5.1	DEFINITIONS OF WATER SUPPLY AND SANITATION SERVICES	9
TABLE 5.2	NUMBER OF USER CONNECTIONS IN EACH USER SECTOR	10
TABLE 5.3	OVERALL NUMBER OF USER CONNECTIONS IN EACH USER SECTION	10
TABLE 5.4	RESIDENTIAL WATER SERVICE LEVELS	10
TABLE 5.5	COMMUNAL SERVICES IN INFORMAL SERVICES	11
TABLE 5.6	RESIDENTIAL SANITATION SERVICE LEVELS	11
TABLE 6.1	YEARS IN WHICH THE ANNUAL WATER DEMAND WILL EXCEED THE SUSTAINABLE YIELD	13
TABLE 6.2	BULK WATER SUPPLY TO THE VARIOUS TOWNS	14
TABLE 6.3	RECOMMENDATIONS FOR THE DEVELOPMENT AND MANAGEMENT PLAN FOR THE GREATER HERMANUS AREA	15
TABLE 6.4	OPERATIONAL SAMPLING WITHIN OVERSTRAND MUNICIPALITY	16
TABLE 6.5	OPERATIONAL SAMPLING FOR THE HERMANUS BOREHOLE TWS	16
TABLE 6.6	BLUE DROP PERFORMANCE OF OVERSTRAND MUNICIPALITY	17
TABLE 6.7	GREEN DROP PERFORMANCE OF OVERSTRAND MUNICIPALITY	20
TABLE 6.8	STATUS QUO WITH REGARD TO THE UPGRADING OF THE VARIOUS WWTWS	21
TABLE 6.9	CUMULATIVE RISK RATIO OF THE VARIOUS WWTWS	21
TABLE 7.1	NON REVENUE WATER FOR THE VARIOUS DISTRIBUTION SYSTEMS	22
TABLE 7.2	SAVING POTENTIAL THROUGH THE IMPLEMENTATION OF PRESSURE MANAGEMENT	23
TABLE 7.3	WDM STRATEGIC IMPLEMENTATION PLAN OF OVERSTRAND MUNICIPALITY	24
TABLE 7.4	PROPOSED CES WDM STRATEGY	25
TABLE 7.5	IMPLEMENTATION PROGRAMME OF THE PROPOSED CES WDM STRATEGY	26
TABLE 8.1:	EXISTING WATER INFRASTRUCTURE	26
TABLE 8.2:	EXISTING SEWER INFRASTRUCTURE	27
TABLE 8.3:	EXISTING WATER AND SEWER INFRASTRUCTURE AND MAIN FUNCTIONAL TASKS	27
TABLE 8.4:	CURRENT AND DEPRECIATED REPLACEMENT COST OF THE WATER INFRASTRUCTURE	28
TABLE 8.5:	OVERVIEW OF THE REMAINING USEFUL LIFE BY FACILITY TYPE FOR THE WATER INFRASTRUCTURE (CRC)	28
TABLE 8.6:	OVERVIEW OF THE AGE DISTRIBUTION BY FACILITY TYPE FOR THE WATER INFRASTRUCTURE (CRC)	29
TABLE 8.7:	CONDITION GRADING PER WATER FACILITY TYPE	29
TABLE 8.8:	CURRENT AND DEPRECIATED REPLACEMENT COST OF THE SANITATION INFRASTRUCTURE	29
TABLE 8.9:	OVERVIEW OF THE REMAINING USEFUL LIFE BY FACILITY TYPE FOR THE SANITATION INFRASTRUCTURE (CRC)	30
TABLE 8.10	OVERVIEW OF THE AGE DISTRIBUTION BY FACILITY TYPE FOR THE SANITATION INFRASTRUCTURE (CRC)	30
TABLE 8.11:	CONDITION GRADING PER SANITATION FACILITY TYPE	30

LIST OF TABLES

TABLE 9.1:	QUANTITY OF WATER USED BY EACH USER SECTOR	31
TABLE 9.2:	QUANTITY OF EFFLUENT RECEIVED AT THE VARIOUS WWTWS	32
TABLE 9.3:	CURRENT EFFLUENT RE-USED PRACTICES	32
TABLE 11.1	OVERSTRAND WATER AND SANITATION CONSUMER SERVICE CHARTER	34
TABLE 11.2:	CUSTOMER SERVICES RECORDS KEPT AND THE MAINTENANCE WORK THAT WAS CARRIED OUT	35
TABLE 12.1:	WATER TARIFFS	36
TABLE 12.2:	SEWERAGE TARIFFS	37
TABLE 12.3:	OPERATIONAL BUDGET FOR WATER SERVICES	39
TABLE 12.4:	OPERATIONAL BUDGET FOR SANITATION SERVICES	40
TABLE 12.5:	INCOME COLLECTED FOR WATER AND SANITATION SERVICES EXPRESSED AS A % OF TOTAL COSTS FOR WATER AND SANITATION SERVICES	41
TABLE 12.6:	PERCENTAGE PAYMENT FOR WATER SERVICES FOR 30 DAYS, 60 DAYS AND 90 DAYS	41
TABLE 13.1:	WATER AND SANITATION CAPITAL PROJECTS COMPLETED	42

ABBREVIATIONS AND DEFINITIONS

BHL	Borehole
BWP	Bulk Water Pipeline
CAFES	Conserving, Adequate, Fair, Enforceable, Simple
CBOs	Community Based Organisations
CC	Consumer Connections
CES	Community Engineering Services
CESA	Consulting Engineers South Africa
CPP	CAFES cost and pricing strategy
CRC	Current Replacement Cost
CRR	Cumulative Risk Ratio
DLG&H	Department of Local Government and Housing
DRC	Depreciated Replacement Cost
DWA	Department of Water Affairs
DWQ	Drinking Water Quality
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
GAMAP	General Accepted Municipal Accounting Practices
GIS	Geographical Information System
IBR	Increased Block Rate
IDP	Integrated Development Plan
ILI	Infrastructure Leakage Index
IMQS	Infrastructure Management Quality System
Kl/a	Kilo litre per year
KPI	Key Performance Indicator
LED	Local Economic Development
LMP	Leakage Management Programme
MBH	Monitoring Borehole
MIG	Municipal Infrastructure Grant
MI/a	Mega litre per year
MI/d	Mega litre per day
NDVI	Normalised Difference Vegetation Index
NGOs	Non Governmental Organisations
PDA	Previously Disadvantaged Area
PRV	Pressure Reducing Valve
PST	Pump Station
RDP	Reconstruction and Development Programme
RES	Reservoir
RM	Rand Million
RUL	Remaining Useful Life
RWW	Re-use of Waste Water
SAICE	South African Institute of Civil Engineers
SANS	South African National Standard
SDBIP	Service Delivery and Budget Implementation Plan
SMME	Small Medium Micro Enterprise
SPP	Socio - Political Programme
SPS	Sewer Pump Station
SRP	Sewer Reticulation Pipeline

ABBREVIATIONS AND DEFINITIONS

SSI	Stewart Scott International
STW	Sewer Treatment Works
WC/WDM	Water Conservation / Water Demand Management
WCP	Water Conservation Products
WDM	Water Demand Management
WQMS	Water Quality Management System
WRP	Water Reticulation Pipeline
WSA	Water Services Authority
WSDP	Water Services Development Plan
WSPs	Water Services Providers
WSI	Water Services Institution
WTP	Water Treatment Plant
WTWs	Water Treatment Works
WWQ	Waste Water Quality
WWTWs	Waste Water Treatment Works

KEY TERMS

TERM	INTERPRETATION
Current replacement cost (CRC)	The cost of replacing the service potential of an existing asset, by reference to some measure of capacity, with an appropriate modern equivalent asset. GAMAP defines CRC as the cost the entity would incur to acquire the asset on the reporting date.
Depreciated Replacement Cost (DRC)	The replacement cost of an existing asset after deducting an allowance for wear or consumption to reflect the remaining economic life of the existing asset.
Integrated Development Plan (IDP)	A municipal plan as defined in the Municipal Systems Act.
Strategic Framework for Water Services	The Strategic Framework provides a comprehensive summary of policy with respect to the water services sector in South Africa and sets out a strategic framework for its implementation over the next ten years.
MIG	A conditional grant from national government to support investment in basic municipal infrastructure.
Remaining useful life (RUL)	The time remaining over which an asset is expected to be used.
Water Services Authority (WSA)	A water services authority is any municipality that has the executive authority to provide water services within its area of jurisdiction in terms of the Municipal Structures Act 117 of 1998 or the ministerial authorisations made in terms of this Act. There can only be one water services authority in any specific area. Water services authority area boundaries cannot overlap. Water services authorities are metropolitan municipalities, district municipalities and authorised local municipalities.
Water Services Development Plan (WSDP)	A plan for water and sanitation services in terms of the Water Services Act.
Water Conservation	The minimisation of loss or waste, the care and protection of water resources and the efficient and effective use of water.
Water Demand Management	The adaptation and implementation of a strategy by a water institution or consumer to influence the water demand and usage of water in order to meet any of the following objectives: economic efficiency, social development, social equity, environmental protection, sustainability of water supply and services, and political acceptability.
Unaccounted for Water (UAW) SABS 0306 definition	UAW is the difference between the measured volume of water put into the water distribution system and the total volume of water measured to authorised consumers whose fixed property address appears on the official list of the WSA.
Water Balance	The water balance is the difference between the measured volume of potable water put into a water distribution system and the total volume of potable water measured at any intermediate point in the water distribution system. This is a statement setting out the amount of water flowing in and flowing out on an area-by-area basis.

OVERSTRAND MUNICIPALITY
WATER SERVICES AUDIT FOR 2009/2010
EXECUTIVE SUMMARY

Section 62 of the Water Services Act requires the Minister to monitor every WSI in order to ensure compliance with the prescribed national standards. This regulation requires a WSA to complete and submit a water services audit every year.

The water services audit is designed to monitor the compliance of the WSA and other WSIs with these regulations. It allows the water services audit to be used as a tool to compare actual performance of the WSA against the targets and indicators set in their WSDP. It also assists local communities and DWA to assess how well WSAs are performing relative to their stated intentions and their capacity.

The Water Services Audit Report will give an overview of the implementation of the 2009/2010 WSDP of Overstrand Municipality and can be seen as an annexure to Overstrand Municipality's Annual Report. The Annual Report is compiled as required by the Local Government: Municipal Systems Act, Act no 32 of 2000 (Section 46) and the Local Government: Municipal Finance Management Act, Act no 56 of 2003 (Section 121).

Methodology followed: The Service Delivery Budget Implementation Plan (SDBIP) of Overstrand Municipality for 2009/2010 was used to report on the KPIs for water and sewerage services. The 2010/2011 WSDP was further used as basis to compile the report. The latest water usage figures and WWTWs flows up to June 2010 were obtained from Overstrand Municipality, analysed and included under the various sections of the Audit Report.

The Water Services Audit Report contains the following detail information:

- The KPIs performance for 2009/2010, for water and sewerage services, as included in the 2009/2010 SDBIP of Overstrand Municipality.
- Overstrand Municipality's performance with regard to the KPIs as included in the Strategic Framework for Water Services and DWA's Water Services Regulation Strategy (DWA's Regulatory Performance Management System).
- Overstrand Municipality's Performance with regard to DWA's Blue and Green Drop Assessments. Blue drop status is awarded to those towns that comply with 95% criteria on drinking water quality management. Green drop status is awarded to those WWTWs that comply with 90% criteria on key selected indicators on waste water quality management.
- DWA's Scorecard for assessing the potential for WC/WDM efforts in Overstrand Municipality.
- Information to be included in a Water Services Audit as stipulated in regulations under section 9 of the Water Services Act, "Guidelines for Compulsory National Standards".
- Information on the implementation of the various WSDP activities, as included under the ten WSDP Business Elements in the DWA's WSDP guidelines (Revision 10).

Overstrand Municipality's SDBIP is the process plan and performance indicator / evaluation for the execution of the budget. The SDBIP is being used as a management, implementation and monitoring tool that assists and guide the Executive Mayor, Councillors, Municipal Manager, Senior Managers and the community. The plan serves as an input to the performance agreements of the Municipal Manager and Directors. It also forms the basis for the monthly, quarterly, mid-year and the annual assessment report and performance assessments of the Municipal Manager and Directors. The following water and sanitation related investigations were successfully completed during the last financial year.

- The Water Services Development Plan was updated for the 2010/2011 financial year and approved by the Executive Mayoral Committee and the Council on the 26th of May 2010. The non revenue water balance models were updated for each of the distribution systems and the future water demand projection models were also updated for each of the towns.
- Overstrand Municipality started with the Stanford groundwater investigation for the augmentation of Stanford's existing source, started with exploration drilling and continued with the monitoring of the groundwater.
- Various mechanisms were put in place over the last year, after DWA's last round of Blue and Green Drop assessments, in order to increase Overstrand Municipality' Blue and Green Drop performance and to get the Municipality ready for the next round of assessments.
- The disinfection / chlorination installations at all the WTWs and WWTWs were investigated with specific comments and recommendations for upgrades that were identified for each of the plants for implementation by Overstrand Municipality.
- A groundwater investigation was done for Buffeljags Bay and the Municipality started with exploration drilling.
- Overstrand Municipality continued with the development and monitoring of the Gateway-, Camphill and Volmoed Wellfields. Since July 2009 Umvoto Africa has been responsible for collecting and reporting on monitoring data of both Camphill and Gateway. SRK consulting remains responsible for infrastructure (including monitoring equipment) at Camphill. An Early Warning System and an Emergency Response System is in place for the Gateway wellfield for the management of the wellfield. These systems detail human behaviour and response, and their protocols are outlined in a Wellfield Operations and Maintenance guide and a Wellfield Managers Guide.
- Overstrand Municipality completed investigations (Technical Reports) for the upgrading of the Hermanus (Preekstoel) WTWs and the Hermanus WWTWs.
- By-laws adapted to serve the new municipal structure have been promulgated during December 2009 and these can be referred to in Government Gazette No. 6683. They cover the provision of services for water supply, sanitation and industrial effluent.
- The registered and authorised water uses for the Overstrand Municipality were assessed and non compliance regarding the legal water use for the Municipality' as described in the National Water Act, was identified during the previous financial year. A total of sixteen (16) water use registrations have been submitted to the DWA during the last financial year for approval.
- The existing Water and Sanitation Asset Registers are updated as projects are completed.
- Overstand Municipality continue with the implementation of their Drinking Water Quality and Effluent Quality Sampling Programmes (Operational and Compliance Monitoring).

- A draft Consumer Charter is in place and Overstrand Municipality is currently busy with the Public Participation process.

The following awards / acknowledgements were also received by the Municipality:

- Successful participation in the Municipal Assistance Programme by eWISA.
- 100% MIG expenditure in the previous financial year from the DLG&H.

Socio Economic Profile

The 2001 Census recorded the population in the Overstrand Municipality's Management Area at 55 770 (19 082 Households) and the 2007 Community Survey recorded the 2007 population at 74 574 (21 953 Households). The projected population for 2009 is estimated at 83 126 persons (28 635 Households) in the WSDP.

The following key projects and initiatives are implemented by Overstrand Municipality as part of the Municipality's strategy to address poverty, ensure social upliftment and promote LED.

- Plays a key role in the early childhood development of the children through various projects.
- Support projects and capacity building initiatives of various NGOs and CBOs, with regard to the youth (Junior Council and Youth Advisory Centre).
- Support projects initiated in support of the aged by different NGOs and CBOs (Annual Golden Games).
- Local Labour Promotion Project was initiated to reduce outstanding municipal debt and provides income opportunities to communities with high unemployment and poverty levels.
- Working for Water Programme
- Local Economic Development partnership programmes and LED Strategy

The proposed goals of Overstrand Municipality's economic development strategy are as follows:

- Increase economic growth to 6% per annum by 2014.
- Sustain the natural resource base for future generations
- Broaden participation in the economy.
- Halve official unemployment and poverty by 2014.
- Halve poverty by 2014
- Build the human capital of the residents of Overstrand, especially the poor, in line with the changing needs of the economy.

Service Levels

Overstrand Municipality's challenges with regard to the provision of basic water and sanitation services are as follows:

- To provide basic water and sanitation services in the informal areas to new citizens moving into the informal areas and to ensure that health and hygiene awareness and education is part of the process of providing basic services.

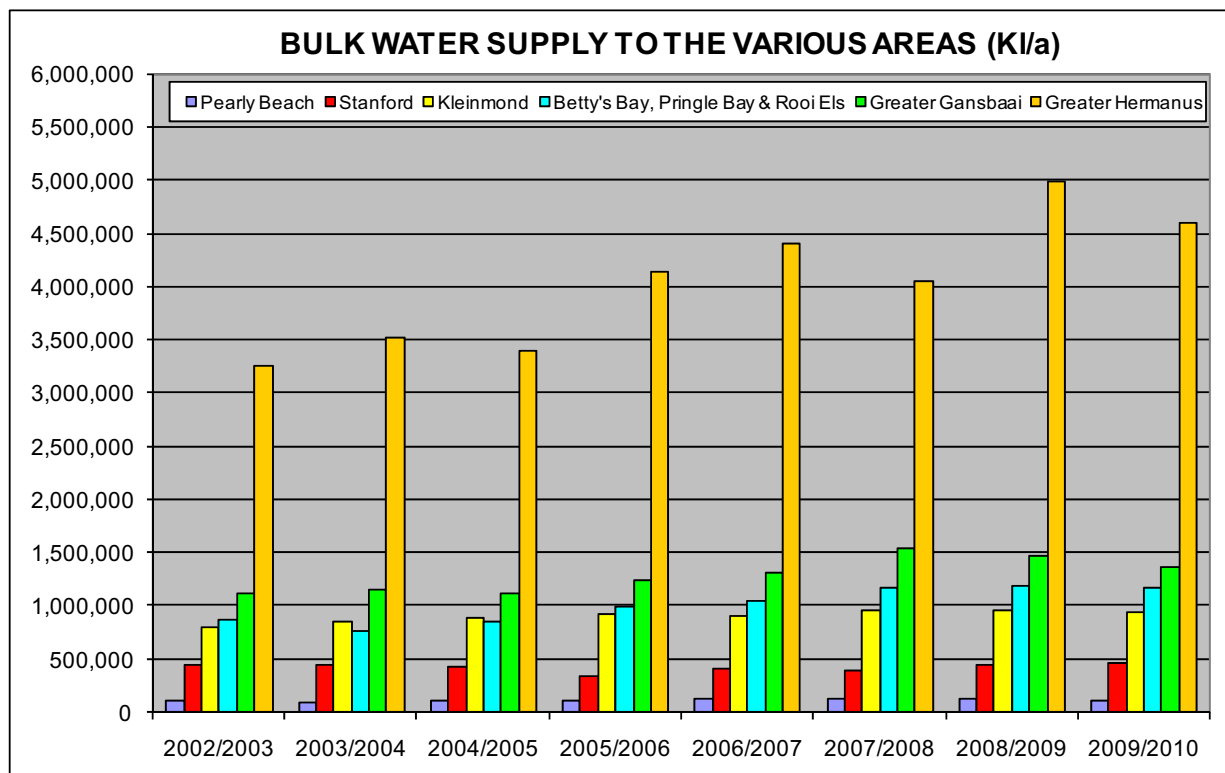
- To identify suitable land for the relocation of the people from informal areas, with existing communal services, to formal houses with a higher level of water and sanitation service (Services inside the house).
- To identify adequate funding for the rehabilitation, maintenance, replacement and upgrading of the existing bulk and reticulation infrastructure in order to support the sustainability of the water and sanitation services.
- To monitor the provision of basic water and sanitation on privately owned land.
- To develop additional water sources to serve all communities sustainably for the future.

All formal households in the urban areas as well as all new households are supplied with individual water connections inside the houses and a flush toilet system. Informal areas are supplied with shared services as an intermediary measure. Overstrand Municipality is committed to determine the current water service levels on the farms and to ensure that once the number of households below RDP standard is known at least basic water services are provided to these households by the landowners. Overstrand Municipality is committed to support the private landowners as far as possible with regard to addressing current water services backlog.

By-laws with regard to the discharge of industrial effluent into the sewage disposal system of Overstrand Municipality and for all the industrial consumers to formally apply for the discharge of industrial effluent into the sewage system were promulgated during December 2009.

Water Resources

Water Resources: Overstrand Municipality receives no bulk water from any WSP or other WSA. The graph below gives a summary of the total bulk water supply to the various towns within Overstrand Municipality's Management Area (KI/Year).



The bulk water supply for Kleinmond, Greater Gansbaai and Pearly Beach distribution systems will be adequate for the next five years, if Overstrand Municipality actively implement their Water Conservation Programme and WDM Strategy in order to obtain the reduction in non revenue water as allowed for in the water balance models for the various systems. Bulk water supply for Buffels River, Stanford and Greater Hermanus distribution systems is the most critical at this stage.

Water Quality: Overstrand Municipality monitors the water quality in the distribution networks of all the towns within their Municipal Management Area. Samples are taken on a monthly basis by a Lab Service Provider and no serious water quality problems were experienced during the last year.

Overstrand Municipality actively implement their Drinking Water Quality Sampling Programme in order to promptly identify water quality failures and to react accordingly. The water quality results are loaded onto DWA's Water Quality Management System via the internet. Once entered the data is automatically compared to SANS241. This real-time system allows for immediate intervention to rectify any problems.

Up to present it was not necessary to take any steps to inform the consumers of any health risk regarding the potable water supplied by Overstrand Municipality. The Municipality however got specific Safety Management Procedures in place, to inform its consumers about any potential health risks regarding the water quality, should it become necessary.

Overstrand Municipality also drafted their first Water Safety Plan during 2009/2010. A qualified, dedicated team was established by Overstrand Municipality to compile their Water Safety Plan. Detailed flow diagrams of the distribution systems and the water treatment processes were completed for each of the systems. A detailed risk assessment was executed and the existing control measures implemented by Overstrand Municipality was summarised. An Improvement / Upgrade Plan was also developed with relevant Water and Safety Management Procedures.

The Water Safety Plan Team of Overstrand Municipality is committed to meet regularly to review all aspects of the Water Safety Plan to ensure that they are still accurate. Operational monitoring results and trends will be assessed. In addition to the regular three year review, the Water Safety Plan will also be reviewed when, for example, a new water source is developed, major treatment improvements are planned and brought into use, or after a major water quality incident.

The DWA launched the blue and green drop certification, with regard to drinking water quality and the quality of treated effluent discharged from WWTWs, at the Municipal Indaba during September 2008. Blue drop status is awarded to those towns that comply with 95% criteria on drinking water quality management. Green drop status is awarded to those WSAs that comply with 90% criteria on key selected indicators on waste water quality management. The Blue Drop Certification programme is only in its second year of existence and promises to be the catalyst for sustainable improvement of South African drinking water quality management in its entirety.

Overstrand Municipality obtained an average Blue Drop Score of 71.6% during DWA's 2010 Blue Drop Assessment process. DWA's regulatory impression was as follows:

"A significant improvement has been noted which is most impressive since performance in at least one system came close to certification. This can serve as foundation for future performances. The effort to get a very good Water Safety Plan is both commendable and encouraging for similar sized municipalities,

However the municipality is urged to give special attention to the water quality in Kleinmond, Baardskeerdersbos and Pearly Beach. Improvement is required in microbiological quality (which might mean disinfection must be improved) as well as chemical content of Baardskeerdersbos."

The percentage compliance of the water quality samples taken over the last twelve months (July 2009 to June 2010) is as follows.

- *E.Coli (Health), Sample Count 342, Compliance 99.4% (Western Cape 99.1%).*
- *Total Coliforms (Operational), Sample Count 345, Compliance 95.1% (Western Cape 94.4%).*
- *pH (Aesthetic / Operational), Sample Count 346, Compliance 92.5% (Western Cape 95.6%).*
- *Turbidity (Aesthetic / Operational / Indirect Health), Sample Count 272, Compliance 77.2% (Western Cape 80.0%).*
- *Electrical Conductivity (Aesthetic), Sample Count 71, Compliance 100.0% (Western Cape 99.2%).*
- *Aluminium (Health), Sample Count 345, Compliance 60.6% (Western Cape 83.5%).*
- *Iron (Aesthetic / Operational), Sample Count 346, Compliance 88.4% (Western Cape 88.6%).*

The DWA completed their First Order Assessment of Municipal Waste Water Treatment Plants (August 2008 – July 2009), DWA's Green Drop Report for 2009, which provides a scientific and verifiable status of municipal waste water treatment.

Overstrand Municipality obtained an average Green Drop Score of 63% during DWA's 2009 Green Drop Assessment process. DWA's regulatory impression was as follows:

"According to the assessment results, the WWQ management performance of the Overstrand Local Municipality, as a whole, is satisfactory. The aspects which require attention is:

- *Registration and classification of the works as well as the operating staff*
- *WWQ compliance*

Once these aspects are effectively addressed, there is a potential for the works being awarded Green Drop status."

Water Conservation and Demand Management

Overstrand Municipality has made significant progress in implementing specific water conservation and demand management interventions over the last financial year. The Municipality compiled a detailed WDM Strategic Implementation Plan at the beginning of 2008 and continued with the implementation of the Plan during the 2009/2010 financial year. Non revenue water was also calculated for each of the distribution systems as part of the WSDP and Water Services Audit processes.

The table below gives a summary of the non revenue water for the various distribution systems in Overstrand Municipality's Management Area.

Table 7.1: Non revenue water for the various distribution systems								
Description	Non Revenue Water	Unit	09/10	Record : Prior (Ml/a)				
				08/09	07/08	06/07	05/06	04/05
Buffels River	Treatment & Network	Volume	749.321	740.302	715.850	615.698	594.893	509.444
		Percentage	64.3%	62.2%	60.9%	58.3%	59.9%	59.7%
		ILI	6.69					
Kleinmond	Treatment & Network	Volume	337.622	306.879	296.338	229.620	270.590	264.262
		Percentage	36.04%	32.2%	30.7%	25.4%	29.3%	29.9%
		ILI	4.09					
Greater Hermanus	Network	Volume	593.867	805.122	311.620	734.043	829.864	539.296
		Percentage	13.3%	16.6%	7.9%	17.2%	20.6%	16.4%
		ILI	2.22					
Stanford	Network	Volume	194.486	163.496	123.058	140.626	100.437	200.304
		Percentage	41.6%	36.4%	30.9%	34.1%	28.6%	46.6%
		ILI	11.08					
Greater Gansbaai	Treatment & Network	Volume	365.547	492.048	482.079	194.253	301.124	266.998
		Percentage	26.8%	33.3%	31.3%	14.8%	24.1%	24.0%
		ILI	2.07					
Pearly Beach	Treatment & Network	Volume	21.683	27.326	34.163	24.281	15.536	24.952
		Percentage	19.7%	21.6%	25.7%	19.7%	13.2%	23.4%
		ILI	3.20					
Baardskeerdersbos	Treatment & Network	Volume	2.722	4.915	2.869	6.692	0.831	
		Percentage	25.8%	39.3%	31.3%	52.3%	17.9%	
Buffeljags Bay	Treatment & Network	Volume	0	0.112	0.360	0.453	1.864	
		Percentage	0%	4.3%	12.3%	11.8%	87.0%	
TOTAL OVERSTRAND		Volume	2 265.248	2 540.200	1 966.337	1 945.666	2 115.138	1 805.256
		Percentage	26.6%	28.0%	24.1%	24.0%	27.6%	27.0%
		ILI	2.94					

Note: Infrastructure Leakage Index (ILI) = 1 – Excellent, 2 – Good and > 3 - Poor

Water Services Infrastructure

Overstrand Municipality compiled a comprehensive Asset Register of all their infrastructure during 2009, which is summarised in the table below:

Infrastructure Type	CRC	DRC	% DRC/CRC
Water Infrastructure	R1 156 421 766	R299 005 794	25.9%
Sanitation Infrastructure	R609 313 646	R333 393 143	54.7%

The information in the previous table means that 74.1% of the value of the water supply infrastructure and 45.3% of the value of the sewage supply network has been consumed.

The following key capital projects were completed during the 2009/2010 financial year by Overstrand Municipality:

- Upgrading of the Franskraal WTWs, Preekstoel WTWs (Lime dosing and replace main control panel) and Pearly Beach WTWs.
- Continued with the groundwater source development and monitoring (Gateway, Camphill and Volmoed Wellfields development and Stanford Aquifer development).
- Upgrading of the water network in Gansbaai.

- Replacement of certain sections of the water network in order to reduce non revenue water (Voëlklip, Fisherhaven, Betty's Bay and Kleinmond)
- Additional reservoir storage capacity in Stanford and Buffeljags Bay.
- Installation of a roof over the settling tank at the Buffels River WTWs.
- Upgrading of Overstrand Municipality's Telemetry System (Phase 1).
- Upgrading of certain components at the Stanford WWTWs, Hermanus WWTWs, Hawston WWTWs and Kleinmond WWTWs (Implementation of recommendations by SSI).
- Upgrading of certain sections of the sewerage network in Gansbaai and the main sewer in Hermanus.

The key challenges for Overstrand Municipality with regard to the provision of infrastructure and ensuring the sustainability of the existing water services are as follows:

- To secure adequate funds for the rehabilitation and maintenance of the existing infrastructure. Allocating adequate funding for the active implementation of an Asset Management Plan is critical to ensure the sustainability of the services that are provided by the Municipality.
- To secure adequate funds for the provision of bulk infrastructure and development of additional sources to keep up with the high demand for services.

Water Balance

Detail water balance models are available for each of the distribution systems (towns). Graphs of the water usage per sector for the various distribution systems within Overstrand Municipality's Management Area are included as part of the water balance models in Annexure A. The inflow to all the WWTWs in Overstrand Municipality's Management Area is metered and the monthly flows and rainfall figures at the various WWTWs are also included in Annexure A.

Water Services Institutional Arrangements

Overstrand Municipality is the official WSA for the entire Municipal Management Area and act as the WSP for the whole area. The WSDP was updated for the 2010/2011 financial year and was approved by the Mayoral Committee and the Full Council on the 26th of May 2009.

A comprehensive set of water services by-laws for Overstrand Municipality was promulgated during December 2009, which can be referred to in Government Gazette No. 6683. They cover the provision of services for water supply, sanitation and industrial effluent.

Overstrand Municipality continues to undertake basic public awareness programmes. The education of users where sanitation facilities are upgraded to waterborne systems is ongoing. This is primarily focussed at informing users of the appropriate use of and routine maintenance of such facilities.

At a technical, operations and management level, municipal staff is continuously exposed to training opportunities, skills development and capacity building in an effort to create a more efficient overall service to the users.

Applications for the registration of the WTWs and WWTWs in Overstrand Municipality's Management Area were submitted to the DWA. Submissions were also made to the DWA for the classification and registration of the Process Controllers and Supervisors at the various plants.

Water and Wastes Utilisation Solutions assessed the registered and authorised water uses for Overstrand Municipality during 2009 and identified non compliance regarding the legal water use for the Municipality as described in the National Water Act. Overstrand Municipality submitted sixteen (16) of the thirty three (33) "Water Usage Rights" to the DWA for approval during the last financial year.

Overstrand Municipality is currently effectively managing its water and sanitation services. Urgent attention is however required to address the remaining backlogs in bulk infrastructure, as well as the backlog in infrastructure maintenance and rehabilitation. Forward planning for water and sanitation services will be guided by the Water and Sewer Master Plans.

Customer Services

Overstrand Municipality developed help-desks at all municipal administrations with the objective to assist customers. Disabled people are supported to do business from the help-desks. Requests by the illiterate are being captured and forwarded to the relevant official / section. All municipal buildings are accessible and wheel-chair friendly.

After hour emergency requests are being dealt with by the control room on a twenty four hour basis. Requests are furthermore captured on an electronic mail or works-order system to ensure execution thereof. All help desks were equipped with Batho Pele picture signage. The Municipality has maintained a high and a very consistent level of service to its urban water consumers.

A draft Water and Sanitation Consumer Service Charter was also compiled during the last financial year and Overstrand Municipality is currently busy with the public participation process.

Finance

Overstrand Municipality's Tariff Structures for water and sanitation services are summarised under Section 12 of the Report. The table below gives a summary of the operational budget for water and sanitation services for the last four years.

Service		Actual 09/10	Actual 08/09	Audited 07/08	Audited 06/07
Water	Expenditure	R72 496 148-39	R48 040 492-36	R30 485 238-87	R30 702 360-91
	Income	R74 598 682-45	R66 998 742-40	R43 820 070-79	R41 210 879-97
	Difference	-R2 102 534-06	-R18 958 250-04	-R13 334 831-92	-R10 508 519-06
Sanitation	Expenditure	R37 715 839-36	R25 170 345-76	R25 091 607-04	R23 032 344-36
	Income	R36 160 168-38	R32 056 044-09	R20 710 387-65	R25 415 443-81
	Difference	R1 555 670-98	-R6 885 698-33	R4 381 219-39	-R2 383 099-45

Projects completed

The list of water and sanitation capital projects completed during the 2009/2010 financial year is included under Section 13 of the Report.

OVERSTRAND MUNICIPALITY

WATER SERVICES AUDIT FOR 2009/2010

1. BACKGROUND

1.1 Appointment

KV3 Engineers was appointed by Overstrand Municipality to assist them with the putting together of their Water Services Audit Report, which forms part of their annual report for the 2009/2010 financial year. The purpose of the Water Services Audit Report is to report on the implementation of Overstrand Municipality's previous WSDP.

1.2 Purpose

Section 62 of the Water Services Act requires the Minister to monitor every WSI in order to ensure compliance with the prescribed national standards. This regulation requires a WSA to complete and submit a water services audit every year. The audit is designed to monitor the compliance of the WSA and other WSIs with these regulations. It allows the audit to be used as a tool to compare actual performance of the WSA against the targets and indicators set in their WSDP. The purpose of the water services audit is as follows:

- To monitor compliance with the Act and these regulations;
- To compare actual performance against targets contained in the WSDPs.
- To identify possibilities for improving water conservation and water demand management.

The Water Services Audit Report will give an overview of the implementation of the previous years' WSDP of Overstrand Municipality and can be seen as an annexure to Overstrand Municipality's Annual Report. The Annual Report is compiled as required by the Local Government: Municipal Systems Act, Act no 32 of 2000 (Section 46) and the Local Government: Municipal Finance Management Act, Act no 56 of 2003 (Section 121). The Water Services Audit Report contains the following detail information:

- The KPIs performance for 2009/2010, for water and sewerage services, as included in the 2009/2010 SDBIP of Overstrand Municipality.
- Overstrand Municipality's performance with regard to the KPIs as included in the Strategic Framework for Water Services and DWA's Water Services Regulation Strategy (DWA's Regulatory Performance Management System).
- Overstrand Municipality's Performance with regard to DWA's Blue and Green Drop Assessments. Blue drop status is awarded to those towns that comply with 95% criteria on drinking water quality management. Green drop status is awarded to those WWTWs that comply with 90% criteria on key selected indicators on waste water quality management.
- DWA's Scorecard for assessing the potential for WC/WDM efforts in Overstrand Municipality.
- Information to be included in a Water Services Audit as stipulated in regulations under section 9 of the Water Services Act, "Guidelines for Compulsory National Standards".
- Information on the implementation of the various WSDP activities, as included under the ten WSDP Business Elements in the DWA's WSDP guidelines (Revision 10).

1.3 Methodology followed

The SDBIP of Overstrand Municipality for 2009/2010 was used to report on the KPIs for water and sewerage services. The 2010/2011 WSDP was further used as basis to compile the report.

The latest water usage figures and WWTWs flows up to June 2010 were obtained from Overstrand Municipality, analysed and included under the various sections of the Audit Report.

2. LEGISLATION

Water Services Act:

Section 18 of the Water Services Act stipulates the following with regard to the water services audit on the implementation of the WSDP.

- (1) A water services authority must report on the implementation of its development plan during each financial year,
- (2) The report-
 - a) must be made available within four months after the end of each financial year; and
 - b) must be given to the Minister, the Minister for Provincial and Local Government, the Member of the Executive Council responsible for local government in the relevant province and all the organisations representing municipalities having jurisdiction in the area of the water services authority.
- (3) The water services authority must publicise a summary of its report.
- (4) A copy of the report and of its summary must be-
 - a) Available for inspection at the offices of the water services authority; and
 - b) Obtainable against payment of a nominal fee.

Regulations under Section 9 of the Water Services Act, which include the water services audit as Section 10 of the Guidelines for Compulsory National Standards stipulates the following:

- (10) (2) A water services audit must contain details for the previous financial year and, if available, comparative figures for the preceding two financial years of-
 - (a) the quantity of water services provided, including at least –
 - (i) the quantity of water used by each sector;
 - (ii) the quantity of water provided to the water services institution by another water services institution;
 - (iii) the quantity of effluent received at sewage treatment plants; and
 - (iv) the quantity of effluent not discharged to sewage treatment plants and approved for use by the water services institution;
 - (b) the levels of services rendered, including at least –
 - (i) the number of user connections in each user sector;
 - (ii) the number of households provided with water through communal water services works;

- (iii) the number of consumers connected to a water reticulation system where pressures rise above 900 kPa at the consumer connection;
- (iv) the number of households provided with sanitation services through consumer installations connected to the sewerage system;
- (v) the number of households with access to basic sanitation services;
- (vi) the number of new water supply connections made; and
- (vii) the number of new sanitation connections made;
- (c) the numbers provided in compliance with paragraph (b) expressed as a percentage of the total number of connections or households;
- (d) cost recovery, including at least –
 - (i) the tariff structures for each user sector;
 - (ii) the income collected expressed as a percentage of total costs for water services provided; and
 - (iii) un-recovered charges expressed as a percentage of total costs for water services provided;
- (e) meter installation and meter testing, including at least –
 - (i) the number of new meters installed at consumer installations; and
 - (ii) the number of meters tested and the number of meters replaced expressed as a percentage of the total number of meters installed at consumer connections;
- (f) the water quality sampling programme contemplated in regulation 5(1), the results of the comparison set out in regulation 5(3) and any occurrence reported in compliance with regulation 5(4);
- (g) water conservation and demand management, including at least –
 - (i) the results of the water balance as set out in regulation 11;
 - (ii) the total quantity of water unaccounted for;
 - (iii) the demand management activities undertaken; and
 - (iv) the progress made in the installation of water efficient devices.

Strategic Framework for Water Services (September 2003):

“A WSA must report annually and in a public way on progress in implementing the plan.” The requirement that WSAs regularly update their plans and report annually on progress against their plans will assist local communities and DWA to assess how well WSAs are performing relative to their stated intentions and their capacity.

3. ANNUAL REPORT

3.1 Performance Management System

Overstrand Municipality's SDBIP is the process plan and performance indicator / evaluation for the execution of the budget. The SDBIP is being used as a management, implementation and monitoring tool that assists and guide the Executive Mayor, Councillors, Municipal Manager, Senior Managers and the community. The plan serves as an input to the performance agreements of the

Municipal Manager and Directors. It also forms the basis for the monthly, quarterly, mid-year and the annual assessment report and performance assessments of the Municipal Manager and Directors.

The performance evaluation of the water and sanitation indicators / targets for the Directorate: Infrastructure and Planning, as included in the SDBIP and completed by the end of June 2010, is as follows:

Table 3.1: Performance evaluation of the water and sanitation indicators / targets as included in the SDBIP					
KPI Name	Definition	Baseline Target Unit	Target	Actual	Progress Comment
Minor assets. Project Management and Development Control	% Spending its capital budget with full quality, cost, time, environmental and health and safety control exercised	100% Progress with the project	100%	100%	Project Completed
Upgrade Overstrand Telemetry System	% Spending its capital budget with full quality, cost, time, environmental and health and safety control exercised	100% Progress with the project	100%	100%	Project Completed
Groundwater source development and management (SRK)	% Spending its capital budget with full quality, cost, time, environmental and health and safety control exercised	100% Progress with the project	100%	100%	Continue with environmental and licensing processes for Camphill and Volmoed well fields
Pipe replacement (To reduce water losses)	% Spending its capital budget with full quality, cost, time, environmental and health and safety control exercised	100% Progress with the project	100%	100%	Project 100% completed
Roof over settling tank (Buffels River WTWs)	% Spending its capital budget with full quality, cost, time, environmental and health and safety control exercised	100% Progress with the project	100%	100%	Project 100% completed
Preekstoel WTW replace main control panel	% Spending its capital budget with full quality, cost, time, environmental and health and safety control exercised	100% Progress with the project	100%	100%	Good progress. Refer to site minutes
Preekstoel WTW lime dosing equipment upgrade	% Spending its capital budget with full quality, cost, time, environmental and health and safety control exercised	100% Progress with the project	100%	0%	Project completed
Preekstoel WTW lime dosing equipment upgrade	% Spending its capital budget with full quality, cost, time, environmental and health and safety control exercised	100% Progress with the project	100%	35%	Site handed over to contractor. Balance of funds to be rolled over to 2010/11.
Gateway wellfield development (Umvoto)	% Spending its capital budget with full quality, cost, time, environmental and health and safety control exercised	100% Progress with the project	100%	100%	Long term pump test and monitoring continued. Licensing discussions with DWA.
Preekstoel WTW upgrade	% Spending its capital budget with full quality, cost, time, environmental and health and safety control exercised	100% Progress with the project	100%	100%	Continued with EIA processes and detail planning
Stanford aquifer development (Umvoto)	% Spending its capital budget with full quality, cost, time, environmental and health and safety control exercised	100% Progress with the project	100%	100%	Monitoring continued
Reservoir capacity (new reservoir) investigate water treatment options, complete implementation of measures for filtration, disinfection & telemetry	% Spending its capital budget with full quality, cost, time, environmental and health and safety control exercised	100% Progress with the project	100%	100%	Reservoir completed. Pipeline on 2010/11 budget
Network upgrading	% Spending its capital budget with full quality, cost, time, environmental and health and safety control exercised	100% Progress with the project	100%	100%	Completed
WTW: Investigation into disinfection at all raw water stations to comply to latest safety standards, Klipgat, De Kelders caves, Stanfordsbaai, Perlemoenbaai, Klipfonteyn, B'Bos, Buffeljags	% Spending its capital budget with full quality, cost, time, environmental and health and safety control exercised	100% Progress with the project	100%	100%	
WWTWs Upgrading (SSI Report)	% Spending its capital budget with full quality, cost, time, environmental and health and safety control exercised	100% Progress with the project	100%	100%	Project completed. Refer to site meeting minutes
			100%	100%	Civil work completed. Refer to site meeting minutes
			100%	50%	Continued with prelim planning

Table 3.1: Performance evaluation of the water and sanitation indicators / targets as included in the SDBIP					
KPI Name	Definition	Baseline Target Unit	Target	Actual	Progress Comment
					and environmental assessment. Refer to project meeting minutes. MIG approval only to be R1M, therefore 50% of original budget to be spent. Work to continue in 2010/11 & 2011/12
Gansbaai WWTWs: Compliance with Environmental Management Plan	% Spending its capital budget with full quality, cost, time, environmental and health and safety control exercised	100% Progress with the project	100%	100%	Project completed
WWTWs Upgrading (SSI Report)	% Of Budget Spend	100% of Budget Spend	100%	35%	Civil works completed. Due to delays in delivery of mechanical equipment, balance of funds has to be rolled over to 2010/11
Storm water Masterplan extended by adding Pringle Bay and Gansbaai	Updating with Pringle Bay and Gansbaai being added during financial year	Pringle Bay and Gansbaai Master Plans completed by end of June	100%	100%	Storm water Master Plans for Operational Manager at Kleinmond completed.
Liaison with Provincial Roads Department	Quarterly attendance of Prov Tech meetings	Attendance of meetings	100%	100%	Director Infrastructure and Planning attended Provtech Meetings
Sustainable water resource development and management to all areas	Ongoing development of sources and treatment capacity	Bi-annual report on source and treatment capacity	100%	100%	Statistics and graphs updated for Jan – July 2010
Updated Water and Sanitation Master Plan	Ongoing updating of water and sanitation master plan	Updated Master Plans by the end of June	100%	100%	Water and Sanitation Master Plans completed. To be presented to Municipality
Licenses of all the WTW and WWTW revised its current volumes treated and renewed	Liaise with DWA to revise volumes and renew licenses	17 Applications submitted to DWA by end of June	17	16	A total of 16 water use registrations have been submitted to DWA. 17 Remaining for 2010/11
Monitoring of water and waste water quality compliance	Ongoing monitoring of laboratory results	Monthly monitoring results of all sampling points	100%	100%	All sampling points analysed and reported, and exceptions communicated with Operational Managers
Legal compliant WSDP	Annual audit of WSDP within 120 days from end of the financial year	End of October	100%	100%	WSDP approved by Council on 26 th of May 2010.
Response to all citizen complaints / enquiries within acceptable period.	Response to consumer / public enquiries / complaints within 14 days	95% Within 14 days	95%	88%	4 Out of .34 handled in more than 14 days (Collaborator stats)

3.2. Performance highlights

The following water and sanitation related investigations were successfully completed during the last financial year.

- The Water Services Development Plan was updated for the 2010/2011 financial year and approved by the Executive Mayoral Committee and the Council on the 26th of May 2010. The non revenue water balance models were updated for each of the distribution systems and the future water demand projection models were also updated for each of the towns.
- Overstrand Municipality started with the Stanford groundwater investigation for the augmentation of Stanford's existing source, started with exploration drilling and continued with the monitoring of the groundwater. Monitoring data is analysed as part of the monitoring process and used to revise estimates of groundwater recharge rate, the sustainable yield from the "Eye" and any impact of the two boreholes at Birkenhead Brewery on flow from the "Eye". In addition, Umvoto revised its policy for data downloading and processing to ensure that any anomalies in groundwater level data are immediately dealt with. In order to better manage the Stanford Aquifer, further monitoring is required.

- Various mechanisms were put in place over the last year, after DWA's last round of Blue and Green Drop assessments, in order to increase Overstrand Municipality' Blue and Green Drop performance and to get the Municipality ready for the next round of assessments.
- The disinfection / chlorination installations at all the WTWs and WWTWs were investigated with specific comments and recommendations for upgradings that were identified for each of the plants for implementation by Overstrand Municipality.
- A groundwater investigation was done for Buffeljags Bay and the Municipality started with exploration drilling.
- Overstrand Municipality continued with the development and monitoring of the Gateway-, Camphill and Volmoed Wellfields. Since July 2009 Umvoto Africa has been responsible for collecting and reporting on monitoring data of both Camphill and Gateway. SRK consulting remains responsible for infrastructure (including monitoring equipment) at Camphill. An Early Warning System and an Emergency Response System is in place for the Gateway wellfield for the management of the wellfield. These systems detail human behaviour and response, and their protocols are outlined in a Wellfield Operations and Maintenance guide and a Wellfield Managers Guide. A comprehensive list of recommendations with regard to the development and management of the groundwater sources for the Greater Hermanus Area is also included in Umvoto's Report "Results of Gateway and Camphill Wellfield Monitoring Programme, April 2009 to September 2009".
- Overstrand Municipality completed investigations (Technical Reports) for the upgrading of the Hermanus (Preekstoel) WTWs and the Hermanus WWTWs.
- By-laws adapted to serve the new municipal structure have been promulgated during December 2009 and these can be referred to in Government Gazette No. 6683. They cover the provision of services for water supply, sanitation and industrial effluent.
- The registered and authorised water uses for the Overstrand Municipality were assessed and non compliance regarding the legal water use for the Municipality' as described in the National Water Act, was identified during the previous financial year. A total of sixteen (16) water use registrations have been submitted to the DWA during the last financial year for approval.
- The existing Water and Sanitation Asset Registers are updated as projects are completed.
- Overstrand Municipality continue with the implementation of their Drinking Water Quality and Effluent Quality Sampling Programmes (Operational and Compliance Monitoring).
- A draft Consumer Charter is in place and Overstrand Municipality is currently busy with the Public Participation process.

The following awards / acknowledgements were also received by the Municipality:

- Successful participation in the Municipal Assistance Programme by eWISA.
- 100% MIG expenditure in the previous financial year from the DLG&H.

3.3 National Water Services Regulation Strategy

The KPIs on which Overstrand Municipality needs to report annually to the DWA, in terms of the Strategic Framework for Water Services and DWA's National Water Services Regulation Strategy, are included in Annexure F.

4. SOCIO ECONOMIC PROFILE

The 2001 Census recorded the population in the Overstrand Municipality's Management Area at 55 770 (19 082 Households) and the 2007 Community Survey recorded the 2007 population at 74 574 (21 953 Households). The projected population for 2009 is estimated at 83 126 persons (28 635 Households) in the WSDP.

Overstrand Municipality plays a key role in the early childhood development of the children through various projects. During the last financial year contributions were made towards the upgrading of various crèches and the distribution of educational equipment to the crèches who identified their needs. Through this project the lives of 1484 children between the ages 3 months to 6 years were affected.

The Municipality also acknowledges its role in the lives of the youth, by supporting projects and capacity building initiatives of various Non Governmental Organisations (NGO's) and Community Based Organisations (CBO's).

The Enlighten Education Trust, an Overstrand based non-governmental organization, is facilitating the Junior Council as an educational project on behalf of the Overstrand Municipality. These learners are also exposed to leadership camps where leadership qualities are strengthened.

The municipality has entered into a partnership with the Fund to establish a Youth Advisory Centre (YAC) to assist young people to gain access to resources including entrepreneurial opportunities. Through this programme the youth will be well prepared to take advantage of services and resources available to them to improve their livelihoods.

The Municipality acknowledges the challenges with regard to the aged and in the last financial year made various contributions towards equipment and upgrading of the different frail care centres and old age homes in the Overstrand. A project was also launched to address the need for en-suite toilet/bathrooms to be constructed in homes where women have been living for 20 years and longer in Zwelihle and had to use outside toilets during this time. More than 20 of these en-suite toilets/bathrooms have been constructed in partnership with private contributors.

The Municipality also supports projects initiated in support of the aged by different NGO's and CBO's eg. The Annual Golden Games for the elderly.

The Local Labour Promotion Project (LLPP) of the Overstrand Municipality was initiated with the view to reduce outstanding municipal debt and provides income opportunities to communities with high unemployment and poverty levels. This is achieved by allowing the unemployed, those who are in service payment arrears and other needy groups within the communities to be part of the delivery of municipal services and the construction of new public facilities.

This project was devised as a means of effecting socio-economic upliftment, as part of the local authority's strategy to bring about poverty alleviation through job creation whilst enhancing the prospects of reducing outstanding municipal consumer debt. This concept embarked on an initiative in terms of which debtors, particularly those who were unemployed, were targeted for participation in a local capital project aimed at addressing a

communal back log in terms of facilities. Participants would earn a weekly wage whilst contributing financially towards the reduction of their outstanding municipal debts. The municipality also repairs water leakages on the users side to prevent high water accounts and to ensure that the waste of the water resource be limited.

The Working for Water Programme, which is funded by the DWA in conjunction with the Municipality, was implemented in Hermanus. During the previous financial year 1 069 ha was cleared of alien vegetation and employment opportunities of 13 726 person days were created. For the next financial year it is planned to clear 821 ha and to create 15 242 person day employment opportunities. The programme has employment targets of 60% women, 20% youth and 5% people with disabilities. Working for Water also aims to support community development, provide environments for skills training, and implement HIV and Aids education projects.

The proposed goals of Overstrand Municipality's economic development strategy are as follows:

- Increase economic growth to 6% per annum by 2014.
- Sustain the natural resource base for future generations
- Broaden participation in the economy.
- Halve official unemployment and poverty by 2014.
- Halve poverty by 2014
- Build the human capital of the residents of Overstrand, especially the poor, in line with the changing needs of the economy.

The LED Strategy comprises of the following eight strategic interventions:

- Facilitate the development of the priority economic sectors in Overstrand, by utilizing all resources at its disposal including sector development interventions being driven by other spheres of Government to grow the priority sectors identified as tourism, creative industries, fishing and agriculture.
- Facilitate connectivity between different types of communities, different interests and the various towns in the Overstrand with a focus on public transport.
- Develop the infrastructural capacity of the Overstrand and ensure an enabling spatial framework by utilising inter alia municipality assets.
- Develop "and deploy" a marketing strategy for the Overstrand. The Destination Marketing Organisation (DMO) was established during February 2008.
- Create an enabling environment for business development and growth with a focus on SMME support.
- Manage the natural resources and state assets with the assistance of other spheres of government in a manner that ensures the long-term transformation and sustainability of the economy.
- Promote the development of the economies of the poor through job creation programmes.
- Assist with developing the human resource and skills base of the people of Overstrand with the creation of training capacity.

The proposed interventions to propel Local Economic Development include the following (The interventions are comprehensively discussed in Overstrand Municipality's IDP):

- Tourism sector support
- Creative industries sector support
- Fishing industry sector support
- Agriculture
- Connectivity (Bridging the divisions between places and people)
- Infrastructure development
- Marketing
- Enabling business environment
- Resource and asset management
- Economies of the poor
- Human resource development

Overstrand Municipality also identified partnership programmes with high potential impact on provision of job opportunities, small enterprise development and skills development, which include the following Special projects:

- Poverty alleviation initiatives (Education, work, connecting)
- Umthimkhulu Village (Kleinmond)
- The Neighbourhood Development Programme Grant (NDPG)
- Cape Whale Coast (Festivals, Seasonality, Main attractions, Focus Areas)
- Overstrand Local Economic Development Agency (OLEDA)
- Youth Advisory Centre (YAC)
- LED Projects
- Broad Based Black Economic Empowerment

5. SERVICE LEVELS

Every WSA has a duty to ensure that at least a basic water supply and sanitation service is provided to every household within its area of jurisdiction. The definition of basic water supply and sanitation services are summarised in the table below:

Table 5.1: Definitions of water supply and sanitation services	
Basic water supply facility	The infrastructure necessary to supply 25 litres of potable water per person per day supplied within 200 metres of a household and with a minimum flow of 10 litres per minute (in the case of communal water points) or 6 000 litres of potable water supplied per formal connection per month (in the case of yard or house connections).
Basic water supply service	The provision of a basic water supply facility, the sustainable operation of the facility (available for at least 350 days per year and not interrupted for more than 48 consecutive hours per incident) and the communication of good water-use, hygiene and related practices.
Basic sanitation facility	The infrastructure necessary to provide a sanitation facility which is safe, reliable, private, protected from the weather and ventilated, keeps smells to the minimum, is easy to keep clean, minimises the risk of the spread of sanitation-related diseases by facilitating the appropriate control of disease carrying flies and pests, and enables safe and appropriate treatment and/or removal of human waste and wastewater in an environmentally sound manner.
Basic sanitation service	The provision of a basic sanitation facility which is easily accessible to a household, the sustainable operation of the facility, including the safe removal of human waste and wastewater from the premises where this is appropriate and necessary, and the communication of good sanitation, hygiene and related practices.

The table below gives an overview of the estimated number of user connections in each user sector.

Table 5.2: Number of user connections in each user sector							
Distribution System	Projected Res. Households for 2009 (Permanent)	No of Serviced Stands (Treasury)	Residential (Permanent & Holiday)	Commercial (Estimated)	No of Dry Industrial Consumer Units (Estimated)	No of Wet Industrial Consumer Units (Estimated)	No. Other Units (Estimated)
Buffels River	1 425	2 156	2 058	93	0	0	5
Kleinmond	3 673	2 268	2 139	119	0	0	10
Greater Hermanus	14 343	14 850	14 164	650	5	1	30
Stanford	1 489	980	880	89	0	1	10
Greater Gansbaai	5 521	5 360	4 951	388	0	1	20
Pearly Beach	453	420	378	40	0	0	2
Farms	1 731	-	1 726	0	0	0	0
TOTALS	28 635	26 034	26 296	1 379	5	3	77

The table below summarise the number of consumer units as taken out of the financial system during January 2010 (Total: 25 992):

Table 5.3: Overall number of user connections in each user sector											
Complex Res Group Housing	Eateries Restaurant	Education & Daycare	Farms	Flats & M/Purpose Units	Hospitals & Clinics	Holiday Accom.	Residential	Religious, NPO, NGOs	Pension	Small Holdings	Shops & Offices
191	29	38	21	54	13	379	24 777	116	260	52	62

Number of households connected to water system and number of households with access to basic water services:

The existing water service levels in Overstrand Municipality's Management Area are estimated as follows:

Table 5.4: Residential water service levels						
Distribution System	1. None or inadequate	2. Communal water supply	3. Controlled volume supply	4. Uncontrolled volume supply: yard tap or house connection	5. Total served (2+3+4)	6. Total (1+5)
Buffels River	0	0	0	2 058	2 058	2 058
Kleinmond	0	786	0	2 139	2 925	2 925
Greater Hermanus	0	1 159	0	14 164	15 323	15 323
Stanford	0	104	0	880	984	984
Greater Gansbaai	0	1 093	0	4 951	6 044	6 044
Pearly Beach	0	100	0	378	478	478
Farms	203	145	0	1 383	1 528	1 731
Total	203	3 387	0	25 953	29 340	29 543

Number of households provided with water through communal water services:

The informal settlements in Overstrand Municipality's Management Area are provided with communal standpipes. Current communal services include the informal areas in Kleinmond, Stanford, Pearly Beach and in the Greater Gansbaai area. The number of households serviced through communal standpipes and communal sanitation facilities in the various informal areas are summarised in the table below:

Table 5.5: Communal services in informal areas		
Area	Informal Settlement	Number of Units
Kleinmond	Overhills	786
Hermanus: Zwelihle	Tsepe-Tsepe	151
	Serviced Sites	70
	Spunzana	388
	Asazani	62
	Mandela Area	179
	New Camp	49
	Transit Camp	260
	Sub Total	1 159
Stanford	Die Kop	104
Gansbaai	Masakhane	877
	Beverly Hills	110
	Eluxolweni	106
	Sub Total	1 093
Total		3 142

Number of households connected to sewerage system and number of households with access to basic sanitation services:

The existing sanitation service levels in Overstrand Municipality's Management Area are estimated as follows:

Table 5.6: Residential sanitation service levels							
Distribution System	1. None or inadequate : below RDP : Pit	2. None or inadequate : below RDP : Bucket	3. Consumer installation : On site (Ablution Blocks)	4. Consumer installations: Wet (Septic tanks, digester or tanker desludge, etc.)	5. Discharge to water treatment works (intermediate or full waterborne)	6. Total served (3+4+5)	7. Total (1+2+6)
Buffels River	0	0	0	2 058	0	2 058	2 058
Kleinmond	0	0	786	1 020	1 119	2 925	2 925
Greater Hermanus	0	0	1 159	1 774	12 390	15 323	15 323
Stanford	0	0	104	611	269	984	984
Greater Gansbaai	0	0	1 093	4 027	924	6 044	6 044
Pearly Beach	0	0	100	378	0	478	478
Farms	255	127	90	1 259	0	1 349	1 731
Total	255	127	3 332	11 127	14 702	29 161	29 543

Number of new water and sanitation connections made:

206 New water connections and 139 new sewer connections were installed during the 2009/2010 financial year.

Overstrand Municipality's challenges with regard to the provision of basic water and sanitation services are as follows:

- To provide basic water and sanitation services in the informal areas to new citizens moving into the informal areas and to ensure that health and hygiene awareness and education is part of the process of providing basic services.
- To identify suitable land for the relocation of the people from informal areas, with existing communal services, to formal houses with a higher level of water and sanitation service (Services inside the house).
- To identify adequate funding for the rehabilitation, maintenance, replacement and upgrading of the existing bulk and reticulation infrastructure in order to support the sustainability of the water and sanitation services.
- To monitor the provision of basic water and sanitation on privately owned land.
- To develop additional water sources to serve all communities sustainably for the future.

All formal households in the urban areas as well as all new households are supplied with individual water connections inside the houses and a flush toilet system. Informal areas are supplied with shared services as an intermediary measure. Overstrand Municipality is committed to determine the current water service levels on the farms and to ensure that once the number of households below RDP standard is known at least basic water services are provided to these households by the landowners. Overstrand Municipality is committed to support the private landowners as far as possible with regard to addressing current water services backlog.

By-laws with regard to the discharge of industrial effluent into the sewage disposal system of Overstrand Municipality and for all the industrial consumers to formally apply for the discharge of industrial effluent into the sewage system were promulgated during December 2009. Overstrand Municipality is committed to ensure that no industrial effluent is discharged into the sewage disposal system unless it complies with the set of criteria included in the by-laws ("Acceptance of Industrial effluent for discharge into the sewage disposal system"). Overstrand Municipality will adopt a system through which the various parameters at all industrial consumers are monitored, as well as volumetric monitoring at the larger users. Adaptation of the procedures will be undertaken in accordance with any changes to the wastewater discharge criteria set by DWA. Overstrand Municipality will also consider limits above which volumetric monitoring will be necessary at new industries and existing smaller industries, where expansion is likely to take place.

6. WATER RESOURCES

Water balance models were developed for each of the distribution systems within Overstrand Municipality's Management Area and are included in Annexure A. Graphs of the total water demand (bulk water supply and water sold), peak month factors, annual non revenue water per town and water usage per sector are included in Annexure A. The table below gives an overview of the years in which the annual water demand will exceed the sustainable yield from the various resources:

Table 6.1: Years in which the annual water demand will exceed the sustainable yield from the various resources				
Distribution System	Total sustainable Yield (x 10 ⁶ m ³ /a)	Annual Growth on 2009 Demand (3% or 4%)	Annual Growth on 2009 Demand (5% or 6%)	WSDP Projection Model
Buffels River	1.617	2018 (3%)	2015 (5%)	2024
Kleinmond	2.589	> 2034 (3%)	2029 (5%)	> 2034
Greater Hermanus	7.060	2017 (4%)	2014 (6%)	2019
Stanford	0.396	Yield already exceeded during 2007		
Greater Gansbaai	2.931	2026 (4%)	2020 (6%)	2023
Pearly Beach	0.212	2028 (3%)	2020 (5%)	2020
Baardskeerdersbos	0.090	> 2034 (3%)	> 2034 (5%)	> 2034
Buffeljags Bay	0.013	> 2034 (3%)	> 2034 (5%)	> 2034

Quantity of water provided to the WSA by another WSI:

Overstrand Municipality receives no bulk water from any WSP or other WSA. The graph and table below gives a summary of the total bulk water supply to the various towns within Overstrand Municipality's Management Area (Ml/Year).

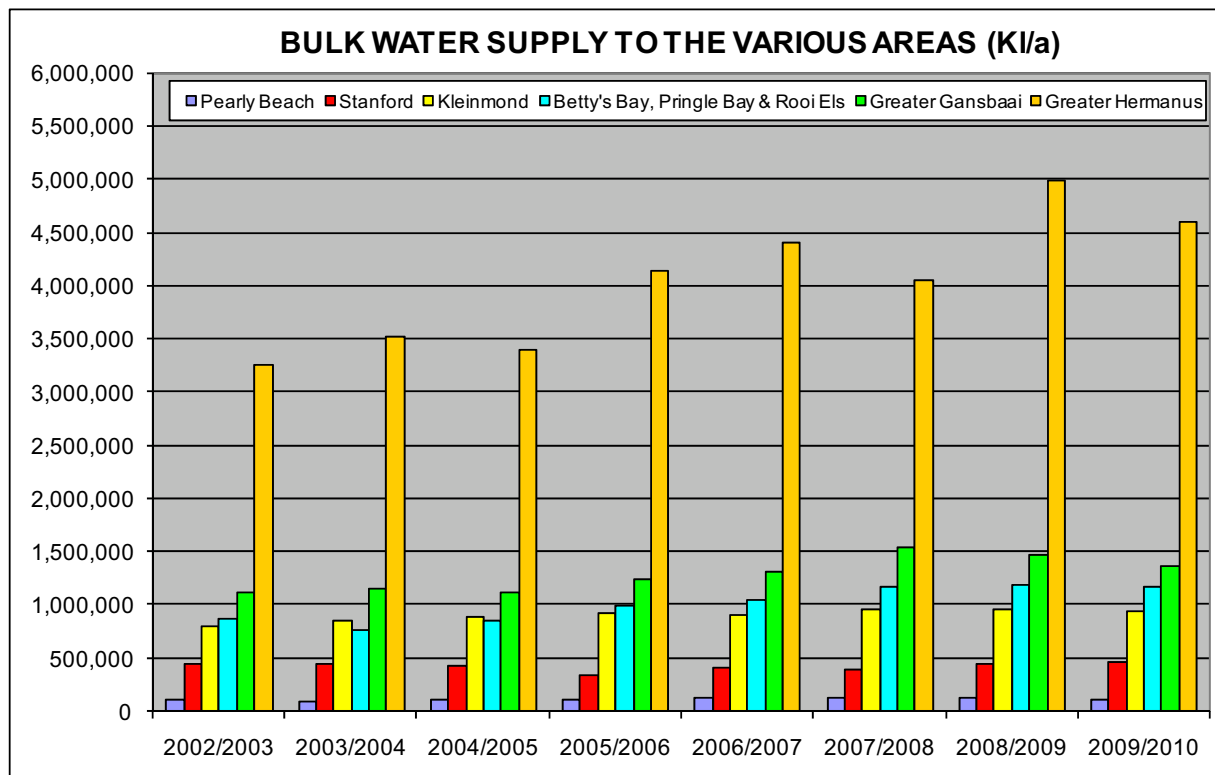


Table 6.2: Bulk water supply to the various towns							
Distribution System	Sources	09/10	Record : Prior (Ml/a)				
			08/09	07/08	06/07	05/06	04/05
Buffels River	Buffels River Dam & Disakloof	1164.946	1189.339	1175.136	1055.810	993.071	853.805
Kleinmond	Palmiet River, Kleinmond borehole & Dorpsfontein spring	936.748	953.661	964.719	905.664	922.882	882.443
Greater Hermanus	De Bos Dam & Groundwater	4604.446	4996.163	4058.465	4401.014	4143.261	3394.294
Stanford	Stanford spring	467.953	448.820	398.800	412.552	350.630	430.203
Greater Gansbaai	Kraaibosch and Franskraal Dam, Klipfontein borehole, Klilpgat, De Kelders Grotte, Stanfords Bay & Perlemoen Bay	1362.847	1475.743	1540.652	1308.292	1250.689	1112.828
Pearly Beach	Pearly Beach Springs	110.198	126.760	133.059	122.981	117.653	106.451
Baardskeerdersbos	Boskloof Stream	10.531	12.489	9.173	12.795	4.642	
Buffeljags Bay	Borehole	2.582	2.572	2.933	3.841	2.142	
Overstrand Total		8660.251	9205.547	8282.937	8222.949	7784.970	6780.024

The bulk water supply for Kleinmond, Greater Gansbaai and Pearly Beach distribution systems will be adequate for the next five years, if Overstrand Municipality actively implement their Water Conservation Programme and WDM Strategy in order to obtain the reduction in non revenue water as allowed for in the water balance models for the various systems. Bulk water supply for Buffels River, Stanford and Greater Hermanus distribution systems is the most critical at this stage.

Stanford: Overstrand Municipality appointed Umvoto Africa (Pty) Ltd in October 2007 to undertake a study regarding water resource development and management of the Stanford Aquifer to augment the water supply to Stanford. The main aim of the programme is to secure groundwater as a long-term option to augment the town's water supply and to establish an aquifer management plan.

Monitoring data is analysed as part of the monitoring process and used to revise estimates of groundwater recharge rate, the sustainable yield from the "Eye" and any impact of the two boreholes at Birkenhead Brewery on flow from the "Eye". In addition, Umvoto revised its policy for data downloading and processing to ensure that any anomalies in groundwater level data are immediately dealt with. In order to better manage the Stanford Aquifer, further monitoring is required. The following actions were identified in the Stanford Monitoring Report, January 2010:

- Re-install V-notch 2 and logger;
- fix / replace the logger at the "Eye";
- v-notch weir at Springfontein; and
- survey boreholes

Buffels River: Overstrand Municipality works towards the reduction of the current high non revenue water through the implementation of their Water Demand Management Strategic Implementation Plan and the ongoing replacement of the old pipe networks. Overstrand Municipality will also start with the investigation of alternative sources for the augmentation of the Buffels River water supply system. Different options will be identified and investigated for feasibility.

Greater Hermanus Area: The recommendations included in Umvoto's Report "Results of Gateway and Camphill Wellfield Monitoring Programme, April 2009 to September 2009" for the Development and Management Plan for the Greater Hermanus Area are as follows:

Table 6.3: Recommendations for the Development and Management Plan for the Greater Hermanus Area			
Importance	Recommendation	Status	Responsibility
Monitoring Network			
Critical	The leaking artesian borehole HAV2 requires re-sealing	Planned for the first half of 2010	Overstrand Mun., SRK
Critical	The following additional monitoring boreholes are recommended: The proposed monitoring boreholes FK02 and GWM11 need to be drilled as extension of the Gateway monitoring network to provide for early warning monitoring sites towards the sea (GWM11) and towards the recharge area in the Fernkloof Nature Reserve (FK02). If HAV2, HAV3 and HAV4 all become production holes an additional dedicated monitoring hole which penetrates the confined Peninsula is recommended.	Funding was agreed from DWA but is currently on hold.	Overstrand Mun., Umvoto, SRK
Critical	There are a number of private users in the Camphill valley and it is not appropriate that the municipality funds monitoring for all private users. It is recommended that the municipal by laws in Camphill area be enforced to require all private abstractions to monitor water level and flow.		Overstrand Mun., Umvoto
Critical	The monitoring point Chanteclair is un-impacted by the Gateway wellfield as it is in a separate fault compartment. The monitoring point is within the same fault compartment as the Camphill wellfield and so it is necessary as a monitoring point for the effects of pumping at Camphill. It is recommended that monitoring equipment is re-installed at Chanteclair.	Re-equipping is accommodated for in the next financial year from July 2010 (not yet approved)	Overstrand Mun., Umvoto
Critical	The following ecological monitoring recommendations are made: Use SRK hydrocensus and the original CVA analysis to identify perennial sites in the Camphill area and conduct 'ground truthing' in mid summer 2010. Visit the potential ecological monitoring site in Vogelgat highlighted in CVA, during mid summer 2010 to 'ground truth' the vegetation, geological setting, and whether it is perennial. Re analyse the NDVI calculation with verified ground coordinates	Planned for January – February 2010	Overstrand Mun., Umvoto
Medium Term	Monitoring points in Camphill will require linking to the telemetry system in order to facilitate real time monitoring	Upgrades are accommodated for in next financial year from July 2010 (not yet approved)	Overstrand Mun., Umvoto
Medium Term	The impact of the wellfield on other aquifers is imperative to understand so that the influence of other wellfields e.g. Camphill, can be quantified. The current assumptions about the intersected aquifers in the boreholes west of Gateway (HAE3, HAE5), and also GWM05 need to be verified and confirmed, if possible. This would require geophysical logging of the holes and geological re-mapping if necessary.	Geophysics is accommodated for in next financial year from July 2010 (not yet approved)	Overstrand Mun., Umvoto
Aquifer Management			
Medium Term	Recharge estimates can now be updated with improved geological understanding, and with isotope and chloride data.	Planned for 2010-2011 financial year as part of wellfield management guidelines	Overstrand Mun., Umvoto
Wellfield Management			
Critical	Wellfield monitoring infrastructure (flow meters) be reinstalled immediately in order to facilitate re-starting the long term pump test.		Overstrand Mun.

Water Quality: Overstrand Municipality monitors the water quality in the distribution networks of all the towns within their Municipal Management Area. Samples are taken on a monthly basis by a Lab Service Provider and no serious water quality problems were experienced during the last year.

The existing operational and compliance monitoring procedures of Overstrand Municipality are as follows:

Table 6.4: Operational sampling within Overstrand Municipality				
Component	Parameter	Frequency	Supervisor	Operational Manager
Buffels River WTWs	pH, Colour and Cl ₂	Every 2 hours	Piet Gouws	Mike Bartman
	Aluminium	Once a week	Piet Gouws	Mike Bartman
Kleinmond WTWs	pH, Colour and Cl ₂	Every 2 hours	Deon Miggel	Mike Bartman
	Aluminium	Once a week	Deon Miggel	Mike Bartman
Preekstoel WTWs	pH, Colour, Cl ₂ and Iron	Hourly	Jimmy du Plessis	Peter Burger
Franskraal WTWs	pH, Turbidity, Cl ₂	Every 2 hours	Maartin Taylor	Dirk Crafford
Hermanus Borehole WTWs	See table below		Jimmy du Plessis	Peter Burger
Hermanus Groundwater	See table under Section 5.1 of the WSP		Jimmy du Plessis	Peter Burger

Table 6.5: Operational sampling for the Hermanus Borehole WTWs					
Sample Point	Parameters to be tested for the Hermanus Borehole WTWs				
	pH	pE	Fe	Mn	DOC
Raw borehole water	2 / day	2 / day	2 / day	2 / day	1 / month
Raw De Bos Dam water	1 / day	1 / day	1 / day	1 / day	1 / month
Borehole water after oxidation (a)	4 / day	4 / day	4 / day	4 / day	N/A
Borehole water after oxidation (b)	1 / hour	1 / hour	N/A	N/A	N/A
Blended water	2 / day	2 / day	2 / day	2 / day	N/A
Settled water	2 / day	2 / day	2 / day	2 / day	N/A
Filtered water	2 / day	2 / day	2 / day	2 / day	N/A
Notes: a) As tested with the laboratory equipment. b) As read from the in-line pH and pE meter displays at the end of the rising main. c) The samples must be taken at even intervals. Thus where a frequency of '4 / day' is scheduled, the samples must be taken every 6 hours. This schedule shows the minimum required frequency of testing for a stabilised system. It is recommended that the frequency be increased when any uncertainty exists, or when the system is first being started up.					

The Operational Managers oversees the sample analysis carried out by the various Supervisors at the WTWs. The Supervisors immediately inform the Operational Managers if any results are out of the required SANS:241 specifications, so that emergency protocols can be implemented.

The chlorine dosage at Klipgat, De Kelders Grotte, Stanfords Bay, Perlemoen Bay, Klipfontein Borehole, Pearly Beach, Baardskeerdersbos and Buffeljags Bay is monitored and recorded daily by the various operational staff. The information is also given through to the various Operational Managers on a monthly basis, who record and store the data.

Compliance Monitoring: Compliance monitoring is the final check to ensure that the water delivered is safe to consume.

- A lab service provider performs the monthly compliance sampling throughout Overstrand Municipality distribution systems.
- The lab service provider informs the Infrastructure and Planning Section and the Operational Managers immediately of any problems in terms of SANS:241 compliance once test results are available.
- The lab service provider ensures delivery of samples to laboratory as soon as possible to ensure analysis within allowed time period.

- Analyse for at least SANS:241 minimum requirements, which include the parameters as indicated on the Water Quality Sampling Programme in Annexure D.
- Bacteriological results are made available within 3 days (maximum).
- Physical and chemical results are made available within 1 – 2 days (maximum).
- The Infrastructure and Planning Section and the various Operational Managers are informed immediately if any results are out of the required SANS:241 specifications, so that emergency protocols can be implemented.

Overstrand Municipality actively implement their Drinking Water Quality Sampling Programme in order to promptly identify water quality failures and to react accordingly. The water quality results are loaded onto DWA's Water Quality Management System via the internet. Once entered the data is automatically compared to SANS241. This real-time system allows for immediate intervention to rectify any problems.

Up to present it was not necessary to take any steps to inform the consumers of any health risk regarding the potable water supplied by Overstrand Municipality. The Municipality however got specific Safety Management Procedures in place, to inform its consumers about any potential health risks regarding the water quality, should it become necessary.

Overstrand Municipality also drafted their first Water Safety Plan during 2009/2010. A qualified, dedicated team was established by Overstrand Municipality to compile their Water Safety Plan. Detailed flow diagrams of the distribution systems and the water treatment processes were completed for each of the systems. A detailed risk assessment was executed and the existing control measures implemented by Overstrand Municipality was summarised. An Improvement / Upgrade Plan was also developed with relevant Water and Safety Management Procedures.

The Water Safety Plan Team of Overstrand Municipality is committed to meet regularly to review all aspects of the Water Safety Plan to ensure that they are still accurate. Operational monitoring results and trends will be assessed. In addition to the regular three year review, the Water Safety Plan will also be reviewed when, for example, a new water source is developed, major treatment improvements are planned and brought into use, or after a major water quality incident.

The DWA launched the blue and green drop certification, with regard to drinking water quality and the quality of treated effluent discharged from WWTWs, at the Municipal Indaba during September 2008. Blue drop status is awarded to those towns that comply with 95% criteria on drinking water quality management. Green drop status is awarded to those WSAs that comply with 90% criteria on key selected indicators on waste water quality management. The Blue Drop Certification programme is only in its second year of existence and promises to be the catalyst for sustainable improvement of South African drinking water quality management in its entirety.

The Blue Drop performance of Overstrand Municipality is summarised as follows in the DWA's 2010 Blue Drop Report.

Table 6.6: Blue Drop performance of Overstrand Municipality	
Average Blue Drop Score	71.6%
<p>Regulatory Impression: A significant improvement has been noted which is most impressive since performance in at least one system came close to certification. This can serve as foundation for future performances. The effort to get a very good Water Safety Plan is both commendable and encouraging for similar sized municipalities. However the municipality is urged to give special attention to the water quality in Kleinmond, Baardskeerdersbos and Pearly Beach. Improvement is required in microbiological quality (which might mean disinfection must be improved) as well as chemical content of Baardskeerdersbos.</p>	

Table 6.6: Blue Drop performance of Overstrand Municipality				
BLUE DROP REPORT CARD				
Criteria	Greater Hermanus	Greater Gans Bay	Kleinmond	Buffels River
Water Safety Plan	A	A	A	A
Process Control & Maintenance Competency	B	B	D	B
Efficiency of Monitoring Programme	B	B	B	B
Credibility of Sample Analyses	C	C	C	C
Data Submission to DWA	A	A	G	G
Compliance with National Standard	C	G	G	G
Failure Response Management	D	D	D	D
Responsible Publication of Performance	B	B	B	B
Efficacy of Asset management	B	A	A	A
Microbial DWQ Compliance with National Standard	97.62% (12 Months data)	96.49% (12 Months data)	83.33% (7 Months data)	96.15% (8 Months data)
Chemical DWQ Compliance with National Standard	72.55% (12 Months data)	88.98% (12 Months data)	95.56% (7 Months data)	76.00% (8 Months data)
Blue Drop Score 2010	75.31%	63.81%	60.06%	63.83%
Blue Drop Score 2009	69%	41%	33.5%	31%
Criteria	Buffeljags Bay (Boreholes)	Baardskeerdersbos (Boreholes)	Pearly Beach	Stanford
Water Safety Plan	A	A	A	A
Process Control & Maintenance Competency	B	B	B	B
Efficiency of Monitoring Programme	B	B	B	B
Credibility of Sample Analyses	C	C	C	C
Data Submission to DWA	A	G	G	B
Compliance with National Standard	B	G	G	G
Failure Response Management	D	D	D	D
Responsible Publication of Performance	B	B	B	B
Efficacy of Asset management	A	A	A	A
Microbial DWQ Compliance with National Standard	94.80% (12 Months data)	86.67% (8 Months data)	88.89% (9 Months data)	99.99% (11 Months data)
Chemical DWQ Compliance with National Standard	84.11% (12 Months data)	68.42% (8 Months data)	99.99% (9 Months data)	99.99% (11 Months data)
Blue Drop Score 2010	82.56%	60.56%	59.81%	61.81%
Blue Drop Score 2009	Not assessed	Not assessed	Not assessed	38%

The percentage compliance of the water quality samples taken over the last twelve months (July 2009 to June 2010) is as follows.

- *E.Coli (Health)*, Sample Count 342, Compliance 99.4% (Western Cape 99.1%).
- *Total Coliforms (Operational)*, Sample Count 345, Compliance 95.1% (Western Cape 94.4%).
- pH (Aesthetic / Operational), Sample Count 346, Compliance 92.5% (Western Cape 95.6%).
- Turbidity (Aesthetic / Operational / Indirect Health), Sample Count 272, Compliance 77.2% (Western Cape 80.0%).
- Electrical Conductivity (Aesthetic), Sample Count 71, Compliance 100.0% (Western Cape 99.2%).
- Aluminium (Health), Sample Count 345, Compliance 60.6% (Western Cape 83.5%).
- Iron (Aesthetic / Operational), Sample Count 346, Compliance 88.4% (Western Cape 88.6%)

252770KS0 : OVERSTRAND MUNICIPALITY : WATER SERVICES AUDIT REPORT FOR 2009/2010

The results of the water quality samples taken over the period July 2009 to June 2010, as loaded onto DWA's WQMS, were as follows:

Water Quality (July 2009 to June 2010)																				
Town	Microbiological Safety				Microbiological		Physical									Chemical				
	Faecal Coliforms (Health)		E.Coli (Health)		Total Coliforms		pH (aesthetic / operational)			Turbidity (aesthetic / operational / indirect health)			Electrical Conductivity (aesthetic)			Aluminium (health)		Iron (aesthetic / operational)		
	Samples	Compliance	Samples	Compliance	Samples	Compliance	Samples	Median (pH units)	Compliance	Samples	Mean (NTU)	Compliance	Samples	Median (mS/m)	Compliance	Samples	Compliance	Samples	Median (mg/L as Fe)	Compliance
Western Cape			10928	99.1	11809	94.4	11024	8.2	95.6	10745	1.0	80.0	9934	13.4	99.2	3014	83.5	3779	0.1	88.6
Overstrand Municipality			342	99.4	345	95.1	346	8.6	92.5	272	9.0	77.2	71	77.2	100.0	345	60.6	346	0	88.4
Baardskeerdersbos			24	95.8	24	83.3	24	6.5	95.8	17	1.5	23.5	12	36.1	100.0	23	52.2	24	0.3	29.2
Buffeljags Bay			11	100.0	11	72.2	11	7.6	100.0	6	0.6	83.3				11	100.0	11	0.0	100.0
Buffelsrivier			61	98.4	61	95.1	61	9.1	88.5	49	0.4	98.0	12	31.6	100.0	61	62.3	61	0	96.7
Greater Gansbaai			93	100.0	96	95.8	97	8.0	100.0	72	0.5	95.8	12	117.5	100.0	98	85.7	98	0	93.9
Hermanus			106	100.0	106	99.1	106	9.2	84.0	90	1.5	60.0	13	36.9	100.0	106	29.2	106	0	89.6
Kleinmond			23	100.0	23	100.0	23	8.8	95.7	18	0.7	77.8	10	24.8	100.0	23	43.5	23	0.1	87.0
Pearly Beach			12	100.0	12	91.7	12	7.6	100.0	8	1.1	62.5				11	100.0	11	0	90.9
Stanford			12	100.0	12	91.7	12	7.4	100.0	12	0.4	91.7	12	78.3	100.0	12	100.0	12	0	100.0

Applicable Standards

The values displayed are based on all samples collected in the particular area. The samples are compared to SANS 241 and colour coded accordingly.

Based on samples taken during the last 12 months July 2009 to June 2010

Microbiological Safety	Microbiological	Physical	Chemical
SANS: Microbiological Safety: Column 3	The percentage compliance displayed is the percentage of all samples collected falling within SANS: Operational Limits: Acceptable Level	SANS: Physical, Organoleptic, Chemical: Class I	SANS: Physical, Organoleptic, Chemical: Class I
SANS: Microbiological Safety: Column 4		SANS: Physical, Organoleptic, Chemical: Class II	SANS: Physical, Organoleptic, Chemical: Class II
SANS: Microbiological Safety: Column 5		SANS: Failure Phys-Organoleptic: Class II (Aesth/Operat)	SANS: Failure Phys-Organoleptic: Class II (Aesth/Operat)
SANS: Failure Microbiological Safety: Column 5		SANS: Failure Phys-Organoleptic: Class II (Health)	SANS: Failure Phys-Organoleptic: Class II (Health)
Percentage compliance displayed is the percentage of all samples collected falling within SANS: Microbiological Safety: Column 5		The percentage compliance displayed is the percentage of all samples collected in the area falling within SANS: Physical, Organoleptic, Chemical: Class I.	The percentage compliance displayed is the percentage of all samples collected in the area falling within SANS: Physical, Organoleptic, Chemical: Class I.

WASTE WATER EFFLUENT SAMPLING (JULY 2009 - JUNE 2010)			
WWTWs	Chemical Oxygen Demand		
	Sample Count	Compliance	Failure
Western Cape	971	72.2	27
Overstrand Municipality	74	97.3	2
Gans Bay WWTW - Final Effluent	21	100.0	0
Hawston - Final Effluent	12	83.3	16
Hermanus - Final Effluent	18	100.0	0
Kleinmond - Final Effluent	11	100.0	0
Stanford - Final Effluent	12	100.0	0

The DWA completed their First Order Assessment of Municipal Waste Water Treatment Plants (August 2008 – July 2009), DWA's Green Drop Report for 2009, which provides a scientific and verifiable status of municipal waste water treatment.

The green drop performance of Overstrand Municipality is summarised as follows in the DWA's 2009 Green Drop Report:

Table 6.7: Green Drop performance of Overstrand Municipality					
Average Green Drop Score					63 %
Regulatory Impression: According to the assessment results, the WWQ management performance of the Overstrand Local Municipality, as a whole, is satisfactory. The aspects which require attention is: <ul style="list-style-type: none"> Registration and classification of the works as well as the operating staff WWQ compliance Once these aspects are effectively addressed, there is a potential for the works being awarded Green Drop status.					
GREEN DROP REPORT CARD					
Criteria	Gansbaai	Kleinmond	Hawston	Hermanus	Stanford
Process Control, Maintenance & Management Skill	E	E	F	E	D
Monitoring Programme Efficiency	A	A	A	A	A
Credibility of Waste Water Sample Analysis	A	A	A	A	A
Regular submission of Waste Water Quality Results to DWA	A	A	A	A	A
Waste Water Quality Compliance	D	D	E	D	E
Waste Water Failures Response Management	A	A	A	A	A
Waste Water Treatment Works Capacity	A	A	A	A	A
Green Drop Score	66%	66%	57%	66%	61%

The Municipality focussed during 2009/2010 further on the process of putting all their information required for the 2010 Green Drop assessment together. The Wastewater Treatment and Collection Report (Green Drop Support) compiled by Overstrand Municipality includes the following sections:

- **Process Control, Maintenance and Management Skills:** Application for the classification of the WWTWs was done to the DWA. Overstrand Municipality also applied for the registration of all the WWTWs with the DWA and for the classification and registration of the Process Controllers and Supervisors with the DWA.
- **Waste Water Quality Monitoring Programme:** The Municipality does operational and compliance control of the WWTWs according to a comprehensive operational and compliance monitoring program, which meets the minimum requirement of DWA as stipulated in the Green Drop certification criteria.
- **Waste Water Sample Analysis:** An accredited Lab Service Provider is used for the compliance sampling at the various WWTWs.
- **Submission of Waste Water Quality Results:** Results of chemical and microbiological analysis of the final effluent samples are loaded onto the Water Quality Management System (WQMS). WQMS is managed by Emanti, indicating the compliance performance for the month for each of the WWTWs, with specific indication of samples that does not comply.
- **Waste Water Quality Results and Waste Water Quality Compliance**

- **Waste Water Failures Response Management:** The Wastewater Section has implemented an incident response protocol, in which certain reactive procedures are followed when an incident occurs.
- **Stormwater and Water Demand Management:** Stormwater Master Plans are in place for some of the towns in Overstrand Municipality's Management Area. Overstrand Municipality also compiled a Water Demand Management Strategic Implementation Plan during 2008 and continuously focus on the implementation of the Plan, in order to reduce the percentage of non-revenue water.
- **By-laws:** By-laws are in place for water services. All industrial consumers are monitored by Overstrand Municipality, with regard to the nutrient load of their discharged effluent.
- **Waste Water Treatment Works Capacity:** The upgrading of the WWTWs is summarised in the table below:

Table 6.8: Status Quo with regard to the upgrading of the various WWTWs.	
WWTWs	Upgradings required
Gansbaai	The capacity of the WWTW was upgraded from 0.4 Ml/d to 4 Ml/d. The Nereda Plant was designed to comply with the DWA general effluent discharge standard with the special soluble ortho-phosphates standard.
Stanford	New inlet structure was recently constructed. No leak detection device or alarm, scale required, extractor fan too high, door needs fixing or replacement ⁽¹⁾
Hermanus	Upgrading the aeration and settling tank capacity to 12 Ml/d. Improvements to the inlet works and sludge handling are required. Building to be upgraded or replaced, chlorination equipment requires commissioning, maintenance and servicing ⁽¹⁾
Hawston	Mechanical sludge handling facilities was recently installed. The capacity of the WWTW is adequate.
Kleinmond	Pumping of supernatant from the sludge lagoons to the reactor for treatment is required. Investigation into the treatment options for Betty's Bay, Pringle Bay and Rooi Els is necessary. The capacity of the WWTWs is adequate. Lamp wiper system trips due to ingress of rags. Screen to outlet of settling tank required ⁽¹⁾

Note: (1) Problems / requirements as included in SSI's "Audit on Overstrand WTW and WWTW Chlorination Installations" Report

- **Publication of Waste Water Quality Performance:** Wastewater management and wastewater quality results are included in Overstrand Municipality's WSDP and Water Services Audit Report. The wastewater quality results are also published in the Municipality's Local newsletters from time to time.
- **Waste Water Asset Management:** An updated Asset Register is in place for all water and sanitation infrastructure. An Infrastructure Asset Management Plan still needs to be drafted for the water and sanitation infrastructure.

The DWA also followed a risk-based regulatory approach that provides early warning signs of plants that contain a certain measure of risk, and in directing the type of intervention required to manage and mitigate the identified risk and move to a more favourable position of compliance and ultimately, excellence.

The current Cumulative Risk Ratio (CRR = A*B+C+D) of the WWTWs in Overstrand Municipality's Management Area, as calculated by the DWA, is as follows:

Table 6.9: Cumulative Risk Ratio of the various WWTWs			
WWTWs	Cumulative Risk Rating CRR	Maximum CRR that can be achieved	% Deviation = Actual CRR / Max CRR
Gansbaai	11	18	61.11%
Stanford	7	18	38.89%

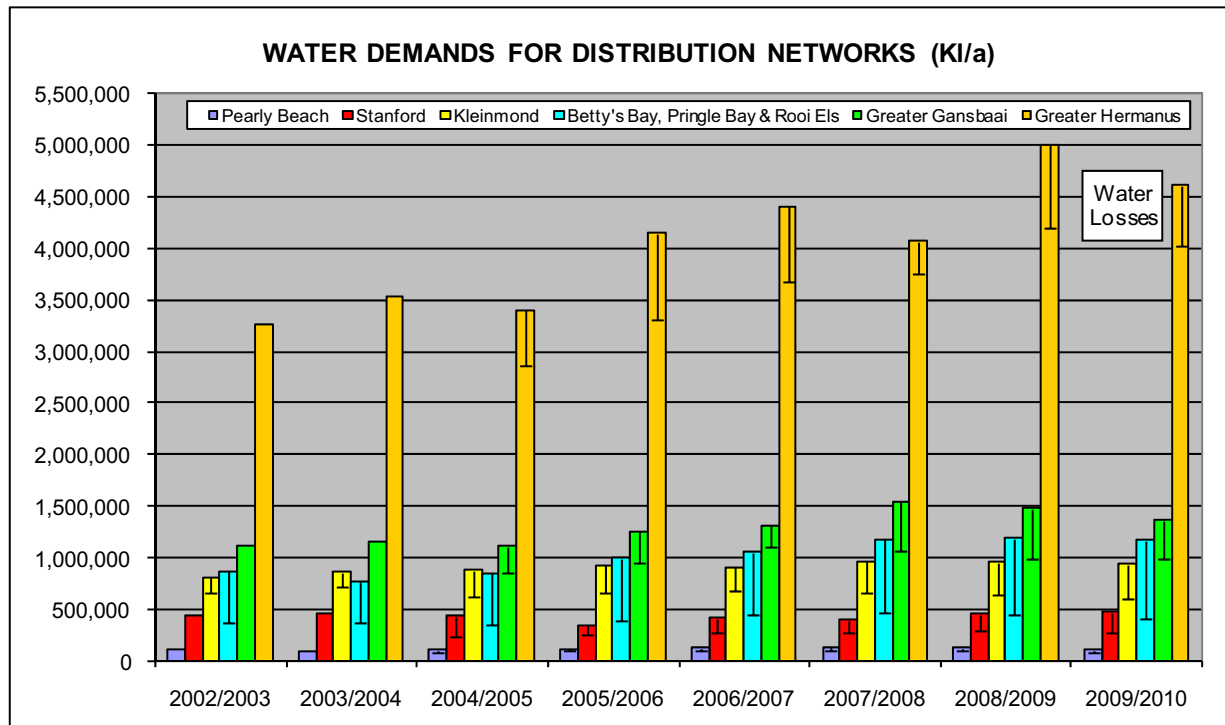
Hermanus	9	23	39.13%
Hawston	6	18	33.33%
Kleinmond	8	18	44.44%

The Gansbaai WWTWs was recently upgraded and the above CRR needs to be revised for the new Nereda Plant. Overstrand Municipality will compile a Risk Reduction Action Plan for each of their WWTWs, in order to reduce the risks for the various WWTWs even further.

7. WATER CONSERVATION AND DEMAND MANAGEMENT

Overstrand Municipality has made significant progress in implementing specific water conservation and demand management interventions over the last financial year. The Municipality compiled a detailed WDM Strategic Implementation Plan at the beginning of 2008 and continued with the implementation of the Plan during the 2009/2010 financial year. Non revenue water was also calculated for each of the distribution systems as part of the WSDP and Water Services Audit processes.

The graph below gives a summary of the total bulk water supply and the non-revenue water for the various distribution systems in Overstrand Municipality's Management Area.



Quantity of water unaccounted for (MI/Year):

The table below gives a summary of the non revenue water for the various distribution systems in Overstrand Municipality's Management Area.

Table 7.1: Non revenue water for the various distribution systems								
Description	Non Revenue Water	Unit	09/10	Record : Prior (MI/a)				
				08/09	07/08	06/07	05/06	04/05
Buffels River	Treatment & Network	Volume	749.321	740.302	715.850	615.698	594.893	509.444
		Percentage	64.3%	62.2%	60.9%	58.3%	59.9%	59.7%

Table 7.1: Non revenue water for the various distribution systems								
Description	Non Revenue Water	Unit	09/10	Record : Prior (Ml/a)				
				08/09	07/08	06/07	05/06	04/05
		ILI	6.69					
Kleinmond	Treatment & Network	Volume	337.622	306.879	296.338	229.620	270.590	264.262
		Percentage	36.04%	32.2%	30.7%	25.4%	29.3%	29.9%
		ILI	4.09					
Greater Hermanus	Network	Volume	593.867	805.122	311.620	734.043	829.864	539.296
		Percentage	13.3%	16.6%	7.9%	17.2%	20.6%	16.4%
		ILI	2.22					
Stanford	Network	Volume	194.486	163.496	123.058	140.626	100.437	200.304
		Percentage	41.6%	36.4%	30.9%	34.1%	28.6%	46.6%
		ILI	11.08					
Greater Gansbaai	Treatment & Network	Volume	365.547	492.048	482.079	194.253	301.124	266.998
		Percentage	26.8%	33.3%	31.3%	14.8%	24.1%	24.0%
		ILI	2.07					
Pearly Beach	Treatment & Network	Volume	21.683	27.326	34.163	24.281	15.536	24.952
		Percentage	19.7%	21.6%	25.7%	19.7%	13.2%	23.4%
		ILI	3.20					
Baardskeerdersbos	Treatment & Network	Volume	2.722	4.915	2.869	6.692	0.831	
		Percentage	25.8%	39.3%	31.3%	52.3%	17.9%	
Buffeljags Bay	Treatment & Network	Volume	0	0.112	0.360	0.453	1.864	
		Percentage	0%	4.3%	12.3%	11.8%	87.0%	
TOTAL OVERSTRAND		Volume	2 265.248	2 540.200	1 966.337	1 945.666	2 115.138	1 805.256
		Percentage	26.6%	28.0%	24.1%	24.0%	27.6%	27.0%
		ILI	2.94					

Note: Infrastructure Leakage Index (ILI) = 1 – Excellent, 2 – Good and > 3 - Poor

The Infrastructure Leakage Index (ILI) is also included in the above table, which is the most recent and preferred performance indicator for comparing leakage from one system to another. It is a non-dimensional index representing the ratio of the current real leakage and the “Unavoidable Annual Real Losses”. A high ILI value indicates a poor performance with large potential for improvement while a small ILI value indicates a well-managed system with less scope for improvement. The parameters used to calculate the ILIs for the various distribution systems are included in the Models in Annexure B. Attaining and ILI = 1 is a theoretical limit which is the minimum water loss in an operational water reticulation system.

Number of consumers connected to a water reticulation system where pressures rise above 900 kPa at the consumer connection are as follows:

The towns in Overstrand Municipality’s Management Area, as identified in the proposed WDM Strategy developed by CES, that should consider pressure management as a measure of water demand management (where the % potential saving > 3% of the total water demand) are as follows:

Table 7.2: Saving potential through the implementation of pressure management			
Distribution System	Saving Potential	Number of consumer connections where pressure rise above 900 kPa (Static)	Comment
Kleinmond	5%	0	Was investigated by Overstrand Municipality, but was found to be financially non viable.
Buffels River (Betty’s Bay & Pringle Bay)	4%	0	The cost benefit of pressure management for these systems will be calculated by Overstrand Municipality in the future. The impact of the other WDM mechanisms will first be evaluated.
Buffels River (Rooi Els)	3%	0	
Greater Hermanus	3%	0	

252770KS0 : OVERSTRAND MUNICIPALITY : WATER SERVICES AUDIT REPORT FOR 2009/2010

Stanford	< 3%	0	Non viable
Greater Gansbaai	< 3%	64 (Stanfords Bay)	
Pearly Beach	< 3%	0	

Demand management activities undertaken:

The WDM Strategic Implementation Plan of Overstrand Municipality is summarised in the table below:

Table 7.3: WDM Strategic Implementation Plan of Overstrand Municipality			
Mechanism		Driver	Actions
Tariffs		Finance	Number of steps can be reduced in line with the CES WDM report.
Awareness Campaign		Environmental Management	Media: Overstrand Conservation Forum Newsletter, Hermanus Times (Weekly), Overstrand Bulletin (With the monthly bills), Customer Relations Desk (Pamphlets etc. available)
Network Water Loss Management			
Enablers	Bulk meter consumption	Infrastructure	Status of bulk meters to be investigated
	Zoning and zone meters	Infrastructure	There was a contract with Flotron to upgrade the meters and the telemetry system. Further zoning needs to be investigated.
	Low & zero Consumptions	Finance	Generate a list of low and zero consumption regularly. Identify those that have been low or zero for more than 6 months. Check usual usage pattern on IMQS. Replace meters at those properties outside the normal usage pattern and monitor.
	Properties without meters	Finance	Compare financial system with GIS and properties with electricity meters but no water meters and identify all properties that do not have meters.
	Meter replacement programme	Operation	Identify all meters older than 10 years and start replacement program from the oldest to the youngest. Test meters for accuracy as they are removed to obtain information on accuracy versus age. Meters that are removed should be re-furnished, tested and re-used.
	Monthly water balance	Infrastructure	Get monthly water balances in place for all the distribution systems.
	Identify areas	Infrastructure	Prioritize areas and ensure that they have operating meters and loggers.
	Analysis of minimum night flows	Infrastructure	Analyze the night flows and determine the potential for pressure management. Prioritize areas of high night flow and ease of installation of pressure management. Log the pressures at supply and critical points and determine savings that can be achieved.
Water loss reduction	Pressure management	Infrastructure	Identify where PRVs can be installed and size them. Determine cost/benefit, budget, put out to tender and install.
	Network leak detection & repair	Operation	Once areas for pressure management installation have been identified and there is a process in place to ensure that they will be installed, prioritize areas for leak detection and repair. Where there are areas of known poor network conditions and high losses but no or inadequate meters these areas can be prioritized.
Customer Water Wastage Management			
Enablers	Report on large users	CES WDM Report	List in CES WDM report
	High consumption list	Finance	Report generated from Financial system
	Indigent high consumption list	Finance	Report generated from Financial system
	Schools consumption	Finance	Report generated from Financial system
Wastage reduction	Team to visit large users	Infrastructure	Follow up, raise awareness and take appropriate action on Large Water Users. The customers would need to be visited and encouraged to do water audits and look at ways to reduce their consumption.
	Team to visit high consumption properties	Infrastructure, Debtpack	Follow up, raise awareness and take appropriate action on high domestic consumption. The customers would need to be visited and encouraged to look at ways to reduce their consumption. Where there are leaks the customer would be instructed to fix them immediately.
	Leak repair project	Infrastructure	Follow up, raise awareness, repair water leaks and institute mechanism to prevent future wastage at poor/indigent properties with consumption > 15Kl/month.
	Schools program	Infrastructure	Schools must be encouraged to do water audits and look for ways of reducing consumption.
	Customer care and debt management	Finance	Effective customer care and debt management will lead to a reduction in water demand as those that pay their bills become more

Table 7.3: WDM Strategic Implementation Plan of Overstrand Municipality			
Mechanism		Driver	Actions
			aware of what they are using.
Treated Effluent and Grey Water Recycling			
Enablers	Identify potential consumers	CES WDM Report	List in CES WDM report
	Visit potential consumers	Infrastructure	Potential customers need to be visited to see if they are interested in recycling water. Municipality should lead by example.
Increase re-cycling	Extend pipelines and effluent recycling plant	Infrastructure, Consultant & Contractor	An existing scheme feeds the golf course and schools and sports fields on-route. There is currently a process to get the schools and sports fields to use the water. Identify other potential users and prioritize those closest to the existing pipeline first.
	New connections	Operation	Provide new connection as and when new infrastructure is in place.
Removal of Alien Vegetation		DWA	The Municipality currently manage the alien vegetation removal project funded by DWA

A WDM Strategy was also drafted for Overstrand Municipality in 2007 by CES. The purpose of the Strategy is to further conserve and protect available resources and to ensure the effective utilization of the available water resources. The WDM Strategy includes the following four main components:

- Leakage management programme
- CAFES-pricing policy programme
- Socio-political programme
- Water conservation products
- Reuse of wastewater

Table 7.4: Proposed CES WDM Strategy	
COMPONENT	CHRONOLOGICAL STEPWISE APPROACH
CAFES cost and pricing strategy (CPP)	<ol style="list-style-type: none"> 1) Clean billing data, update SWIFT, verify / address metering and non-payment 2) Introduce IBR structure to all residential consumers, but limit price change 3) Set IBR structure = 6 blocks, min / max steps for 6 kl / month / 100 kl / month 4) Set price of water in max block (above 100 kl/month) to at least R15 / kl 5) Introduce informative billing
Leakage management programme (LMP)	<ol style="list-style-type: none"> 1) Measure water volume that is lost <ol style="list-style-type: none"> 1a) Raw water supply and treatment 1b) Distribution system 1c) End user meter problems 2) Identify and quantify losses <ol style="list-style-type: none"> 2a) Raw water supply and treatment 2b) Distribution system 2c) End user meter problems 3) Conduct operational and network audit <ol style="list-style-type: none"> 3a) Raw water supply and treatment 3b) Distribution system 3c) End user meter problems 4) Improve performance: upgrade network, design action plans 5) Sustain performance with good staffing / organisation structures
Socio-political programme (SPP)	<ol style="list-style-type: none"> 1) Schools WDM programme 2) Public awareness programme 3) Non-payment issues 4) Encourage users to implement WCP at their own expense
Water conservation products (WCP)	<ol style="list-style-type: none"> 1) Repair on-site (plumbing) leaks 2) Reduced toilet flush volume 3) Xeriscaping garden areas (water wise gardening) 4) Other methods to reduce consumption by changing human habits
Reuse of waste water	<ol style="list-style-type: none"> 1) Identify large water consumers

Table 7.4: Proposed CES WDM Strategy

COMPONENT	CHRONOLOGICAL STEPWISE APPROACH
(RWW)	2) Communicate advantages / incentives of reuse practice to large consumers 3) Information gathering on current status of reuse measures 4) Installation of reuse practice 5) Monitor future water consumption

Overstrand Municipality's status with regard to the implementation of the proposed WDM Strategy and the future phases are summarised in the table below:

Table 7.5: Implementation Programme of the proposed CES WDM Strategy

IN PLACE	FIRST PHASE	SECOND PHASE	LATER
CPP1, CPP2, CPP3, CPP4	CPP5	-	-
LMP1, LMP2, LMP3	LMP4	LMP5	-
-	SPP1	SPP2	SPP3, SPP4
WCP1	WCP2	WCP3	WCP4
RWW1	RWW2, RWW3	RWW4	RWW5

Progress made with the installation of water efficient devices:

All automatically flushing urinals in the Municipal buildings were already replaced with manually operated push button systems. The toilet cisterns were also replaced with modern cisterns having a 6 litre flush volume, or with 6 / 4.5 dual flush mechanisms.

8. WATER SERVICES INFRASTRUCTURE

Water: The table below gives an overview of the major water infrastructure components, for the various distribution systems, in Overstrand Municipality's Management Area.

Table 8.1: Existing water infrastructure

Water Distribution System	Bulk Supply (Resources)	WTWs	Bulk and Network Reticulation (m)	Number of Water Pump Stations	Total Storage Capacity (MI)
Buffels River	Buffels River Dam	Buffels River & Disakloof	14 200 & 117 330	2	4.27
Kleinmond	Palmiet River, Borehole & Spring	Kleinmond	65 880	4	8.10
Greater Hermanus	De Bos Dam	Preekstoel	31 185 & 284 180	5	35.20
Stanford	Spring	-	20 610	1	1.25
Greater Gansbaai	Franskraal & Kraaibosch dams, Springs & Borehole	Franskraal	15 480 & 115 140	13	9.78
Pearly Beach	Springs	Pearly Beach	23 235	1	2.30
Buffeljags Bay	Borehole	-	Master Plans not yet in place	0	0.04
Viljoenshof (Wolvengat)	Borehole	-		0	
Baardskeerdersbos	Stream & Borehole	Pressure Sand filters		0	0.150

Sewer: Rooi Els, Pringle Bay, Betty's Bay, Fisherhaven, De Kelders, Kleinbaai, Franskraal and Pearly Beach are not currently serviced by a sewer reticulation system. The towns of Kleinmond, Hawston, Hermanus, Stanford and Gansbaai are partially serviced by a sewer system.

The table below gives an overview of the major sewer infrastructure components, for the various drainage systems, in Overstrand Municipality's Management Area.

Table 8.2: Existing sewer Infrastructure			
Sewer Drainage System	Sewer Network Reticulation (m)	Number of Sewer Pump Stations	WWTWs
Buffels River	This area is not currently serviced by a formal sewer reticulation system, only by septic tanks.	-	-
Palmiet River	21 601 – Only a portion of Kleinmond is served by a sewer reticulation system, the rest of the town is serviced by septic tanks.	5	Kleinmond
Greater Hermanus	238 745 – A small part of Hawston has a formal reticulation system which gravitates to the Hawston WWTWs. The rest of Hawston is served by septic tanks. A few areas in Greater Hermanus are still served by septic tanks. The sewer system in Greater Hermanus is a conventional waterborne system with the exception of Vermont, Onrus and Voëlklip which have small bore systems.	24	Hermanus & Hawston
Stanford	5 910	3	Stanford
Greater Gansbaai	9 178 – Only Masakane and part of Blompark in Gansbaai are being serviced by a formal sewer reticulation system, the rest of the towns which include De Kelders, Gansbaai, Kleinbaai and Franskraal are serviced by septic tanks.	3	Gansbaai
Pearly Beach	Not currently serviced by a formal sewer reticulation system, only by septic tanks.	-	-
Buffeljags Bay	-	-	-
Viljoenshof (Wolvengat)	-	-	-
Baardskeerdersbos	-	-	-

Overstrand Municipality is responsible for the operation and maintenance of all the water and sewer infrastructure summarised in the table below:

Table 8.3: Existing water and sewer infrastructure and main functional tasks	
Component	Description of the main functional tasks
Dams (5)	Bulk raw water storage
Bulk supply pipelines (61 km)	Bulk water supply to urban areas
WTWs: Buffels River	Chemical dosing (Alum and Soda Ash), flocculation, sedimentation, filtration (Rapid gravity sand filters), stabilization (Soda Ash) and disinfection (Chlorine Gas).
WTWs: Disakloof	Filtration (Rapid gravity sand filters) and disinfection (Chlorination).
WTWs: Kleinmond	Chemical dosing (Alum and Lime), flocculation, sedimentation, filtration (Rapid gravity sand filters), stabilization (Soda Ash) and disinfection (Chlorine Gas).
WTWs: Preekstoel	Chemical dosing (Alum, Poly-electrolyte and Lime), flocculation, sedimentation, filtration (Rapid gravity sand filters), stabilization (Lime) and disinfection (Cl Gas or HTH Granules as back-up).
WTWs: Groundwater	Pre-oxidation, chemical dosing (Caustic Soda and Potassium Permanganate) and disinfection (Chlorine Gas).
New WTWs: Franskraal	Chemical dosing (Alum, Poly-electrolyte, Soda-Ash), flocculation, sedimentation, filtration (Rapid gravity sand filters), disinfection (Cl Gas) and stabilization (Soda-Ash).
WTWs: Fountains & Borehole	Klipfontein Borehole – Disinfection (Chlorine Gas), Stanfords Bay Fountain – Disinfection (Chlorine Tablets), Perlemoen Bay Fountain – Disinfection (Chlorine Gas), Klipgat Fountain – Disinfection (Chlorine Gas), De Kelders Grotte Fountain – Disinfection (Chlorine Tablets).
WTWs: Pearly Beach	Filtration (Pressure sand filters) and disinfection (Cl Gas)
WTWs: Baardskeerdersbos	Filtration (Pressure sand filters) and disinfection (Cl Gas)
WTWs: Buffeljags Bay	Disinfection (Cl gas)
Water Reticulation (626 km)	Water distribution to consumers
Water Pump stations (26)	Ensure adequate pressure and supply to specific areas
Reservoirs (40)	Balancing peak demands and providing some emergency storage
Water Towers (1)	Ensure adequate pressure for high lying areas, balancing peak demands and providing some emergency storage.
Sewer Reticulation (275 km)	Collecting sewerage
Sewer Pump Stations (35)	Pumping sewerage to WWTWs
WWTWs (5)	Activated Sludge Systems at Kleinmond, Hawston, Hermanus, Stanford and Gansbaai

Overstrand Municipality compiled a comprehensive Asset Register of all their infrastructure during 2009, which is summarised in the tables below:

Water Infrastructure: The current and depreciated replacement cost of the water infrastructure of Overstrand Municipality is summarised in the table below:

Table 8.4: Current and depreciated replacement cost of the water infrastructure				
Asset Type	GIS ID	CRC	DRC	% DRC/CRC
Dams	DAM	R18 935 000	R12 507 990	66.1
Boreholes	BHL	R5 295 080	R4 282 403	80.9
Monitoring Boreholes	MBH	R1 300 000	R229 635	17.7
Bulk Water Pipelines	BWP	R101 463 687	R28 838 111	28.4
Pump Stations	PST	R27 443 778	R10 322 743	37.6
Reservoirs	RES	R134 305 108	R73 839 700	55.0
Water Reticulation Pipelines	WRP	R481 640 341	R77 581 952	16.1
Consumer Connections	CC	R247 919 000	R18 900 378	7.6
Buffels River WTWs	WTP 04	R38 771 556	R7 417 329	19.1
Kleinmond WTWs	WTP 03	R15 113 385	R2 666 011	17.6
Preekstoel WTWs	WTP 02	R41 994 344	R23 614 532	56.2
Franskraal New WTWs	WTP 01	R33 189 585	R32 177 002	96.9
Franskraal Old WTWs	WTP 01	R9 050 902	R6 628 009	73.2
Totals		R1 156 421 766	R299 005 794	25.9

The above table means that 74.1% of the value of the water supply network has been consumed.

The following table gives an overview of the remaining useful life and the age distribution by facility type for the water infrastructure (CRC):

Table 8.5: Overview of the remaining useful life by facility type for the water infrastructure (CRC)						
Asset Type	GIS ID	0 – 5 yrs	5 – 10 yrs	10 – 15 yrs	15 – 20 yrs	> 20 yrs
RUL						
Dams	DAM	R80 000	R0	R225 000	R0	R18 630 000
Boreholes	BHL	R210 000	R1 175 574	R2 698 716	R160 000	R1 050 790
Monitoring Boreholes	MBH	R450 000	R150 000	R700 000	R0	R0
Bulk Water Pipelines	BWP	R60 587 042	R0	R22 933	R0	R40 853 712
Pump Stations	PST	R11 719 724	R10 255 658	R3 722 796	R165 000	R1 580 600
Reservoirs	RES	R8 216 362	R2 607 508	R9 248 785	R13 943 778	R100 288 675
Water Reticulation Pipelines	WRP	R373 252 613	R0	R5 160 852	R0	R103 226 876
Consumer Connections	CC	R195 517 000	R26 474 000	R25 928 000	R0	R0
Buffels River WTWs	WTP 04	R33 087 654	R932 798	R0	R0	R4 751 104
Kleinmond WTWs	WTP 03	R9 437 722	R2 576 040	R0	R0	R3 099 623
Preekstoel WTWs	WTP 02	R4 882 413	R20 145 650	R7 186 788	R1 403 988	R8 375 505
Franskraal New WTWs	WTP 01	R0	R207 000	R17 354 671	R0	R15 627 914
Franskraal Old WTWs	WTP 01	R0	R4 543 060	R0	R0	R4 507 842
Totals		R697 440 530	R69 067 288	R72 248 541	R15 672 766	R301 992 641

Table 8.6: Overview of the age distribution by facility type for the water infrastructure (CRC)						
Asset Type	GIS ID	0 – 5 yrs	5 – 10 yrs	10 – 15 yrs	15 – 20 yrs	> 20 yrs
Age distribution by Facility Type						
Dams	DAM	R0	R0	R8 000	R6 266 000	R12 589 000
Boreholes	BHL	R3 568 146	R1 323 184	R0	R0	R403 750
Monitoring Boreholes	MBH	R0	R0	R0	R0	R1 300 000
Bulk Water Pipelines	BWP	R0	R607 248	R24 102 666	R5 651 276	R71 102 497
Pump Stations	PST	R6 067 870	R8 041 276	R2 717 120	R1 172 796	R9 444 716
Reservoirs	RES	R11 617 928	R8 746 892	R12 882 064	R24 683 744	R76 374 479
Water Reticulation Pipelines	WRP	R11 665 271	R8 173 026	R43 937 690	R12 802 162	R405 062 192
Consumer Connections	CC	R0	R0	R0	R0	R247 919 000
Buffels River WTWs	WTP 04	R5 683 902	R0	R0	R0	R33 087 654
Kleinmond WTWs	WTP 03	R0	R0	R0	R0	R15 113 385
Preekstoel WTWs	WTP 02	R19 571 875	R1 631 809	R4 520 693	R14 505 750	R1 764 217
Franskraal New WTWs	WTP 01	R33 189 585	R0	R0	R0	R0
Franskraal Old WTWs	WTP 01	R0	R9 050 902	R0	R0	R0
Totals		R91 364 577	R37 574 337	R88 168 233	R65 081 728	R874 160 890

The condition grading per water facility type is summarised in the table below:

Table 8.7: Condition grading per water facility type						
Asset Type	GIS ID	Very Good	Good	Fair	Poor	Very Poor
Dams	DAM	R0	R16 452 000	R2 003 000	R400 000	R80 000
Boreholes	BHL	R3 227 794	R990 819	R576 823	R289 644	R210 000
Monitoring Boreholes	MBH	Unknown	Unknown	Unknown	Unknown	Unknown
Bulk Water Pipelines	BWP	R11 624 495	R18 736 695	R7 043 911	R3 448 611	R60 609 975
Pump Stations	PST	R3 952 508	R3 423 977	R3 762 570	R5 739 339	R10 565 384
Reservoirs	RES	R11 220 969	R35 770 171	R56 792 643	R25 097 082	R5 424 243
Water Reticulation Pipelines	WRP	R38 436 238	R38 428 226	R1 094 852	R25 267 560	R378 413 465
Consumer Connections	CC	Unknown	Unknown	Unknown	Unknown	Unknown
Buffels River WTWs	WTP 04	R4 751 104	R932 798	R0	R0	R33 087 654
Kleinmond WTWs	WTP 03	R0	R0	R3 099 623	R2 576 040	R9 437 722
Preekstoel WTWs	WTP 02	R406 788	R34 090 837	R1 579 569	R1 310 985	R4 606 165
Franskraal New WTWs	WTP 01	R33 189 585	R0	R0	R0	R0
Franskraal Old WTWs	WTP 01	R0	R4 507 842	R4 543 060	R0	R0
Totals		R106 809 481	R153 333 365	R80 496 051	R64 129 261	R502 434 608

About 80.2% of the water supply network (Bulk and Reticulation Water Pipelines) is in a poor and very poor condition and the condition backlog is in the order of R567M. The bulk of the backlog is made up of bulk water pipeline and water reticulation pipeline assets.

Sanitation Infrastructure: The current and depreciated replacement cost of the water infrastructure of OM is summarised in the table below:

Table 8.8: Current and depreciated replacement cost of the sanitation infrastructure				
Asset Type	GIS ID	CRC	DRC	% DRC/CRC
Sanitation Pump Stations	SPS	R46 566 690	R26 856 558	57.7
Sewer Reticulation Pipelines	SRP	R306 422 671	R240 834 979	78.6
Sewer Consumer Connections	CC	R177 085 000	R13 500 270	7.6
Stanford WWTWs	STW02	R11 051 703	R6 817 751	61.7
Hermanus WWTWs	STW03	R32 146 838	R18 402 452	57.2
Hawston WWTWs	STW04	R8 564 664	R4 566 997	53.3
Kleinmond WWTWs	STW05	R7 405 568	R5 854 421	79.1
Gansbaai WWTWs	STW06	R20 070 512	R16 559 715	82.5

Table 8.8: Current and depreciated replacement cost of the sanitation infrastructure

Asset Type	GIS ID	CRC	DRC	% DRC/CRC
Totals		R609 313 646	R333 393 143	54.7

The information in the previous table means that 45.3% of the value of the sewage supply network has been consumed.

The following table gives an overview of the remaining useful life and the age distribution by facility type for the sanitation infrastructure (CRC):

Table 8.9: Overview of the remaining useful life by facility type for the sanitation infrastructure (CRC)

Asset Type	GIS ID	0 – 5 yrs	5 – 10 yrs	10 – 15 yrs	15 – 20 yrs	> 20 yrs
RUL						
Sanitation Pump Stations	SPS	R3 933 063	R30 525 150	R6 218 222	R576 250	R5 314 005
Sewer Reticulation Pipelines	SRP	R0	R0	R0	R0	R306 422 671
Sewer Consumer Connections	CC	R139 655 000	R18 910 000	R18 520 000	R0	R0
Stanford WWTWs	STW02	R27 119	R5 777 489	R653 398	R347 100	R4 246 597
Hermanus WWTWs	STW03	R6 717 556	R7 499 730	R3 163 767	R3 938 057	R10 827 728
Hawston WWTWs	STW04	R3 826 780	R0	R0	R1 072 000	R3 665 884
Kleinmond WWTWs	STW05	R165 600	R3 148 206	R0	R0	R4 091 762
Gansbaai WWTWs	STW06	R0	R3 328 783	R4 614 552	R172 080	R11 955 097
Totals		R154 325 118	R69 189 358	R33 169 939	R6 105 487	R346 523 744

Table 8.10: Overview of the age distribution by facility type for the sanitation infrastructure (CRC)

Asset Type	GIS ID	0 – 5 yrs	5 – 10 yrs	10 – 15 yrs	15 – 20 yrs	> 20 yrs
Age distribution by Facility Type						
Sanitation Pump Stations	SPS	R14 324 405	R26 074 466	R1 135 662	R3 652 292	R1 379 865
Sewer Reticulation Pipelines	SRP	R21 992 579	R24 370 068	R244 119 120	R15 940 904	R0
Sewer Consumer Connections	CC	R0	R0	R0	R0	R177 085 000
Stanford WWTWs	STW02	R3 233 276	R3 574 740	R0	R3 997 620	R246 067
Hermanus WWTWs	STW03	R9 104 289	R10 928 717	R2 094 960	R4 847 368	R5 171 504
Hawston WWTWs	STW04	R0	R0	R8 564 664	R0	R0
Kleinmond WWTWs	STW05	R7 405 568	R0	R0	R0	R0
Gansbaai WWTWs	STW06	R12 465 949	R3 438 763	R0	R2 150 800	R2 015 000
Totals		R68 526 066	R68 386 754	R255 914 406	R30 588 984	R185 897 436

The condition grading per sanitation facility type is summarised in the table below:

Table 8.11: Condition grading per sanitation facility type

Asset Type	GIS ID	Very Good	Good	Fair	Poor	Very Poor
Sanitation Pump Stations	SPS	R6 859 000	R11 094 810	R23 948 392	R3 187 148	R1 477 340
Sewer Reticulation Pipelines	SRP	R46 362 647	R260 060 025	R0	R0	R0
Sewer Consumer Connections	CC	Unknown	Unknown	Unknown	Unknown	Unknown
Stanford WWTWs	STW02	R777 808	R6 563 088	R3 582 188	R128 619	R0
Hermanus WWTWs	STW03	R6 145 749	R6 580 944	R7 757 733	R8 173 433	R3 488 979
Hawston WWTWs	STW04	R86 040	R4 651 844	R0	R3 819 880	R6 900
Kleinmond WWTWs	STW05	R4 091 762	R3 148 206	R165 600	R0	R0
Gansbaai WWTWs	STW06	R12 403 849	R3 416 939	R4 249 724	R0	R0
Totals		R76 726 855	R295 515 856	R39 703 637	R15 309 080	R4 973 219

About 3.4% of the sewage supply network is in a poor and very poor condition and the condition backlog is in the order of R20.3M. The bulk of the backlog is made up of sewer pump stations and sewage treatment works assets.

The following key capital projects were completed during the 2009/2010 financial year by Overstrand Municipality:

- Upgrading of the Franskraal WTWs, Preekstoel WTWs (Lime dosing and replace main control panel) and Pearly Beach WTWs.
- Continued with the groundwater source development and monitoring (Gateway, Camphill and Volmoed Wellfields development and Stanford Aquifer development).
- Upgrading of the water network in Gansbaai.
- Replacement of certain sections of the water network in order to reduce non revenue water (Voëlklip, Fisherhaven, Betty's Bay and Kleinmond)
- Additional reservoir storage capacity in Stanford and Buffeljags Bay.
- Installation of a roof over the settling tank at the Buffels River WTWs.
- Upgrading of Overstrand Municipality's Telemetry System (Phase 1).
- Upgrading of certain components at the Stanford WWTWs, Hermanus WWTWs, Hawston WWTWs and Kleinmond WWTWs (Implementation of recommendations by SSI).
- Upgrading of certain sections of the sewerage network in Gansbaai and the main sewer in Hermanus.

The key challenges for Overstrand Municipality with regard to the provision of infrastructure and ensuring the sustainability of the existing water services are as follows:

- To secure adequate funds for the rehabilitation and maintenance of the existing infrastructure. Allocating adequate funding for the active implementation of an Asset Management Plan is critical to ensure the sustainability of the services that are provided by the Municipality.
- To secure adequate funds for the provision of bulk infrastructure and development of additional sources to keep up with the high demand for services.

9. WATER BALANCE

Quantity of water used by each user sector for the last three years:

Graphs of the water usage per sector for the various distribution systems within Overstrand Municipality's Management Area are included as part of the water balance models in Annexure A. The table below gives a summary of the information.

Table 9.1: Quantity of water used by each user sector							
Distribution System	Year	09/10	Record Prior: (Ml/a)				
			08/09	07/08	06/07	05/06	04/05
Buffels River	Residential, Business & Industrial	393.563	435.453	428.777	411.963	374.763	319.709
	Other	22.062	13.584	30.509	28.149	23.415	24.652
	Non Revenue Water	749.321	740.302	715.850	615.698	594.893	509.444
Kleinmond	Residential, Business & Industrial	517.331	586.669	622.247	637.853	619.761	571.781
	Other	81.795	60.113	46.134	38.191	32.531	46.400
	Non Revenue Water	337.622	306.879	296.338	229.620	270.590	264.262

Table 9.1: Quantity of water used by each user sector

Distribution System	Year	09/10	Record Prior: (Ml/a)				
			08/09	07/08	06/07	05/06	04/05
Greater Hermanus	Residential, Business & Industrial	2 940.240	3 584.199	3 451.918	3 370.714	3 074.016	2 216.152
	Other	679.883	456.956	173.173	164.226	115.083	537.017
	Non Revenue Water	593.867	805.122	311.620	734.043	829.864	539.296
Stanford	Residential, Business & Industrial	212.914	261.666	252.018	249.193	231.420	229.899
	Other	60.553	23.658	23.724	22.733	18.773	0
	Non Revenue Water	194.486	163.496	123.058	140.626	100.437	200.304
Greater Gansbaai	Residential, Business & Industrial	692.037	901.258	830.216	865.005	832.929	737.333
	Other	311.878	82.437	228.357	249.033	116.636	108.497
	Non Revenue Water	365.547	492.048	482.079	194.253	301.124	266.998
Pearly Beach	Residential, Business & Industrial	80.855	96.641	98.896	98.675	99.870	80.627
	Other	3.368	2.793	0	0.025	2.247	0.872
	Non Revenue Water	21.683	27.326	34.163	24.281	15.536	24.952
Baardskeerders bos	Residential, Business & Industrial	7.809	7.574	6.304			
	Other	0	0	0			
	Non Revenue Water	2.722	4.915	2.869	6.692	0.831	
Buffeljags Bay	Residential, Business & Industrial	2.891	2.460	2.573			
	Other	0	0	0			
	Non Revenue Water	0	0.112	0.360	0.453	1.864	
TOTAL	Residential, Business & Industrial	4 847.640	5 875.920	5 692.949	5 633.403	5 232.759	4 155.501
	Other	1 159.539	639.541	501.897	502.357	308.685	717.438
	Non Revenue Water	2 265.248	2 540.200	1 966.337	1 945.666	2 115.138	1 805.256

Quantity of effluent received at WWTWs (Ml/a):

The inflow to all the WWTWs in Overstrand Municipality's Management Area is metered. The monthly flows and rainfall at the various WWTWs are also summarised in Annexure A.

Table 9.2: Quantity of effluent received at the various WWTWs

WWTWs	09/10	Record Prior: (Ml/a)				
		08/09	07/08	06/07	05/06	04/05
Kleinmond	306.129	346.422	299.550	265.740	254.548	238.767
Hawston	122.956	130.079	124.100	107.158	77.924	41.607
Hermanus	1732.055	1 939.738	1 900.755	1 754.481	2 347.906	3 044.089
Stanford	112.468	128.396*	124.084*	122.367*	112.587*	103.454*
Gansbaai	322.526	185.389	204.692	180.882	114.513	42.633

Note: * Calculated from Water Sales data

Quantity of effluent not discharged to WWTWs and approved for use by the WSI:

The quantity of effluent treated by industrial consumers on their own premises and re-used by them is not known at this stage.

All effluent discharged into the Municipal sewer system is however treated at the existing WWTWs and the current effluent re-used practices are as follows:

Table 9.3: Current effluent re-used practices

WWTWs	Current effluent re-used practices
Hermanus	Irrigation of the Hermanus golf course, sport field at the High School, the Cricket Club and Mount Pleasant
Gansbaai	Irrigation of the sport fields in Gansbaai.

All available treated effluent from the Kleinmond WWTWs, Hawston WWTWs and Stanford WWTWs is returned to the WR System.

10. WATER SERVICES INSTITUTIONAL ARRANGEMENTS

Overstrand Municipality is the official WSA for the entire Municipal Management Area and act as the WSP for the whole area.

The WSDP was updated for the 2010/2011 financial year and was approved by the Mayoral Committee and the Full Council on the 26th of May 2009.

The Constitution of the Republic of South Africa allows municipalities to exercise their legislative authority by developing their own by-laws. Section 21 (4) of the Water Services Act, 1997 (Act 108 of 1997) states that the Minister may provide model by-laws to be used as a guide to Water Services Authorities as they develop and implement by-laws in terms of section 21 (1) of the Water Services Act, 1997. A comprehensive set of water services by-laws for Overstrand Municipality was promulgated during December 2009, which can be referred to in Government Gazette No. 6683. They cover the provision of services for water supply, sanitation and industrial effluent.

Overstrand Municipality continues to undertake basic public awareness programmes. The education of users where sanitation facilities are upgraded to waterborne systems is ongoing. This is primarily focussed at informing users of the appropriate use of and routine maintenance of such facilities.

At a technical, operations and management level, municipal staff is continuously exposed to training opportunities, skills development and capacity building in an effort to create a more efficient overall service to the users.

Applications for the registration of the WTWs and WWTWs in Overstrand Municipality's Management Area were submitted to the DWA. Submissions were also made to the DWA for the classification and registration of the Process Controllers and Supervisors at the various plants.

Water and Wastes Utilisation Solutions assessed the registered and authorised water uses for Overstrand Municipality during 2009 and identified non compliance regarding the legal water use for the Municipality as described in the National Water Act. Overstrand Municipality submitted sixteen (16) of the thirty three (33) "Water Usage Rights" to the DWA for approval during the last financial year.

Overstrand Municipality is currently effectively managing its water and sanitation services. Urgent attention is however required to address the remaining backlogs in bulk infrastructure, as well as the backlog in infrastructure maintenance and rehabilitation. Forward planning for water and sanitation services will be guided by the Water and Sewer Master Plans.

Overstrand Municipality's Organogram, which include water and sanitation services, is included in Annexure E. The number of vacant positions is also indicated on the organogram. The recruitment and retaining of suitably qualified and experienced process controllers at the various treatment plants remains a challenge for the Municipality.

11. CUSTOMER SERVICES

Overstrand Municipality developed help-desks at all municipal administrations with the objective to assist customers. Disabled people are supported to do business from the help-desks. Requests by the illiterate are being captured and forwarded to the relevant official / section. All municipal buildings are accessible and wheel-chair friendly.

After hour emergency requests are being dealt with by the control room on a twenty four hour basis. Requests are furthermore captured on an electronic mail or works-order system to ensure execution thereof. All help desks were equipped with Batho Pele picture signage. The Municipality has maintained a high and a very consistent level of service to its urban water consumers.

A draft Water and Sanitation Consumer Service Charter was also compiled and Overstrand Municipality is currently busy with the public participation process. The table below gives an overview of the Vision, Purpose and Pledge of Overstrand Municipality as indicated on the Consumer Service Charter.

Table 11.1: Overstrand Water and Sanitation Consumer Service Charter	
Our Vision	To be a centre of excellence for the community
Our Purpose	<ul style="list-style-type: none"> It is our aim to provide you our consumers with appropriate, acceptable and safe and affordable basic water supply and sanitation services. We undertake to provide water and sanitation services that are fair and equitable, affordable, effective and efficient and sustainable. We further undertake to uphold the Batho Pele Principles and act accordingly in an accountable, transparent and performance orientated manner.
Our Pledge to you is that we are committed to	<ul style="list-style-type: none"> Build and maintain the water services infrastructure to ensure all households including indigents have access to clean and reliable basic water supply and appropriate sanitation services. Establish an affordable and fairly differentiated tariff for different users. Ensure accurate and reliable metering systems and an open and transparent approach to the cost of water services. Ensure regular and accurate accounts, provide adequate facilities accessible to all consumers to pay, query and verify accounts and quick response times to deal with complaints, queries and rectification of accounts should this be necessary. Within feasible intervals, provide our consumers with the opportunity to give us feedback in respect of the quality of services and the performance of the Municipality. Maintain the existing and further build a sound customer management system focused on good customer relations and customer satisfaction.
Water Services Quality	<ul style="list-style-type: none"> We commit ourselves to provide you with clean and safe water and treat effluent to a standard prescribed by law before disposal thereof back into our water sources. We have a water quality programme in terms of which water is frequently sampled at various places and tested by an independent laboratory. The results of our treated water and effluent are monthly reported to the Department of Water Affairs and thus nationally monitored. We strive to annually obtain Blue Drop Status for all our water treatment works and Green Drop Status for all our wastewater treatment works.
Our Service Standards are that we will	<ul style="list-style-type: none"> Supply you with water that meets the standards set out for drinking water (SANS:0241), where infrastructure allows: Respond to any reports for poor water quality within 12 working hours. Respond to all urgent water services faults immediately with completion of the work within 24 hours. Respond to any other requests by completion of 90% of the work within 30 days. Ensure that prolonged (12 hours) water supply interruptions are fewer than 3 times per annum. Respond to written requests: A first response within 14 days and if an investigation is needed resolve the matter within 30 working days. In case of planned interruptions give the affected public 2 days prior notice and if required to enter your property 5 days prior notice.

The table below gives a summary of the records that are kept by Overstrand Municipality and the maintenance work that was carried out over the last two financial years.

Table 11.2: Customer Services records kept and the maintenance work that was carried out											
Service	Definition	Gansbaai		Hermanus		Kleinmond		Stanford		Total	
		09/10	08/09	09/10	08/09	09/10	08/09	09/10	08/09	09/10	08/09
Sewerage connection	Provision of connection or inspection of existing connections	65	13	71	124	3	2	1	2	140	141
Sewer blockages	Repair blockages on main sewer pipelines up to connection points	13	46	526	1249	62	74	33	25	634	1394
Investigate sewer reticulation network	Investigate network	0	2	10	10	1	0	0	0	11	12
Manholes sewer reticulation	Inspection and installation of manholes	0	0	1	0	2	0	0	0	3	0
Other sewer reticulation	Any other sewer reticulation inspections	3	0	4	0	0	0	0	0	7	0
PDA toilets repairs	Previously disadvantaged toilets repaired	Community members were appointed to carry out the repairs									
Pipeline sewer	Installation of sewer pipelines or repair of pipelines	1	0	1	0	0	0	1	0	3	0
Investigate sewer reticulation pump stations	Work carried out at sewer pump stations	1	0	12	21	2	11	2	0	17	32
Test water meter	Testing of water meter for accuracy	0		1		2		1		4	
Disconnect water connection	Disconnect supply	Managed Externally (Debt Pack)									
Install drip system	Installation and inspection of drip systems	Managed Externally (Debt Pack)									
Inspect water connections	Inspect connections	27	659	114	467	17	323	27	112	185	1 561
Other water connections	Inspections and work carried out at water connections	44	69	27	167	20	35	23	93	114	364
Pipelines water	Installation or repair of water pipelines	3	1	6	11	4	1	18	1	31	14
Pressure	Complaints with regard to pressure in the system	8	26	78	80	18	15	7	5	11	126
Water Pump Stations	Inspections and work carried out at water pump stations.	1	0	4	21	1	11	0	0	6	32
Repair pipe bursts	Repair of burst water pipelines	35	60	91	243	104	49	12	14	242	366
Reservoirs	Inspection of reservoirs and work carried out at reservoirs	2	2	40	47	50	5	1	2	93	56
Water Routine Inspections	Any water related inspections	0	1	2	5	0	2	3	10	5	18
Water Valves	Inspection of valves and work carried out on valves	5	2	9	21	2	12	2	2	18	37

12. FINANCE

Tariff structures for each user sector:

The water tariff structures for Overstrand Municipality for the 2009/2010 financial year and the previous three financial years are summarised in the table below (Subject to 14% VAT):

Table 12.1: Water Tariffs						
Consumer / Description	Tariff Code 09/10	Category	09/10	08/09	07/08	06/07
Consumer Deposits	WD1	Domestic Water	R450-00	R230-00	R220-00	
	WD2	Commercial Water Cons. < 40 kl	R850-00	R230-00	R220-00	
	WD3	Commercial Water Cons 40 – 100 kl	R3 000-00	R1 970-00	R1 860-00	
	WD4	Commercial Water Cons. 100 kl +	R4 700-00	R3 480-00	R3 280-00	
	WD5	Domestic – Water RUEs	Applicable RUE's x WD1			
Basic Charge	W1A1	Basic Monthly Charge	R74-56	R64-04	R60-35	R57-46
	W1A2	Basic Monthly Charge Indigent	R74-56	R64-04	R60-35	R57-46
Consumption	W1B1	1 – 6 kl per kl	R0-00	R0-00	R0-00	R0-00
	W1B2	7 – 10 kl per kl	R6-00	R2-00	R1-28	R1-22
		11 – 15 kl per kl			R1-70	R1-62
	W1B3	16 – 20 kl per kl		R5-00	R2-54	R2-42
		21 – 25 kl per kl			R3-36	R3-20
		26 – 30 kl per kl			R4-19	R3-99
	W1B4	31 – 40 kl per kl	R15-00	R8-00	R5-63	R5-36
		41 – 45 kl per kl			R6-89	R6-56
	W1B5	46 – 60 kl per kl		R11-00		
	W1B6	61 – 80 kl per kl	R20-00	R15-00	R8-21	R7-82
		81 – 100 kl per kl			R10-26	R9-77
		101 > kl per kl			R13-72	R13-07
Other Consumers	W1D1	Departmental per kl	R6-00	R2-46	R2-30	R2-19
		Small Holdings Basic			R34-22	R32-59
		Small Holdings 0 – 6 kl per kl			R0-00	R0-00
		Small Holdings 7 – 70 kl per kl			R3-42	R3-26
		Small Holdings > 70 kl per kl			R10-97	R10-45
	W1D2	Fire Hoses: Basic per month	R92-11	R87-11	R82-15	R78-24
		Uilenkraalsmond (SA) per kl			R1-49	R1-49
	W1D3	Bulk usage (Unconnected) per kl	R7-02	R6-23	R5-85	R5-57
	W1D4	Kidbrooke (Van Cauter 0 – 8000 kl /a)	R0-07	R0-07	R0-07	R0-07
	W1D5	Onrus Kleinhoewe Tariff 2 (Van Cauter)	R0-07	R0-07	R0-07	R0-07
	W1D6	Onrus Kleinhoewe Tariff 4 (Per Agreement)	R0-92	R0-92	R0-90	R0-90
	W1D7	Contractors water consumption – temporary connection	R5-26			
Availability (Not connected to network but can be connected)	W2A1	Per registered erf per annum	R70-18	R64-04	R60-38	R57-50
	W2A3	Proteadorp: Single quarters and prefabricated buildings per annum			R135-96	R129-48
Irrigation Water (Leiwater) & Raw Water	W3A1	Use and pump water (80-90min) per annum Stanford	R152-63	R143-86	R135-72	R129-21
	W3A2	Pearly Beach Small Holdings: Basic	R26-32	R24-56	R23-21	R22-10
	W3A3	Pearly Beach Small Holdings: Consumption 0 – 70 kl per kl	R1-75	R1-62	R1-52	R1-45

Table 12.1: Water Tariffs						
Consumer / Description	Tariff Code 09/10	Category	09/10	08/09	07/08	06/07
	W3A4	Pearly Beach Small Holdings: Consumption > 70 kl per kl	R4-39	R4-12	R3-86	R3-68
	W3A5	Others	R1-75	R1-32		
Sundry Charges	W4A1	Testing of a meter (Call-out fee incl.)	R403-51	R350-88	R330-70	R315-00
	W4A2	Testing of a meter (Ind / Bulk Meter)	Cost + 15%			
	W4A3	Disconnection	R105-26	R87-72	R82-90	R78-95
	W4A4	Reconnection	R105-26	R87-72	R82-90	R78-95
	W4A5	Reconnection after normal working hrs	R263-16	R232-46	R218-42	R207-89
	W4A6	Verification of a meter reading	R105-26	R87-72	R82-90	R78-95
	W4A7	Final and special readings	R105-26	R87-72	R82-90	R78-95
	W4A8	Call-out fee – Normal working hrs	R105-26	R87-72	R82-90	R78-95
	W4A9	Call-out fee – After hrs	R263-16	R232-46	R218-42	R207-89
	W4A10	Registration of Borehole	R96-49	R83-33	R77-19	R73-51
	W4A11	Repositioning of Meter (Excl. pipe)	R350-88	R307-02		
Remedial Action Fee (Tampering)	W5A1	1 st Offence	R2 000-00	R1 300-00	R1 102-50	R1 050-00
	W5A2	2 nd Offence	R3 000-00	R1 950-00	R1 659-00	R1 580-00
	W5A3	3 rd Offence	Total disconnection / Removal of connection			
Connection Fee	W6A1	20mm Connection	R2 105-26	R1 942-98	R1 832-46	R1 745-00
	W6A2	Other Connections	R2 631-58	R2 368-42	Cost + 15%	Cost + 15%
	W6A3	Connections (Erf Boundary – by Dev.)	R745-61	R671-05	R632-46	R602-02
Bulk Service Dev. Fees	W7	Bulk services development fees	Development Contributions will be determined as set out in the Annexure in respect of Dev. Contribution Policy			

The sewerage tariff structures for Overstrand Municipality for the 2009/2010 financial year and the previous three financial years are summarised in the table below (Subject to 14% VAT):

Table 12.2: Sewerage Tariffs						
Consumer / Description	Tariff Code 09/10	Category	09/10	08/09	07/08	06/07
Sewerage Network	Sew1B	Household – Conventional Sewer (R/month)	R171-05	R156-14	R135-40	R128-95
	Sew1B 1	Small-bore (Where applicable, small-bore tanks are generally pumped free of charge, provided that the norm is applied for consumption) (R/month)	R145-61	R140-35	R134-00	
	Sew1B 2	Indigent Household – Conventional Sewer (R/month)	R171-05	R156-14	R135-40	
	Sew1B 3	Indigent Household – Small bore Sewer (R/month)	R145-61	R140-35		
	Sew1C	Hotels, Hostels, Hospitals, Old Age Homes and Group Housing (R/month): per unit	R122-81	R105-26	R99-30	R94-56
	Sew1D	Guesthouses (Only where average monthly water consumption was more than 50 kl per month). The consumer may apply for the normal household tariff to be implemented (R/month)	Applicable Rate – Conventional or Small bore + R26-32 x No. of rooms	R146-49 + R23-68 x No. of rooms	R135-10 + R21-93 x No. of approved rentable rooms more than three	R128-95+ R21-05 x No. of approved rentable rooms more than three
	Sew1E	Shops / Offices / Churches (R/month) per unit	R43-86	R35-97	R33-16	R31-58
	Sew1F	Low cost housing residence (R/month)	R43-86	R41-23	R38-22	R36-40
	Sew1G	Semi-Permanent Caravan Sites per site (R/month)		R71-93	R66-13	R62-98
	Sew1H	Availability Fee (Conventional & small-bore sewerage) Even which are not	R149-12	R135-09	R131-25	R109-65

Table 12.2: Sewerage Tariffs

Consumer / Description	Tariff Code 09/10	Category	09/10	08/09	07/08	06/07
		connected to the network (R/month): Hermanus, Gansbaai & Hangklip - Kleinmond				R60-89
		Availability Fee (Conventional & small-bore sewerage) Erven which are not connected to the network (R/month): Stanford				
	Sew1I	Schools (R/month)	R107-02	R99-12	R93-24	R88-86
	Sew1J	Caravan Parks with communal ablution facilities (per bath, shower or toilet) (R/month)	R8-77	R7-02	R5-85	R5-57
	Sew1K	Departmental (Municipality) per toilet	R38-60	R35-97	R5-85	R5-57
	Sew1L	Sewerage network connection Small bore	R1 421-05	R1 315-79	R1 315-79	R1 315-79
	Sew1M	Restaurants, butcheries, supermarkets with their own food processing section, other food processing industries per unit	R158-77	R146-49	R135-40	R128-95
Conservancy Tanks & Septic Tanks	Sew2A	Erven not yet connected to a sewerage network / unable to (R/Month)	R21-93	R20-00	R13-97	R13-30
	Sew2B 1	Consumers who have a conservancy tank, who are not connected to a sewerage network, and who are unable to connect to a sewerage network (R/Month): Which includes a maximum of 1 vacuum tank removal pm for tanks bigger than 6 kl	R175-44	R146-49	R135-40	R128-95
	Sew2B 2	Consumers who have a conservancy tank, who are not connected to a sewerage network, and who are unable to connect to sewerage network (R/Month). Which includes a maximum of 2 vacuum tank removals pm for tanks smaller than 6 kl	R175-44	R146-49	R135-40	R128-95
	Sew2B 3	Hotels, Restaurants & Guesthouses with a conservancy tank who are not connected to a sewerage network and who are unable to connect to a sewerage network, up to 100 pumps per annum.		R497-37	R460-53	R438-60
	Sew2B 4	Hotels, Restaurants & Guesthouses with a conservancy tank who are not connected to a sewerage network and who are unable to connect to a sewerage network, more than 201 to 300 pumps per annum.		R1 492-11	R1 381-58	R1 461-99
	Sew2B 5	Hotels, Restaurants & Guesthouses with a conservancy tank who are not connected to a sewerage network and who are unable to connect to a sewerage network, more than 101 to 200 pumps per annum.		R994-74	R921-05	
	Sew2B 6	Hotels, Restaurants & Guesthouses with a conservancy tank who are not connected to a sewerage network and who are unable to connect to a sewerage network, more than 300 pumps per annum.		R1 657-90	R1 535-09	
	Sew2B 7	Indigent consumers who have a conservancy tank, who are not connected to a sewerage network, and who are unable to connect to sewerage network (R/Month). This tariff includes a maximum of 1 vacuum tank removals pm for tanks bigger than 6 kl and 2 removals per month for tanks smaller than 6 kl.	R175-44	R146-49	R135-40	
	Sew2C	Conservancy tank service per request (10 kl tanker): Hermanus, Gansbaai &	R140-35	R175-44	R161-67	R153-95

Table 12.2: Sewerage Tariffs

Consumer / Description	Tariff Code 09/10	Category	09/10	08/09	07/08	06/07
		Stanford				R81-58
		Conservancy tank service per request (10 kl tanker): Hangklip - Kleinmond				
	Sew2D	Conservancy tank service per request (20 kl tanker): Hermanus, Gansbaai & Stanford				R307-90
		Conservancy tank service per request (20 kl tanker): Hangklip - Kleinmond				R163-16
	Sew2E	Conservancy tank service per request (5.5 kl tanker)				R84-82
	Sew2F	Conservancy tank service per request (6 kl tanker or 5 kl tanker)		R105-26	R96-93	R92-37
	Sew2G	Conservancy tank service per request (12 kl tanker)				R184-82
	Sew2H	After hrs 5 & 6 kl per request	2 x Normal Tariff			
	Sew2H 1	After hrs businesses with public toilets per removal	Normal Applicable Tariff			
	Sew2I	Additional outside of proclaimed town areas / hour	R175-44 plus R7-89 / km	R150-00 plus R5 / km	R138-86	R132-28
	Sew2J	Proteadorp (Single quarters) (R/Month)	R46-49	R42-98	R39-24	R37-37
	Sew2K	Call out fee for Tank Service request but no service due to another defect	R175-44	R91-23	R84-03	R80-00
	Sew2L	Testing of the septic and conservancy tanks	R745-61	R701-75	R701-75	R701-75
Bulk Services Development Fees	Sew5	Bulk services development fees	Development Contributions will be determined as set out in the Annexure in respect of Development Contribution Policy			
	Sew4	More than 3 pipes an additional fee per pipe	R43-86	R15-79	R14-39	R13-68

Overstrand Municipality's Operational Budget for water services for the last four financial years are summarised in the table below:

Table 12.3: Operational budget for water services

Description			Actual 09/10	Record : Prior		
Category	Department	Vote		Actual 08/09	Actual 07/08	Actual 06/07
EXPENDITURE						
Salaries	Admin & Demand Management	450, 451	R0	R0	R0	R0
	Treatment	456, 459, 462	R3 829 101-52	R3 744 985-84	R3 260 423-96	R2 320 104-63
	Distribution	480, 481, 482, 483, 484	R4 802 312-70	R3 716 588-21	R3 576 283-18	R4 012 333-37
	Connections	490, 491, 492, 493	R260 703-94	R281 085-31	R311 425-31	R50 354-21
	Raw Dam	497	R0	R0	R0	R0
	Sub-Total		R8 892 118-16	R7 742 659-36	R7 148 132-45	R6 382 792-21
General	Admin & Demand Management	450, 451	R2 219 320-00	R1 929 830-00	R1 330 860-00	R4 913 843-66
	Treatment	456, 459, 462	R20 012 551-57	R19 760 613-18	R7 643 507-95	R6 530 086-10
	Distribution	480, 481, 482, 483, 484	R8 649 846-89	R8 518 062-13	R6 218 109-82	R4 525 261-52
	Connections	490, 491, 492, 493	R962 103-25	R848 664-07	R509 525-48	R522 524-73
	Raw Dam	497	R366 450-00	R318 650-00	R157 130-00	R149 500-00
	Sub-Total		R32 210 271-71	R31 375 819-38	R15 859 133-25	R16 641 216-01
Repairs	Admin & Demand Management	450, 451	R0	R0	R0	R0
	Treatment	456, 459, 462	R892 540-53	R850 133-42	R689 340-26	R541 808-75
	Distribution	480, 481, 482, 483, 484	R1 309 778-52	R1 362 070-93	R1 322 826-96	R1 169 599-31
	Connections	490, 491, 492, 493	R69 443-01	R32 132-89	R23 564-28	R569-30

Table 12.3: Operational budget for water services						
Description			Actual 09/10	Record : Prior		
Category	Department	Vote		Actual 08/09	Actual 07/08	Actual 06/07
	Raw Dam	497	R23 874-56	R33 069-39	R17 490-56	R17 158-42
	Sub-Total		R2 295 636-62	R2 277 406-63	R2 053 222-06	R1 729 135-78
Capital	Admin & Demand Management	450, 451	R0	R0	R0	R0
	Treatment	456, 459, 462	R6 203 773-65	R1 588 446-89	R1 513 653-91	R1 619 342-33
	Distribution	480, 481, 482, 483, 484	R22 603 056-20	R4 730 204-94	R3 582 578-56	R3 979 618-40
	Connections	490, 491, 492, 493	R0	R8 666-67	R12 000-00	R15 940-00
	Raw Dam	497	R291 292-05	R317 288-49	R316 518-64	R334 316-18
	Sub-Total		R29 098 121-90	R6 644 606-99	R5 424 751-11	R5 949 216-91
Total Expenditure			R72 496 148-39	R48 040 492-36	R30 485 238-87	R30 702 360-91
INCOME						
Water Treatment		456, 459, 462	R0	R13 152 000-00	R0	R0
Water Distribution		480, 481, 482, 483, 484	R0	R0	R422-93	R40 487 907-81
Water Income		489	R74 598 682-45	R53 419 194-44	R43 255 184-45	R0
Water Connections		490, 491, 492, 493	R0	R427 547-96	R564 463-41	R722 972-16
Total Income			R74 598 682-45	R66 998 742-40	R43 820 070-79	R41 210 879-97
TOTAL			-R2 102 534-06	--R18 958 250-04	R13 334 831-92	R10 508 519-06

Overstrand Municipality's Operational Budget for sanitation services for the last four financial years are summarised in the table below:

Table 12.4: Operational budget for sanitation services						
Description			Actual 09/10	Record : Prior		
Category	Department	Vote		Actual 08/09	Actual 07/08	Actual 06/07
EXPENDITURE						
Salaries	Administration	370	R0	R0	R0	R0
	Distribution	375, 376, 377, 378	R1 713 708-82	R1 308 873-10	R1 263 943-01	R1 289 777-45
	Connections	386, 387, 388	R0	R0	R0	R0
	Sewerage Tankers	395, 396, 397, 398	R4 498 821-04	R3 734 476-19	R2 755 758-85	R1 356 925-71
	Treatment	405, 406, 407, 408, 409	R2 423 110-55	R2 078 901-63	R1 855 391-02	R1 493 889-64
	Sub-Total		R8 635 640-41	R7 122 250-92	R5 875 092-88	R4 140 592-80
General	Administration	370	R0	R0	R725 270-00	R2 285 176-94
	Distribution	375, 376, 377, 378	R3 604 142-08	R3 807 592-06	R5 653 694-62	R4 155 824-10
	Connections	386, 387, 388	R201 314-35	R159 262-27	R329 795-51	R204 870-91
	Sewerage Tankers	395, 396, 397, 398	R2 858 604-98	R3 149 786-22	R2 391 250-69	R2 701 059-05
	Treatment	405, 406, 407, 408, 409	R2 027 657-93	R1 754 880-25	R1 756 163-93	R1 462 766-94
	Sub-Total		R8 691 719-34	R8 871 520-80	R10 856 174-75	R10 809 697-94
Repairs	Administration	370	R0	R0	R0	R0
	Distribution	375, 376, 377, 378	R1 500 596-54	R1 435 468-04	R1 278 656-10	R687 984-27
	Connections	386, 387, 388	R0	R0	R0	R0
	Sewerage Tankers	395, 396, 397, 398	R776 982-50	R936 636-51	R719 590-50	R2 962-63
	Treatment	405, 406, 407, 408, 409	R927 154-13	R1 125 338-01	R590 265-93	R504 014-88
	Sub-Total		R3 204 733-17	R3 497 442-56	R2 588 512-53	R1 194 961-78
Capital	Administration	370	R0	R0	R0	R0

Table 12.4: Operational budget for sanitation services						
Description			Actual 09/10	Record : Prior		
Category	Department	Vote		Actual 08/09	Actual 07/08	Actual 06/07
	Distribution	375, 376, 377, 378	R11 239 854-83	R4 654 543-68	R4 472 859-37	R5 242 886-65
	Connections	386, 387, 388	R139 090-00	R103 828-48	R103 828-48	R137 960-00
	Sewerage Tankers	395, 396, 397, 398	R832 420-00	R348 381-12	R634 525-01	R753 752-87
	Treatment	405, 406, 407, 408, 409	R4 972 381-61	R572 378-20	R560 614-02	R752 492-32
	Sub-Total		R17 183 746-44	R5 679 131-48	R5 771 826-88	R6 887 091-84
Total Expenditure			R37 715 839-36	R25 170 345-76	R25 091 607-04	R23 032 344-36
INCOME						
	Distribution	375, 376, 377, 378	R0	R0	R0	R19 744 705-72
	Connections	386, 387, 388	R89 137-63	R131 063-16	R141 303-25	R243 677-83
	Sewerage Tankers	395, 396, 397, 398	R0	R0	R0	R5 427 060-26
	Sewerage Income	410	R36 071 030-75	R31 924 980-93	R20 569 084-40	R0
Total Income			R36 160 168-38	R32 056 044-09	R20 710 387-65	R25 415 443-81
TOTAL			R1 555 670-98	-R6 885 698-33	R4 381 219-39	-R2 383 099-45

Income collected for water and sanitation services expressed as a % of total costs for water and sanitation services are as follows (Water and Sanitation Operational Budgets):

Table 12.5: Income collected for water and sanitation services expressed as a % of total costs for water and sanitation services				
Service	Actual 09/10	Actual 08/09	Actual 07/08	Actual 06/07
Water	102.90%	139.46%	143.74%	134.23%
Sanitation	95.88%	127.36%	82.54%	110.35%
Water and Sanitation	100.50%	135.30%	116.11%	123.99%

Un-recovered charges expressed as a % of total costs for water services provided:

The table below gives an overview of the percentage payment for water services for 30 days, 60 days and 90 days for the various financial years.

Table 12.6: Percentage payment for water services for 30 days, 60 days and 90 days												
Days	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Febr	Mar	Apr	May	Jun
2009/2010												
30 Days	78.55%	79.41%	81.84%	77.64%	82.64%	81.75%	83.44%	82.78%	84.66%	85.91%	83.25%	87.83%
60 Days	91.48%	92.13%	92.39%	89.52%	90.68%	91.12%	92.99%	93.09%	93.79%	94.35%	92.82%	
90 Days	94.13%	94.89%	94.67%	91.38%	93.08%	93.31%	95.41%	95.84%	95.66%	95.96%		
2008/2009												
30 Days	68.08%	75.38%	79.56%	75.96%	75.90%	77.26%	73.03%	77.51%	76.93%	76.55%	80.17%	82.27%
60 Days	88.27%	90.07%	89.52%	89.75%	88.40%	89.15%	90.28%	90.26%	90.37%	91.56%	88.97%	91.23%
90 Days	90.00%	93.49%	93.81%	92.60%	92.16%	92.60%	93.77%	93.94%	94.27%	94.23%	90.93%	93.74%
2007/2008												
30 Days	78.24%	72.71%	52.32%	80.39%	84.90%	76.34%	79.73%	80.10%	82.67%	81.68%	85.50%	82.04%
60 Days	93.46%	93.88%	97.24%	93.76%	96.20%	94.68%	95.23%	93.12%	95.47%	92.12%	93.68%	89.89%
90 Days	93.75%	93.93%	97.25%	93.79%	93.15%	94.14%	94.85%	96.61%	95.47%	94.23%	95.27%	93.08%
2006/2007												
30 Days	76.25%	75.19%	90.38%	79.28%	77.12%	78.44%	78.87%	80.05%	74.64%	79.81%	80.49%	77.55%
60 Days	88.14%	89.09%	94.98%	89.78%	86.99%	86.78%	90.96%	90.22%	89.62%	91.20%	89.63%	89.61%
90 Days	Not Cor.	93.45%	97.39%	93.84%	92.74%	94.02%	93.66%	93.00%	93.30%	93.66%	93.07%	92.48%
2005/2006												
30 Days	71.09%	71.58%	66.51%	76.68%	70.77%	76.51%	73.98%	76.51%	74.89%	77.74%	80.35%	88.05%
60 Days	84.68%	86.73%	94.66%	85.03%	84.14%	88.45%	87.96%	90.42%	88.30%	90.51%	90.32%	89.78%
90 Days	90.32%	92.21%	95.70%	89.05%	91.28%	92.12%	93.01%	93.34%	92.67%	93.72%	93.03%	93.43%
2004/2005												
30 Days	71.84%	74.86%	87.23%	72.43%	72.37%	73.38%	71.73%	74.26%	77.81%	59.67%	52.46%	75.74%
60 Days	86.56%	88.57%	93.70%	86.53%	87.48%	88.97%	88.63%	87.08%	95.65%	90.21%	85.93%	84.70%
90 Days	Not Cor.	86.71%	95.82%	97.83%	90.67%	87.19%	91.02%	91.33%	96.42%	92.33%	88.43%	86.01%

Number of new meters installed at consumer installations:

206 New water meters were installed during the last financial year at the new water connections that were provided.

Number of meters tested and the number of meters replaced expressed as a percentage of the total number of meters installed at consumer connections:

- Number of meters tested: 4, 0.01% of total number of meters installed at consumer connections (4 / 26 034 x 100).
- Number of meters replaced: 77, 0.03% of total number of meters installed at consumer connections (77 / 26 034 x 100).

13. PROJECTS COMPLETED

Overstrand Municipality completed the following water and sanitation capital projects during the 2009/2010 financial year.

Table 13.1: Water and Sanitation capital projects completed				
Project Description	Area	Budget	Expenditure	Percentage
Sewerage network implementation	Gansbaai	R1 200 000	R1 197 842	100%
WWTW – Compliance with EMP	Gansbaai	R990 000	R990 000	100%
WWTW Upgrading (SSI Report)	Stanford	R316 100	R316 100	100%
Upgrading of main sewer	Hermanus	R1 133 900	R1 111 953	98%
WWTW Upgrading (SSI Report)	Hermanus	R1 000 000	R1 000 000	100%
WWTW Upgrading (SSI Report)	Hawston	R1 795 070	R1 795 066	100%
WWTW Upgrading (SSI Report)	Kleinmond	R350 000	R350 000	100%
Relocate sewer line on erf 5962	Kleinmond	R75 000	R0	0%
Total for Sanitation Projects		R6 860 070	R6 760 961	99%
WTW – Investigation into Disinfection and Chlorination	Gansbaai	R350 000	R350 000	100%
Network upgrading	Gansbaai	R1 894 879	R1 884 185	99%
Franskraal WTWs (PHASE 2) + (MIG)	Gansbaai	R1 409 461	R1 111 308	79%
Replace Sandfilters, Valves and Pipework	Pearly Beach	R1 539 764	R1 539 764	100%
Reservoir Capacity (New reservoir) Investigation	Buffeljags	R500 000	R499 429	100%
Pipe Replacement	Voëlklip	R893 505	R893 505	100%
Stanford Reservoir	Stanford	R2 619 967	R2 325 773	89%
Stanford Aquifer Development (Umvoto)	Stanford	R930 000	R929 934	100%
Preekstoel WTW upgrade	Overstrand	R500 000	R499 149	100%
Gateway Wellfield Development (Umvoto)	Overstrand	R1 000 000	R1 000 000	100%
Preekstoel WTW lime dosing equipment	Overstrand	R304 490	R285 126	94%
Preekstoel WTW replace main control panel	Overstrand	R1 160 523	R961 079	83%
Pipe Replacement	Fisherhaven	R159 679	R157 493	99%
Roof over settling tank (Buffels River)	Hangklip	R150 000	R149 849	100%
MIG Housing water project	Kleinmond	R59 870	R59 870	100%
Pipe Replacement (To reduce water losses)	Betty's Bay & Kleinmond	R1 970 000	R1 882 701	96%
Groundwater Source Development and Monitoring	Overstrand	R2 000 000	R2 000 355	100%
Upgrade Overstrand Telemetry System	Overstrand	R454 270	R454 268	100%
Total for Water Projects		R17 896 408	R16 983 788	95%

**ANNEXURES CAN BE VIEWED IN THE ACTUAL
WATER SERVICES DOCUMENT AVAILABLE AT THE
OFFICE OF THE DEPUTY DIRECTOR: INFRASTRUCTURE**

REFERENCES

- Overstrand Municipality's Water Services Development Plan for 2010/2011, KV3 Engineers, 17 May 2010.
- Overstrand Municipality Water Master Plan, March 2006, CES
- Water Demand Management Strategy for Overstrand Municipality, Draft Report, March 2008.
- Overstrand Municipality's Operational and Capital Budgets and Tariffs.
- Strategic Framework for Water Services, September 2003.
- Water Services Act, Act 108 of 1997. Regulations under Section 9 of the Water Services Act, which include the water services audit as Section 10 of the Guidelines for Compulsory National Standards.
- DWA's Water Quality Management System web-site.
- DWA's Blue Drop Report 2010, Version 1, South African Drinking Water Quality Management Performance.
- DWA's Green Drop Report 2009, Version 1, South African Waste Water Quality Management Performance.
- Service Delivery and Budget Implementation Plan for Overstrand Municipality for 2009/2010.
- Audit on Overstrand WTW and WWTW Chlorination Installations, SSI, October 2009.
- Overstrand Municipality's Integrated Development Plan 2010/2011, Final, May 2010.