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## COMPONENT A: EXECUTIVE MAYOR'S FOREWORD

It is my privilege to present the George Municipality's Annual Report for the 2019/20 financial year.

In the period prior to my election as Executive Mayor on 22 May 2020, the Municipality had already been impacted by the impact of South Africa's sluggish economy followed by the Covid-19 virus pandemic which brought about the lockdown from late March 2020. This has resulted in numerous challenges for the municipality in dealing with the ongoing demands on service delivery and the effects of the pandemic on both households and the business sector.

In presenting this Annual Report, George Municipality sets out the financial performance highlights and financial position for the 2019/2020 financial year along with the achievements of management. As a political leadership we have tried to live up to the strategic objectives of:

- A City for a sustainable future for all the citizens of George;
- To deliver affordable quality services;
- To develop and grow George;
- To keep George clean safe and green;
- To ensure good governance and human capital in George, and
- To ensure participation of citizens in the management of George.

This Annual Report is a culmination of the implementation of the Municipality's Integrated Development Plan (IDP), Budget and Service Delivery and Budget Implementation Plan as adopted by Council for the 2019/20 financial year. The report is an account of George Municipality's achievements in the year under review, and it also assists in identifying our successes and failures.

This report is therefore intended to attest to the collective efforts of the administrative and political arms of the Municipality to progressively address the expectations of our people. The five-year IDP will remain the basis on which we will plan and implement strategy to deliver the required services as expected from our citizens. As a consequence of George Municipality delivering quality basic services it is has become an attractive destination for inward migration which once again places an additional burden on infrastructure.

Aging infrastructure and the demand for new infrastructure to accommodate the increased numbers continue to place the Municipality under severe financial pressure. Slow growth of the economy and unemployment have not made it any easier for us to perform optimally.

The effect of the Covid-19 pandemic on our citizens and on our Municipality's finances, resources and service delivery should not be under-estimated. The initial lockdown period resulted in the launch of over 130 soup kitchens to feed destitute families, increased levels of unemployment, temporary and possible permanent closures of businesses, a significant reduction in monthly billings for services rendered and lower debtor collection rates. A number of our citizens and staff members tested positive for the Covid-19 virus and some sadly succumbed. In the months ahead, the Municipality will need to deal with the challenges of the "new normal" which will include assisting the recovery of the local economy and of jobs, ensuring the safety and dignity of citizens and restoring the financial health of the Municipality.

Regardless of the pressure to perform I am pleased to announce some highlights in the 2019/20 financial year.

- 14 Additional substations were outfitted with communications equipment and can now be monitored on the SCADA system;
- Extension of George refuse transfer station completed;
- The securing of Grant funding to the value of R82 million towards the widening of the N2/Thembalethu bridge;

 Garden Route Dam upgrading: The raising of the Garden Route Dam Spillway commenced on 13 May 2019 and was completed on 13 December 2019.

I want to thank all the staff and senior management of the George municipality who have worked tirelessly to achieve the outcomes of the 2019/20 annual report.

I hope this annual report provides readers with insight into the affairs of the Municipality which will further put them in a position to engage with us on service delivery issues should a need arise.

ALDERMAN L VAN WYK EXECUTIVE MAYOR

## COMPONENT B: EXECUTIVE SUMMARY

### 1.1. MUNICIPAL MANAGER'S OVERVIEW

The Annual Report for 2019/2020 is more than just the gains achieved in the past financial year. A review of municipal governance in George over the past financial year is also provided. This report also documents the substantial progress achieved in the provision of basic services in line with the approved strategic plan of the Council.

The Constitution of the Republic of South Africa states that every person has the right to access adequate housing and that, in order to achieve a gradual realisation of that right, the state must take appropriate legislative and other steps within its available resources. In order to ensure that households enjoy a fair standard of living, access to housing also requires access to services such as potable water, basic sanitation, reliable energy sources and refuse collection services.

Investment in infrastructure remains an important priority for the city. This involves recognising investment and development patterns in order to ensure the provision of sufficient infrastructure in areas of high development. By investing in adequate economic and social infrastructure to promote and facilitate any further economic growth, the City continues to serve as a catalyst. In order to ensure that service delivery and good governance practices are accelerated throughout the organisation, we have placed different controls in place. This Annual Report again demonstrates this commitment. George Municipality received an unqualified audit with findings on compliance with legislations, from the Auditor-General of South Africa, for the 2018/2019 financial year.

## Information Technology

Broadband connectivity is fundamental to create an enabling environment for economic growth, development and inclusion. The City is fully aligned with South Africa's vision, as outlined in the National Development Plan, to provide seamless information infrastructure that will underpin a dynamic and connected information society, as well as a knowledge economy that is more inclusive, equitable and progressive. More than 60km of fibre-optic cable has been installed across the City.

## ICT initiatives during 2019/2020:

 Through the implementation of the George Municipal App, ICT is enabling the public to have a closer relationship with the George Municipality and its services.

#### Information

With up to date relevant information being distributed via the App, George residents know exactly what is happening in and around the city

### Accounts

George residents are currently able to view their municipal accounts and conveniently log queries, eliminating the need to physically visit the Accounts department.

The George Municipality is listed as a creditor on all Banking Apps and proof of payments can be sent to <a href="mailto:accounts@george.gov.za">accounts@george.gov.za</a>, making it easy to pay accounts online.

## Fault logging

Reporting a faulty Municipal service has never been easier, with a dedicated team ready to resolve issues as soon as they arise. The Municipal App provides the comfort of taking a picture of the problem and adding geographical information to make sure the guery is handled professionally and timeously.

## Ongoing projects launched by the City of George:

- Following extensive deliberation and detailed assessment of risks, constraints and sensitivities, the proposals for development of a proposed tertiary / research institute have been finalised;
- Integrated with the pristine natural qualities and celebrating our natural heritage presented by the landscape at the Garden Route Dam this project is anticipated to not only respond to the expressed need for diversifying and expanding the scope of tertiary education in the area but also harness opportunities to improve access to the site and enhance custodianship over the natural attributes of the site.

## New investment projects launched in 2019/2020 by the City of George:

- Our efforts to optimise the use of under-utilised and vacant land transpires in the application of the objectives expressed in our Municipal Spatial Development Framework in our decision making, while the investment readiness of strategic municipal owned sites is also tended to;
- Investigations and applications intended to yield affordable residential opportunities and industrial properties for development in the near future is in progress and planned for completion in 2021/2022.

### SPATIAL DEVELOPMENT FRAMEWORK

Following the adoption of our amended Municipal Spatial Development Framework in May 2019, the implementation of the MSDF continues to edge the city closer to the realisation of a spatially transformed city with improved sustainability and efficiency in the application of resources and assets.

The COVID-19 pandemic has, however exposed and emphasized the severity of inequality and lack of resilience in our urban and social environment. While the MSDF introduces sound policy and values, embracing the development norms and principles embedded in national policy, the pandemic brings home the realisation that our drive to spearhead spatial transformation and redress needs to be escalated needs to be pursued with intensity.

With the assistance of National Government and the DBSA the city has embarked on the process of development of a capital expenditure framework, which is an extension of the work done in the MSDF and will edge us closer to achievement of improved coordination between our sectoral plans and budget, assisting in alignment of our actions with the spatial objectives sought.

## **EXPANDED PUBLIC WORKS PROGRAMME**

The Expanded Public Works Programme (EPWP) is designed to provide temporary employment opportunities to as many unemployed residents as possible. In this regard, the EPWP continues to deliver positive change for the City and its residents.

- The Expanded Public Works Programme (EPWP) created 667 work opportunity in 2019/20 and 6300 jobs in the current IDP five-year cycle.
- Work opportunities (W/O) and Full Time Equivalent (FTE)

MUNICIPALITY	FTE/WO	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	TOTAL
CEORCE	FTE	1 482	511	382	503	550	402	2 348
GEORGE	wo	4 652	1 798	955	1 022	1 431	1 094	6 300

### WASTE MANAGEMENT AND LANDFILL

Addressing the challenge of landfill space:

- 1<sup>st</sup> Platform of composting plant finished. 2<sup>nd</sup> Platform and service provider will be done in 2020/2021
- Extension of George refuse transfer station completed.
- Part of road towards landfill site, paved, and new entrance towards landfill and composting plant completed.
- Supply and installation of generator for George refuse transfer station completed.
- New refuse transfer station and entrance road towards transfer station and landfill site completed.
- Boreholes at Uniondale landfill site completed as part of waste management licence conditions compliance.
- 4 New bakkies bought for waste management services.

### **ELECTRICITY**

The 2019/20 financial year will be remembered in future as the year of COVID19 and its associated lockdown, however City of George implementing measures to ensure that its electricity infrastructure is as reliable as possible. All projects are considered priority, and an abbreviated list is provided below:

- 14 Additional substations were outfitted with communications equipment and can now be monitored on the SCADA system;
- 40 Informal houses and 103 formal houses were electrified during the 2019/20 financial year;
- Phase 1 of the 66kV overhead line built from Glenwood Substation to Thembalethu, is 100% complete;
- Electricity losses increased from 5,64% to 7.12%.

## GEORGE INTEGRATED PUBLIC TRANSPORT NETWORK (GIPTN)

- The George Integrated Public Transport Network (GIPTN) is a precedent setting flagship model for the
  provision of public transport services in South Africa's emerging cities. The GIPTN has experienced
  exponential growth and wide acceptance as a municipal service and will add substantial further benefit to
  George and its community;
- The successful roll out of Phase 4B took place during March 2020 covering the areas of Borchards, Parkdene,
   Conville and Lawaaikamp;
- The securing of Grant funding to the value of R82 million towards the widening of the N2/Thembalethu bridge and conclusion of an agreement with the South African National Roads Agency (SANRAL)

#### CIVIL ENGINEERING

The growth areas identified by the City require significant capital investment in infrastructure. Densification of existing areas, a spatial strategy (SDF), is provided for in the design of long-term bulk services capacity upgrades, increasing the overall system capacity and boosting supply to developing areas. The demand for bulk infrastructure to accommodate housing opportunities, social needs, economic growth and development opportunities remains a key priority. The short, medium and long-term master plans for all civil engineering services incorporate the needs of all development requirements, is aligned with the SDF, and projects are prioritised according to the available budget. All projects are considered priority, and an abbreviated list is provided as:

- Garden Route Dam upgrading: The raising of the Garden Route Dam Spillway commenced on 13
   May 2019 and was completed on 13 December 2019;
- This project adds an additional 25% raw water storage capacity to the dam, a significant contribution in securing resource availability;
- The civil works for the extension of the Outeniqua Waste Water Treatment Works capacity by an additional 10MI has been completed with the mechanical/ electrical tender following to complete this strategic project. Included in the works are various remedial works to ensure that the effluent complies with the statutory requirements of the Water Act;
- The tender for the 20 MI extension of the water treatment capacity was concluded in 2019/20;
- Various road upgrades and infrastructure for the GIPTN in 2019/2020;
- Various storm water projects according to master plan requirements Thembalethu and Pacaltsdorp;
- The upgrading and rehabilitation of four key sewer pump stations commenced;
- The upgrading of key bulk water and sewer pipelines commenced;
- Bulk services (water and sewer) for the Erf 325 East housing project;
- Various infrastructure projects commenced with planning for implementation readiness, including additional reservoirs (Thembalethu and Pacaltsdorp), supplementary water supply to Wilderness from the George main zone, Kleinkrantz bulk sewer pipeline, Uniondale reservoir capacity, Thembalethu/N2 water, and numerous others.

### **HUMAN SETTLEMENT DEVELOPMENT**

The City remains committed to facilitating redress through the development of sustainable, integrated human settlements, addressing the needs of communities in informal settlements, and improving the plight of backyard dwellers by providing access to basic services and housing opportunities.

The tabling of this Report provides a platform to reflect on the journey towards providing sustainable human settlements to the citizens of George during the past financial year. The following interventions have been held during the financial year:

- Regional Forum Meetings between Provincial Department of Human Settlements (PDoHS) and the George Municipality to discuss all new housing policies and budget related matters in housing delivery. At this forum, municipalities receive information relating to: beneficiary administration, outstanding approvals, informal settlement challenges, and title deed transfers.
- The Human Settlements Department is also represented at the quarterly Informal Settlements Support Programme (ISSP) meetings of the Provincial Department of Human Settlements (PDoHS).
   The latter program aims to interpret National and Provincial guidelines with respect to upgrading of

informal settlements. The purpose of these monthly meetings is to discuss best practices in informal settlements within the George Municipal region.

Basic service delivery standards and levels have been sustained with all formal and informal households having access to clean water, sanitation services and refuse removal. The backlogs for electricity connections are only prevalent in informal settlements. These backlogs are gradually phased out and is dependent on the availability of funding

Some of the main Human Settlements Projects to be highlighted in the 2019/2020 financial year include:

- The continuation of the various phases of the Thembalethu UISP project both services and top structures.
- The continuation of the planning around Social, Gap and FLISP Housing Projects and Municipal Accreditation.
- Information pertaining to the compilation of an updated Human Settlements Plan
- The continuation of the planning of the upgrading of informal settlements and the establishment of Beneficiary Liaison Committees for all the informal settlement areas.
- The ongoing planning of the various housing projects on the Housing Pipeline
- Progress on the Erf 325 housing project

An amount of R4 857 854.00 was received for the Title Deed Restoration Project and since the initiation of this project (1 April 2016) a total of 1 023 properties were registered. In the 2019/20 financial year, 236 transfers were registered.

This annual report reflects all the efforts in building a better George with a sustainable future.

Finally, it is worth mentioning that the service delivery progress reported in this Annual Report would not have been possible without the commitment, hard work and dedication of municipal staff, sometimes under extremely difficult circumstances. I would like to express my sincere appreciation to them.

DR M GRATZ ACTING MUNICIPAL MANAGER

## CHAPTER 1: MUNICIPAL OVERVIEW

## 1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

### 1.2.1 Introduction

The 2019/2020 Annual Report reflects on the performance of the George Municipality for the period of 1 July 2019 to June 2020. The Annual Report is prepared in terms of Section 121(1) of the Local Government: Municipal Finance Management Act 56 of 2003 (MFMA), which requires municipalities to prepare an Annual Report for each financial year.

## 1.2.2 Population

According to the Census 2011 data, the population of George increased from 135 045 in 2001 to 193 672 in 2011. This shows an increase of 43 percent (58 267) over the 10 years. This growth is significantly higher than South Africa's average annual population growth of two percent and can largely be attributed to an influx of individuals from other provinces that move to the Western Cape in search for job opportunities.

From this strong base, the Western Cape Department of Social Development could make population growth estimates for each municipality for the period 2018-2024. These projections can assist municipalities to align their budget allocations with basic service delivery demands and priorities.

## 1.2.3 Population Characteristics

Population	2001	2011	<sup>1</sup> Projected Population Estimates						
Size			2018	2019	2020	2021	2022	2023	2024
Population	135 045	193 672	213 189	217 054	220 791	224 412	228 029	232 409	236 655
Growth									

Projected Population Estimates

According to the population estimates of 2018 as projected by the Western Cape Department of Social Development, the population of George Municipality is currently on 213 189 rendering it the biggest municipal area by population within the Garden Route District. This total is estimated to increase to 236 622 by 2024 which equates to 1.8% average annual growth over this period. The growth of George Municipality's population for the 2018 to 2024 period is slightly below that of the Garden Route District's rate of 1.9%.

<sup>&</sup>lt;sup>1</sup> Projection by Western Cape Department of Social Development, 2018

## 1.2.4 Population: Age Cohorts

Year	Children: 0-14 Years	Working Age: 15 — 64 Years	Aged: 65+	Dependency Ratio
2011	50 951	130 349	12 377	48.6
2019	53 978	141 952	21 124	52.9
2024	56 265	154 166	26 224	53.5

Age Cohorts

The above table depicts George municipal area's population composition per age cohorts. The above table also shows the dependency ratio which in return indicates who forms part of the workforce (age 15-64) as well as their dependants (children and seniors). A higher dependency ratio means greater pressure on a smaller productive population and higher pressure on social systems.

A comparison between 2011 and 2019 estimates shows an increase in the dependency ratio from 48.6 in 2011 to 52.9 in 2019; this is projected to increase even further to 53.5 in 2024. This is mainly attributed to a sharp rise in the aged (65+) cohort over the 2011–2024 period.

## 1.2.5 Overview of George Municipality's Wards

Ward	Areas
Ward 1	Blanco: Die Rus, Golden Valley, Heather Park (Portion), Houtbosch, Riverlea
Ward 2	Denneoord (Portion), Fernridge
Ward 3	Die Bult, Glen Barrie, Heather Park (Portion), Heatherlands, King George Park, Kingswood Golf Estate
	Phase 1, Sport Park
Ward 4	Hoekwil, Kleinkrantz, Kleinkrantz Farms, Pine Dew, Touwsranten, Wilderness, Wilderness Heights, The
	Dunes, Drie Valley (Portion)
Ward 5	Le Vallia, Protea Park (Portion), Bergsig (George East, Bo-dorp (Portion), Loerie Park)
Ward 6	Protea Park (Portion), Rosemoore, Urbansville
Ward 7	Ballotsview (Portion), Lawaaikamp, Maraiskamp
Ward 8	Ballotsview, Parkdene
Ward 9	Thembalethu: Zone 4, Zone 7, Zone 8 (Portion)
Ward 10	Thembalethu: Zone 6
Ward 11	Thembalethu: Zone 3 (Portion), Zone 5 (Portion), Zone 4 (Portion), Garden Route East, Glenwood,
	Kaaimans, Kraaibosch 195, Kraaibosch Manor and Estate, Saasveld, Victoria Bay, Blue Mountain, Boven
	Lange Valley 189 (Portion), Duiwerivier, Outeniqua Berg (East) and West, Dieprivier 178, New Melsetter
	178, Avontuur166, Woodville Farms, Barbiers Kraal156, Kaaimans, Far Hills Hotel, Ballots Bay (Portion),
	Garden Route Mall, Drie Valleyen 186 (Portion), Sandkraal 197 (Portion)
Ward 12	Thembalethu: Zone 8 (Portion), Zone 9 (Portion)
Ward 13	Thembalethu: Zones 1,2 and 3, Zone 4 (Portion), Zone 8 (Portion), Zone 9 (Portion)
Ward 14	Rosedale, Old Pacaltsdorp (Portion)
Ward 15	Thembalethu: Zone 9 (Portion), whole of Nompumelelo
Ward 16	Andersonville, New Dawn Park, Smartie Town
Ward 17	Convent Gardens, Conville, George Industrial (Portion), Mollenrivierrif, Rosemoore (Portion), Tamsui
Ward 18	Denneoord (Portion), Denver, Eden, Genevafontein, Loerie Park, Outeniqua Berge (West), Panorama,
	Tweerivieren
Ward 19	Central Business District, Dormehlsdrift, George South
Ward 20	Borchards, Steinhoff Industrial Park
Ward 21	Thembalethu: Zone 6, Ramaphosa, Silvertown, Asazani, Ballots Bay (Portion)

Ward	Areas
Ward 22	Afgunst River, Buffelsdrift 227, Camfer Kloof 96, Camphersdrift, Croxden 90, Die Oude Uitkyk 225, Diepe Kloof 226, Doorn rivier/Herold, Dwarsweg 260, Geelhoutboom 217, Gwayang 208 (Portion), Herold, Houtbosch, Klyne Fontyn 218, Kouwdouw 88, Malgaskraal, Modderaas Kloof 133, Modderivier 209, Moerasrivier 233, Outeniqua Berge (West), Platte Kloof 131, Smuts kloof 94, Waboomskraal Noord 87, Bodorp (Portion)
Ward 23	Bos en Dal, Breakwater Bay, CPA Area, Groeneweide Park, Herolds Bay, Le Grand, Monate Resort, Oubaai Golf Estate, Pacaltsdorp Industria, Rooirivierrif, Toeriste Gebied, Delville Park, Syferfontein, Hansmoeskraal, Gwaiing Farm Areas, Gwaingriviermond
Ward 24	Haarlem and surrounding areas
Ward 25	Uniondale and surrounding areas
Ward 26	Blanco (Portion), Cherry Creek, Fancourt Gardens, Fancourt South, Heather Park (Portion), Kerriwood Hill, Kingswood Golf Estate, Mount Fleur Mountain Estate, Oaklands, Soeteweide, Fancourt
Ward 27	Europe, Harmony Park, Ou Pacaltsdorp (Portion), Protea Estate, Seaview, Uitbreiding 11, Seesight

Municipal Wards

## 1.3 SERVICE DELIVERY OVERVIEW

## 1.3.1 Introduction to Service Delivery

In terms of the Constitution of the Republic of South Africa, 1996(hereafter referred to as Constitution) every citizen has a right to access basic services. George Municipality is doing its utmost best to provide these services to all the inhabitants within the George municipal area. Many housing projects have been completed successfully and new housing projects are in the process of being completed. Reconstruction and Development Programme(RDP) houses are fitted with prepaid electricity meters and solar geysers to improve the living standards of the indigents. Free basic services are rendered and funded through the equitable share grant. The indigent subsidy is also rolled out in the rural areas of George.

## 1.3.2 Proportion of Households with Access to Basic Services

Proportion of Households with minimum level of Basic services							
2016/17 2017/18 2018/19 2019/2020							
Electricity service connections	80%	90%	100%	100%			
Water - available within 200 m from dwelling	65%	75%	95%	98%			
Sanitation - Households with at least VIP service	58%	63%	98%	98%			
Waste collection - kerbside collection once a week	35%	40%	100%	100%			

## 1.3.3 Highlights: Access to Basic Services

The table below specifies the highlights for the year under review:

Highlights	Description
Completion of PMS (February 2020)	Assists in the prioritisation of upgrading/repairs of roads
Paving in roads	Upgrading of gravel roads in previously disadvantaged areas

Highlights	Description
Rehabilitation of Caledon street (1 250 m)	Completion of the rebuilding of Caledon street, including the upgrading of the sidewalks to universal accessible standard
Rehabilitation of Mission street (570m)	Completion of the rebuilding of Mission street, including the upgrading of the sidewalks to universal accessible standard
Rehabilitation of Merriman street (665 m)	Completion of the rebuilding of Merriman street, including the upgrading of the sidewalks to universal accessible standard, installation of new 300 mm PVC pipeline, railway crossing and new electrical street lighting
Rehabilitation of Tabata street (1 100 m)	Commencement with complete rebuild of phase 1 of Tabata street. Unfortunately, due to Community disruption, the project was suspended until the outstanding labour issues could be resolve. It is foreseen that construction work will recommence within 2020/21, as soon as sufficient funding is secured.
Rehabilitation of Wellington street (400 m)	Commencement of the rebuilding of Wellington street
Rehabilitation of Triumph street (330 m)	Commencement of the rebuilding of Triumph street, including the upgrading of the sidewalks and street lighting to universal accessible standard
Reseal of 5th avenue (500 m)	Reseal of 5th avenue
Reseal of Union street (900 m)	Reseal of Union street
Completion of the George Municipality Water Service	The WSDP is the primary instrument of planning in the
Development Plan (WSDP)	water services sector.
Updating of the Storm Water Maintenance Plan	Assists in the prioritisation of upgrading/repairs of storm
(Partially completed)	water

Highlights: Basic Services Delivery

## 1.3.4 Challenges: Basic Services Delivery

The table below specifies the challenges for the year:

Challenges	Description
State of Disaster due to the COVID 19 Pandemic	Significant impact on capital projects due to measures implemented. Already understaffed under further pressure as a result of vulnerable staff with comorbidities on mandatory leave and/or working from home
Large and complex capital projects	Compliance of tenderers with Supply Chain management requirements, and tenderers who have the necessary experience and expertise to carry out major, complex water and sanitation projects
Staff Capacity	Currently this Department is understaffed, and filling of vacant positions is slow
Budget restraints	PMS and Storm Water Maintenance Plans indicated priorities for repairs/upgrades, but insufficient budget
Expansion of George	This causes pressure on existing infrastructure capacity and new infrastructure that is required for growth
Access to adequate/decent gravel quarries	The quality of materials is a cause of great concern, since most of the quarries in the region are depleted
Community disruption of road maintenance and rebuilding projects	The employment of local labour and contractors from directly affected wards that meet the necessary legislative requirements

Challenges	Description		
	remains a challenge. All projects focus on maximum creation of job opportunities for unemployed members of affected communities.		
	Delays due to finalizing local labour and contractors resulted in unbudgeted financial cost, leading to reduce project scope.		
Insufficient and timeously funding	Insufficient funding is provided to maintains of the exiting road network, with additional grand funding only being made available within the last quarter of the financial year		

Challenges: Basic Services Delivery

## 1.4 FINANCIAL HEALTH OVERVIEW

## NATIONAL KEY PERFORMANCE INDICATORS: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT (RATIOS)

The following table display the Municipality's performance per National Key Performance Indicator as stipulated in the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and Section 43 of the Local Government: Municipal Systems Act 32 of 2000 (MSA).

These key performance indicators are linked to the National Key Performance Area(KPA), namely: Municipal

Financial Viability and Management:

Description	Basis of calculation	2017/18	2018/19	2019/20
		Audited	Pre-audited	Pre-audited
		Outcome	Outcome	Outcome
Cost Coverage	(Available cash + Investment -Unspent	4.30 months	3.83 months	4.87 months
	Grants)/monthly fixed operational expenditure			
Total Outstanding	(Total outstanding service debtors/annual revenue	9.56%	10.93%	10.55%
Service Debtors to	received for services			
Revenue				
Debt Coverage	(Overdraft +Finance Lease Obligation +	24.88%	20.14%	20.74%
	Borrowings) / (Total Operating Revenue -			
	Conditional Grants) x 100			

Municipal KPIs for Financial Viability and Management

## 1.4.1 Financial Overview 2019/2020

Financial Overview: 2019/2020 R' 000						
Details	Original budget	Adjustment Budget	Actual			
Income:						
Grants	667 570 954.00	861 025 053.00	611 561 953.00			
Taxes, Levies and tariffs	1 316 291 204.00	1 341 291 204.00	1 317 616 327.00			
Other	295 566 363.00	246 786 248.00	237 628 156.00			
Sub Total	2 279 428 521.00	2 449 102 505.00	2 166 806 436.00			
Less: Expenditure	2 270 007 094.00	2 425 854 627.00	2 023 859 974.00			
Net Total*	9 421 427.00	23 247 878.00	142 946 462.00			
* Note: surplus/(deficit)						

Financial Overview 2019/20

## 1.4.2 Operating Ratios

Operating Ratios		
Detail	%	
Employee Cost	30.66%	
Repairs & Maintenance	5.82%	
Finance Charges & Impairment	9.72%	

**Operating Ratios** 

Employee costs constitute 30.66% of total operating expenditure in 2019/2020 which is within the norm of 25-40 per cent. The repairs and maintenance to total operating expenditure is 5.82% which is lower than the norm of 20%, the Municipality should strive to spend more on repairs and maintenance to improve the ageing municipal infrastructure. Finance charges and impairment to total operating expenditure norm is 10% while the municipality is at 9.72% which is much lower than the norm.

## 1.4.3 Liquidity Ratios

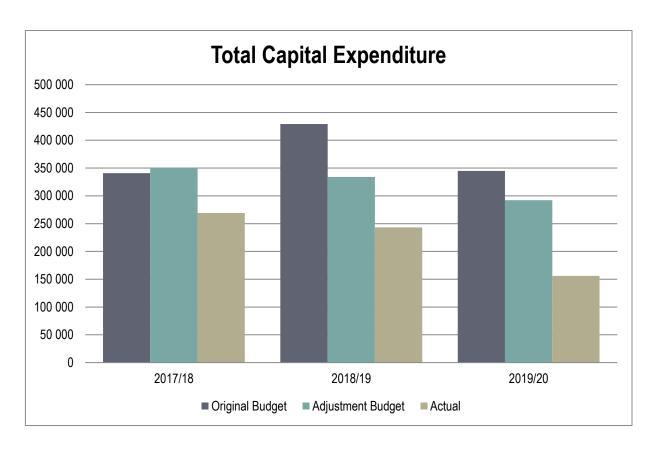
Description	Basis of Calculation	Norm	2017/18	2018/19	2019/20
Current Ratio	Current Assets/ Current Liabilities	1.5-2: 1	2.07	1.74	1.98
Current Ratio Adjusted for aged debtors	Current Assets less debtors > 90 days/ Current Liabilities		1.76	1.50	1.69
Liquidity Ratio	Monetary Assets/ Current Liabilities		1.41	1.00	1.43

This ratio indicates the Municipality's ability to pay its debts due within a year out of the current assets. The ratio of 1.5 - 2 is considered to be acceptable.

## 1.4.4 Total Expenditures 2018-2020

Total Capital Expenditure: Year 2018 to Year 2020 R'000				
Detail	2017/18	2018/19	2019/20	
Original Budget	340 932	429 111	344 772	
Adjustment Budget	350 685	334 004	292 051	
Actual	269 131	243 236	156 018	

Total Capital Expenditure



Over the three-year period, the Municipality is planned to spend R977 million on capital infrastructure investment. In 2019/20 the capital budget is R291 million; a 12.56% decrease from the 2018/19 budget year. In 2018/19 the capital budget is R334 million; a 4.76% decrease from the 2017/18 budget year.

In 2019/20 actual capital expenditure was 53.42% to budgeted expenditure, the performance declined in 2019/20 in comparison to 2018/19 where the actual spending was 73% of the budget. In 2018/19 actual capital expenditure was 73% to budgeted expenditure, the performance declined in 2018/19 in comparison to 2017/18 where the actual spending was 77% of the budget.

## 1.4.5 Highlights: Financial Viability

The table below specifies the highlights for the 2019/20 financial year:

Highlights	Description
Achievement of an Unqualified Audit opinion for the 2018/19 financial year	The opinion of the Auditor General was that the financial statements present fairly, in all material respects, the financial position of the George Municipality as at 30 June 2019.  This was an improvement from the 2017/18 Qualified Audit Opinion.

Highlights	Description
Municipal Standard Chart of Accounts (MSCOA)	George Municipality early adopted MSCOA. Early adoptionandimplementationon1July2016- version5.4. Version6.1wasimplementedon1July 2017. Version 6.2 was implemented on 1 July 2018 and Version 6.3 on 1 July 2019. The2020/21budgetwascreatedinVersion 6.4.
Implementation of the Cost Containment Policy	According to the Municipal Cost Containment Regulations,2019 there is an instruction for the Municipality to develop their own cost containment policy as a minimal measure to ensure good governance. The purpose of this policy is to direct the Municipality on cost containment measures that must be implemented to ensure that resources of the Municipality are used effectively, efficiently and economically.
Achievement of an average payment ratio of 96% prior to the Covid 19 pandemic.	The payment ratio is monitored closely monthly and George Municipality is optimistic that the local economy will improve in due course.

Highlights: Financial Viability

## 1.4.6 Challenges: Financial Viability

The table below specifies the challenge(s) for the 2019/20 financial year:

Challenges	Action to address
Decrease in average debtor payment ratio linked to Covid 19 pandemic.	<ul> <li>Mainly due to the COVID19 pandemic which had a negative effect on the economy and the ability of consumers to pay their accounts.</li> <li>Adjustment of service revenue budget</li> </ul>
Increasing Outstanding Debt:	
The Municipality's outstanding debt for the period 1 July 2019 to 30 June 2020 increased from R227.6.2m to R279.2m. The biggest increase is in the debt of the indigent households and is in respect of excess water usage above 6kl water.	■ There were no credit control actions performed during most of the lock down period until June 2020, only messages were sent out to consumers to encourage
Water leakages at indigent households also contribute to the excessive water usage.	them to pay their accounts. The municipality is in the process of applying credit control actions from level 1 onwards.
The lockdown due to Covid-19 contributed to the increase in outstanding debt, due to consumers not being able to pay their accounts because of the downturn in the economic activity and other financial reasons.	The indigent consumers are assisted with the repair of leakages to minimize water and revenue losses.

Challenges: Financial Viability

## 1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

## 1.5.1 Highlights: Municipal Transformation and Organisational Development

The table below specifies the highlights for the 2019/20 financial year:

Highlights	Description
Structural "re-alignment" progress	Approved organograms/structures per directorate were scrutinized to identify future posts and thereby reduce the number of posts needing to be filled in the current financial year. This would reduce the vacancy rate from more than 50% to a more realistic below 20%

Highlights: Municipal Transformation and Organisational Development

## 1.5.2 Challenges: Municipal Transformation and Organisational Development

The table below specifies the challenge(s) for the 2019/20 financial year:

Challenges	Actions to address
Identifying future posts within the organisation posed challenges in the accurate writing of Job Descriptions	Write the Job Description as if post is to be filled within 6- 12 months else reconsider the post and remove from structure

Challenges: Municipal Transformation and organisational Development

## 1.6 AUDITOR GENERAL REPORT

Year	2017/18	2018/19	2019/20
Status	Qualified	Unqualified with findings	Unqualified with findings

## 1.7 STATUTORY ANNUAL REPORT PROCESS

PROCESS	DATE
ANNUAL REPORT AN FINANCIAL STATEMENTS	October 2020
<ul> <li>Submit 2019/20 Annual Report and Financial Statements to the Auditor General</li> </ul>	
Table Annual Report and Annual Financial Statements	Feb- March 2021
<ul> <li>Mayor tables Annual Report at Council</li> </ul>	
Advertise tabled Annual Report for public input	March 2021
Advertise Municipal Public Accounts Committee (MPAC) Schedule inviting the local community to make representations on the tabled Annual Report	March 2021
1st MPAC Meeting: MPAC pose questions to Management to get clarity on the contents of the tabled	March - April
Annual Report	2021

PROCESS	DATE
2 <sup>nd</sup> MPAC Meeting: Public hearings – The local community and any organ of state will be allowed to make representations on the tabled Annual Report	April 2021
<b>3<sup>rd</sup> MPAC Meeting:</b> Preparation of the Oversight Report, taking into consideration the views and inputs of the local community, Office of the Auditor General, organ of states, Audit Committee and Councillors	April 2021
Oversight and Annual Report: Adoption of the Oversight Report on the Annual Report by Council	April 2021
Advertise and Publish Annual Report: Advertise the approved Annual Report & publish on the municipal website	April 2021
Submission of the Oversight on the Annual Report to Provincial Treasury, Department of Local Government and Office of the Premier and Auditor General's Office	April2021

## CHAPTER 2: GOVERNANCE

## 2 INTRODUCTION TO GOVERNANCE

Good governance has 8 major characteristics namely:

- Participatory;
- Consensus oriented;
- Accountability;
- Transparency;
- Responsiveness;
- Efficiency and effectiveness;
- Equity;
- Inclusiveness which follows the rule of law.

The embodiment of these characteristics assures that corruption is minimised, the views of minorities are considered and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

## NATIONAL KEY PERFORMANCE INDICATORS: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

This key performance indicator is linked to the National Key Performance Area - Good Governance and Public Participation:

Indicator	2018/19	2019/20
The number of people from employment equity target groups employed (newly appointed) in the three highest levels of management in compliance with the municipality's approved Employment Equity Plan by 30 June 2020	2	0
The percentage of a municipality's budget actually spent on implementing its workplace skills plan	0.37%	0.65%

# COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

Section 151 (3) of the Constitution, states *inter alia* that the council of a municipality has the right to govern on its own initiative, the local government affairs of the local community.

## 2.1 POLITICAL GOVERNANCE

Section 52 (a) of the MFMA, stipulates that the Mayor must provide general political guidance over the fiscal and financial affairs of the municipality.

The Council performs both legislative and executive functions, focusing on legislative, oversight and participatory roles, and has delegated its executive function to the Executive Mayor and the Mayoral Committee. The Council's primary role is to debate issues publicly, facilitate political debate and discussion. Apart from their functions as decision-makers, Councillors are also actively involved in community work as well as various social programmes in the municipal area.

The political governance structure with respect to key committees is well established and functional.

### 2.1.1 Political Structure

The Council has 53 seats (27 Ward Councillors and 26 Proportional Representative (PR) Councillors. The Speaker, Alderman G Pretorius is the Chairperson of the Council. The Party Political and demographic representation of Councillors is reflected in the table below:

Political Party	Allocation of Seats	Ger	nder
		Male	Female
Democratic Alliance (DA)	28	20	8
African National Congress (ANC)	17	7	10
Economic Freedom Fighters (EFF)	1	1	-
PBI	2	2	-
African Christian Democratic Party (ACDP)	1	1	-
African Independent Congress (AIC)	1	1	-
ICOSA	1	-	1
SAC	1	-	1
Vryheid's Front Plus (VF+)	1	1	-
Total	53	34	19

## a) Council

Below is a table that categorised the councillors within their specific political parties and wards from 01 JULY 2019 TILL 30 JUNE 2020:

Name of Councillor	Capacity	Political Party	Ward representing or proportional
BARNARDT, MARLENE	FT	DA	4
BROWN, ERIKA LUISE	PT	DA	18
BUSSACK, EDMUND (until 21/02/20)	FT	DA	14 (VACANT)
BUYS, JOHN-PATRICK	PT	PBI	PR
CLARKE, CHARLOTTE MARY-ANN	FT	DA	PR
CORNELIUS, BELRINA MAGDELENA (until 21/02/20)	PT	DA	27 (VACANT)
CRONJE, DANIEL LODEVICUS	PT	DA	2
DANIELS, MICHEAL	PT	ANC	24
DLIKILILI, SIVUYILE	PT	ANC	9
DRAGHOENDER, MERCIA	PT	SAC	PR
DU TOIT, JOHAN	PT	ACDP	PR
ESAU, JARQUES DENVAR	PT	ANC	25
FARELL, DENNIS (from 12/06/20)	PT	DA	PR
FIGLAND, RAYBIN-GIBB SYLVESTER	FT	DA	PR
FORTUIN, TERESA (from 01/06/20)	PT	ICOSA	PR
FRY, JUSTIN	PT	DA	PR
GERICKE, VIRGILL	PT	PBI	PR
GULTIG, DONOVAN	PT	DA	18
HARRIS, WILBERT TERENCE (until 01/06/20)	PT	ICOSA	PR
HENGE, BUYISWA DEBORAH	PT	ANC	10
INGO, HENDRIK HERMANUS	PT	DA	6
JAMES, NTOMBI ROSY	PT	ANC	21
JANTJIES-GUSHMAN, GLENYS NOMAWETHU	PT	ANC	PR
KAMA, VUYOLWETHU ARNOLD	PT	EFF	PR
KRITZINGER, IONA CHRISTINA	FT	DA	PR
LANGA, LANGA	PT	ANC	13
LESELE, COKISWA IRIS	PT	ANC	11
LOFF, HELEN	PT	ANC	PR
LOUW, PETER	PT	DA	5
MBETE, NOSICELO	FT	DA	PR
MDAKA, NONTEMBEKO FAITH	PT	ANC	15
MKHONDO, KHUMBULELE JACKSON	PT	AIC	PR
MULLER, VICENTIUS (until 26/05/20)	PT	DA	17 (VACANT)
NAIK, MELVIN GEORGE (until 20/02/20)	FT	DA	PR
NCAMAZANA, JULIA	PT	ANC	PR
NOBLE, CECIL HENRY	PT	DA	16

Name of Councillor	Capacity	Political Party	Ward representing or proportional
NOSANA, PHUMELA PAMELA	PT	ANC	PR
NYAKATHI, MXOLISI MICHEAL	FT	DA	PR
PIENAAR, LIZELLE (from 30/04/20 until 10/06/20)	PT	DA	PR
PLATA, BULELWA	PT	ANC	12
PRETORIUS, GERRIT	FT	DA	22
ROOILAND, SHAHEED	PT	ANC	7
SäFERS, JEAN	PT	DA	1
SNYMAN, SEAN	FT	DA	19
STANDER, GIDEON JOHANNES	PT	DA	23
STEMELA, ISAYA	PT (until 27/05/20) FT (from 27/05/20)	DA	PR
STROEBEL, ELIZABETH	PT	DA	PR
TEYISI, TOBEKA	PT	ANC	PR
VAN DER HOVEN, PIETER JACOBUS	PT	ANC	PR
VAN NIEKERK, GERT JOHANNES	PT	VFP	PR
VAN WYK, LEON DAVID	PT (until 22/05/20) FT (from 22/05/20)	DA	PR
VON BRANDIS, JACQULIQUE	FT	DA	26
WESSELS, DIRK JOHANNES	PT (from 27/05/20) FT (from 27/05/20)	DA	PR
WILLEMSE, ANTHONY DAVID (until 28/02/20)	FT	DA	8 (VACANT)
WILLIAMS, CHARLIE THAMSAQA	PT	ANC	PR
WINDWAAI, REGINA	PT	DA	20

Council 2019/20

## Below is a table which indicates the Council meetings attendance for the 2019/20 financial year:

Meeting dates	Meeting	Number of items (resolutions) submitted
25 July 2019	Ordinary Council	13
22 August 2019	Ordinary Council	16
19 September 2019	Ordinary Council	10
31 October 2019	Ordinary Council	21
o5 December 2019	Ordinary Council	27
16 July 2019	Special Council	1
13 September 2019	Special Council	2
02 October 2019	Special Council	3
15 November 2019	Special Council	6
30 January 2020	Ordinary Council	17
03 February 2020	Special Council	1

Meeting dates	Meeting	Number of items (resolutions) submitted
17 February 2020	Special Council	2
09 March 2020	Special Council	2
22 May 2020	Special Council	3
28 May 2020	Special Council	1
01 June 2020	Special Council	0
02 June 2020	Special Council	0
19 June 2020	Special Council	0
30 June 2020	Special Council	4
30 June 2020	Special Council	3

Council Meetings

## b) Executive Mayoral Committee

The Executive Mayor assisted by the Mayoral Committee, heads the executive arm of the Municipality. The Executive Mayor is at the centre of the system of governance, since executive powers are vested in him to manage the day-to-day affairs. This means that he has an overarching strategic and political responsibility. The key element of the executive model is that executive power is vested in the Executive Mayor, delegated by the Council, and as well as the powers assigned by legislation. Although accountable for the strategic direction and performance of the municipality, the Executive Mayor operates collectively with the Mayoral Committee.

The name and portfolio of each member of the Mayoral Committee is listed in the table below for the period o1 JULY 2019 up to 30 JUNE 2020:

Name of member	Capacity
M Naik (until 20/02/20) L Van Wyk (from 22/05/20)	Executive Mayor
C Clarke	Executive Deputy Mayor
G Pretorius	Speaker
M Barnardt	Chief Whip
C Clarke (until 27/05/20) S Snyman (from 27/05/20)	Community Services Committee
E Bussack (until 09/03/20)  N Mbete (from 27/05/20)	Electro-Technical Services Committee
D Willemse (until 09/03/20) R Figland (from 27/05/20)	Human Settlements Committee
D L Cronje (until 27/05/20) D Wessels (from 27/05/20)	Financial Services Committee
N Mbete (until 27/05/20)	Human Resources Committee
C Clarke (from 27/0520)	
J Von Brandis (until 27/05/20) I Stemela (from 27/05/20)	Corporate Services Committee
R Figland (until 27/05/20)	Planning Committee

Name of member	Capacity
J Stander ( <b>from 27/05/20)</b>	
M Nyakati (until 27/05/20) J Von Brandis (from 27/05/20)	Civil Engineering Services Committee
C Noble	Protection Services Committee
I Kritzinger (until 27/05/20) D Wessels (from 27/05/20)	Strategic Services Committee

Executive Mayor-in-Committee

The table below shows the dates of the Executive Mayor-in-Committee meetings and the number of reports submitted to Council for the 2019/20 financial year:

Meeting date	Meeting	Number of items submitted
11 July 2019	Executive Mayor-in-Committee	og Items
o8 August 2019	Executive Mayor-in-Committee	o6 Items
10 October 2019	Executive Mayor-in-Committee	18 Items
07 November 2019	Executive Mayor-in-Committee	14 Items
03 December 2019	Executive Mayor-in-Committee	10 Items
o6 February 2020	Executive Mayor-in-Committee	o8 Items
05 March 2020	Executive Mayor-in-Committee	o8 Items
11 June 2020	Executive Mayor-in-Committee	o7 Items

**Mayoral Committee Meetings** 

## c) Portfolio Committees

In terms of Section 80 of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998), if a council has an executive committee it may appoint in terms of Section 79 committees of councillors to assist the executive committee or executive mayor. Section 80 committees are permanent committees that specialises in a specific functional area of the municipality and may in some instances make decisions on specific functional issues. They advise the executive committee on policy matters and make recommendations to Council.

The Portfolio Committees for 2019/20 and their Chairpersons are as follow:

## Corporate Services Portfolio Committee

Name of Member	Meeting Dates
J Von Brandis (Chairperson)	
J Fry	30 July 2019
E Stroebel	20 August 2019
E Bussack (until 30/01/2020)	17 September 2019
P Louw	22 October 2019
D Gultig	21 November 2019
C Lesele	18 February 2020
W Harris	17 March 2020
T Teyisi	
G Van Niekerk	
N Mbete (from 09/03/2020)	

Corporate Services Portfolio Committee

Community and Social Development Services Portfolio Committee

Name of Member	Meeting Dates
S Snyman (Chairperson)	
H Ingo	09 July 2019
P Louw	o6 August 2019
E Bussack (until 30/01/2020)	o6 September 2019
E Brown	o8 October 2019
E Stroebel (from 25/07/2019)	12 November 2019
R Windwaai	04 February 2020
M Daniels	03 March 2020
B Mooi	
W Harris	
I Stemela (from 09/03/2020)	

Community and Social Development Services Portfolio Committee

# **Human Resources Portfolio Committee**

Name of Member	Meeting Dates
N Mbete (Chairperson)	
V Muller (until 09/03/2020)	
J Von Brandis	
R Figland	30 July 2019
H Ingo	20 August 2019
E Stroebel (until 22/08/2019) (from 09/03/2020)	17 September 2019
M Draghoender	22 October 2019
L Langa	21 November 2019
P Nosana	18 February 2020
K Mkhondo	17 March 2020
V Kama (from 30/01/2020) (until 09/03/2020)	
I Kritzinger (From 09/03/2020)	

Human Resources Portfolio Committee

# Planning and Development Portfolio Committee

Name of Member	Meeting Dates
J Stander (Chairperson) [from 27/05/2020]	
R Figland [Chairperson until 27/05/2020]	
B Cornelius [until 30/03/2020]	
C Noble	23 July 2019
AD Willemse [until 30/03/2020]	15 August 2019
J Stander	12 September 2019
R Windwaai	17 October 2019 02 December 2019
J Ncamazana	13 February 2020
H Loff	131 Ebitary 2020
KJ Mkhondo	12 Walch 2020
L Van Wyk [30/03/2020]	
D Gultig [30/03/2020]	

Planning and Development Portfolio Committee

# **Human Settlement Portfolio Committee**

Name of Member	Meeting Dates
R Figland (Chairperson) [from 27/05/2020]	
AD Willemse (Chairperson) [until 30/03/2020]	
B Cornelius (Vice Chairperson) [until 30/03/2020]	23 July 2019
H Ingo (Vice Chairperson) [from 30/03/2020]	13 August 2019
J Fry	10 September 2019
J Safers	15 October 2019
C Clarke	25 October 2019
M Barnardt	19 November 2020
N Jantjies	04 February 2020
WT Harris	12 March 2020
M Draghoender	
R Windwaai [from30/03/2020]	

Human Settlement Portfolio Committee

# **Finance Portfolio Committee**

Name of Member	Meeting Dates
D Cronje (Chairperson)	
D Wessels	
B Cornelius (until 09 /03/2020)	30 July 2019
J Du Toit	27 August 2019
L Van Wyk	17 September 2019
R Figland	28 October 2019
M Nyakati	21 November 2019
P van der Hoven	26 February 2020
C Williams (from 25 /07/2019)	16 March 2020
M Draghoender	
I Kritzinger (from 09/03/2020)	

Finance Portfolio Committee

# **Civil Engineering Services Portfolio Committee**

Civil Engineering Services Fortiono Committee		
Name of Member	Meeting Dates	
MM Nyakati (Chairperson)		
J Von Brandis (Deputy Chairperson)	09 July 2019	
R Figland	o6 August 2019	
I Stemela	o8 October 2019	
J Säfers	12 November 2019	
B Cornelius (until 09/03/2020)	o4 February 2020	
G J Stander (from 09/03/2020)	03 March 2020	
N Mbete		
GN Jantjies (until 25/07/2019)		
H Loff (from 25/07/2019)		
G Van Niekerk		
M Draghoender		

Civil Engineering Services Portfolio Committee

# **Electrotechnical Services Portfolio Committee**

Name of Member	Meeting Dates
E Bussack (Chairperson) (until 09/03/2020) (vacant)	
C Noble (Deputy Chairperson)	
S Snyman	15 August 2019
C Lesele	12 September 2019
G J Stander	17 October 2019
M Barnardt	14 November 2019
I Kritzinger	13 February 2020
G N Jantjies (until 25/07/2019)	12 March 2020
L Langa (from 25/072019)	
T Teyisi	
J Du Toit	

Electrotechnical Services Portfolio Committee

# **Community Services Portfolio Committee**

Name of Member	Meeting Dates
C Clarke (Chairperson)	
E Stroebel	
D Gultig	
J Esau	og July 2019
E Brown	o6 August 2019 15 October 2019
J Safers	15 October 2019 19 November 2019
P Louw	19 November 2019
M Daniels	10 Watch 2020
F Mdaka	
J Buys	

Community Services Portfolio Committee

# **Protection Services Portfolio Committee**

Name of Member	Meeting Dates
C H Noble (Chairperson)	
L Van Wyk (Vice Chairperson)	
C M Clarke	29 July 2019
J Safers	30 September 2019
l Kritzinger	24October 2019
AD Willemse [until 30/03/2020]	26 November 2019
D Gultig	13 March 2020
H Loff	25 March 2020
S Rooiland	
J du Toit	
V Kama [from 30/03/2020]	

Protection Services Portfolio Committee

# **Strategic Services Portfolio Committee**

Name of Member	Meeting Dates
I C Kritzinger (Chairperson)	13 August 2019
A Willemse (Deputy Chairperson) (until 09/03/2020)	10 September 2019

Name of Member	Meeting Dates
L Van Wyk (Deputy Chairperson from 09/03/2020)	15 October 2019
J Du Toit <b>(09/03/2020)</b>	19 November 2019
D J Wessels	16 March 2020
E Brown	
D L Cronje	
E Bussack (until 09/03/2020)	
J Fry (from 09/03/2020)	
S Dlikilili	

Strategic Services Portfolio Committee

# **Ad Hoc Committees**

**Urban Development Committee** 

Name of Member	Meeting Dates
R Figland (Chairperson)	
B Cornelius (Vice Chairperson until 30/05/2020)	
C Noble (Vice Chairperson from 30/05/2020)	No meetings were held during the
P Louw	2019/2020 financial year.
S Snyman	
M Barnardt	
L Van Wyk	
J Stander	
J Ncamazana	
NF Mdaka	
M Draghoender	

Urban Development Committee

# **International Relations Committee**

Name of Member	Meeting Dates
M Naik (Chairperson) (until 09/03/20) (Vacant)	
G Pretorius	No meetings were held during the
J Von Brandis	2019/2020 financial year.
S Snyman	
E Stroebel	
C Clarke	
D Wessels	
L Langa (from 25/07/19)	
N Jantjies-Gushman (from 25/07/19)	
G Van Niekerk	

International Relations Committee

# **Homage Committee**

Name of Member	Meeting Dates
J Von Brandis (Chairperson)	
H Ingo	
J Fry	No meetings were held during the
L Van Wyk	2019/2020 financial year.
E Stroebel	
R Windwaai (from 25/07/19)	

Name of Member	Meeting Dates
N James	
J Ncamazana	
W Harris	
J Esau	

Homage Committee

Name Changes Committee

Name of Member	Meeting Dates
I Kritzinger (Chairperson)	
J Fry	
E Bussack (until og/o3/20)	
M Barnardt	
I Stemela	
C Noble	No meetings were held during
H Loff	the 2019/2020 financial year.
J Esau	
R Figland	
E Brown (from 09/03/20)	

Name Changes Committee

**Training Committee** 

Name of Member	Meeting Dates
D Cronje (Chairperson)	
R Figland (Vice Chairperson)	
V Muller [until 30/03/2020]	
S Snyman	
P J Van der Hoven	17 January 2020
CT Williams	13 February 2020
J Buys	
J Fry	
C Noble	
l Kritzinger	
D Gultig [from 30/03/2020]	

Training Committee

# **Statutory Committees**

Local Labour Forum (LLF)

Name of Member	Meeting Dates
N Mbete (Chairperson from 05/09/2019 until 27/01/2020)	11 July 2019
M Nyakati	30 August 2019
R Figland	o5 September 2019
S Rooiland	11 November 2019
P Nosana	27 January 2020
	o6 February 2020
	10 March 2020

Local Labour Forum (LLF)

Municipal Public Accounts Committee (MPAC)

Name of Member	Meeting Dates
J Du Toit (Chairperson)	
W Harris	
J Safers (until 22/08/2020)	o5 September 2019
E Stroebel	13 November 2019
M Draghoender	15 January 2020
V Muller (until 22/08/2020)	10 February 2020
D Wessels	11 February 2020
K Mkhondo (until 30/01/2020)	12 February 2020
G Van Niekerk	04 March 2020
H Ingo	25 June 2020
L Langa	
P Van der Hoven	
P Louw (from 22/08/2019)	
J Fry (from 22/08/2019)	

Municipal Public Accounts Committee (MPAC)

**Employment Equity Consultation Forum (EECF)** 

Name of Member	Meeting Dates
V Muller (Chairperson until 09/03/2020)	<u> </u>
N Mbete (Deputy Chairperson until 09/03/2020)	
(Chairperson from 09/03/2020)	
R Figland	
H Loff	19 July 2019
L Langa	15 August 2019
K J Mkhondo	30 September 2019
I Stemela	17 October 2019 17 March 2020
J Fry	1/ Watch 2020
C Noble	
J Von Brandis (member until 30/01/2020) (Deputy Chairperson from	
09/03/2020)	
S Snyman (from 30/01/2020)	

Employment Equity Consultation Forum (EECF)

#### **Budget Committee**

bodget Committee	
Name of Member	Meeting Dates
M Naik (Chairperson) (until 09/03/20) (vacant)	
D Cronje	
J Von Brandis	
E Bussack (until og/oʒ/20)	22 November 2019
C Clarke	21 January 2020
M Nyakati	07 February 2020
C Noble	14 February 2020
P van der Hoven	21 February 2020
C Williams (from 25/07/19)	18 March 2020
K J Mkhondo (until 22/08/19)	
W Harris (from 22/08/19)	
L Van Wyk (from 09/03/20)	

Budget Committee

# **Appeals Committee**

Name of Member	Meeting Dates
V Muller (Chairperson) [until 30/03/2020]	10 July 2019
D Willemse [until 30/03/2020]	12 June 2019
P Louw	22 July 2019
G Stander [from 30/03/2020]	27/01/2020
I Stemela [from 30/03/2020]	

Appeals Committee

## **Additional Information**

The current Chairpersons of the Portfolio Committees were appointed by the Executive Mayor, Alderman L van Wyk, after his election as Executive Mayor, on 27 May 2020.

The list pertaining to the members of the Committees of Council as indicated above, was amended at a special meeting of Council held on 9 March 2020 and no further amendments were made thereafter, up until the end of the financial year.

# 2.2 ADMINISTRATIVE GOVERNANCE

#### 2.2.1 Introduction to Administrative Governance

According to Section 60 (b) of the MFMA, the Municipal Manager as the accounting officer of the municipality must provide guidance on compliance with this Act to political structures, political office bearers and officials of the municipality and any entity under the sole or shared control of the municipality.

The Municipal Manager is the head of the administration and primarily serves as the chief custodian of service delivery and the implementation agent of political priorities. He is assisted by his management team.

A key priority of the Management Team has been to establish a solid leadership core within the organisation which permeates through to middle and supervisory management levels. The Management Team Structure is outlined in the table below:

Name of Official	Department/Directorate	Performance Agreements Signed (Yes/No)
T Botha	Municipal Manager	Yes
R Wesso	Director: Civil Engineering Services	Yes
W Hendricks	Director: Community Services	Yes
C Lubbe	Director: Human Settlements	Yes
S Erasmus	Director: Protection Services	Yes
S James	Director: Corporate Services	Yes

The following positions remain vacant for the 2019/2020 financial year:

Director: Electrotechnical ServicesDirector: Planning and Development

Director: Financial Services

Administrative Governance Structure

# COMPONENT B: INTERGOVERNMENTAL RELATIONS

Section 3 of the MSA requires that municipalities must exercise their executive and legislative authority within the constitutional system of co-operative governance envisaged in the Section 41 of the Constitution.

# 2.3 INTERGOVERNMENTAL RELATIONS

In terms of the Constitution, all spheres of government and all organs of state within each sphere must cooperate with one another in mutual trust and in good faith, fostering friendly relations. They must assist and support one another, inform and consult one another on matters of common interest, coordinate their actions, adhering to agreed procedures and avoid legal proceedings against one another.

## 2.3.1 Intergovernmental Structures

The Municipality fosters relations with other spheres of government and participates in various intergovernmental activities to promote a closer working relationship between the various spheres of government. These relationships assist in enhancing government's services to the communities of George and promote a more efficient use of resources and sharing of knowledge.

## Transversal partnering

These partnerships exist between line function departments within the Municipality. The prevailing partnerships include:

- Integrated Development Planning (IDP) and Budget Steering Committee;
- Project Committees in respect of drafting and amendment of the Municipal Spatial Development Framework(MSDF); restructuring and urban upgrade projects; and George Integrated Public Transport Network(GIPTN).

## Intergovernmental partnering

The Municipality partners with other spheres of government to leverage financing, mandates and facilitates decision making. The existing partnerships include:

- Human Settlements Department partnerships with the Western Cape Provincial Government and National Human Settlements authorities to collaborate on the delivery and funding for subsidised housing projects and development of restructuring zones aimed at spearheading spatial transformation;
- Civil Engineering Services has ongoing partnerships with state and provincial authorities to leverage funding for the upgrade of infrastructure to sustain economic growth.

- Protection Services: The development and roll-out of the George Integrated Public Transport Network is a result of a continuing partnership with the Western Cape Provincial Government, with significant funding from national government;
- Economic Development Unit actively participates in collaboration with the National Department of Rural Development in an initiative to establish Farmer Production Support Units within the municipal area, which projects are funded by the National Department.
- Information, Communication & Technology partners with the Garden Route District Municipality and the Western Cape Provincial Government on implementing good governance as well as knowledge sharing.

# Cross-boundary partnering

Partnerships with other municipalities in the Garden Route District facilitate decision-making and serve as a valuable means for exchange of knowledge and learning best practices. Prevailing partnerships include:

- participation in the IDP processes of neighbouring municipalities;
- active participation in Intergovernmental Steering Committees formed in lieu of drafting MSDFs for neighbouring municipalities;
- memorandum of agreement with four other municipalities whereby a Joint Municipal Tribunal has been established to leverage decision making capacity and expertise in respect of land development applications.

# The Municipality has delegated officials and councillors to the following forums:

Forum	Frequency	Responsibility
Municipal Managers Forum	Quarterly	Municipal Manager
South African Local Government Association	Quarterly	Director and portfolio councillor specific to
(SALGA) Working Groups		working group
District Coordinating Forum	Quarterly	Mayor
Premiers Coordinating Forum	Bi-annually	Mayor
Provincial and District Managers IDP Forums	Quarterly	IDP/PMS & Public Participation Office
Disaster Management Forum	Quarterly	Community Services
Human Resources Forum	Quarterly	Corporate Services
Legal Advisors Forum	Quarterly	Corporate Services
Environmental Health Forum	Quarterly	Community Services
Local Economic Development Forum	Quarterly	Economic Development
Municipal Planning Heads Forum	Quarterly	Planning Governance
Southern Cape Planners Forum	Quarterly	Spatial Planning and Land Use Management
Eden District Municipality Infrastructure Forum	Quarterly	Infrastructure
Eden Green Energy	Quarterly	Civil Engineering Services
Provincial Public Participation Forum	Quarterly	IDP/PMS & Public Participation Office
Provincial CommTech	Quarterly	Communication and IGR Office
District Communication Forum	Quarterly	Communication and IGR Office
Eden ICT Managers Forum	Quarterly	Information, Communication and Technology
Western Cape ICT Managers Strategic Forum	Quarterly	Information, Communication and Technology
Association of Municipal Electricity Utilities	Quarterly	Electrotechnical Services
(AMEU)		
Southern Africa Revenue Protection Association (SARPA)	Quarterly	Electrotechnical Services

# Joint Projects and Functionality with Sector Departments

All the functions of government are divided between different spheres namely, national, provincial and local. The Municipality therefore share its area and community other spheres of government and various sector departments and must work closely with the departments to ensure the effective implementation of various projects and functions. The table below provides detail of such projects and functions:

Name of project/ function	Expected outcome of the Project	Sector department involved	Contribution of sector department
Covid-19 Awareness Campaigns	Mitigate National health disaster	National GCIS Western Cape GCIS Southern Cape GCIS Western Cape Department of Local Government Western Cape Department of Health Garden Route District Municipality	Communication material
Energy Efficiency and Demand Side Management (EEDSM Project)	Annual energy savings of approximately 485 020 kWh Reduced peak load Promoted energy efficiency in George Improved Energy Efficiency related skills for internal staff	Department of Mineral Resources and Energy (DMRE)	Allocated funds of R7,000,000.00 incl VAT provided by DMRE
Integrated National Electrification Programme (INEP)	Electrification project of: 439 connections for Erf 325 East, Pacaltsdorp 181 connections – Thembalethu UISP Housing Project: Area 8A&B	Department of Mineral Resources and Energy (DMRE)	Allocated funds of R10,044,00 incl VAT provided by DMRE

# COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

Chapter 4 of the Local Government: Municipal Systems Act, No. 32 of 2000 deals with the development of a culture of community (public) participation, mechanisms, processes and procedures for community participation, communication of information concerning community participation, public notice of council meetings, and communication between council and the local community. These mechanisms for public participation must also be appropriate for the:

- Preparation, implementation and review of the IDP;
- The establishment, implementation and review of the performance management system;
- Monitoring and review of the performance, including the outcomes and impact of such performance; and
- Preparation of the municipal budget.

# 2.4 WARD COMMITTEES

A ward committee is a democratically elected body which represents a wide variety of community interest. They allow members of communities to influence municipal planning in a manner which best addresses their needs.

#### A Ward Committee:

- advises council on matters affecting the ward;
- represent the people in the ward;
- is independent to council; and
- must be impartial and perform its functions without fear, favour or prejudice

# The Purpose of a Ward Committee is:

to ensure better participation from the community to inform council decisions;

to make sure that there is more effective communication between the Council and the community; and

to assist the ward councillor with consultation and feedbacks to the community.

Ward Committees consist of the Ward Councillor and ten people who are voters in the ward and who are elected by the community they serve. Gender equity may be pursued by ensuring that there is an even spread of men and woman on a ward committee. A ward councillor is the chairperson of the ward committee.

Ward Committees have the power to make recommendations to the Ward Councillor and/or through the Ward Councillor to Council on any matter affecting the ward. They play a very important role in the development and annual revision of the IDP of the area.

The ward committees support the ward councillor who receives reports on development, participate in development planning processes, and facilitate wider community participation. George Municipality constantly strives to ensure that all ward committees function optimally with community information provision; convening of meetings; ward planning; service delivery; IDP formulation and performance feedback to communities.

The following tables indicates the names of the members of the ward committees, the portfolios /blocks/geographic areas they represent and their meeting dates:

Ward 1: Councillor - Säfers

Name of representative	Capacity representing	Date of meetings
C Laws	Community Safety: Blanco	o1 August 2019 17 October 2019 March 2020 (Lockdown) May 2020 (Lockdown)
A Kaffoen	Culture	
C Ahrends	Sport	
J Williams	Health	
S Erasmus	Block: Golden Valley	
L Mentoor	Block: Golden Valley	
F Solomons	Welfare	

Ward 1 Committee Meetings

Ward 2: Councillor - DL Cronje

Name of representative	Capacity representing	Date of meetings
C Ralston	Block 1	
W Barkhuysen	Block 2	12 August 2019 21 October 2019 17 February 2020 May 2020 (Lockdown)
D Labuschagne	Block 2	
E Cronje	Block 3	
M Mulder	Block 2	
L Klue	Block 1	

Ward 2 Committee Meetings

# Ward 3: Councillor E Brown

Name of representative	Capacity representing	Date of meetings
E Dreyer	Community Safety: Heatherlands	o6 August 2019 14 October 2019
G de Necker	Golf Park 3 House Owners Association	
S Thwaites	Golf Park 1 Homeowners Association	
A Willemse	Heather Park Neighbourhood Watch	
M Mackenzie	Faith Based Organisations	10 February 2020
J Barnard	Community Safety: Glen Barrie	May 2020 (Lockdown)
A van Zyl	Woman	
J Wessels	Culture	
N Dold-Chapman	Block: Golf Park 2	

Ward 3 Committee Meetings

# Ward 4: Councillor M Bardnardt

Name of representative	Capacity representing	Date of meetings
C Buys	Youth	
Q Simons	Ward 4 Housing Committee	
D Goldfain	Ratepayers Association	14 August 2019
E Titus	Welfare	14 October 2019
S Jumat	Block: Wilderness Heights Informal Area	10 February 2020 May 2020 (Lockdown)
E Stoffels	Block: Touwsranten	
E Gibson	Block: Wilderness East	

# Ward 4 Committee Meetings

# Ward 5: Councillor P Louw

Wara 3. Cooncilior 1 Look		
Name of representative	Capacity representing	Date of meetings
C Linford	Culture (Block 4)	Insufficient members to constitute a
C Donson	Block 3	quorum. Filling of vacancies was scheduled for 16 March 2020 to 21 April 2020 but was cancelled due to the National Lockdown and prohibition on public gatherings
S Matiwane	Block 1	
L Lodewyk	Block 5	

# Ward 5 Committee Meetings

# Ward 6: Councillor HH Ingo

Name of representative	Capacity representing	Date of meetings
HH Ingo	Ward Councillor	
K Louw	Community Safety (Block 4)	
A King	Youth (Block 6)	
C Williams	Block 1	5 August 2019 14 October 2019 March 2020 (Lockdown) May 2020 (Lockdown)
M Petersen	Block 1	
A Petersen	Block 2	
E Xolilizwe	Block 5	
H Scott	Block 6	
T Windvoel	Block 5	

# Ward 6 Committee Meetings

# Ward 7: Councillor S Rooiland

Name of representative	Capacity representing	Date of meetings
M Dyasi	DPSA (Block 3)	27 August 2019
J Laws	Community Safety (Block 6)	31 October 2019
C Appolis	Block 1	12 February 2020

Name of representative	Capacity representing	Date of meetings
N Jola	Block 2	May 2020 (Lockdown)
S Madayi	Block 3	
M Ningi	Block 4	
M Maree	Block 5	
J Josephs	Block 7	

Ward 7 Committee Meetings

# Ward 8: Councillor AD Willemse (until 19 February 2020)

Name of representative	Capacity representing	Date of meetings
D Jafta-Booysen	Health (Block 5)	
J Leonard	Faith Based Organisations (Block 5)	
A Amas	Block 1	
M Petersen	Block 1	01 August 2019
S Laws-Klaasen	Block 2	29 October 2019
S Vorster	Block 2	20 February 2020 May 2020 (Lockdown)
M Maneville	Block 3	ividy 2020 (Lockdowill)
E Kuboni	Block 4	
C Spires	Block 5	
M Adams	Block 5	

# Ward 8 Committee Meetings

# Ward 9: Councillor S Dlikilili

Name of representative	Capacity representing	Date of meetings
N Mangqunyana	DPSA (Block 1)	
S September	Block 1	o6 August 2019 15 October 2019
M Ntsendwana	Welfare (Block 2)	
Z Tyida	Faith Based Organisations (Block 2)	11 February 2020
M Sapho	Block 2	May 2020 (Lockdown)
P Mbi	Block 3	
C Diamond	Block 4	

# Ward 9 Committee Meetings

# Ward 10: Councillor B Henge

Name of representative	Capacity representing	Date of meetings
S Dayimani	CBO (Block 1)	05 August 2019
S Msutu	Block 1	14 October 2019
V Dywili	Youth (Block 4)	17 February 2020

Name of representative	Capacity representing	Date of meetings
B Jara	Sport, Culture & Recreation (Block 6)	May 2020 (Lockdown)
Z Blau	Welfare (Block 2)	
M Mngoma	Block 5	
T Kutala	Block 7	
M Mathiso	Block 8	
A Xelegu	Block 6	

# Ward 10 Committee Meetings

# Ward 11: Councillor C Lesele

Name of representative	Capacity representing	Date of meetings
O Appie	Block 3	o8 August 2019 24 October 2019 18 March 2020 May 2020 (Lockdown)
S Hermans	Block 3	
C Malobola	Block 3	
L Ncamile	Block 3	
D Thetho	Block 3	
N Tyhawana	Block 3	
N Mathanzima	Block 3	

# Ward 11 Committee Meetings

# Ward 12: Councillor- B Plata

Name of representative	Capacity representing	Date of meetings
W Muteyi	DPSA (Block 1)	Meetings for August 2019 and
L Pieters	Welfare (Block 4)	October 2019 was postponed and could not be rescheduled due to the
O Gwangqa	Block 1	recess period.
M Matseke	Block 5	Insufficient members to constitute a
L Xhaso	Block 5	quorum. Filling of vacancies was scheduled from 16 March 2020 – 21 April 2020 but was cancelled due to the National Lockdown and prohibition on public gatherings.
		May 2020 (Lockdown)

# Ward 12 Committee Meetings

# Ward 13: Councillor L Langa

Name of representative	Capacity representing	Date of meetings
G Makinana	Community Safety (Block 4)	01 August 2019
S Dyantyi	Block 4	17 October 2019

Name of representative	Capacity representing	Date of meetings
B Zintwana	Block 2	24 February 2020
A Matolengwe	Block 2	May 2020 (Lockdown)
M Bekwa	DPSA (Block 2)	
M Dyantyisi	Welfare	
ТВооі	Block 4	
X Cola	CBO (Block 4)	
N Somatamba	Block 3	
M Maweni	Block 1	

Ward 13 Committee Meetings

# Ward 14: Councillor E Bussack (until 19 February 2020)

Name of representative	Capacity representing	Date of meetings
E America	Sport, Culture & Recreation	13 August 2019 14 October 2019 10 February 2020 May 2020 (Lockdown)
B Klassen	Youth	
C Albrecht	Welfare	
S Rhode	Health	
R Deyce	Block 3	
J Pato	Block 6	
S Yazo	Block 9	
G Olivier	Block 10	

# Ward 14 Committee Meetings

# Ward 15: Councillor NF Mdaka

Name of representative	Capacity representing	Date of meetings
C Ngethu	Block 2	
M Kalipa	Block 2	
N Toto	Block 7	August 2019 (Cllr hospitalised)  12 November 2019
Z Matwa	Block 7	03 March 2020
V Mtwecu	Welfare (Block 3)	May 2020 (Lockdown)
G Nombengu	DPSA (Block 4)	
Z Mhlambiso	Agriculture (Block 3)	

## Ward 15 Committee Meetings

# Ward 16: Councillor CH Noble

Name of representative	Capacity representing	Date of meetings
B J Stoffels	Sport, Culture & Recreation (Block 3)	12 August 2019

Name of representative	Capacity representing	Date of meetings
O Matholla	Faith Based Organisations (Block 7)	17 October 2019
C Daman	Community Safety (Block 1)	26 February 2020 May 2020 (Lockdown)
M Patterson	Block 3	
D Bezuidenhoudt	Block 2	
J Cornelius	Block 6	
R Treurnicht	Block 6	

# Ward 16 Committee Meetings

# Ward 17 Councillor V Muller (until 26 May 2020)

Name of representative	Capacity representing	Date of meetings
B Schoeman	Welfare (Block 4)	
P Foster	Block 1	13 August 2019 22 October 2019 18 February 2020 May 2020 (Lockdown)
R Brinkhuys	Block 6	
R Lewis	Community Safety (Block 1)	
F Weyers	Block 2	,
N Joseph	Block 2	

# Ward 17 Committee Meetings

# Ward 18: Councillor D Gultig

Name of representative	Capacity representing	Date of meetings
A Joubert	Business (Tourism)	
A Storm	Welfare	
P Truter	Community Safety: Denneoord	20 August 2019
C Nieuhoff	Faith Based Organisations	14 November 2019 13 February 2020 2 June 2020
H Hill	Block 1	
J Truter	Block 4	
E Rautenbach	Block 4	
J van der Merwe	Block 4	

# Ward 18 Committee Meetings

# Ward 19: Councillor S Snyman

Name of representative	Capacity representing	Date of meetings
J Jacobs	Welfare (Block 2)	1 August 2019
B S Redelinghuys	Infrastructure (Civil & Electrical)	31 October 2019
D Hattingh	Block 1	20 February 2020
L Snyman	Block 3	May 2020 (Lockdown)
F van der Merwe	Block 4	

Name of representative	Capacity representing	Date of meetings
S Habbet	Block 7	

# Ward 19 Committee Meetings

# Ward 20: Councillor R Windwaai

Name of representative	Capacity representing	Date of meetings
J Muller	Welfare (Block 3)	
M Boezak	Community Safety (Block 5)	
B Jansen	Education (Block 4)	12 September 2019
G Carolus	Block 2	15 October 2019
I Scheepers	Block 4	27 February 2020 May 2020 (Lockdown)
L Smit	Block 5	,
R Fischer	Sport, Culture & Recreation	
P Moolman	DPSA	

## Ward 20 Committee Meetings

# Ward 21: Councillor NR James

Name of representative	Capacity representing	Date of meetings
K George	Welfare (Block 1)	
L Mavela	DPSA (Block 2)	
N Malgas	Block 1	
E Mbanjana	Block 2	11 September 2019
F Dyani	Block 2	21 November 2019 06 February 2020
R Olifant	Block 2	May 2020 (Lockdown)
A Yalolo	Block 4	
J Gubula	Block 4	
M Fatman	Block 4	

Ward 21 Committee Meetings

# Ward 22: Councillor G Pretorius

Name of representative	Capacity representing	Date of meetings held
P de Swardt	Welfare	
J Jansen	Education	Meetings for August 2019 and October 2019 were cancelled until meaningful responses on service delivery issues are provided by
P Khumalo	Sport	
G Brits	Community Safety: Herold	directorates
P Fourie	Business	5 March 2020
J Du Preez	Block: Sinksabrug	May 2020 (Lockdown)
M Mei	Block: Hoogekraal	

Ward 22 Committee Meetings

# Ward 23: Councillor GJ Stander

Name of representative	Capacity representing	Date of meetings
S Gericke	Agriculture	
J Smith	Syferfontein Committee	
F Joseph	DPSA	
G Hamel	Ratepayers Association	20 August 2019
M Visagie	Faith Based Organisations	22 October 2019 18 February 2020
C J van Niekerk	Hansmoeskraal Community Forum	May 2020 (Lockdown)
H A du Plessis	Block: Heroldsbay	
B Johnson	Block: Groeneweide	
B A Ernstzen	Dellville Park Neighbourhood Watch	

# Ward 23 Committee Meetings

# Ward 24: M Daniels

Name of representative	Capacity representing	Date of meetings
G Lourens	Block 1	
P Abrahams	Block 2	
S Abrahams	Block 2	13 August 2019
J Louw	Business (Block 3)	5 December 2019 18 February 2020
A Boom	Housing Committee (Block 3)	May 2020 (Lockdown)
M du Preez	Sport, Culture & Recreation (Block 3)	
N du Preez	Education (Block 3)	

# Ward 24 Committee Meetings

# Ward 25: Councillor J Esau

Wald 25. Coolicinol 5 Esab		
Name of representative	Capacity representing	Date of meetings
C Mongo	DPSA (Block 3)	
A Blaauw	Welfare (Block 3)	1 August 2019
C Adolph	Lyonville (Block 3)	25 November 2019
H Metik	Lyonville (Block 3)	20 February 2020 May 2020 (Lockdown)
W Decelly	Lyonville (Block 3)	
K Prins	Rooirivier (Block 2)	

# Ward 25 Committee Meetings

# Ward 26: Councillor J von Brandis

Name of representative	Capacity representing	Date of meetings
D van der Rijst	Community Safety: Blanco Neighbourhood Watch (Block 5)	o6 August 2019 15 October 2019
C Hulme	Block 4	March 2020 (Lockdown)
T Forsberg	Block 4	May 2020 (Lockdown)

Name of representative	Capacity representing	Date of meetings
B Muller	Block 4	
L van der Rijst	Block 5	
C Newham	Earls Court Home Owners Association (Block 2)	
M Gultig	Business (Block 2)	

Ward 26 Committee Meetings

## Ward 27: B Cornelius (until 19 February 2020)

Name of representative	Capacity representing	Date of meetings
G Felix	Sport, Culture & Recreation	
E Heynes	Health	
P McCarthy	Faith Based Organisations	o6 August 2019
J Gordon	Block: Europe	15 October 2019
H Ceasar	Block: Seesight	11 February 2020 May 2020 (Lockdown)
G Sharp	Block: Harmony Park	,
U da Silva	Uitbreiding 11	
M Snyman	Seaview	

Ward 27 Committee Meetings

It must be noted that some of the ward committee meetings, which were scheduled to take place towards the end of March and May 2020, could not take place due to the National Lockdown and prohibition of public gatherings. Only one virtual meeting was held during this period. The filling of vacancies, which was scheduled from 16 March 2020 – 21 April 2020, was cancelled for the same reasons.

# 2.4.1 Functionality of Ward Committees

Ward Committee support varies from area to area, thus making it difficult to assess and measure the effective functioning of ward committees. The following functionality indicators may be used to asses and measure ward committee functionality

## **Functional Areas:**

- Attendance of formal scheduled ward committee meetings by ward committee member
- Attendance of formal and scheduled community- and sector report back meetings by ward committee member
- Registering of operational service delivery and other complaints by ward committee member
- Active involvement in ward-based development, monitoring and evaluation thereof by ward committee member

# **Adhoc Activities:**

- Attendance of compulsory ward committee training and capacity building programmes by ward committee member
- Attendance and/or participation by ward committee member in other official forums from other spheres of government that is approved by the local municipality

The table below provides information on the establishment of ward committees and their functionality:

Ward	Committee established Yes/No	Committee functioning effectively Yes/No
1	Yes	Yes
2	Yes	Yes
3	Yes	Yes
4	Yes	Yes
5	Insufficient members to constitute a quorum. Filling of vacancies was scheduled from 16 March 2020 to 21 April 2020 but was cancelled due to the National Lockdown and prohibition on public gatherings	No
6	Yes	Yes
7	Yes	Yes
8	Yes	Yes
9	Yes	Yes
10	Yes	Yes
11	Yes	Yes
12	Insufficient members to constitute a quorum.  Filling of vacancies was scheduled from 16 March 2020 to 21 April 2020 but was cancelled due to the National Lockdown and prohibition on public gatherings.  Meetings for August 2019 and October 2019 was postponed and could not be rescheduled due to the recess period.	No
13	Yes	Yes
14	Yes	Yes
15	Yes	Yes
16	Yes	Yes
17	Yes	Yes
18	Yes	Yes
19	Yes	Yes
20	Yes	Yes
21	Yes	Yes

Ward	Committee established Yes/No	Committee functioning effectively Yes/No
22	Yes	Meetings for August 2019 and October 2019 were cancelled until meaningful responses on service delivery issues are provided by directorates
23	Yes	Yes
24	Yes	Yes
25	Yes	Yes
26	Yes	Yes
27	Yes	Yes

# **COMPONENT D: CORPORATE GOVERNANCE**

Corporate governance is a set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also includes the relationship among many stakeholders involved and the goals for which the institution is governed.

# 2.5 RISK MANAGEMENT

The Municipality has a Risk Management Policy Framework and Implementation Plan which was approved by Council during January 2018.

The risk management function is facilitated internally by the Internal Audit Section to ensure the following functions are performed:

- assisting Management to develop the risk management policy, strategy and implementation plan;
- coordinate risk management activities;
- facilitating identification and assessment of risks;
- recommending risk responses to management; and
- facilitating risk reporting.

# 2.5.1 Legislative Mandate

Section 62(1)(c)(i) of the MFMA requires that the Accounting Officer ensures that the municipality has and maintains effective, efficient and transparent systems of risk management. The extension of general responsibilities in terms of Section 78, to all senior managers and other officials of municipalities implies that the responsibility for risk management vests at all levels of management and that it is not only limited to the Accounting Officer and Internal Audit.

## 2.5.2 Overview

George Municipality is committed to the optimal management of risks in order to achieve our vision, deliver on our core business and key objectives and protect our values as "George – The City for all reasons". In the course of conducting our day to-day business operations, we are exposed to a variety of risks. These risks include operational and other risks that are material and require comprehensive controls and on-going oversight.

To ensure business success we have adopted an enterprise-wide integrated approach to the management of risks. By embedding the risk management process into key business processes such as planning, operations and new projects, we are better equipped to identify events affecting our objectives and to manage risks in ways that are consistent with the approved risk appetite.

To further implement the enterprise-wide approach, we have taken a number of steps to reinforce a culture of disciplined risk-taking.

Council is responsible for oversight of the risk management process and has delegated its day-to-day implementation to the Accounting Officer. The Accounting Officer, who is accountable for the overall governance of the municipality's risks, has delegated this role to the Chief Risk Officer and Management. The Chief Risk Officer ensures that the framework is implemented, and that Council and the Risk Management Committee receive appropriate reporting on the municipality's risk profile and risk management process. Management executes their responsibilities outlined in the Risk Management Strategy. All other officials are responsible for incorporating risk management into their day-to-day activities.

# 2.5.3 Objectives of Risk Management

The objectives of risk management are to assist Management in making more informed decisions which:

- provide a level of assurance that current significant risks are effectively managed;
- improve operational performance by assisting and improving decision making and planning;
- promote a more innovative, less risk averse culture in which the taking of calculated risks in pursuit of opportunities, to benefit the municipality is encouraged; and
- provide a sound basis for integrated risk management and internal control as components of good corporate governance.

# 2.5.4 Benefits of Risk Management

The risk management process can make major contributions towards helping the municipality achieve its objectives. The benefits include:

- more sustainable and reliable delivery of services;
- enhance decision making underpinned by appropriate rigour and analysis;
- reduced waste;
- prevention of fraud and corruption;
- fewer surprises and crises;

- help avoid damage to the municipality's reputation and image;
- helps ensure effective reporting and compliance with laws and regulations;
- better value for money through more efficient use of resources; and
- better outputs and outcomes through improved project and programme management.

# 2.5.5 Developed Strategies

Name of Strategy	Developed (Yes / No)	Date reviewed, and amendments approved	Date reviewed
Risk Management Policy	Yes	January 2018	5 November 2019
Risk Management Strategy and Implementation Plan	Yes	January 2018	5 November 2019

# 2.5.6 Risk Management Function

The Chief Risk Officer is the custodian of the Risk Management Strategy and the coordinator of enterprise risk management activities throughout George Municipality. The primary responsibility of the Chief Risk Officer is to use his/her specialist expertise to assist the municipality to embed enterprise risk management and leverage its benefits to enhance performance.

# 2.5.7 The Risk Management Process

The risk management process consists of eight (8) components.



Figure 1: Risk Management Process

## (i) Internal Environment

The internal environment encompasses the tone of George Municipality, influencing the risk consciousness of its people. It is the foundation for all other components of risk management, providing discipline and structure.

## (ii) Objective Setting

Objectives are set at the strategic level, establishing a basis for operations, reporting, and compliance objectives. Objectives are to be aligned with the municipality's risk appetite.

## (iii) Event Identification

Event identification is the process of identifying potential events affecting George Municipality's ability to successfully implement strategy and achieve objectives.

## (iv) Risk Assessment

Risk assessments allow the municipality to consider the extent to which potential events might have an impact on the achievement of objectives. Management should assess events from two perspectives, impact and likelihood, and normally uses the quantitative method i.e. risk rating scales for both the inherent and residual basis.

## (v) Risk Response

Having assessed relevant risks, management determines how it will respond. Responses include risk avoidance, reduction, sharing and acceptance.

#### (vi) Control Activities

Control activities are the policies and procedures that help ensure that management's risk responses are carried out. Control activities occur throughout the municipality, at all levels and in all functions. They include a range of activities as diverse as approvals, authorizations, verifications, reconciliations, reviews of operating performance, security of assets and segregation of duties.

## (vii) Information and Communication

Pertinent information is identified, captured and communicated in a form and timeframe that enable people to carry out their responsibilities. Effective communication also occurs, flowing down, across and up in the municipality. All personnel receive a clear message from top management that risk management responsibilities must be taken seriously. They understand their own role in risk management, as well as how individual activities relate to the work of others. They must have a means of communicating significant information upstream. There is also effective communication with external parties.

## (viii) Monitoring

Monitoring risk management is a process that assesses the presence and functioning of its components over time. This is accomplished through on-going monitoring activities, separate evaluations or a combination of the two. On-going monitoring occurs in the normal course of management activities. The scope and frequency of separate evaluations will depend primarily on an assessment of risks and the effectiveness of on-going monitoring procedures.

During the 2019/2020 financial period, the Risk Management Toolkits were:

- Updated to incorporate the organisational structure changes.
- A Risk Appetite factor of 35% was maintained.
- Realigned to the 2019/2020 Strategic Goals of the Integrated Development Plan (IDP) and Top Layer Service Delivery and Budget Implementation Plan (SDBIP) Key Performance Indicators (KPIs).
- Updated KPIs to which no risks were assigned in order to enable management to identify potential additional risks to be added to the risk register.
- Updated a list of typical risks, as well typical fraud risks, in order to enable management to identify potential additional risks to be added to the risk register.

Risk owners have updated the risk registers and reported on, amongst others:

- Risk Universe and Risk Profile;
- Strategic and operational risks;
- Additional and deleted risks added to the risk register;
- Risks re-assigned to relevant Directorates;
- Risk developments (changes) / incidents / losses;
- Risk treatment plans / risk action plans / risk responses (including progress; exceptions and concerns; effectiveness; adequacy; and further recommendations);
- Risks that should be escalated to management;
- Risks exceeding the risk appetite / risk tolerance;
- Risks that materialised;
- New and emerging risks;
- Cross-cutting risks;
- Top risks.

Quarterly Risk Reports (which incorporate the above-mentioned aspects) are compiled, reviewed and approved.

The risks identified were classified into high, medium and low risks to determine the inherent risk (impact risk has before taking controls into consideration). The risk rating is determined by 5 X 5 risk matrix. The following illustration represents the municipality's risk matrix:

Likelihood			Impact		
Likeiiiioou	Insignificant	Minor	Moderate	Major	Critical
Common	Low	Medium	High	High	High
Likely	Low	Medium	Medium	High	High
Moderate	Low	Low	Medium	Medium	High
Unlikely	Low	Low	Low	Medium	Medium
Rare	Low	Low	Low	Low	Low

Risk Matrix

The following detail can also be, amongst others, extracted from the Risk Management Toolkit and is quarterly/bi-annually reported on:

# Comparison between current and previous risk profile:

- Inherent and Residual Risks
- Implementation status of controls/action plans

# Changes in risk profile

- Number of risks
- Identification of new risks
- Identification of risks no longer applicable
- Changes according to monitoring fields

## Current risk profile

- Inherent and Residual Risks
- Risks linked to IDP Objectives
- Risk Categories
- Risk Strategies
- Control Types
- Implementation status
- Perceived control effectiveness

#### Materialisation and escalation of risks

- Risks that materialized
- Risks that should be escalated

# Top risks

• Risks with the greatest impact and are the most pressing on the municipality (may impede the ability to achieve the municipal objectives)

# **Emerging risks**

• Risks which may develop, or which already exist that are difficult to quantify

# **Cross-cutting risks**

• Risks which fall between, or across, the different Directorates and Departments

# 2.5.8 Top Strategic Risk Themes for the Municipality

The table below depicts the summary output of the top risk analysis in terms of which directorate risks included in the risk register were associated to *broader risk themes*. Top risks are assessed and updated regularly.

It should be noted that the residual (and not the inherent) risk rating scores were utilised in the analysis of the top risks.

• An inherent risk is defined as the risk to George Municipality in the absence of any deliberate actions management might take to alter either the risk's impact or likelihood. In other words, the impact that the risk will have on the achievement of objectives if the current controls that are in place, are not considered.

• The remaining exposure after the mitigating effects of deliberate management interventions to control such exposure is the residual risk.

Ranking	Description
1	Financial sustainability (increased due to the impact of COVID-19)
2	Dissatisfaction of the community
3	Inadequate standard of service delivery
4	Deficiencies in staff skills and capacity
5	Weaknesses in governance and accountability
6	Safety and security
7	George Integrated Public Transport Network (GIPTN) - Integrated Public Transport network fails to meet stakeholder needs across the entire Municipal Area, through failure to fully establish, adequately fund and effectively, efficiently, economically operate the service in accordance with contractual agreements and applicable laws and regulations.
8	Cyber security
9	Poor level of compliance
10	Inefficient investment in Capex
11	Excessive migration into George Municipal area

Top Risk Themes

# 2.6 ANTI-CORRUPTION AND FRAUD

Section 83(1)(c) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) emphasises the implementation of competitive bidding to minimise the possibility of fraud and corruption. Furthermore, Section 112(1)(m) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) identifies supply chain measures to be enforced to combat fraud and corruption, favouritism, unfair and irregular practices. Section 115(1) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) stipulates that the accounting officer must take all reasonable steps to ensure that proper mechanisms and separation of duties in the supply chain management system are in place to minimise the likelihood of fraud, corruption, favouritism, unfair and irregular practices.

# 2.6.1 Developed Strategies

Name of strategy	Developed Yes/No	Date Reviewed
Anti-Corruption and Anti-Fraud Strategy	Yes	25 February 2015
Whistle blowing policy	Yes	23 June 2017

Strategies: Anti-corruption and Anti-fraud

The structural strategies according to the Anti-Fraud and Anti-Corruption Strategy and Implementation Plan include the establishment of an Anti-Fraud and Anti-Corruption Committee that will oversee the approach of the Municipality to fraud prevention, fraud detection strategies and response to fraud and corruption incidents reported by employees or other external parties. The Section 80 Finance Committee fulfils this role.

The structural strategies according to the Anti-Fraud and Anti-Corruption Strategy and Implementation Plan, include the establishment of an Anti-Fraud and Anti-Corruption Committee that will oversee the approach of the Municipality to fraud prevention, fraud detection strategies and response to fraud and corruption incidents reported by employees or other external parties. The Section 80 Finance Committee fulfils this role.

Processes put in place as a deterrent to mitigate key fraud risk areas includes, but is not limited to, division of duties, internal audit review of processes and adherence thereto, Audit Committee that excludes politicians and officials as voting members, condemnation by the Mayor and Municipal Manager of corrupt practices, and involvement of police as soon as grounds for suspicion become evident.

# 2.7 AUDIT COMMITTEE

The Municipality Audit Committee, appointed in terms of Section 166(1) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003), has also been appointed as the Performance Audit Committee.

Section 166(2) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) states that an audit committee is an independent advisory body which must –

- (a) Advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to
  - internal financial control and internal audit;
  - risk management;
  - accounting policies;
  - the adequacy, reliability and accuracy of financial reporting information;
  - performance management;
  - effective governance;
  - compliance with this Act, the annual Division of Revenue Act and any other applicable legislation;
  - performance evaluation; and
  - any other issues referred to it by the municipality.

## 2.7.1 Functions of the Audit Committee

The Audit Committee have the following main functions as prescribed in Section 166 (2) (a-e) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) which is further supplemented by the Local Government Municipal and Performance Management Regulation, 2001, as well as the approved Audit Committee Charter:

To advise the Council on all matters related to compliance and effective governance.

- To review the annual financial statements to provide Council with an authoritative and credible view of the financial position of the municipality, its efficiency and its overall level of compliance with the MFMA, the annual Division of Revenue Act (DoRA) and other applicable legislation.
- Respond to the Council on any issues raised by the Auditor-General in the audit report.
- To carry out such investigations into the financial affairs of the municipality as the council may request.
- Perform such other functions as may be prescribed.
- To review the quarterly reports submitted to it by the internal audit.
- To evaluate audit reports pertaining to financial, administrative and technical systems.
- To review the Performance Management System and make recommendations in this regard to Council.
- To identify major risks to which Council is exposed and determine the extent to which risks have been minimised.
- Review the plans of the Internal Audit function and in so doing; ensure that the plan addresses the highrisk areas and ensure that adequate resources are available.
- Provide support to the Internal Audit function.
- Ensure that no restrictions or limitations are placed on the Internal Audit section.
- Evaluate the activities of the Internal Audit function in terms of their role as prescribed by legislation.

# 2.7.2 Members of the Audit Committee

Name of representative	Capacity	Changes to membership (appointment / resignation)
A Potgieter (AP)	Chairperson	n/a
J Carstens (JC)	Member	Resigned on 30 November 2019
C Lamprecht (CL)	Member	n/a
PH de Swart (PdS)	Member	n/a
R Saptoe (RS)	Member	n/a
E le Roux (EIR)	Member	Appointed at a Special Council Meeting
		held on 6 July 2020

# 2.7.3 Attendance of Audit Committee Meetings

Meeting date	Type: Ordinary / Special	Attendance of members				
Meeting date	Type. Ordinary / Speciar	AP	PdS	CL	RS	JC
22 July 2019	Special Meeting	✓	✓	✓	Apology	✓
23 August 2019	Ordinary Meeting	✓	✓	✓	✓	✓
28 August 2019	Special Meeting	✓	✓	✓	✓	Apology
25 October 2019	Ordinary Meeting	✓	✓	✓	Apology	✓
22 November 2019	Ordinary Meeting	✓	✓	✓	✓	✓
10 February 2020	Ordinary Meeting	✓	✓	✓	✓	n/a

Meeting date	Type: Ordinary / Special		Attenda	nce of m	embers	
Meeting date	Type. Ordinary / Special	AP	PdS	CL	RS	JC
13 March 2020	Ordinary Meeting	Apology	✓	✓	✓	n/a
24 April 2020	Ordinary Meeting	✓	✓	✓	✓	n/a
09 June 2020	Ordinary Meeting	✓	✓	✓	✓	n/a

# 2.7.4 Municipal Audit Committee Recommendations

Formal reports containing recommendations to address control weaknesses are submitted to Council and the Audit Committee regularly follow-up with Internal Audit and Management on the state of corrective action implemented. Furthermore, the Audit Committee also provides comments on various internal and external reports.

The following recommendations by the committee were, inter alia, approved by the Council:

# Audit Committee Recommendations during 2019/2020

## **Consequence Management**

• That Unauthorized, Irregular, Fruitless and Wasteful Expenditure was submitted to the Municipal Public Accounts Committee (MPAC) who have requested further information for their deliberations

# Ward Committee Management

• That requests relating to IDP and Ward Committees be referred to the relevant Section 8o Committees for their input and recommendations.

## **Risk Management**

• That management perform a risk assessment of the respective directorates and submit a report to Council.

## **Annual Financial Statements**

• That the concerns of Finance Directorate relating to the timely submissions of draft financial statements for 2019/20 to the Audit Committee and accordingly requests that further discussions be held to clarify the timeline before submission of the financial statements to the Auditor-General in August 2020.

# Caledon Street Project

- That Council takes note of the Audit Committee's concern with the overall management of the Caledon Street Project; and
- That Council consider investigating the project in terms of the following:
  - Reasons for the delays in completion;
  - Appointment processes of the Contractor;
  - o Quality of work performed by the Contractor.

# **Regional Waste Disposal Site**

• That a report be submitted to the Audit Committee and Council regarding the finalization of the Regional Waste Disposal Site and Composting Facility.

## **AG Audit Action Plan**

# Audit Committee Recommendations during 2019/2020

- That Council takes note of the Audit Committee's concern with regards to the progress of the quantification of the irregular expenditure.
- That the Audit Action Plan be submitted to Council for follow-up and monitoring purposes

#### **Auditor-General**

- That the Municipal Manager and the Chief Financial Officer discuss the Audit Committee's concerns with the Auditor General with regards to the significant increase in external audit fees.
- That the Auditor-General's (AG) report and management report [year ended 30 June 2019] be submitted to the MPAC meeting.

# **Audit Committee matters**

• Independence of Audit Committee members: that Council acknowledge that they are satisfied with the independence of the members of the Audit-Committee (AG) to address the AG finding regarding the independence of the Audit Committee.

## Restructuring of the Bid Evaluation Committee

• That Council instruct the administration to implement the recommendations supported by the Municipal Manager as set out in the memorandum (Composition of the members of the Bid Evaluation and Adjudication Committee) dated 7 March 2018.

Audit Committee Recommendations: 2019/20

# 2.7.5 Audit Committee response to COVID-19

The Audit Committee recognised that the fundamentals of good governance and effective oversight arrangements were all the more important during the COVID-19 crisis, as the municipality faces significant uncertainty, a rapidly changing risk landscape, and an increased need for transparency and confidence in reported information on its implications.

COVID-19 caused a strategic shift in the role of the Audit Community - the Audit Committee played a key role in creating and maintaining a culture and environment that supported the integrity and provision of decision useful information. The Audit Committee noted that transparency was of heightened importance during this time of uncertainty.

During the pandemic the Audit Committees ensured that they engaged with management and were informed and received actionable and timely information from management to effectively carry out their oversight role.

The Audit Committee ensured that they balanced core responsibilities with emerging priorities. The Audit Committee was vigilant on an expanding range of issues and reviewed their agendas and priorities in response to COVID-19. However, at the same time the Audit Committee ensured they remained firmly focused on their fundamental responsibilities in respect to the oversight of financial reporting and internal controls, which have added complexities arising from the crisis.

Areas which the Audit Committee considered in relation to the impact of COVID-19 included, inter alia:

- Monitoring impact on profitability, cash flow, capital preservation, the strength of the balance sheet, as
  well as identifying early signs of financial stress, going concern considerations, and other financial reporting
  implications, such as accounting estimates and events after the reporting period.
- Third-party risk management, scenario planning, awareness of new legislation, and ensuring comprehensive business continuity thinking that is relevant to the current crisis.
- Monitoring and maintaining an effective internal control environment, considering changes as a result of
  updated policies and procedures, increased cyber security and data privacy issues, and displacement of
  staff.
- The potential for heightened risk of fraud due to financial pressures and new operating environments.
- Providing guidance on a broader set of issues and risks including around people and capacity (keeping people employed and productive, as well as key person dependencies and succession planning), ensuring cost control is not to the detriment of the business and control environment, crisis management and resilience, and disaster recovery plans.

Throughout the lockdown period, the Audit Committee kept informed through virtual communication. The Audit Committees adapted their way of working to function and fulfil their responsibilities without meeting physically. This means embracing virtual meetings and much more frequent communication, particularly with, management, internal auditors, and external auditors.

# 2.7.6 Municipal Audit Committee Report

The Audit Committee presents its report for the financial year ended 30 June 2020.

# Responsibility

The George Municipality (hereinafter referred to as the municipality) has constituted its Audit and Performance Audit Committee (hereinafter referred to as the Audit Committee) to function in terms of the provisions of section 166 of the Municipal Finance Management Act, 2003 (MFMA).

The Audit Committee is an independent advisory body to the Council, Accounting Officer and the management and staff of the municipality on matters relating to internal financial control and internal audits; risk management; accounting policies; the adequacy, reliability and accuracy of financial reporting and information; performance management; effective governance; the MFMA and any other applicable legislation; performance evaluation; and any other issues.

The role of the Audit Committee is to promote accountability and service delivery through evaluating and monitoring responses to risks and overseeing the effectiveness of the internal control environment, including financial and performance reporting and compliance with legislation.

The Audit Committee is also expected to review the annual financial statements to provide an authoritative and credible view of the municipality, its efficiency and effectiveness and its overall level of compliance with applicable legislation.

Both the internal and external auditors had unrestricted access to the Audit Committee during the year under review.

## **Terms of Reference**

The Audit Committee is constituted in terms of the requirements of sound corporate governance practices and operates in accordance with a written charter that incorporates the specific requirements of section 166 of the MFMA. These terms of reference may from time to time be amended as required, subject to the approval of the Council.

The Audit Committee Charter was workshopped with Council in October 2019, and the amendments were approved by Council on 30 January 2020.

# **Composition of the Audit Committee**

In terms of the approved Audit Committee Charter, the Audit Committee comprises five (5) independent members with appropriate experience and skills, which are not in the employ of the municipality. The members are appointed for a period of three (3) years.

At 30 June 2020 there was a vacancy in the Audit Committee after the resignation of Dr J Carstens, who resigned on 30 November 2019 due to the fact that he was emigrating in January 2020. The vacancy in the Audit Committee was filled on 6 July 2020 when Mr E le Roux was appointed.

Members of the Audit Committee as at 30 June 2020 were:

Name	Position	Appointment date	Termination date
Dr A Potgieter	Chairperson	1 May 2018	n/a
Dr J Carstens	Member	1 March 2018	30 November 2019
Mr PH de Swardt	Member	1 March 2018	n/a
Ms R Saptoe	Member	1 March 2018	n/a
Mr C Lamprecht	Member	1 September 2018	n/a

Portfolio of Skills required for Independent Membership						
Audit Committee members	DR A POTGIETER	P DE SWARDT	R SAPTOE	MC LAMPRECHT	DR J CARSTENS	<u>E LE ROUX</u>
	The members of the Audit Committee must collectively have sufficient qualifications, skills and experience to fulfil their duties, including an understanding of the following:					
Financial Reporting	Extensive	Some	Extensive	Extensive	Extensive	Extensive
Human Resource Management	Extensive	Some	Some	Some	Some	Some
ICT	None	None	None	None	None	None
Legal (Corporative Law)	Some	None	None	Some	Some	None
Private and Public- sector experience;	Extensive	Some	Some	Extensive	Extensive	Extensive
An understanding of service delivery priorities;	Some	Some	Some	Some	Some	Some

	Portfolio of Skills required for Independent Membership					
Audit Committee members	DR A POTGIETER	P DE SWARDT	R SAPTOE	MC LAMPRECHT	<u>DR J CARSTENS</u>	E LE ROUX
Good governance and/or financial management experience;	Some	Extensive	Extensive	Extensive	Extensive	Extensive
An understanding of the role of Council and Councillors;	Extensive	Extensive	Some	Some	Some	Some
An understanding of the operations of the municipality;	Extensive	Extensive	Some	Some	Some	Extensive
Familiarity with risk management practices;	Extensive	Some	Extensive	Extensive	Extensive	Extensive
An understanding of internal controls;	Extensive	Some	Extensive	Extensive	Some	Extensive
An understanding of major accounting practices and publicsector reporting requirements;	Extensive	Some	Extensive	Extensive	Extensive	Extensive
An understanding of public sector reforms;	Extensive	Extensive	Extensive	Some	Extensive	Some
Familiarity with legislation applicable to municipalities;	Extensive	Extensive	Some	Some	Extensive	Extensive
An understanding of the roles and responsibilities of internal and external auditors;	Extensive	Some	Extensive	Extensive	Extensive	Extensive
An understanding of the treatment of allegations and investigations;	Extensive	Some	Some	Some	Extensive	Some
An understanding of the performance management system;	Extensive	Extensive	Some	Extensive	Some	Extensive
Sustainability issues;	Some	Extensive	Some	Some	Extensive	Some
Information technology governance as it relates to integrated reporting;	None	None	None	None	Some	None

Portfolio of Skills required for Independent Membership						
Audit Committee members	DR A POTGIETER	<u>P DE SWARDT</u>	R SAPTOE	MC LAMPRECHT	<u>DR J CARSTENS</u>	E LE ROUX
Integrated reporting.	Some	Some	Some	Extensive	Some	Some
Audit Committee experience/knowledge	Extensive	None	Some	None	Extensive	None
Chairperson of Audit Committee	Extensive	None	None	None	None	None
Highest Qualification	PhD Bus Man	BSc	B COM Accounting; SAICA Articles	B COM (HONS) & CA(SA)	PhD & M COM	CA(SA)

#### **Activities**

The Audit Committee met nine (9) times during the financial year ended 30 June 2020:

Meeting date	Type: Ordinary / Special
22 July 2019	Special Meeting
23 August 2019	Ordinary Meeting
28 August 2019	Special Meeting
25 October 2019	Ordinary Meeting
22 November 2019	Ordinary Meeting
10 February 2020	Ordinary Meeting
13 March 2020	Ordinary Meeting
24 April 2020	Ordinary Meeting
og June 2020	Ordinary Meeting

The Audit Committee subsequently met on the following dates to fulfil its obligation to review the 2019/20 financial statements and audit report:

- 28 August 2020 (Special Audit Committee Meeting)
- 25 October 2019
- 22 November 2019

The Audit Committee, inter alia, carried out the following functions in terms of the Audit Committee Charter:

- Reviewed, workshopped with Council and amended the Audit Committee Charter.
- Reviewed and approved the three-year rolling internal audit plans and annual internal audit plans including the definition of audit units, audit universe, and prioritisation of audit coverage considering the outputs of the risk assessments performed.
- Reviewed executive summaries of all internal audit reports issued.
- Reviewed the reporting by internal audit on performance management and performance information.
- Issued reports and recommendations to Council on performance management and performance information.
- Reviewed the annual financial statements as at 30 June 2019, the Final Management Report of the Auditor-General (hereinafter referred to as the A-G), as well as the Report of the A-G on the annual

financial statements and the findings of the A-G on predetermined objectives and compliance with certain laws and regulations, and their detailed management letter.

- Performed assessments on the effectiveness of the Committee for review and comment by the Municipal Manager and for presentation to Council.
- Deliberated on the implementation of mSCOA.
- Considered other matters as deemed appropriate.

Relating to and during the 2019/20 financial year the following main Internal Audit reports were issued:

- Annual Cash Count FY19
- Annual Stock Count FY19
- Confirmation of leave balances (terminations)
- Leave Termination Process FY20
- Performance Management System Q1 2019/2020
- Performance Management System Q2 2019/2020
- Annual Cash Count FY20
- Annual Stock Count FY20
- Contract Management FY19
- Integrated Risk Management and Internal Audit Report: Supply Chain Management (FY19)

The Audit Committee, as prescribed in the charter, submitted reports to Council subsequent to the meetings of the committee.

Specific recommendations were made to Council for consideration.

#### 2.8 INTERNAL AUDIT

In terms of Section 165 (1) of the Municipal Finance Management Act (MFMA) of 2003 each municipality must have an Internal Audit Unit. Section 165 (2) of the Act, gives guidance on what is expected of the internal audit unit with regard to responsibility, functions and reporting requirements.

Section 165 (1) of the Municipal Finance Management Act (MFMA) of 2003 states that:

- "(1) Each municipality and each municipal entity must have an internal audit unit,
- (2) The internal audit unit of a municipality or municipal entity must-
  - (a) Prepare a risk-based audit plan and an internal audit program for each financial year.
  - (b) Advise the accounting officer and report to the audit committee on the implication of the internal audit plan and matters relating to-
    - (i) internal control;
    - (ii) internal audit;
    - (iii) accounting procedures and practices;
    - (iv) risk and risk management;
    - (v) performance management;
    - (vi) loss control;

(vii) compliance with this Act, the Division of Revenue Act and any other applicable legislation; and (c) perform such other duties as may be assigned to it by the accounting officer"

The George Municipality has a co-sourced Internal Audit Function, employing a Chief Audit Executive with the support of an external service provider rendering internal audit services to the municipality.

#### Internal Audit response to COVID-19

Internal audit continued to provide value in a practical way and help the organisation move from crisis management to issue management, to short-term risk management, to long-term risk management. Along the way, it must also make sure lessons are learned from the COVID-19 pandemic.

Internal audit should embrace this unique opportunity to:

- Participate in crisis management committees.
- Identify new and changed risks.
- Eliminate duplications and bottlenecks in new processes
- Be agile, including finding ways for internal auditors to work remotely.
- Ramp up data analytics.
- Provide answers as the liaison to the board and the audit committee.
- Work closely with those with first- and second-line roles, as well with external audit, by asking "How can we help?"
- Prepare to deal with pressures to "cross the line" by assuming management responsibilities.
- At the same time internal audit continued to provide assurance and insight on "business as usual" risk and risk responses, without overlooking areas of risk such as compliance that remain part of the risk landscape.

The Risk Management Department performed a re-assessment of the risks and facilitated the identification and assessment of COVID-19 related risks with the risk owners. Internal Audit adjusted the Internal Audit Plan and re-prioritised the Internal Audit budget in order to address the new COVID-19 related risks and risks impacted by COVID-19.

The updated approved 3-year rolling internal audit plan for 2019/20 is included below:

Audit unit ref. new	Audit Activity	Inherent Risk Assessment	Coverage by Auditor- General	Prior 3- year cycle	2018/2019	2019/2020	2020/2021
1	Planning, reporting and quality						
1.1	Strategic and Operational Internal Audit Plan and costing (3-year rolling plan) (refer Engagement Project Administration below)	High	No	х	x	х	×
1.2	Engagement Project Administration (Incl Internal Audit Policies and Procedures Manual, Quality Assurance and Improvement Plan (QAIP) & Update of Internal Audit Charter)	High	No	×	×	x	X
1.2	Audit Committee meetings (Attendance, Secretariat function and reporting)	High	Yes	X	X	X	X
1.4	Internal Audit Steering Committee meetings (Attendance, Secretariat function and Reporting)	High	No	X	X	X	X
1.5	Divisional Project meetings (Refer Engagement Project Administration above)	High	No	^	^	^	^
1.6	Audit Quality Control (IIASA standard compliance) (Refer Engagement Project Administration above)	High	No	x	X	X	X
1.7	External Audit Liaison (& from FY20: Incl AG MLP follow-up / Action Plan review)	High	Yes	х	X	х	X
2	Risk Management and Risk Assessments						
2.1	Risk Management and Risk Assessments (Assistance) (Risk Management Plan & Fraud Prevention Plan)	High	Yes	x	X		x
2.2	Risk Universe (Assistance) (Refer Risk Management and Risk Assessments (Assistance) above)	High	Yes	х	х	х	х
3	Routine transversal projects						
3.1	Performance Management System and Organisational Structure	High	Yes	×	х	х	х
3.2	Management Letter Point Follow-up	High	No	х	х	х	х
3.3	Relevant Legislation (MSA, MFMA, DoRA, etc.)	High	Yes	Х	X	X	X
3.4	Division of Revenue Act (DoRA)	High	Yes			Х	Х
3.5	Quarterly Cash Counts (Including Revenue collection by Council and Petty Cash)	High	Yes	х			
3.6	Annual Cash Count (Including Revenue collection by Council and Petty Cash)	High	Yes	х	Х	Х	Х
3.7	Annual Stock Count	High	Yes	×	х	х	х
3.8	Proclaimed Roads	Medium	No	х	Х	х	х
3.9	Annual EMV Card Count FY20 (GIPTN related)	High	No			х	
4	Ad hoc projects / Special investigations						
4.1	Ad hoc assignments (To be negotiated when need arises)	High	N/A	X	Х	Х	X

Audit unit ref. new	Audit Activity	Inherent Risk Assessment	Coverage by Auditor- General	Prior 3- year cycle	2018/2019	2019/2020	2020/2021
4.2	Overtime: Council Ad hoc request	High	N/A	X			
4.3	Allowances paid for the execution of additional duties (GIPTN): Council Ad hoc request	High	N/A	x			
4.4	GIPTN Ticket Inventory	High	N/A	X			
4.5	GIPTN Pre-Operational Expenditure payments	High	N/A	×			
4.6	Electricity Billings Review FY17	High	N/A	×			
4.7	Rates Clearance Certificate Review FY17	High	N/A	X			
4.8	COVID-19: Expenditure FY20	High	N/A			Х	
4.9	COVID-19: Donations FY20	High	N/A			Х	
5	Directorates						
5.1	Office of the Municipal Manager						
5.1.1	Audit Committee	High	Yes	Х	х	х	Х
5.1.2	Internal Audit	High	Yes				
5.1.3	Risk Management (Also refer Risk Management and Risk Assessments above)	High	No	х	х	х	x
5.1.4	Organisational Structure	High	No				
5.1.5	Disaster Management	High	No				
5.1.6	Fraud Risk Management (Also refer Risk Management above)	High	Yes				
5.1.7	Leave (Leave Termination Process)	High	Yes			х	
5.1.8	Human Resources (Incl Overtime and Attendance Registers)	High	Yes				
5.1.9	Information Technology	High	Yes			х	
5.1.10	Office of the Executive Mayor	High	Yes				
5.1.11	Corporate Ethics (CAE/In-house team)	High	No	х			
5.1.12	Communication Management	High	No				
	Other projects to consider:						

Audit unit ref. new	Audit Activity	Inherent Risk Assessment	Coverage by Auditor- General	Prior 3- year cycle	2018/2019	2019/2020	2020/2021
5.1.13	mSCOA	Medium	Yes		Х		
5.1.14	Policies and Procedures (Considered as part of each area audited) [Previously High Rated]	Medium	Yes	x	x	x	x
5.2	Financial Services						
5.2a	Income Division						
5.2.1	Billing System (Including Meter reading, invoicing & billing)	High	Yes	x			х
5.2.2	Credit Control - Internal (Also refer below)	High	No				
5.2.3	Indigents	High	Yes				
5.2.4	Tariff Listing	High	Yes	×			
5.2b	Revenue Collection						
5.2.5	Credit Control - Internal	High	No				
5.2.6	Bookkeeping and Reconciliations	High	Yes				
5.2.7	Prepaid Electricity	High	Yes	×			
5.2.8	Revenue Collection by Council	High	No				
5.2.9	Revenue Collection by Third Party	High	No				
5.2C	Supply Chain Management						
5.2.10	Bid Specification, Bid Invitation, Bid Evaluation & Bid Adjudication	High	Yes				x
5.2.11	Procurement & Tender Management (Incl Demand Management, Supplier Database, Compulsory forms & declarations, Piggyback etc)	High	Yes	X			
5.2.12	Deviations	High	Yes			x	
5.2d	Contract Management						
5.2.13	Contract Management (Incl SCM - Contractor Management)	High	Yes		х		

Audit unit ref. new	Audit Activity	Inherent Risk Assessment	Coverage by Auditor- General	Prior 3- year cycle	2018/2019	2019/2020	2020/2021
5.2e	Finance & Credit Control						
5.2.14	Credit Control - Internal (Also refer above)	High	No				
5.2.15	Debtors	High	Yes				
5.2f	Cash and Cash Equivalents						
5.2.16	Cash Management (Refer Annual Cash Counts) & Petty Cash	High	Yes	x	х	x	x
5.2.17	Investments	High	Yes				
5.2g	General Processes						
5.2.18	Assurance	High	Yes				
5.2.19	Consequence Management (Incl Irregular Expenditure)	High	Yes				X
5.2h	Other Divisions / Business Processes						
5.2.20	Assessment Rates and Valuations	High	Yes	x			
5.2.21	Stores	High	No	x			
5.2.22	Expenditure Division (/Expenditure Management incl Creditor Management, Goods/Services received, Purchase requisitions)	High	Yes				
5.2.23	Payroll	High	Yes				
5.2.24	Financial Statement Reporting / Management (Incl Journals, mSCOA and Budget Office)	High	Yes				
5.2.25	Financial Statement Review	High	Yes	x	х	x	х
5.2.26	Internal Control Testing Follow-up	High	No	×			
5.2.27	Insurance	High	Yes				
5.2.28	Water Consumption (CAE/In-house team)	High	Yes	×			
	Other projects to consider:						

Audit unit ref. new	Audit Activity	Inherent Risk Assessment	Coverage by Auditor- General	Prior 3- year cycle	2018/2019	2019/2020	2020/2021
5.2.29	None	N/A	N/A				
5-3	Corporate Services						
5.3a	Human Resources Administration						
5.3.1	Overtime	High	Yes	x			х
5.3.2	Human Resources Administration (Including Training & Development)	High	Yes	x			
5.3.3	Leave Management (Incl Terminations)	High	Yes	х	x		
5.3b	Recruitment & Appointment						
5.3.4	Recruitment & Appointment (Incl Vacancies) [Budget reduced to accommodate EMV Card Count]	High	No			x	
5.3.5	Leave (Also refer Leave Management Above)	High	Yes				
5.3C	Other Divisions						
5.3.6	Occupational Health and Safety	High	No				x
	Other projects to consider:						
5.3.7	None	N/A	N/A				
5.4	Civil Engineering Services						
5.4a	Planning & Project Management						
5.4.1	Infrastructure Planning	High	No				
5.4.2	Land Development	High	No				
5.4b	Other Divisions / Processes						
5.4.3	Roads and Storm Water	High	No				
5.4.4	Water & Waste Water (Including Collection and Conveyance, Treatment and Distribution)	High	No				

Audit unit ref. new	Audit Activity	Inherent Risk Assessment	Coverage by Auditor- General	Prior 3- year cycle	2018/2019	2019/2020	2020/2021
5.4.5	Vacancies	High	No				
	Other projects to consider:						
5.4.6	None	N/A	N/A				
5.5	Electro Technical Services						
5.5.1	Distribution (Incl Engineering Services)	High	No				
5.5.2	Maintenance	High	No				
5.5.3	Network Management (Incl Illegal connections)	High	No				
5.5.4	General (Incl Vacancies, Communications, IT infrastructure, Traffic lights failure)	High	No				
5.5.5	Electricity Supply	High	No				
	Other projects to consider:						
5.5.6	None	N/A	N/A				
5.6	Human Settlements						
5.6.1	General (Incl Predetermined Objectives)	High	No				
5.6.2	New Housing	High	No				
	Other projects to consider:						
5.6.3	None	N/A	N/A				
5.7	Planning & Development						
5.7a	Economic Development						
5.7.1	Performance Management System and Organisational Structure	High	Yes	×	х	x	×
5.7.2	IDP, SDBIP and Strategic Planning (Refer Performance Management System and Organisational Structure above)	High	Yes	х	X	X	X

Audit unit ref. new	Audit Activity	Inherent Risk Assessment	Coverage by Auditor- General	Prior 3- year cycle	2018/2019	2019/2020	2020/2021
5.7b	Other Divisions						
5.7.3	Building Control and Illegal Structures	High	No		x		
5.7.4	Planning: Land Use Planning	High	No				
5.7.5	Tourism	High	No				
5.7.6	General: Appointments / Vacancies	High	No				
	Other projects to consider:						
5.7.7	None	N/A	N/A				
5.8	Community Services						
5.8.1	Cleansing & Environmental Health (Incl Refuse Removal and Dumping & Illegal Dumping)	High	Yes				
5.8.2	Community Development & Upliftment (Incl Youth & HIV Care)	High	No				
5.8.3	Sport Development	High	No				
5.8.4	Parks & Recreation (Incl Cemeteries)	High	No				
5.8.5	Library	High	No				
	Other projects to consider:						
5.8.6	None	N/A	N/A				
5.9	Protection Services						
5.9.1	George Integrated Public Transport Network (GIPTN)	High	Yes	×	x		x
5.9.2	Traffic Services (Incl Legal Procedures, Fines and Summonses)	High	Yes	×			
5.9.3	Traffic Law Enforcement	High	No				
5.9.4	Licensing (Including Motor vehicle and Driver's licenses)	High	Yes				

Audit unit ref. new	Audit Activity	Inherent Risk Assessment	Coverage by Auditor- General	Prior 3- year cycle	2018/2019	2019/2020	2020/2021
5.9.5	Law Enforcement & Security Management	High	No				
5.9.6	Anti-Land Invasion	High	No				
5.9.7	Fire and Emergency Services	High	No				
	Other projects to consider:						
5.9.8	Mechanical Division (Including Fleet Management)	Medium	No		x		
6	Skills Transfer Workshops and Manuals (Refer separate Skills Transfer Plan)						

Relating to and during the 2019/2020 financial year the following Internal Audit reports were issued:

No	Internal Audit Report Issued
1	Annual Cash Count FY19
2	Annual Stock Count FY19
3	Confirmation of leave balances (terminations)
4	Leave Termination Process FY20
5	Performance Management System Q1 2019/2020
6	Performance Management System Q2 2019/2020
7	Annual Cash Count FY20
8	Annual Stock Count FY20
9	Contract Management FY19
10	Integrated Risk Management and Internal Audit Report: Supply Chain Management (FY19)

#### 2.9 SUPPLY CHAIN MANAGEMENT

#### 2.9.1 Supply Chain Management Overview

The George Municipality Supply Chain Management Policy overall objectives are to:

To ensure the efficient, effective and uniform planning for and procurement of all services and goods, required for the proper functioning of the Municipality as well as the sale and letting of assets that conforms to constitutional and legislative principles whilst developing, supporting and promoting historically disadvantaged individuals, black economic empowerment, small, medium and micro enterprises (SMME's) and preferential goals:

- To ensure the efficient, effective and uniform management and disposal of goods and assets
- To ensure good governance through its SCM processes
- To prevent SCM System abuse and resultant irregular expenditure

The municipality complies with the implementation of Section 112 of the Municipal Finance Management Act, No 56 of 2003 (MFMA). With the implementation of the said section, cost-effective and value for money bids fail to comply with the DTI Local Content Threshold and thus pose as a challenge as the municipality must pay higher premium or to cancel bids.

#### 2.9.2 Competitive Bids Exceeding R200 000

#### **Bid Committee Meetings**

The following table details the number of bid committee meetings held for the 2019/20 financial year:

Bid Specification Committee	Bid Evaluation Committee	Bid Adjudication Committee
40	40	14

# Awards made by the Bid Adjudication Committee

The bid adjudication committee awarded **10** bids with an estimated value of **R141 million** (excluding annual store stock bids, technical annual bids and other as and when required.)

The ten highest bids awarded by the bid adjudication committee are as follows:

Bid Number	est bids awarded by the bid adjud Title of Bid	Directors and Section	Successful Bidder	Value of bid awarded R
T/ING/023/2018	Upgrading of the Outeniqua WTW - Mechanical, Electrical and Instrumentation Works	Civil Engineering Services	Water Purification Chemical and Plant cc	R117 201 296,96
ENG031/2019	Appointment of a Contractor for the Electrification of ERF 325, East (Phase C)	Electro-Technical Services	MDL Engineering (Pty) Ltd	R11 828 171,50
T/ING/005/2019	Service and Maintenance of Aerators for a period of three (3) years	Civil Engineering Services	Coastal Armature Winders and Supplies cc	R4 450 815,10
MM017/2019	Internal Audit Services for a period of one year with option to extend for another (1) year	Municipal Manager	PKF George	R2 796 340,00
T/ING/006/2019	Maintenance of Wastewater and Water Purification Sites and Clearing of Pathways to rivers for sampling for a period of three (3) years	Civil Engineering Services	Area 1: Apcot Trading (Pty) Ltd	R1 268 460,00
COM011/2019	Service and Maintenance of Aerators for a period of three (3) years	Community Services	Combo Sign (Pty) Ltd	R1 153 506,12
DPD038/2019	Tender for: Part A - Repair & Replacement of Slate Roof Tiles & Cleaning of Concrete Roofs & Removal & Replacement of existing asbestos rainwear; Part B: Removal of existing Slate Tiles & Installation of new Coverland Tiles	Human Settlement	Imvusa Trading 85cc t/a MSD Construction	R1 028 268,01
DPD030/2019	Removal and Replacement of the Floor at the Pacaltsdorp Community Hall	Human Settlement	Makhare Holding (Pty) Ltd t/a MH Construction	R709 773,79
DPD056/2019	Extension of Building at Lawaaikamp Old Age Home	Human Settlement	Makhare Holding (Pty) Ltd	R386 515,00
ENG006/2019	Appointment of a contractor for the construction and installation of a security fence around substation	Electro-Technical Services	Ice Gee (Pty) Ltd	R327 250,00

#### Awards Made by the Accounting Officer

In terms of paragraph 5(2) of Council's Supply Chain Management Policy, only the Accounting Officer may award a bid which is more than R10 million. The power to make such an award may not be sub-delegated by the Accounting Officer. The bids awarded by the Accounting Officer is as follows:

Bid Number	Title of Bid	Directors and Section	Successful Bidder	Value of bid awarded R
T/ING/031/2018	Tender for the Road Rehabilitation, Resurfacing and Ancillary Works for a period of three years	Civil Engineering Services	Panel of Contractors: Martin & East (Pty) Ltd; Civil 2000 (Pty) Ltd; Roadmac Surfacing Cape (Pty) Ltd; Tau Pele Construction (Pty) Ltd; Aqua Transport & Plant Hire (Pty) Ltd; WTW Civil (Pty) Ltd; Entsha Henra (Pty) Ltd; Actophambili roads (Pty) Ltd	Rates
T/ING/023/2018	Upgrading of the Outeniqua WTW - Mechanical, Electrical and Instrumentation Works	Civil Engineering Services	Water Purification Chemical and Plant cc	R117 201 296,96
ENG031/2019	Appointment of a Contractor for the Electrification of ERF 325, East (Phase C)	Electro- Technical Services	MDL Engineering (Pty) Ltd	R11 828 171,50

Appeals Lodged by Aggrieved Bidders

DATE	TENDER NO	DESCRIPTION	COMPLAINANT	COMPLAINED	ОИТСОМЕ
01 07 2019	ENG 021/2019	Supply and Delivery of surge Generator 16kv.	H.V Test	Object against the awarding to Lead HV (Pty) Ltd. Stating that possible fronting could be present and must be investigated.	Not successful. No proof of fronting could be found.
19 08 2019	PS036/2019	Supply and Delivery of GIPTN Staff Uniforms.	Uniforms of George	Object against the awarding to Linda Jacobs Promotions, as they do not comply with the local content conditions. Also requested information.	Not successful. The preferred bidder complied with the local content conditions and was informed to apply for access to information.
23 09 2019	PS001/2019	Repairs and maintenance to existing tracking and camera units for 3 years.	Netstar (Pty)Ltd.	Requested information to formulate their objection.	Information was provided, objection was formulated and found to be not successful, as Netstar failed the pre-

DATE	TENDER NO	DESCRIPTION	COMPLAINANT	COMPLAINED	ОИТСОМЕ
					qualification phase and could not be evaluated on price and points.
23 09 2019	PS001/2019	Repairs and maintenance to existing tracking and camera units for 3 years.	Byropart (Pty)Ltd.	Object against the awarding to AFSOL, as they do not have an office in George and their price is too high.	Not successful. The specification was to open an office in George and not to have an established office. The preferred bidder did comply with all the specifications.
02 10 2019	DPD044/2019	Hiring and maintaining / servicing of chemical toilets.	Sanitech	Object against the awarding to Moreki Distributors as their price is too low. Also requested Access to Information to formulate their objection with reasons.	Not successful. The preferred bidder tendered according to the tender specifications.
14 11 2019	ENG017/2019	Appointment of Consulting Engineers for professional engineering services for electrical projects for 3 years.	Bosch Projects (Pty) Ltd.	Object that their BBBEE certificate was in order.	Not successful, as their BBBEE certificate was not valid on the day of the evaluation of the tender.
26 11 2019	ING006/2019	Maintenance of wastewater and water purification sites as well as cleaning of pathways to rivers for sampling for 3 years.	Apcot General Trading (Pty)Ltd.	Object that their prices were the cheapest.	Successful. They were omitted from the evaluation phase. This was corrected, and it was referred back by the BAC to the BEC for re-evaluation.
28 11 2019	ING006/2019	Maintenance of wastewater and water purification sites as well as cleaning of pathways to rivers for sampling for 3 years.	MPD Projects (Pty)Ltd.	Object that the successful tenderer did not tender for the amount, as reflected in the	Not successful. Bona fide error resulted in wrong amount in the letters to tenderers. This

DATE	TENDER NO	DESCRIPTION	COMPLAINANT	COMPLAINED municipal correspondence.	OUTCOME was rectified and resent with the
12 12 2019	MMo36/2019	Appointment of a biometrics network service provider for the installation, relocation and supply of biometric devices, all municipal sites, as and when required, for a period of one year from date of appointment.	Byropart (Pty)Ltd	Object that they submitted the lowest price and should therefore have been appointed.	Not successful. Although their price was the lowest, they did not score the highest points.
06 01 2020	DPD048/2019	Tender for lease of various portions of Municipal sites for non-illuminated lamp post mounted signs.	Directosign (North) (Pty) Ltd.	Object that is not possible to erect 4140 signs in George. Also stated that their price over a 5-year period was the cheapest.	Not successful. The total of 4140 signs was an estimated number over a 5-year period. Although their price was the lowest, the successful tenderer scored the highest overall points.
25 02 2020	DPD 064/2019	Supply and Installation of Security Fencing, Kekkel & Kraai Creche Borcherds	Zab's Enterprises (Pty)Ltd.	Object that it is impossible to comply with the specs by the amount quoted and discrepancy in length of the fence.	Not successful, the tendered price was found to be in order.
20/03/2020	PS 030/2019	Appointment of a professional team to provide marketing and communication services for the George Integrated Public Transport Network (GIPTN) as and when required, for a period of three (3) years from date of appointment.	Huriqua (Pty) Ltd.	They alleged that Rock Solid JV was awarded preferential treatment as result of access to confidential information.	Not successful. The claims by the objector could not be substantiated.

# 2.9.1 Awards made to Enterprises within the George Municipal Area

The following table details the value of formal written price quotations between R<sub>3</sub>0 000 and R<sub>2</sub>00 000 awarded during the 2019/2020 financial year.

Number of contracts awarded	Value of contractors awarded	
	R	
50	6 848 724	

#### 2.9.2 Deviation from Normal Procurement Processes

Paragraph 36 of Council's Supply Chain Management (SCM) Policy allows the Accounting Officer to deviate with the official procurement process. Deviations amounting to **R12** 463 881.47 were approved. The following table provides a summary of deviations approved for 2019/20 respectively.

Directorate	Less than R30 000	Between R30 001 and R200 000	Between R200 001 and R2 000 000	More than R2 000 000
Civil Engineering Services	289 973,27	<sup>2</sup> 457 3 <sup>12</sup> ,57	1 679 588,24	Ro,oo
Community Services	182 082,22	688 942,80	Ro,00	Ro,oo
Corporate Services	127 753,29	317 508,59	Ro,00	Ro,oo
Electro-Technical Services	444 270,39	927 374,46	1 602 826,88	Ro,oo
Financial Services	Ro,oo	50 000,00	Ro,oo	Ro,oo
Human Settlement	37 963,87	279 079,15	Ro,oo	Ro,oo
Office of the Municipal Manager	58 672,31	247 336,35	851 235,7	Ro,oo
Planning and Development	36 472,50	145 390,00	Ro,oo	Ro,oo
Protection Services	120 649,75	1 200 053,22	719 395,86	Ro,oo
Total	1 297 837,60	6 312 997,14	4 853 046,73	Ro,oo

#### 2.9.3 Logistics Management

- The system of logistics management must ensure the following:
- The setting of inventory levels that includes minimum and maximum levels and lead times wherever goods are placed in stock;
- The placing of manual or electronic orders for all acquisitions other than those from petty cash;
- Before payment is approved, certification by the responsible officer that the goods and services are received or rendered on time and are in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged, is as quoted in terms of a contract;
- Appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased;
- Regular checking to ensure that all assets including official vehicles are properly managed, appropriately maintained and only used for official purposes; and
- Monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services.

- Each stock item at the municipal stores, Mitchell Street is coded and is listed on the financial system. Monthly monitoring of patterns of issues and receipts are performed by the Storekeeper.
- Inventory levels are set at the start of each financial year. These levels are set for normal operations. In the event that special projects are being launched by departments, such information is communicated timeously to the Stores section in order for them to gear them to order stock in excess of the normal levels.
- Internal controls are in place to ensure that goods and service received are certified by the responsible person which is in line with the general conditions of contract.
- Regular checking of the condition of stock is performed.

As at 30 June 2020 the value of stock at the municipal stores amounted to R7 307 485.18. For the 2019/20 financial year, stock to the value of only R228 962.85 was accounted for as surpluses and R211 694.18 as deficits.

#### 2.9.4 Performance Management

Three of the most important key performance indicators in the SCM unit, is that of turnaround time from the date that requests are received from departments until bids are adjudicated and awarded. The following table details the performance for each of the key performance indicators:

Key performance indicator	2018/19	2019/20
Ensure that tenders are successfully finalised and awarded within the validity period of the tender to enhance effective delivery of services.	95%	95%
Submit within 10 days of each quarter a report on the implementation of the SCM Policy.	4 reports	4 reports
Compliance with the SCM Policy measured by the limitation of successful appeals against the municipality.	3 Successful appeals	1 Successful appeals

SCM performance indicators

#### 2.9.5 Findings of the Auditor-General on Procurement and Contract Management

Progress has been made with regards to the 2019/20 Auditor-General's audit findings on SCM. With regards to the finding on "Contract Management", monthly evaluation forms are completed, and quarterly reports are prepared.

#### 2.10 BY-LAWS AND POLICIES

Section 11(3) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) empowers Municipal Councils to exercise executive and legislative authority to pass and implement by-laws and policies.

Section 11 of the MSA gives a Council the executive and legislative authority to pass and implement by-laws and policies. Below is a list of all the by-laws developed and reviewed during the financial year:

By-laws developed/revised	Date adopted	Public Participation Conducted Prior to adoption of By-Laws Yes/No	
No bylaws were developed or revised during the 2019/2020 Financial Year.			

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

Policies developed/ revised	Date adopted	Public Participation Conducted Prior to adoption of policy Yes/No
Customer Care, Credit Control and Debt Collection Policy	30 June 2020	Yes
Property Rates Policy	30 June 2020	Yes
Tariff Policy	30 June 2020	Yes
Unauthorized, Irregular and Fruitless and Wasteful Expenditure Policy	30 June 2020	Yes
Indigent Policy	30 June 2020	Yes
Travel and Subsistence Policy	30 June 2020	Yes
Supply Chain Management Policy	30 June 2020	Yes
PPPFA Policy	30 June 2020	Yes
Long Term Financial Plan	30 June 2020	Yes
Cost Containment Policy	19 September 2019	No

#### 2.11 WEBSITES

Municipalities are required to develop and maintain a functional website that displays relevant information as per the requirements of Section 75 of the MFMA and Section 21A and B of the Municipal Systems Act as amended.

The website should serve as a mechanism to promote accountability and transparency to communities and therefore information posted should be accurate and timeously updated.

The municipal website is a key communication mechanism in terms of service offering, information sharing and public participation. It is a communication tool that should allow easy and convenient access to relevant information. The municipal website should serve as an integral part of the municipality's communication strategy.

Below is a website checklist to indicate the compliance to Section 75 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003).

Description of information and/or document	Yes/No and/or Date Published
Municipal contact details (Section 14 of the Promotion of Access to Information A	(ct)
Full Council details	Yes
Contact details of the Municipal Manager	Yes
Contact details of the CFO	Yes
Financial Information (Sections 53, 75, 79 and 81(1) of the MFMA)	
Adjusted Budget 2019/20	Yes
Asset Management Policy	Yes
Borrowing Policy	Yes
Budget and Treasury Office delegations	No
Budget and Treasury Office Structure	No
Customer Care, Credit control and Debt Collection Policy	Yes
Delegations	
Draft Budget 2019/20	Yes
Funds and Reserves Policy	Yes
Grants-In-Aid Policy	Yes
Indigent Policy	Yes
Investment and Cash Management Policy	Yes
Long Term Financial Policy	Yes
Petty Cash Policy	Yes
Rates Policy	Yes
SDBIP 2019/20	Yes
Supply Chain Management Policy	Yes
Tariff Policy	Yes
Travel and Subsistence Policy	Yes
Virement Policy	Yes
Integrated Development Plan and Public Participation (Section 25(4)(b) of the MSA and Sectio MFMA)	n 21(1)(b) of the
IDP Process Plan for 2019/20	Yes
Reviewed IDP for 2019/20	Yes
SCM (Sections 14(2), 33, 37 &75(1)(e) &(f) and 120(6)(b) of the MFMA and Section 18(a) of the Regulation)	National SCM
Contracts which impose a financial obligation on the municipality beyond 3 years	
Long Term borrowing contracts	Yes

Description of information and/or document	Yes/No and/or Date Published
Public invitations for formal price quotations	
Public-Private Partnership agreement	
SCM contracts above R <sub>3</sub> o ooo	
Section 37 of the MFMA; No 56 of 2003 (Unsolicited Bids/Contracts)	
Service delivery agreements	
Reports (Sections 52(d), 71, 72 &75(1)(c) and 129(3) of the MFMA)	
Annual Report of 2018/19	Yes
Mid-year budget and performance assessment	Yes
Monthly Budget Statement	Yes
Oversight reports	Yes
Quarterly Reports	Yes
Local Economic Development (Section 26(c) of the MSA)	
Economic Profile (Captured in IDP)	Yes
LED Policy Framework	n/a
LED Projects – (Under News)	Yes
Local Economic Development Strategy	Yes
Assurance Functions (Sections 62(1), 165 & 166 of the MFMA)	
Audit Committee charter	Yes
Internal Audit charter	Yes
Risk Management Policy	Yes

#### 2.12 COMMUNICATION

Local government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa, 1996 and other statutory enactments impose an obligation on local government and require high levels of transparency, accountability, openness, participatory democracy and direct communication with the communities to improve the lives of all.

Good customer care is clearly of fundamental importance to any organisation. A successful communication strategy therefore links the people to the municipality's programme for the year.

Below is a communication checklist of the compliance to the communication requirements:

Communication activities	Yes/No	Date Approved/Completed
Communication strategy	Yes	June 2015
Corporate Identity Manual (Internal)	Yes	Activated February 2019

Communication Activities

#### 2.12.1 Communication Unit

Communication Unit	Yes/No	Number of people in the Unit	Job titles
	Yes	3	Communications & IGR Manager
			Senior Communications Officer
			Communications Officer

#### 2.12.2 Newsletters

Type of Newsletter	Issues distributed	Circulation number	Date distributed
			June 2019
Internal – Munindaba	3	Print 2000	September 2019
			March 2020
- I M I			September 2019
External – Municipal Newspaper (Tabloid)	3	Print 25 000	December 2019
Newspaper (Tabloid)			March 2019
			September 2019
			October 2019
External - Municipal	4	Printed 45000	November 2019
Newsletter(page)	<del>"</del>	Email 25 000	February 2020
			Link sent to emailed versions April 2020

#### 2.12.3 Awareness Campaigns

George Municipality embarked on the following awareness campaigns during the 2019/2020 financial year:

- Water Security: Garden Route Dam Upgrade;
- Festive Season Safety December 2019;
- Summer Fire Safety 2019 and 2020;
- Adjustment Budget 2019/2020;
- Budget 2020/21 Tariff Increases;
- Energy Efficiency World of Tomorrow Festival August 2019;
- Recycling Phase 1 and 2 Blue and Green Bag Recycling;
- Road Upgrades 2019;
- Illegal Dumping;
- Illegal Connections;
- Service Delivery Information;
- Women's Month 2019;

- Tourism Month 2019;
- Youth Month 2019 and 2020;
- Mandela Month 2019 and 2020;
- Housing Database Verification Drive September 2019;
- Funda Mzantsi Event September 2019;
- IERM Convention September 2019;
- OCC September 2019 and February 2020;
- Transport Month 2019 Driver of the Year October 2019;
- George Tens Rugby Festival December 2019;
- Covid-19 Awareness March to June 2020;
- Covid-19 Hotspot Awareness June 2020.

# 2.12.4 Additional Communication Channels Utilised

Channel	Yes/No	Number of People Reached / Followers
Facebook	Yes	20165 (+ 4557)
Twitter	Yes	3193 (+436)
SMS System	Yes	Limited to Council/WardCommittee Members
Municipal App	Yes	Launched September 2017, 6569 subscribers (+2033)
Website	Yes	± 9500 daily users
Instagram	Yes	742 (As of August 2019)
LinkedIn	Yes	73 (As of September 2019)
You Tube	Yes	143 (As of May 2019)
WhatsApp Groups	Yes	Council, Media, Directorates, Community Policing Forums
Community Newspaper GeorgeHerald (Bi-monthly Column called Focus ON)	Yes	± 20 000 readers
Commercial Radio Station – Algoa FM (News Sponsorship/Radio Adverts)	Yes	± 6o ooo Garden Route listeners
CommunityRadioStation–Heartbeat FM(Weekly RadioSlot/5 x radio adverts per day	Yes	± 102 000 listeners
CommunityRadioStation – Eden FM (Weekly RadioSlot/5xradio adverts perday)	Yes	± 195 000 listeners
Media Releases	Yes	1 July 2019 — 30 June 2020 - 350 Media Releases issued (Average 29 per month)
Media Queries	Yes	1 July 2019 — 30 June 2020 - 471 Media Queries received and responded to (Average 39 per month)

# CHAPTER 3: SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

#### 3.1 OVERVIEW OF PERFORMANCE WITHIN THE ORGANISATION

Performance management is a strategic approach to management, which equips leaders, managers, staff and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance of the organisation in terms of indicators and targets for efficiency, effectiveness and impact.

Within the local sphere of government, performance management is institutionalised through legislative requirements. Performance management provides the mechanism to measure whether set targets against strategic goals are met.

#### 3.1.1 Legislative Requirements

The objects of local government as enshrined in Section 152 of the Constitution of the Republic of South Africa, 1996, paves the way for performance management. The democratic values and principles in terms of Section 195 (1) of the Constitution of the Republic of South Africa are also linked with the concept of performance management, regarding the principles of *inter alia*:

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

The Local Government: Municipal Systems Act, No. 32 of 2000 (MSA) requires each municipality to establish a performance management system. Furthermore, the MSA and the Local Government: Municipal Finance Management Act, No. 56 of 2003 (MFMA) require the municipal budget to be aligned to the Integrated Development Plan (IDP) and create a mechanism for the implementation of the budget against the IDP using the Service Delivery and Budget Implementation Plan (SDBIP).

In terms of Section 46(1) of the MSA a municipality must prepare each financial year a performance report reflecting:

- the performance of the municipality and of each external service provider during that financial year;
- a comparison of the performance referred to above with targets set for and performance in the previous financial year; and
- measure taken to improve performance.

#### 3.1.2 Organisational Performance

Strategic Performance indicates how well the municipality is meeting its objectives (which policies and processes are working). All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical. Municipalities must develop a strategic plan and allocate resources for implementation. The implementation must be monitored on an ongoing basis and the results must be reported on during the financial year to various role players to enable them to timeously implement corrective measures where required.

This report highlights the strategic performance in terms of the Municipality's Top Layer Service Delivery Budget Implementation Plan (SDBIP), performance on the National Key Performance Indicators as prescribed in Section 43 of the MSA and an overall summary of performance on municipal services.

#### 3.1.3 Performance System Followed for the Financial Year 2019/20

#### i. The IDP and the Budget

The reviewed IDP and Budget for the financial year 2019/20 were approved by Council on 30 June 2019. The IDP and the performance management process are integrated. The IDP fulfils the planning stage of performance management. Performance management in turn, fulfils the implementation management, monitoring and evaluation of the IDP.

#### ii. Service Delivery and Budget Implementation Plan

The organisational performance is evaluated by means of a municipal scorecard (Top Layer SDBIP) at organisational level.

The SDBIP is a plan that converts the IDP and budget into measurable criteria on how, where and when strategies, objectives and business processes of the Municipality are implemented. It also assigns the responsibility to Directorates of delivering of municipal services in terms of the IDP and budget.

The Top Layer SDBIP was approved by the Executive Mayor on 20 June 2019.

The following were considered in the development of the Top Layer SDBIP:

- Areas to be addressed and the root causes contained in Management Letter of the Auditor-General, as well as the risks identified during the 2018/19 audit;
- Alignment with the IDP, National Key Performance Areas (KPAs), Municipal KPAs and IDP objectives;
- Municipal Public Accounts Committee's Report on the Annual Report 2018/19;
- The risks identified by the Internal Auditor during the municipal risk analysis.

#### iii. Actual Performance

The municipality utilises an electronic web-based system on which Key Performance Indicator (KPI) owners update actual performance monthly. KPI owners report on the results of the KPI by documenting the following information on the performance system:

- The actual result in terms of the target set;
- A performance comment;
- Actions to improve the performance against the target set, if the target was not achieved.

It is the responsibility of the KPI owner to maintain a portfolio of evidence to support the actual performance results updated.

#### 3.1.4 Performance Management

Performance management is prescribed by the MSA and Municipal Planning and Performance Management Regulations, (796 of August 2001), Regulation 7 of the latter states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and process of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the responsibilities of the different role players." This framework, *inter alia*, reflects the linkage between the IDP, Budget, SDBIP, individual and service provider performance. The Municipal Council reviewed and approved the Organisational Performance Framework on 12 February 2018.

#### i. Organisational Performance

The organisational performance is monitored and evaluated through the SDBIP. The performance process can be summarised as follows:

- The Top Layer SDBIP was approved by the Executive Mayor on 20 June 2019;
- The web-based system sends automated e-mails to the users of the system as a reminder to all staff responsible for updating their actual performance
- against key performance indicator targets every month for the previous month's performance;
- A mid-year budget and performance (Section 72) report was compiled within the legislative timeframes, tabled to Council and approved and thereafter submitted to Provincial Treasury;
- Roll-out of performance agreements for other levels of management other than Senior Management (Section 57 appointees) is ongoing;
- Internal Audit conducted an audit on the Top Layer SDBIP for all quarters and reported to the Performance Audit Committee on a guarterly basis.
- The Audit Committee also acts as the Performance Audit Committee and is fully functional.

#### ii. Individual Performance

#### **Senior Management**

The MSA prescribes that the municipality must enter into performance-based agreements with all Section 57 employees and that performance agreements must be reviewed annually. The Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers (Regulation 805, August 2006) explain this process in detail.

The 2019/2020 performance agreements for the Section 57 appointments were signed as indicated in the table below:

Position	Name	Date Signed
Municipal Manager	Mr T Botha	25 July 2019
Director: Community Services	Mr W. Hendricks	25 July 2019
Director: Human Settlements	Mr C. Lubbe	25 July 2019
Director: Financial Services	Vacant	
Director: Civil Engineering	Mr R. Wesso	25 July 2019
Director: Protection Services	Mr S. Erasmus	25 July 2019
Director: Corporate Services	Mr S. James	25 July 2019
Director: Planning and Development	Vacant	
Director: Electrotechnical Services	Vacant	

Performance Agreements

# 3.2 STRATEGIC SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (TOP LAYER)

In the paragraphs below the performance achieved is illustrated against the Top Layer SDBIP as per the IDP (strategic) objectives.

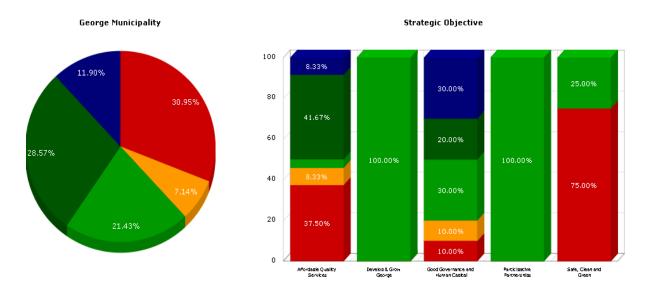
The following figure explains the method by which the overall assessment of actual performance against targets set for the key performance indicators (KPIs) of the SDBIP is measured:

Category	Colour	Explanation				
KPI Not Yet Measured		KPIs with no targets or actuals in the selected period.				
KPI Not Met		o% <= Actual/Target <= 74.999%				
KPI Almost Met         75.000% <= Actual/Target <= 99.999%						
KPI Met		Actual meets Target (Actual/Target = 100%)				
KPI Well Met		100.001% <= Actual/Target <= 149.999%				
KPI Extremely Well Met		150.000% <= Actual/Target				

SDBIP Measurement Categories

# 3.2.1 Overall Performance

The graph below displays the overall performance for 2019/2020 per Strategic Objective:



	George			Strategic Objective	2	
	Municipality	Affordable Quality Services	Develop & Grow George	Good Governance and Human Capital	Participative Partnerships	Safe, Clean and Green
Not Met	13 (30.95%)	9 (37.50%)	-	1 (10.00%)	-	3 (75.00%)
Almost Met	3 (7.14%)	2 (8.33%)	-	1 (10.00%)	-	-
Met	9 (21.43%)	1 (4.17%)	1 (100%)	3 (30.00%)	3 (100.00%)	1 (25.00%)
Well Met	12 (28.57%)	10 (41.67%)	-	2 (20.00%)	-	-
Extremely Well Met	5 (11.90%)	2 (8.33%)	-	3 (300.00%)	-	-
Total:	42	24	1	10	3	4
	100%	57.14%	2.38%	23.81%	7.14%	9.52%
	Total % Target	Achieved			61.90%	

# 3.2.2 Actual Performance against KPIs Set in Terms of the Top Layer SDBIP

a) Affordable Quality Services

	,	Unit of	Pre-determined			us Year	Original	Revised	Q1	Q2	Q3		Q4			Performan	ce
Ref	KPI Name	Measurement	Objective	Area	Perfor		Annual	Annual	Actual	Actual	Actual	_		-	L	019/2020	_
TL6	Limit water network	% Water network	To provide world	1	<b>Target</b> 25.00%	<b>Actual</b> 23.24%	<b>Target</b> 25.00%	<b>Target</b> 25.00%	0.00%	0.00%	0.00%	<b>Target</b> 25.00%	<b>Actual</b> 20.27%	R	Target 25.00%	Actual 20.27%	R
TLO	losses to less than 25%	losses by 30 June	class water services	1	23.00%	23.24/0	23.00%	23.00%	0.0076	0.0076	0.0076	23.0076	20.2770	В	23.00%	20.2770	Ь
	by 30 June 2020	2020	in George to														
	,		promote														
			development and														
			fulfil basic needs														
TL7	85% spent by 30 June	% of approved	To provide world	1	85.00%	89.56%	85.00%	85.00%	0.00%	0.00%	98.13%	85.00%	98.13%	G	85.00%	98.13%	G
	2020 of the amount	budget spend at	class water services											2			2
	budgeted for the	30 June 2020	in George to														
	construction of the		promote														
	raising of the Garden Route Dam spill way		development and fulfil basic needs														
	{(Actual expenditure		Tullii basic needs														
	divided by the total																
	approved budget) x																
	100}																
TL8	Rehabilitate and	% of budget spend	To endevour to	1	85.00%	60.93%	85.00%	85.00%	0.00%	42.00%	37.70%	85.00%	60.95%	R	85.00%	60.95%	R
	upgrade Streets and	at 30 June 2020	improve the reseal														
	Storm water in terms		of roads such as an														
	of the approved		extent that potholes														
	capital adjusted		are prevented														
	budget by 30 June 2020 {(Actual		altogether														
	expenditure divided by																
	the total approved																
	budget) x 100}																
Perforr	mance Comment	Covid-19 lockdown	caused delays in many of	our proces	sses which v	were suppo	sed to be con	npleted. Final	spending pe	rformance	as reflected	in the Anr	ual Financ	ial Sta	atements, a	s per the	
		extract attached hereto as POE.															
Correct	tive Action	The MIG Storm water projects have been significantly delayed due to the state of emergency. These are multiyear projects and will continue in 2020/21. Budgetary provision has been made															
		in the February 2021 adjustments budget to complete the projects by 30 June 2021.															
TL9	Rehabilitate and	% of budget spend		1	85.00%	96.35%	85.00%	85.00%	0.00%	0.00%	95.58%	85.00%	95.68%	G	85.00%	95.68%	G
	upgrade the	at 30 June 2020	improve the reseal											2			2
	proclaimed roads in		of roads such as an														
	terms of the approved		extent that potholes														
	capital budget by 30 June 2020 {(Actual		are prevented altogether														
	expenditure divided by		aitogethei														
	capenditure divided by	I	<u> </u>	i .	i .				l	i	I .	i .	i				

Ref	KPI Name	Unit of Measurement	Pre-determined	Area		us Year mance	Original Annual	Revised Annual	Q1	Q2	Q3 Actual		Q4			Performano 019/2020	æ
		Measurement	Objective		Target	Actual	Target	Target	Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
	the total approved budget) x 100}																
TL10	Rehabilitate and upgrade the public transport infrastructure in terms of the approved adjusted capital budget by 30 June 2020 {(Actual expenditure divided by the total approved budget) x 100}	% of budget spend at 30 June 2020	To implement an Integrated Public Transport Network that will serve the communities of George	1	85.00%	97.52%	85.00%	85.00%	0.00%	52.00%	31.00%	85.00%	55.78%	R	85.00%	55.78%	R
Perforr	mance Comment	Covid-19 Lockdown	delayed project roll-outs	s. Final sper	nding perfo	rmance sub	ject to actual	spending as I	reflected in th	ne Annual F	inancial Sta	atements.					
	tive Action	access problem for p listed, due to COVID sidewalks within the	taken in order in improvohase 1 of Tabata street19 construction suspen 2020/21 financial year.	. 2) Redirect sion regula	t funding, a tions 3) Ass	pproved in isting the G	March for Ta IPTN division	bata street ph with the com	nase 2 and sic	dewalks, to rand roll-ov	the designi ver applicat	ing of other ion, to be ι	alternative Itilise on Ta	e road	ds, from the street (Pha	e GIPTN PN se 1) and	ЛS
TL11	Rehabilitate and upgrade Water - Networks in terms of the approved capital budget by 30 June 2020 {(Actual expenditure divided by the total approved budget) x 100}	% of budget spend at 30 June 2020	To provide world class water services in George to promote development and fulfil basic needs	1	85.00%	51.10%	85.00%	85.00%	0.00%	21.00%	30.08%	85.00%	36.41%	R	85.00%	36.41%	R
Perforr	nance Comment	Final spending perfo	rmance as reflected in t	he Annual F	inancial Sta	atements.			<u>l</u>	l	l.	L.	L.				
	tive Action	Projects interrupted by the state of emergency. The necessary changes have been made to the capital budget during th achievable target. Additional capacity has been sourced to assist to department to roll out and complete the projects.								nents Budg	et in Febru	ary 2021, to	o brin	g it in line v	vith a reali	stic	
TL12	Rehabilitate and upgrade Water- Purification in terms of the approved capital budget by 30 June 2020 {(Actual expenditure divided by	% of budget spend at 30 June 2020	To provide world class water services in George to promote development and fulfil basic needs	1	85.00%	53.40%	85.00%	85.00%	0.00%	21.00%	47.91%	85.00%	56.48%	R	85.00%	56.48%	R

Ref	KPI Name	Unit of	Pre-determined	Area		us Year mance	Original Annual	Revised Annual	Q1	Q2	Q3	-	Q4		Performance 2019/2020
1101	Kiritanic	Measurement	Objective	7	Target	Actual	Target	Target	Actual	Actual	Actual	Target	Actual	R Target	Actual R
	the total approved budget) x 100}														
Perforr	nance Comment	Final spending perfo	rmance as reflected in tl	he Annual f	inancial Sta	atements.									
Correct	tive Action	until the MIG approv	of the WTW has been siqual has been issued. This and new tenders will be	will be add	ressed with	the MIG. T	Γhe Rehabilita	tion of the O							
TL13	Rehabilitate and upgrade the Sewerage Networks in terms of the approved capital budget by 30 June 2020 {(Actual expenditure divided by the total approved budget) x 100}	% of budget spend at 30 June 2020	To provide and maintain safe and sustainable sanitation management and infrastructure	1	85.00%	40.49%	85.00%	85.00%	0.00%	15.00%	28.95%	85.00%	43.65%	R 85.00%	43.65% R
Perforr	nance Comment	Final spending perfo	rmance as reflected in tl	he Annual f	inancial Sta	tements.	•		•						
Correct	tive Action		by the state of emergen arget. Additional capacit								ments Budg	get in Febru	uary 2021, i	to bring it in lin	e with a
TL14	Rehabilitate and upgrade the Sewerage Treatment Works in terms of the approved adjusted capital budget by 30 June 2020 {(Actual expenditure divided by the total approved budget) x 100}	% of budget spend at 30 June 2020	To provide and maintain safe and sustainable sanitation management and infrastructure	1	85.00%	96.18%	85.00%	85.00%	0.00%	4.00%	17.03%	85.00%	24.62%	R 85.00%	<b>24.62%</b> R
Perforr	nance Comment	Lengthy SCM proce hereto as POE.	sses as well as Covid-19 l	lockdown d	lelayed proj	ects. Final s	spending perf	ormance sub	ject to actual	spending a	s reflected	in the Ann	ual Financia	al Statements a	tached
Correct	tive Action	The Mechanical Electrical component of the new 10Ml WwTW has faced two major challenges, namely the ar Contractual requirements by the appointed Contractor. The Contract was terminated, which is now being dispute has been resolved. This is a multi-year project and corrections will be made with the February Adjustration.								the Contra					
TL15	90% compliance to general standards with regard to waste water outflow by 30 June 2020	% compliance to general standards by 30 June 2020	To provide and maintain safe and sustainable sanitation management and infrastructure	1	90.00%	92.00%	90.00%	90.00%	98.00%	90.00%	94.00%	90.00%	92.00%	G 90.00% 2	92.00% G 2

Ref	KPI Name	Unit of	Pre-determined	Area		us Year mance	Original Annual	Revised Annual	Q1	Q2	Q3		Q4			Performano 019/2020	æ
ivei	Krindilie	Measurement	Objective	Alea	Target	Actual	Target	Target	Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL16	95% water quality level obtained as per SANS 241 physical and micro parameters by 30 June 2020	% water quality level by 30 June 2020	To provide world class water services in George to promote development and fulfil basic needs	1	95.00%	99.30%	95.00%	95.00%	99.50%	95.00%	97.00%	95.00%	98.40%	G 2	95.00%	98.40%	G 2
TL17	Limit electricity losses to less than 10% by 30 June 2020 (Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) x 100	% Electricity losses by 30 June 2020	To explore and implement measures to preserve resources and ensure sustainable development	1	10.00%	5.39%	10.00%	10.00%	9.93%	8.40%	7.67%	10.00%	7.12%	В	10.00%	7.12%	В
TL18	85% of the electricity capital budget spent by 30 June 2020 {(Actual capital expenditure divided by the total approved capital budget) x100}	% of the capital budget spent by 30 June 2020	To provide sufficient electricity for basic needs	1	85.00%	87.64%	85.00%	85.00%	0.00%	10.00%	0.00%	85.00%	62.99%	R	85.00%	62.99%	R
Perforr	nance Comment	Planning Section and	Department was unabled as such this Section dientified of the work as well as ad	d not fulfil	its obligati	ons nor did	l it meet its K	(Pls. The und	lerperforman	ce is an er	nd result of	an inability	y to timeo	usly c	omplete th	ne tender a	and

		Unit of	Pre-determined			ous Year	Original	Revised	Q1	Q2	Q3		Q4			Performance	
Ref	KPI Name	Measurement	Objective	Area	Target	Actual	Annual Target	Annual Target	Actual	Actual	Actual	Target	Actual	R	Target	019/2020 Actual	R
Correct	tive Action	The Enging during contents of the project of the pr	ctive measures will be p ineering Staff within the construction works. In the compliance, consideration must be given active actions are recommended as and tender document amanagement software, conditions, ponsible for managing cures have been put in plangement on the Document agreater focus on the Document agree focus on the Docum	section mu is regard, it iven to the get. mended, fo in the Plann ntation of the /tools shou contractors lace since Ju	n the 2020, ust ensure to a second developmed llowing an ing Section the projects and be consided to site, shound 2020 a	/21 Financial that all designended that all designended that are to fithe Ca assessment and responsible should be midered to assould ensure and none of the control of the	Year:  ns are as per all designs be pital Budget t  from the inte e for the expe anaged by cc ist the staff w  that sites are he above cor	George Mun vetted by on o ensure tha rnal audit uni enditure of th ompetent stal vithin the sec visited regula	t: e Capital Bud ff within the S tion to monito arly to ensure ures have bee	get, should section, end or contract that programmen impleme	resources ( I be done to abling times and process are madented. The content of th	n of tender ngineers to number of o determine ously comp ess paymen de in line w current dev	specificatio support th skilled staff e their suita letion for th ts in line wi ith agreed p	ons, to e prop dibility the pro oroject	limit delar posed desi available to in perform curement oject delive t program new Capita	ys on site gns and to execute all sing their of projects. erables and	-
TL22	Construct 120 top structures within the Thembalethu UISP project by 30 June 2020	120 Top structures constructed by 30 June 2020	To accelerate delivery in addressing housing	10,11 12,13 16;22	204	204	120	120	0	0	0	120	120	G	120	120	G
TL28	Upgrade the Pacaltsdorp, Blanco and Thembalethu libraries by 30 June 2020	Number of libraries upgraded by 30 June 2020	To revitalise the current community facilities to increase the access to services for the public	15,17	3	2	3	3	0	0	0	3	0	R	3	0	R
	nance Comment tive Action	Pacaltsdorp library b	has brought a halt to all budget has been rolled c or the adjustments budge	over to the	2020/2021										•	caltsdorp	

Ref	KPI Name	Unit of	Pre-determined	Area	Previo	us Year	Original Annual	Revised Annual	Q1	Q2	Q3		Q4			erformano	æ
ivei	Krindilic	Measurement	Objective	Alca	Target	Actual	Target	Target	Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL32	Number of formal residential properties that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2020	Number of residential properties which are billed for water or have pre- paid meters as at 30 June 2020	To provide world class water services in George to promote development and fulfil basic needs	1	34 300	39 327	34 300	34 300	0	39 512	0	34 300	39 217	G 2	34 300	39 217	G 2
TL33	Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) (Excluding Eskom areas) and billed for the service as at 30 June 2020	Number of residential properties which are billed for electricity or have pre-paid meters (Excluding Eskom areas) as at 30 June 2020	To provide sufficient electricity for basic needs	1	43000	43 878	43 000	43 000	0	44 242	0	43 000	44 467	G 2	43 000	44 467	G 2
TL34	Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) and billed for the service as at 30 June 2020	Number of residential properties which are billed for sewerage as at 30 June 2020	To provide and maintain safe and sustainable sanitation management and infrastructure	1	37 500	37 261	36 000	36 000	0	38 154	0	36 000	38 080	G 2	36 000	38 080	G 2
TL35	Number of formal residential properties for which refuse is removed once per week and billed for the	Number of residential properties which are billed for refuse removal as at 30 June 2020	To provide integrated waste management services for the entire municipal area	1	37 500	36639	36 000	36 000	0	36 952	0	36 000	37 142	G 2	36 000	37 142	G 2

Ref	KPI Name	Unit of	Pre-determined	Area		us Year mance	Original Annual	Revised Annual	Q1	Q2	Q3		Q4			Performan 019/2020	ce
Kei	Kri Naille	Measurement	Objective	Alea	Target	Actual	Target	Target	Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
	service as at 30 June 2020				<b>g</b>		J	J									
TL36	Provide free basic water to indigent households	Number of indigent households receiving free basic water as at 30 June 2020	To provide world class water services in George to promote development and fulfil basic needs	1	15 500	15 832	13 145	13 145	0	15 614	0	13 145	15 142	G 2	13 145	15 142	G 2
TL37	Provide free basic electricity to indigent households	Number of indigent households receiving free basic electricity as at 30 June 2020	To provide sufficient electricity for basic needs	1	19 500	20 233	19 399	19 399	0	19 865	0	19 399	19 730	G 2	19 399	19 730	G 2
TL38	Provide free basic sanitation to indigent households	Number of indigent households receiving free basic sanitation as at 30 June 2020	To provide and maintain safe and sustainable sanitation management and infrastructure	1	15 000	15 397	16 000	16 000	0	15 115	0	16 000	14 720	0	16 000	14 720	0
Perform	mance Comment	at 30 June 2020 infrastructure  The targets were not achieved, mainly due to the covid-19 pandemic and the indigent audit that were performed. Many indigents were taken off from the indigent register, because they did not qualify for the subsidy. The Finance Department, together with the Civil and Technical department will work together and review and adjust current target indicators to a more realistic and achievable goal. The Technical department plays a major role in the setting of targets, because they are responsible for the development of infrastructure. The targets will be reviewed annually in collaboration with the technical departments and we will see that it is realistic and achievable. The Finance Department will also do site inspections at new developments and housing schemes to ensure that the relevant services are being billed at the applicable tariffs.															
Correc	tive Action	The target will be as	sessed after corrections result of COVID 19. The	have been	made to th	ie indigent r	egister as we	ll as the SAMI	- ,			be done of	the number	er of ı	residents th	nat will	
TL39	Provide free basic refuse removal to indigent households	Number of indigent households receiving free basic refuse removal as at 30 June 2020	To provide an effective and efficient law-enforcement and emergency services to all the communities of George in our quest to protect and promote the fundamental rights of life	1	15 000	15 558	16 000	16 000	0	15 234	0	16 000	14 853	0	16 000	14 853	0

	KPI Name	Unit of Measurement	Pre-determined		Previo	us Year	Original	Revised	Q1	Q2	Q2 Q3		Ω4		Overall Performance		e
Ref			Objective	Area	Perfor	mance	Annual	Annual	Actual	Actual	Actual	Q4			for 20	019/2020	
					Target	Actual	Target	Target	Actual		Actual	Target	Actual	R	Target	Actual	R
Performance Comment		The targets were not achieved, mainly due to the covid-19 pandemic and the indigent audits that were performed. Many indigents were taken off from the indigent register, because they did															bib
		not qualify for the subsidy. The Finance Department, together with the cleansing department, will review the performance indicators annually to ensure that the goals are achievable. The															he
		Finance Department will also do site inspections at new developments to ensure that all the relevant services are being levied. We are also in the process to do an awareness campaign, to															
		encourage those that meet the criteria, to apply for the indigent subsidy. Various platforms are used to spread the message to the wider public. This will assist to meet the prescribed targets.															s.
Corrective Action		The target will be assessed after corrections have been made to the indigent register as well as the SAMRAS billing system. An estimate will be done of the number of residents that will															
		additionally apply as result of COVID 19. The necessary change to the target will be made after the adjustments budget in February 2021.															
TL43	The percentage of the municipal capital budget actually spent on capital projects by 30 June 2020 {(Actual amount spent on projects/Total amount budgeted for capital projects) X100}	% of capital budget spent by 30 June 2020	To manage the municipal finances according to the Municipal Management Act in an effective and efficient manner	1	85.00%	72.82%	85.00%	85.00%	0.00%	19.00%	19.00%	85.00%	53.42%	R	85.00%	53.42%	R
Performance Comment		As per the final Annual Financial ServicesAdditional engineers have been temporarily appointed. This will address the capacity issue in the technical departments in the short term, until the recruitment process to permanently appoint is completedThe necessary adjustments will be done on the capital budget to align it to a realistically achievable budget within the available fundingThe reduction in the COVID-19 pandemic lockdown alert t levels will positively contribute in achieving the set targets.															
Corrective Action			oll-over adjustments bu complete by the end of	_				•						,	_	projects th	ıat

Top Layer SDBIP: Affordable Quality Services

# b) Develop and Grow George

Ref	KPI Name	Unit of Measurement	Pre-determined Objective	Area	Previou: Perform		Original Annual	Revised Annual	Q1	Q2	Q3		Q4			erformance .9 / 2020	for
	ivieasurement	Objective		Target	Actual	Target	Target	Actual	Actual	Actual	Target	Actual	R	Target	Actual	R	
TL25	Create Full Time Equivalents (FTE's) through government expenditure with EPWP by 30 June 2020	Number of FTE's created by 30 June 2020	To maximise job creation opportunities through government expenditure	1	500	402	222	222	0	0	0	222	222	G	222	222	G

Top Layer SDBIP: Develop and Grow George

# c) Good Governance and Human Capital

Ref	KPI Name	Unit of	Pre-determined	Area	Previo		Original Annual	Revised Annual	Q1	Q2	Q3 Q4		Q4			erformance for 19 / 2020
		Measurement	Objective		Target	Actual	Target	Target	Actual	Actual	Actual	Target	Actual	R	Target	Actual R
TL1	The number of people from employment equity target groups employed (newly appointed) in the three highest levels of management in compliance with the municipality's approved Employment Equity Plan by 30 June 2020	Number of people employed (newly appointed)	To realign the organisational structure to be more responsive to community needs, more service and efficiency orientated and to fulfil goals identified in the 5-year plan	1	2	2	1	1	0	0	0	1	0	R	1	O R
Perfor	mance Comment	The process of app		ntinue ir	n the next fi	nancial year	r.				ı	I.	I.			
Correc	ctive Action	The recruitment ar	d selection process	will con	tinue in the	2020/21 Fin	ancial Year.									
TL2	Review the 3-year Internal Audit Plan based on the risk assessment and submit to Audit Committee by 30 September 2019	RBAP (Risk Based Audit Plan) submitted to Audit Committee by 30 September 2019	To evaluate the effectiveness of risk management, control and governance processes and develop actions to address key risks identified	1	1	1	1	1	1	0	0	0	0	G	1	1 G
TL3	Execution of Internal Plan and issuing of Internal Audit Reports based on Internal Audit Plan by 30 June 2020 ((Actual hours completed/ Planned hours to be completed) x100)	% of target hours completed by 30 June 2020 ((Actual hours completed/ Planned hours to be completed) x100)	To conduct a full audit of operations, processes, duties and service delivery standards of departments to address risk areas and	1	100%	105.50%	100.00%	100.00%	5.00%	21.00%	48.00%	100.00%	124.00%	G2	100.00%	124.00% G2

Ref	KPI Name	Unit of	Pre-determined	Area	Previo		Original Annual	Revised Annual	Q1	Q2	Q3		Q4			erformance 1 19 / 2020	for
		Measurement	Objective		Target	Actual	Target	Target	Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
			promote effectiveness														
TL4	The percentage of a municipality's personnel budget actually spent on implementing its workplace skills plan by 30 June 2020 {(Actual total training expenditure divided by total personnel budget) x100}	% of municipality's personnel budget actually spent on implementing its workplace skills plan as at 30 June 2020	To undertake regular human resource audits to determine skills gaps, staff diversity and develop skills programmes	1	0.50%	0.37%	0.50%	0.50%	0.00%	0.00%	0.00%	0.50%	0.65%	G2	0.50%	0.65%	G2
TL5	Submit the Workplace Skills Plan to the LGSETA by 30 April 2020	Workplace Skills Plan submitted to the LGSETA by 30 April 2020	To undertake regular human resource audits to determine skills gaps, staff diversity and develop skills programmes	1	1	1	1	1	0	0	0	1	1	G	1	1	G
TL40	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2020 (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Rev	% Debt to Revenue as at 30 June 2020	To develop mechanisms to ensure viable financial management and control	1	45.00%	20.14%	45.00%	45.00%	0.00%	0.00%	0.00%	45.00%	21.06%	В	45.00%	21.06%	В

Ref	KPI Name	Unit of	Pre-determined	Area	Previou Perfori		Original Annual	Revised Annual	Q1	Q2	Q3		Q4			erformance .9 / 2020	for
		Measurement	Objective		Target	Actual	Target	Target	Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL41	Financial viability measured in terms of the outstanding service debtors as at 30 June 2020 (Total outstanding service debtors/ revenue received for services)	% Service debtors to revenue as at 30 June 2020	To maintain effective credit control in the Municipality and enhance and maximise revenue base through improved collection rate	1	15.60%	10.93%	15.60%	15.60%	0.00%	0.00%	0.00%	15.60%	11.52%	В	15.60%	11.52%	В
TL42	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2020 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excl	Cost coverage as at 30 June 2020	To manage the municipal finances according to the Municipal Management Act in an effective and efficient manner	1	2	3.83	2	2	0	0	0	2	4.81	В	2	4.81	В
TL44	Achieve a payment percentage of 95% by 30 June 2020 {(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance + Bad Debts Written Off)/Billed Revenue x 100}	Payment % as at 30 June 2020	To manage the municipal finances according to the Municipal Management Act in an effective and efficient manner	1	95.00%	98.62%	95.00%	95.00%	104.00%	97.00%	88.00%	95.00%	88.00%	0	95.00%	88.77%	0
	mance Comment:	88.77% of debtors.  Payment low due to	COVID10 pandami	<u> </u>													
TL45	Review the Long Term Financial Plan and	Reviewed Long Term Financial Plan submitted to	To develop mechanisms to ensure viable	1	1	1	1	1	0	0	1	0	0	N/A	1	1	G

Ref	KPI Name	Unit of	Pre-determined	Area		us Year mance	Original Annual	Revised Annual	Q1	Q2	Q3		Q4			erformance 19 / 2020	for
		Measurement	Objective		Target	Actual	Target	Target	Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
	submit to Council by 31 March 2020	Council by 31 March 2020	financial management and control														

Top Layer SDBIP: Good Governance and Human Capital

## d) Participative Partnerships

Ref	KPI Name	Unit of	Pre-determined	Area	Previous Perform		Original Annual	Revised Annual	Q1	Q2	Q3		Q4		Overall Pe 201	rformance 9/2020	for
		Measurement	Objective		Target	Actual	Target	Target	Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
TL29	Submit the IDP/budget time schedule to Council by 31 August 2019	Time schedule submitted to Council	To undertake strategic planning in order to address service delivery challenges in coordinated manner	1	1	1	1	1	1	0	0	0	0	N/A	1	1	G
TL30	Submit the draft IDP to Council by 31 March 2020 to ensure compliance with legislation	Draft IDP submitted to Council	To undertake strategic planning in order to address service delivery challenges in coordinated manner	1	1	1	1	1	0	0	0	0	1	В	1	1	G
TL31	Submit the IDP to Council by 31 May 2020 to ensure compliance with legislation	IDP submitted to Council	To undertake strategic planning in order to address service delivery challenges in coordinated manner	1	1	1	1	1	0	0	0	1	1	G	1	1	G

Top Layer SDBIP: Participative Partnership

e) Safe, Clean and Green

Ref	KPI Name	Unit of Measurement	Pre-determined Objective	Area	Previou Perfor		Original Annual	Revised Annual	Q1	Q2	Q3		Q4			erformance for 19/2020
		Wiedsurement	•		Target	Actual	Target	Target	Actual	Actual	Actual	Target	Actual	R	Target	Actual R
TL19	Review the Disaster Management Plan and submit to the Portfolio Committee by 30 June 2020	Disaster Management Plan reviewed and submitted to the Portfolio Committee by 30 June 2020	To provide an effective and efficient law-enforcement and emergency services to all the communities of George in our quest to protect and promote the fundamental rights of life	1	1	1	1	1	0	0	0	1	0	R	1	0 R
Perforr	mance Comment	of standardising all pla	O meetings scheduled. The d ns for the Western Cape.				has been su	bmitted to W	Vestern Cap	pe Disaste	r Managem	ent Departi	ment and t	he Dep	artment is ir	n the process
Correct	tive Action	The new plan will be s	ubmitted for comments by Fr	iday 23 O	ctober 202	0.										
TL20	Report bi-annually to the George Integrated Public Transport Network (GIPTN) Committee on the implementation of the Roll-Out Programme of Phase 4A & B of the GIPTN	Number of reports submitted to the GIPTN Committee	To implement an Integrated Public Transport Network that will serve the communities of George	1	4	4	2	2	0	0	0	1	1	O	2	1 R
Perforr	mance Comment	There are currently no	Section 79 Committee meet	ings. In ad	dition, the	roll-out of	the phases (	did not take p	place as the	e Minister	of Transpor	t postpone	d the roll-o	out.		
TL26	Spend 85% of the approved project budget for the rehabilitation of the George landfill site by 30 June 2020	% of budget spend	To provide integrated waste management services for the entire municipal area	24	85.00%	15.00 %	85.00%	85.00%	0.00%	0.00%	0.00%	85.00%	0.00%	R	85.00%	0.00% R
Perforr	mance Comment	Project was moved to	operating budget													
Correct	tion Action	Project was moved to	operating budget													
TL27	Appoint consulting engineer and call for tenders for the composting plant in	Consulting Engineer appointed by 30 June 2020	To ensure infrastructure planning and development keeps pace with growing city needs	24	1	1	1	1	0	0	0	1	1	G	1	<b>1</b> G

Ref	KPI Name	Unit of Measurement	Pre-determined Objective	Area	Previo	us Year mance	Original Annual	Revised Annual	Q1	Q2	Q3		Q4			erformance 19/ 2020	e for
		Measurement	Objective		Target	Actual	Target	Target	Actual	Actual	Actual	Target	Actual	R	Target	Actual	R
	George by 30 June		by aligning all strategic														
	2020		documents and efforts														

Top Layer SDBIP: Safe, Clean and Green

### 3.2.3 Service Providers Performance

Section 76 (b) of the Municipal Systems Act implies that Key Performance Indicators should inform the indicators set for every municipal entity and service provider with whom the municipality has entered a service delivery agreement.

- A service provider means a person or institution or any combination of persons and institutions which provide to or for the benefit of the local community.
- External service provider means an external mechanism referred to in Section 76(b) which provides municipal service for a municipality
- Service delivery agreement means an agreement between the municipality an institution or person mentioned in Section 76(b) in terms of which a municipal service is provided by that institution or person, either for its own account or on behalf of the Municipality.

The table below provide information related to the performance of identified external service providers:

The table below prov								
Name of service provider	PKF	Nico Smith	ABSA	CDV Property	Nextec	Henra	Ikapa	ICO Swart
		Attorneys		Valuers Pty Ltd			Reticulation and	Consultancy
							Flow	
Directorate	Municipal	Financial	Financial	Financial	Civil Engineering	Civil Engineering	Financial Services	Financial Services
	Manager	Services	Services	Services				
Type of services required	Internal Audit	Litigation	Provision of	Compilation and	Consulting and	Road Construction:	Reading of Water	Providing Short Term
	Co-Service		Banking	Maintenance of	site Supervision	Tabata Street	and electricity	Insurance
				General			meters and other	
				valuation roll,			meter related	
				Supplementary			services	
				Valuations and				
				Supplementary				
5 151 5 5 1	101	FINE /	FINE /	Valuation Rolls	T#N61 1 6	T/INIC/ 0 0	FINE /	FINI / C
Supply Chain Contract No	MM017/209	FIN013/2017	FIN011/2013	FIN010/2016	T/ING/033/2016	T/ING/03182018	FIN001/2015	FIN004/2016
Available Budget (R'000)	R3 784 000.00	R1 001 047.45	R4 812 930.00	R1 026 411.84	R1 473 000.00	R12 700 000.00	R2 143 830.00	R10 454 993.00
Actual Spending (R'000)	R3 704 093.95	R4 261 215.28	R1 305 940.04	R719 112.25	R2 706 863.00	R32 197 823.15	R2 042 468.30	R7 357 797.12
			Grading of serv	vice rendered				
		1 Poor / 2 Ur	nsatisfactory / 3 Sati		Excellent			
Contract work to	5	4	4	3	4	0	2	4
specification								
Contract still within	5	4	4	4	4	0	3	4
budget								
Contract within time	5	4	4	3	4	0	3	3
frame								
Compliance with	5	4	4	3	4	0	2	4
contract requirement								
Claims	5	0	0	4	4	0	3	4
Incidents on site	5	0	0	4	4	0	3	0
Suitably	5	4	4	3	5	0	4	0
qualified/experienced								
personnel								
Job creation/training	5	0	0	4	5	0	3	3
Other comments	0	0	0	0	4	0	0	0
Overall rating	0	4	4	3.5	5	0	0	4
Action taken with regard	NONE	Improve	NONE	Regular	NONE	Project have been	Limited reading	NONE
to poor and		process – e.g.		meetings and		suspended via a	due to ongoing	
unsatisfactory service		phone clients		good		supplementary	lockdown	
providers		also		communication		agreement which		
				helps to		have been entered		
				overcome		into between the		
				problems				

Name of service provider	PKF	Nico Smith Attorneys	ABSA	CDV Property Valuers Pty Ltd	Nextec	Henra	Ikapa Reticulation and Flow	ICO Swart Consultancy
						contractor and client		
Overall recommendation and comments	All projects are performed in line with the approved Internal Audit plan	Ongoing continuously to improve	NONE	NONE	NONE	Work being suspended	Monthly meetings with service provider to address issues. Item wat taken to Council to insource service. New Service Provider to be appointed (March 2020)	NONE

Name of service provider	iCon Construction	Aurecon	Quantra Consulting	Royal Haskoning DHV	Charles Rowe Associated	IX Engineers	AFSOL Public Transport
Directorate	Civil Engineering	Civil Engineering	Civil Engineering	Civil Engineering	Civil Engineering	Civil Engineering	Protection Services
Type of services required	Upgrading of the Outeniqua WwTW Civil Works (Phase 2)	Raising of Garden Route Dam Spillway and Associated Works	MIG Stormwater Projects: Andersonville; New Dawn Park; Thembalethu Zone 1; Thembalethu Zone 9	Consulting Services: 10 MI/d Upgrading of Outeniqua WwTW: Phase 2 (Civil) & 3(M&E)	Construction and supervision: Merriman street	Design: Makriel Street	Repairs and Maintenance to existing tracking and camera units as well as the purchase of new units for municipal vehicles and Go George Busses
Supply Chain Contract No	T/ING/030/2016	T/ING/033/2016	T/ING/033/2016	T/ING/033/2016	T/ING/022/2016	T/ING/033/2016	PS001/2019
Available Budget (R'000)	R65 549 090,75	R15 140 287.00	R15 186 817.00	R13 173 018.00	R1 407 759.97	R500 000.00	R500 220.00
Actual Spending (R'000)	5 888 875.81	560 601.04	277 747.24	5 191 605.71	1 060 526.21	4 158 432.27	0.00
		1 Poor / 2 l	Grading of service ren Unsatisfactory / 3 Satisfactor				
Contract work to specification	4	4	2	2	0	4	4
Contract still within budget	4	5	2	3	0	4	4

Name of service provider	iCon Construction	Aurecon	Quantra Consulting	Royal Haskoning DHV	Charles Rowe Associated	IX Engineers	AFSOL Public Transport
Contract within time frame	4	4	3	2	1	4	4
Compliance with contract requirement	4	5	3	3	1	4	4
Claims	4	4	2	3	0	4	0
Incidents on site	4	5	0	0	0	4	0
Suitably qualified/experienced personnel	4	5	3	3	0	4	4
Job creation/training	4	0	0	0	0	4	4
Other comments	4	4	0	2	0	3	0
Overall rating	4	4	3	3	5	5	4
Action taken with regard to poor and unsatisfactory service providers	All issues addressed	The matters are dealt with as they arise.	Monthly meetings are held to discuss RHDHV projects	NONE	NONE	NONE	NONE
Overall recommendation and comments	Work seems to be of very good quality to date	Consultant quite weak and needs help with standards and to adhere to municipal reporting requirements	NONE	NONE	Service provider work of excellent quality	NONE	NONE

## 3.2.4 Municipal Functions

The municipal functional areas are as indicated below:

Municipal Function	Municipal Function: Yes / No
Constitution Schedule 4, Part B functions:	1 23 / 110
Air pollution	Yes
Building regulations	Yes
Child care facilities	Yes
Electricity and gas reticulation	Only electricity
Firefighting services	Yes
Local tourism	Yes
Municipal airports	No
Municipal planning	Yes
Municipal health services	No
Municipal public transport	No
Municipal public works only in respect of the needs of municipalities in the discharge of	Yes
their responsibilities to administer functions specifically assigned to them under this	
Constitution or any other law	
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and	No
national shipping and matters related thereto	
Storm water management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic	No
waste-water and sewage disposal systems	
Constitution Schedule 5, Part B functions:	
Beaches and amusement facilities	Yes
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes from 2013
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes
Licensing of dogs	No
Licensing and control of undertakings that sell food to the public	Yes
Local amenities	Yes
Local sport facilities	Yes
Markets	No
Municipal abattoirs	No
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

Municipal Functional Areas

## **COMPONENT A: BASIC SERVICES**

This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

# NATIONAL KEY PERFORMANCE INDICATORS: BASIC SERVICE DELIVERY AND LOCAL ECONOMIC DEVELOPMENT

The table below shows the key performance indicators linked to the following two National Key Performance Areas: Basic Service Delivery and Local Economic Development.

National Key Performance Area	Indicators	2018/2019	2019/2020
Basic Service Delivery (BSD)	The percentage of households with access to basic level of water	98.13%	98%
	The percentage of households with access to basic level of sanitation	97.85%	98%
	The percentage of households with access to basic level of electricity	85.85%	83.6%
	The percentage of households with access to basic level of solid waste removal	100%	100%
Local Economic Development (LED)	Create Full Time Equivalents (FTEs) through government expenditure with EPWP	402	222

National Key Performance Areas: Basic Service Delivery and Local Economic Development

#### 3.3 WATER PROVISION

#### 3.3.1 Introduction to Water Provision

George Municipality is a Water Services Authority (WSA) in terms of the Water Services Act 108 of 1997 and has a duty to all customers or potential customers in its area of jurisdiction to progressively ensure efficient, affordable, economical and sustainable access to water services that promote sustainable livelihoods and economic development.

Sections 12 and 13 of the Water Services Act 108 of 1997 place a duty on WSAs to prepare and maintain a Water Services Development Plan (WSDP). The current WSDP was recently updated in November 2019 and approved, together with the 2020/2021 IDP by the George Municipality Council in June 2020. The purpose of the WSDP is to provide relevant and summarised WSDP inputs for incorporation into George Municipality's IDP process and is structured as follows:

**Section A: Status Quo Overview**: Provides a summarised overview of the water services status quo in terms of the water services functional business elements as aligned to the WSDP framework.

**Section B: State of Water Services Planning:** Presents the status of- and references the water services planning within George Municipality.

**Section C: Water Services Existing Needs Perspective:** Gives an overview of George Municipality's assessment and interpretation of its water services, with specific focus on problem definition statements.

**Section D: Water Services Objectives and Strategies:** Outlines the 5-year water services objectives and strategies as developed through the WSDP process for incorporation in terms of the IDP and aligned to the water services functional business elements.

**Section E: Water Services MTEF Projects:** The agreed water services projects for the medium-term expenditure framework and inclusive of funding sources.

**Section F: WSDP Projects:** Presents the projects identified during the WSDP process in order to meet the water services strategies of George Municipality, as aligned to the outflow from the situation analysis per water services business element.

The WSDP is available from the directorate Civil Engineering Services on request and through completion of a PAIA (Promotion of Access to Information Act) application.

#### 3.3.2 Total Use of Water by Sector

Total Use of Water by Sector (cubic meters)					
Community Other Industrial Domestic Unaccountable was					
2018/19	1403356	629872	476833	5261290	3242988
2019/20	1403356	629872	476833	5261290	3242988

The water use per sector indicates a decrease in water consumption for each sector. This can be contributed to the implementation of the George Municipality WDM measures which is still being imposed to improve water demand management.

#### 3.3.3 Highlights: Water Provision

The table below specifies the highlights for the year:

Highlight	Description
Quality water provided throughout state of emergency	Personnel affected by COVID led to operational personnel constraints and required careful planning and extraordinary measures to ensure continued, uninterrupted service delivery
Completion of the George Municipality Water Service Development Plan (WSDP)	The WSDP is the primary instrument of planning in the water services sector.

Highlights: Water Provision

## 3.3.4 Challenges: Water Provision

The table below specifies the challenges for the year:

Challenge	Actions to address		
COVID 19 state of disaster	Address project backlogs in 2020/21 and beyond		
Complexity of major projects	Allow additional time for implementation of large complex projects		

Challenges: Water Provision

## 3.3.5 Service Delivery Levels: Water

Below the table specifies the different water service delivery levels per households for the financial years 2018/2019 and 2019/2020:

Description	2018/19	2019/20			
	Actual	Actual			
	Household				
Water: (above minimum level)					
Piped water inside dwelling	38 677	39 340			
Piped water inside yard (but not in dwelling)	21319	17 877			
Using public tap (within 200m from dwelling)	3399	6 284			
Other water supply (within 200m)	_	_			
Minimum Service Level and Above Sub-total	63 395	63 501			
Minimum Service Level and Above Percentage	98%	96%			
<u>Water: (</u> below minimum level)					
Using public tap (more than 200m from dwelling)	74	74			
Other water supply (more than 200m from dwelling	46	46			
No water supply	995	2 629			
Below Minimum Service Level sub-total	1115	2 749			
Below Minimum Service Level Percentage	2%	4%			
Total number of households	64 510	66 250			

**Water Provision Delivery Levels** 

#### 3.3.6 Access to Water

Access to Water				
Period	Proportion of households with access to water points*	Proportion of households with access to piped water	Proportion of households receiving 6 kl free#	
2017/18	5.2%	93%	100%	
2018/19	5.2%	93%	100%	
2019/20	5.2%	93%	100%	

<sup>\*</sup> Means access to 25 litres of potable water per day supplied within 200m of a household and with a minimum flow of 10 litres per minute

<sup># 6,000</sup> litres of potable water supplied per formal connection per month

## 3.3.7 Total Employees: Water Services

The following table indicates the staff composition for Water Services:

Job level	2018/19	2019/20			
(T-grade)		Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
			Number		
0-3	4	1	1	О	0%
4-6	59	71	58	13	18%
7-9	14	20	18	2	10%
10-12	25	26	23	3	12%
13-15	0	1	0	1	100%
16-18	1	1	0	1	100%
19-20	0	0	0	0	o%
Total	103	120	100	20	17%

Employees:Water Services

## 3.3.8 Capital Expenditure 2019/2020: Water Provision

Capital Expenditure 2019/2020: Water Provision					
Capital Projects	Original Budget	Amended Budget	Actuals Total		
Raising Garden Route Dam - RBIG	15 140 287.00	10 327 383.00	10 025 398.38		
Dam Safety Construction	0.00	1 400 000.00	353 970.73		
Raising Garden Route Dam - RBIG	5 528 696.00	5 841 600.00	5 841 600.00		
Wilderness Heights - Bulk Water Supply Pipeline	450 000.00	0.00	0.00		
Pacaltsdorp Link (Erf 325 East)	0.00	3 510 000.00	2 550 399.00		
Installation of Water Meters	350 000.00	350 000.00	348 281.95		
Provision of Water Tanks	80 000.00	80 000.00	0.00		
Network Rehabilitation - Water	2 000 000.00	1 380 000.00	364 880.67		
Wilderness Heights - Upgrade Existing Water Pump Station	780 000.00	0.00	0.00		
Telemetry & Loggers - Water Distribution	300 000.00	300 000.00	0.00		
Air-conditioning at Pump Stations - Water Purification	90 000.00	90 000.00	34 433.00		
Uniondale Reservoir (500kl)	800 000.00	600 000.00	155 118.20		
Malgas Water Pump Station Rehabilitation	280 000.00	430 000.00	0.00		
Wilderness Waterworks	45 000.00	45 000.00	0.00		
Filter Sand at Waterworks	500 000.00	0.00	0.00		
Replace Fencing at Water Treatment Infrastructure	405 000.00	0.00	0.00		
Rehabilitation of Old WTW (6ml Module)	2 200 000.00	0.00	10 148.48		
Pressure Reducing Valves	800 000.00	800 000.00	0.00		
Extension of Waterworks 20ml	16 220 836.00	4 957 422.00	1 746 836.93		

Capital Expenditure 2019/2020: Water Provision				
Capital Projects	Original Budget	Amended Budget	Actuals Total	
H&S Extractor Fans - Chlorine Rooms	1 500 000.00	0.00	0.00	
Telemetry - Water Purification	90 000.00	90 000.00	0.00	
Extension of Waterworks 20ml	18 500 000.00	6 500 000.00	468 131.42	
Rehabilitation of Old WTW (6ml Module)	1 500 000.00	0.00	0.00	
Instrumentation	90 000.00	90 000.00	36 892.11	
Tools & Equipment - Water Purification	23 000.00	23 000.00	20 821.53	
Tools & Equipment - Water	100 000.00	100 000.00	39 468.51	
Generators - Water Purification	0.00	600 000.00	0.00	
Uniondale Waterworks Office Building (Process Control)	500 000.00	400 000.00	255 418.42	
Haarlem Waterworks Office Building	446 500.00	200 000.00	0.00	
Bakkies - Water Distribution	700 000.00	0.00	0.00	
Trailers for Tools and Equipment	200 000.00	200 000.00	0.00	
Thembalethu UISP - Water	574 624.00	630 000.00	283 209.30	
Upgrading of Asbestos Pipes - Greater George	1 500 000.00	1 000 000.00	5 000.00	
Kaaimans Transnet Bridge Upgrading	500 000.00	500 000.00	23 505.00	
Property Development - Sweatpea Street Residential	140 000.00	140 000.00	0.00	
Airport Mainline Upgrade	500 000.00	500 000.00	0.00	
N2 Thembalethu Crossing Upgrade	500 000.00	500 000.00	79 875.00	
Property Development - Diamond Road Industrial Erv	60 000.00	60 000.00	0.00	
Installation of Smart Meters	1 500 000.00	1 500 000.00	0.00	
Kaaimans Water Pump Station Rehabilitation	300 000.00	300 000.00	81 589.85	
Balancing Dam - Water Treatment Works	1 000 000.00	500 000.00	0.00	
UF Plant - Rehabilitation	200 000.00	0.00	0.00	
Sand Filter At New Waterworks	400 000.00	0.00	0.00	
Settling Tanks (Uniondale & Wilderness) - Roofs	800 000.00	0.00	0.00	
Two-Way Radio Systems	100 000.00	100 000.00	78 525.00	
Security Wall	100 000.00	100 000.00	97 579.53	
Upgrading Depot Facilities	100 000.00	210 000.00	210 000.00	
Water - Bluegum Informal Settlement	0.00	25 000.00	0.00	
Industrial Water Pipeline Re-Alignment	0.00	300 000.00	0.00	
Pipework Rehabilitation: Garden Route Dam	0.00	500 000.00	0.00	
Bakkies - Water Distribution	0.00	1 200 000.00	684 860.87	
TOTAL	77 893 943.00	46 379 405.00	23 795 943.88	

77 893 943. Capital Expenditure2019/20: Water Provision

#### 3.3.9 Overall Performance: Water Services

Water service's performance is affected by budgetary constraints and allowances. The ability to plan and execute the stipulated masterplan priorities can only be realized if funding is made available. This places pressure upon the operational and maintenance component of the Municipality.

The targets set out in the 2019/2020 MTEF can be achieved provided that the funding as indicated is achievable – EFF, CRR funding mix, together with the Municipal Infrastructure Grant (MIG). Applications for additional funding are submitted as and when opportunities arise.

Some of the largest priority projects there were completed and in progress are the raising of the Garden Route Dam Spillway, the extension of the water purification capacity by an additional 20Ml, an additional 14 ML reservoir and water tower to provide for low cost housing opportunities on Erf 325 East and West, an additional reservoir in Thembalethu to accommodate growth and low-cost housing opportunities, and an additional 30Ml raw water balancing dam.

#### 3.4 WASTE WATER (SANITATION) PROVISION

#### 3.4.1 Introduction to Waste Water (Sanitation) Provision

Waste Water or sanitation services form part of the overall water services as defined in the Water Services Development Plan (WSDP). The WSDP is available from the directorate Civil Engineering Services on request and through completion of a PAIA (Promotion of Access to Information Act) application.

The existing sewer models, master plan models and reports are continuously updated as part of a bureau service and the detailed reports that were completed in 2019 are available from the Civil Engineering Services directorate.

#### 3.4.2 Highlights: Waste Water (Sanitation) Provision

The table below specifies the highlights for the year under review:

Highlight (s)	Description	
Uninterrupted service delivery throughout state of disaster	Personnel affected by COVID led to operational personnel constraints and required careful planning and extraordinary measures to ensure continued, uninterrupted service delivery	

Highlights: Waste Water (Sanitation) Provision

## 3.4.3 Challenges: Waste Water (Sanitation) Provision

The table below specifies the challenges for the year under review:

Challenges	Actions to address
Sewer pipeline blockages and pump station failure and damage due to foreign objects being discharged into sewer network	Ongoing monitoring of vulnerable frequently impacted infrastructure and measures implemented to protect infrastructure to minimise damage and
Vandalism of infrastructure resulting in pipeline blockages and pump station failure	Security measures improved on an ongoing basis

Challenges: Waste Water (Sanitation) Provision

## 3.4.4 Waste Water (Sanitation) Service Delivery Levels

The table below specifies the different sanitation service delivery levels per households for the financial years 2018/19 and 2019/20:

Description	2018/19	2019/20
Description	Actual	Actual
<u>Hou</u> :	<u>sehold</u>	
Sanitation/sewerage:	: (above minimum level)	
Flush toilet (connected to sewerage)	53 275	50 372
Flush toilet (with septic tank)	5 589	5 713
Chemical toilet	18	18
Pit toilet (ventilated)	811	811
Other toilet provisions (above minimum service level)	3 525	8099
Minimum Service Level and Above Sub-total	63 218	65 013
Minimum Service Level and Above Percentage	98%	98%
<u>Water: (</u> below minimum level)		
Bucket toilet	155	155
Other toilet provisions (below minimum service level)	812	812
No toilet provisions	325	270
Below Minimum Service Level Sub-total	1 292	1 2 3 7
Below Minimum Service Level Percentage	2.1%	2%
Total number of households	64 510	66 250

Waste Water(Sanitation) Service Delivery Levels

## 3.4.5 Total Employees: Waste Water (Sanitation) Services

Job level	2018/19	2019/20			
(T-grade)		Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
			Number		]
0-3	2	1	1	0	0%
4-6	33	36	32	4	11%
7-9	21	21	19	2	10%
10-12	4	5	4	1	20%
13-15	1	1	1	0	0%
16-18	0	0	0	0	0%
19-20	0	0	0	0	0%
Total	61	64	57	7	11%

Employees: Waste Water (Sanitation) Services

## 3.4.6 Capital Expenditure 2019/2020: Waste Water (Sanitation) Services

Capital Expenditure 2019/2020: Waster Water (Sanitation) Services				
Capital Projects	Original Budget	Amended Budget	Actuals Total	
6 Ton Trucks for Towing of New Jet Machines	0.00	486 934.00	426 890.00	
Boreholes - WWTW's Plants	1 200 000.00	0.00	0.00	
Network Rehab - Sewerage	1 750 000.00	1 849 000.00	1 901 920.73	
Fencing at Sewer Pump Stations	500 000.00	700 000.00	689 432.69	
Upgrade Pump Stations - Sewer	1 000 000.00	1 955 000.00	864 935.80	
Wilderness Kleinkrantz Main Sewer Line Upgrade	1 750 000.00	910 000.00	261 358.11	
Refurbishment of Horizontal Bridge for Aerators	800 000.00	0.00	0.00	
Replacement of Aerators and Mixers	1 900 000.00	0.00	0.00	
Upgrade Electrical Switchgear at Sewer Pump Station	800 000.00	770 000.00	431 289.37	
Thembalethu Bulk Sewer	400 000.00	400 000.00	21 361.67	
Refurbishment of Belt-Press at Gwaiing WWTW	200 000.00	200 000.00	199 370.57	
Wilderness Kleinkrantz Main Sewer Line Upgrade	1 500 000.00	0.00	0.00	
Europe Bulk Sewer Rising Main - Relocate	280 000.00	0.00	0.00	
Metro grounds Bulk Sewer and Water Connections	200 000.00	0.00	0.00	
Generator Shelters and Security Booths at Pump Station	300 000.00	200 000.00	195 440.70	
Installation of Syphon Chambers – Pump Stations	80 000.00	0.00	0.00	
Outeniqua 10ml Addition - WWTW	12 219 778.00	13 173 018.00	1 750 226.85	
Outeniqua 10ml Addition - WWTW	30 000 000.00	0.00	0.00	
Sludge Dewatering Plant - Sludge Silo	1 000 000.00	0.00	0.00	
Fence at Gwaiing WWTW	500 000.00	0.00	0.00	
Upgrading of Pump Stations for Plants - Heroldsbay	180 000.00	160 000.00	159 854.47	

Capital Expenditure 2019/2020: Waster Water (Sanitation) Services			
Capital Projects	Original Budget	Amended Budget	Actuals Total
Access Control Gwaiing WWTW	20 000.00	16 000.00	15 748.00
High Mast Lighting Outeniqua WWTW	640 000.00	536 000.00	532 240.00
Replace Flowmeter (Gwaiing)	150 000.00	0.00	0.00
Outeniqua WWTW - Rehabilitation of Carousel	8 850 000.00	0.00	0.00
Gwaiing Sewer Treatment - Reinstate 3.5ml	1 000 000.00	1 000 000.00	517 432.18
Erf 325 East Link Sewers (Phases A, B and C)	0.00	760 000.00	323 611.55
Erf 325 East Bulk Sewer (960m Plus Pipe Bridge)	0.00	1 540 000.00	1 534 561.80
Schaapkop Rising Main Rehabilitation of Bridge Cro	450 000.00	0.00	0.00
Laboratory Instruments - WWTW	90 000.00	38 000.00	29 950.00
Tools & Equipment - Sewer Network	100 000.00	90 000.00	66 781.36
Generators - Water Contamination	800 000.00	0.00	0.00
Tools & Equipment - WWTW	20 000.00	50 000.00	21 390.00
Furniture and Fittings - Laboratory	5 000.00	57 000.00	24 770.43
Furniture and Fittings - Water Contamination Contr	18 000.00	18 000.00	17 239.14
Lab Cupboards	14 000.00	14 000.00	11 480.00
Aircons for New Offices	9 000.00	9 000.00	7 700.00
Upgrading Schaapkop Pump Station (Mechanical)	1 000 000.00	0.00	0.00
Vehicles Lab	600 000.00	0.00	0.00
Honey Suckers Trucks for Pump Stations	1 350 000.00	1 350 000.00	0.00
4x4 Bakkie - Sewerage	600 000.00	0.00	0.00
6 M <sub>3</sub> Tipper Truck - Sewerage	850 000.00	0.00	0.00
Schaapkop Pump Station (Install Inlet Screens)	650 000.00	0.00	0.00
Access Control Outeniqua WWTW	20 000.00	16 000.00	15 748.00
Property Development - Sweatpea Street Residential	420 000.00	420 000.00	0.00
Upgrading of Meul Street Pump Station	1 000 000.00	1 900 000.00	533 642.34
Schaapkop Rising Main to Tamsui Upgrade	825 000.00	0.00	0.00
Upgrading of Eden Pump Station (Mechanical)	0.00	4 175 000.00	0.00
Herolds Bay Pump Station	400 000.00	400 000.00	148 000.00
Access Control Kleinkrantz WWTW	27 000.00	27 000.00	25 390.00
Thembalethu UISP - Sewer	1 696 034.00	1 820 000.00	838 863.64
Property Development - Diamond Road Industrial Erv	180 000.00	180 000.00	8 550.00
Fencing - Outeniqua WWTW	600 000.00	0.00	0.00
Telemetry and Service Network System	300 000.00	300 000.00	0.00
Thembalethu Sewer Network Upgrade	250 000.00	0.00	0.00
Upgrade Gwaiing/Proefplaas Pump Station	500 000.00	0.00	0.00
Access Control Uniondale WWTW	27 000.00	27 000.00	25 390.00
Paving Roads -Kleinkrantz WWTW	600 000.00	702 000.00	640 572.20

Capital Expenditure 2019/2020: Waster Water (Sanitation) Services				
Capital Projects	Original Budget	Amended Budget	Actuals Total	
Two-Way Radio Systems	100 000.00	80 000.00	78 525.00	
Jetting Machine - Sewerage	500 000.00	500 000.00	0.00	
Upgrading Depot Facilities	100 000.00	201 000.00	200 272.58	
45 M Security Wall Around Perimeter	100 000.00	100 000.00	95 161.91	
Sewer - Bluegum Informal Settlements	0.00	50 000.00	0.00	
Vehicles Lab	0.00	600 000.00	484 722.25	
4x4 Bakkie - Sewerage	0.00	600 000.00	485 163.85	
6 M <sub>3</sub> Tipper Truck - Sewerage	0.00	850 000.00	720 776.00	
Total	81 420 812.00	39 229 952.00	14 305 763.19	

Capital Expenditure2019/20: Waste Water(Sanitation)

#### 3.4.7 Sanitation: Overall Performance Comment

The targets set out in the 2018/19 MTEF can be achieved provided that the funding as indicated is achievable – EFF, CRR funding mix, together with MIG grant. Applications for additional funding are submitted as and when opportunities arise.

Meeting of performance targets were challenged by the onset of the COVID-19 Disaster measurers. Currently the four largest priority projects are the 10Ml Outeniqua WWTW extension, odour control at the Outeniqua WWTW inlet to accommodate the surrounding low-cost housing developments, Schaapkop and Meul pump station and connecting sewer network upgrades, the provision of bulk sewer services to low cost housing developments in Pacaltsdorp (Erf 325 East and West), Thembalethu. The Gwaiing WWTW capacity also needs to be prioritised for an additional 5Ml extension.

#### 3.5 ELECTRICITY

#### 3.5.1 Introduction to Electricity

The 2019/20 financial year will be remembered in future as the year of COVID19 and its associated lockdown. A focus change had to be made away from capital projects towards maintaining electricity supplies as an essential service. Regardless of this focus change, Electrotechnical still managed to spend 60% of its capital budget – something that could only be achieved by special efforts from staff, consultants and contractors.

From 26 March up to 30 June 2020 officials have been swamped by new regulations, the interpretation thereof by the political structures of the various national portfolios, followed by implementation suggestions by various and many national administrations. Much of the implementation side however, fell back on the shoulders of municipal officials.

With the new focus set on COVID19, the containment of the spread thereof and the implementation of health and safety precautions, it was foreseen that normal service delivery to the public would suffer. However, staff now working from their vehicles instead of from the office, adapted well to the difficult circumstances and managed to maintain service delivery at acceptable levels.

Much of our ability to maintain services to reasonable levels, can be attributed to staff that was prepared to do much more than their bit. However, one of the toughest lessons learned from the unexpected pandemic, is to have proper contingency plans in place and to always operate at optimum staff levels. Electrotechnical, to and extend, suffered the consequences of entering the pandemic period with a crippled staff complement due to far too many vacancies in critical positions.

## 3.5.2 Highlights: Electricity

The table below specifies the highlights for the year:

Highlights	Description
	Completion of the Thembalethu /Glenwood 66kV line. Electrification
Electrification	of 40 Informal houses at Dube Village as well as 103 formal houses at
	Thembalethu Area 3.
Cub station into quation into CCADA quators	14 Additional substations were outfitted with communications
Substation integration into SCADA system	equipment and can now be monitored on the SCADA system.
	The following appointments have been made: Three (3) Specialized
New Appointments	Electricians, Eight (8) Electrical Assistants, One (1) Crane Truck Driver,
	Three (3) Principal Clerks and Five (5) General Assistants.
	We were fortunate enough to be able to appoint a person for three
IN/Torining control	months in order to provide much needed HV operating training. The
HV Training centre	training is currently progressing well, unfortunately, the three months
	will not be sufficient.

**Highlights: Electricity Services** 

#### 3.5.3 Challenges: Electricity

The table below specifies the challenges for the year:

Challenges	Actions to address	
Streetlights	Damages to infrastructure caused by vandalism remain a huge	
	challenge, however most of the backlogs on streetlights bulbs have	
	been replaced with LED lights.	
Maintenance	Budget constraints is a huge restraining factor in getting maintenance	
	done throughout the entire network. Covid-19 and storm winds also	
	impacted on above.	
Shortage of vehicles	Due to additional staff employed there is a shortage of municipal	
	vehicles to provide service delivery and vehicles have to be hired.	
	Additional budget to purchase additional municipal vehicles must be	
	provided to curtail the cost of hiring.	
Staff quota still inadequate and in need of	Training is being provided but takes time. We are aiming to have at	
training	least three additional authorized persons within the next 4 months.	
	This is a very roughly estimated timeline.	

Challenges: Electricity Services

## 3.5.4 Service Delivery Levels: Electricity

The table below reflects the different service delivery level standards for electricity within the Municipality and includes informal areas:

Description	2018/19	2019/20		
	Actual	Actual		
	<u>Household</u>			
<u>Energy: (</u>	(above minimum level)			
Electricity (at least minimum service level)	1 023	648		
Electricity - prepaid (minimum service level)	43 220	45 918		
Minimum Service Level and Above Sub-total	44 243	46 918		
Minimum Service Level and Above Percentage	85,85%	83,6%		
<u>Energy: (</u> below minimum level)				
Electricity (< minimum service level)	0	0		
Electricity - prepaid (< min. service level)	0	0		
Other energy sources	0	0		
Below Minimum Service Level Sub-total	0	0		
Below Minimum Service Level Percentage	0%	0%		
Total number of households	5 <b>1</b> 537	56 483		

**Electricity Service Delivery Levels** 

## 3.5.5 Total Employees: Electricity

Job level	2018/19	2019/20			
(T-grade)		Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
		Number			
0-3	4	10	10	0	0%
4-6	46	49	43	6	12%
7-9	34	41	35	6	15%
10-12	29	36	29	7	19%
13-15	20	20	19	1	5%
16-18	4	5	4	1	20%
19-20	1	1	1	0	0%
Total	138	162	141	21	13%

Employees: Electricity services

## 3.5.6 Capital Expenditure 2019/2020: Electricity

Capital Expenditur	re 2019/2020: Electricity		
Capital Projects	Original Budget	Amended Budget	Actuals Total
2X4 Bakkie Sc - Street Light Attendants	270 000.00	0.00	0.00
Replace Cherry Picker Truck - Elec	1 800 000.00	1 800 000.00	0.00
Crane Truck (Additional)	2 700 000.00	2 700 000.00	0.00
Rebuild Herolds Bay 66kv Line	100 000.00	160 000.00	155 824.27
Replace Redundant 66kv Switch Gear	1 000 000.00	600 000.00	0.00
Refurbish Existing 10mva Transformers	1 400 000.00	2 968 102.00	155 620.40
Thembalethu/Ballots Bay 66/11 Substation	0.00	1 148 188.00	1 105 536.85
Glenwood Second Load Cell	500 000.00	250 000.00	0.00
Load Control and Power Factor	600 000.00	774 309.00	173 649.44
Replace Overloaded 11kv Switchgear	1 500 000.00	1 850 000.00	1 652 126.95
Thembalethu Glenwood 66kv Overhead Line	100 000.00	100 000.00	91 895.00
Extension Of 11kv Network - Lawaaikamp	800 000.00	805 000.00	801 669.75
Extension Of 11kv Network - George Inner City	1 000 000.00	670 000.00	545 072.54
Extension Of 11kv Network - Uniondale	500 000.00	500 000.00	27 553.00
Extension Of 11kv Network - Thembalethu	1 000 000.00	1 400 000.00	1 399 169.41
Extension Of 11kv Network - Wilderness	300 000.00	150 000.00	4 000.00
L/T Lines - Wilderness	300 000.00	300 000.00	2 154.24
Replace Bulk Meters	450 000.00	450 000.00	499 940.30
Overloaded Networks: Replacement - Elec	1 000 000.00	970 000.00	866 144.93
L/T Lines - George	800 000.00	795 000.00	590 423.20
Streetlights: Uniondale, Haarlem And Herold	300 000.00	440 000.00	269 006.95
Reticulation Fill in Schemes - Ad Hoc	150 000.00	150 000.00	81 357.64
Uniondale Electrification	200 000.00	150 000.00	34 019.52
Prt Golden Valley	135 000.00	135 000.00	134 974.65
Reticulation Schemes - Pacs (Erf 325 East)	0.00	230 000.00	218 504.29
L/T Lines - Pacaltsdorp	400 000.00	400 000.00	136 428.68
L/T Lines - Uniondale	300 000.00	100 000.00	93 168.64
Ad Hoc Lighting Requests	90 000.00	90 000.00	88 271.43
High Mast Lighting	500 000.00	500 000.00	499 352.99
Upgrade of Obsolete Streetlight Network (Replace 4	500 000.00	610 000.00	608 214.62
Lighting Informal Areas	135 000.00	25 000.00	22 747.42
Formal Areas Underground Connection - UISP Area	817 915.00	817 915.00	816 056.30
Street Lightning: Greater George	400 000.00	355 000.00	184 394.96
Reticulation Schemes Bulk Services	0.00	160 000.00	154 851.43

Capital Expenditure 2019/2020: Electricity				
Capital Projects	Original Budget	Amended Budget	Actuals Total	
Mobile Radios - Elec	45 000.00	30 000.00	26 085.00	
Testing Equipment - Elec	400 000.00	410 000.00	370 628.23	
Safety Equipment - Elec	100 000.00	115 000.00	57 790.02	
Infrastructure Skills Development Equipment - Elec	200 000.00	0.00	0.00	
Tools and Equipment - Elec	50 000.00	80 000.00	58 139.79	
Drone - Electricity	0.00	50 000.00	42 607.83	
FURNITURE &Amp FITTINGS - ELEC	50 000.00	50 000.00	36 534.77	
End User Equipment (Pc's Laptops and Peripheral De	50 000.00	120 000.00	73 970.57	
Protection System	675 000.00	675 000.00	616 603.85	
Communication System	350 000.00	430 000.00	365 612.55	
Control Centre: 11kv Safety	20 000.00	20 000.00	8 930.43	
Security Wall at Major Substations	400 000.00	400 000.00	163 620.03	
Safety Additions to Elec Building (Ohsa)	27 000.00	27 000.00	0.00	
Upgrading of Buildings - Elec	70 000.00	74 000.00	56 499.10	
Training Centre - Elec	10 000.00	10 000.00	8 482.68	
Entrance Control and Security Measures - Elec	300 000.00	530 000.00	394 610.70	
Reticulation Schemes - Pacs (Erf 325 East)	6 184 174.00	6 184 174.00	5 654 588.59	
Computer Software - Elec	400 000.00	0.00	0.00	
4x4 Bakkie Dc - Mechanical Works	460 000.00	0.00	0.00	
New 20mva Transformers - Glenwood	1 000 000.00	1 000 000.00	305 205.26	
Thembalethu/Ballots Bay 66/11 Substation	27 198 188.00	0.00	0.00	
Protea 66/11kv Transformer Capacity Increase	250 000.00	250 000.00	81 642.00	
Refurbish 66kv Overhead Line	400 000.00	735 500.00	587 850.48	
Proefplaas Heroldsbaai 66kv Feeder	1 600 000.00	540 000.00	255 693.80	
Formal Areas Underground Connection - UISP Area	2 549 739.00	2 549 739.00	2 388 598.03	
Reticulations Schemes - Informal	800 000.00	1 032 000.00	925 497.76	
Festive Lights	400 000.00	400 000.00	0.00	
Energy Efficient Lighting	5 700 566.00	5 700 566.00	3 775 567.49	
Civic Centre PV Panels/Carports	2 000 000.00	0.00	0.00	
Storage Containers: Electo-Techincal Services	100 000.00	145 000.00	142 500.00	
Infrastructure Skills Development Equipment - Elec	0.00	300 000.00	158 419.73	
2x4 Bakkie Sc - Street Light Attendants	0.00	270 000.00	192 793.12	
4x4 Bakkie Dc - Mechanical Works	0.00	460 000.00	293 725.84	
Civic Centre PV Panels/Carports	0.00	50 000.00	10 185.04	
Total	71 837 582.00	45 191 493.00	28 464 512.49	

Capital Expenditure 2019/20: Electricity

# 3.6 WASTE MANAGEMENT (REFUSE COLLECTION, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

#### 3.6.1 Introduction to Waste Management

The strategic goal of the Solid Waste Management Section is to Keep George Clean, Green and Safe. Waste minimisation take place by means of a blue bag recycling projects at households. Education and awareness programmes in all communities, schools and radio talks about waste avoidance, waste reduction, recycling, recovery and disposal are done monthly as part of Council's Integrated Waste Management Plan. Plans for the establishment of a composting facility has been finalised and authorised by Council and work will commence shortly.

#### 3.6.2 Highlights: Waste Management

The table below specifies the highlights for the 2019/20 financial year:

Highlights	Description
Extension of Transfer station	Gwaing
Building of a new Transfer station	Uniondale
Building of 1st platform for composting	George

Highlights: Waste Management

#### 3.6.3 Challenges: Waste Management

The table below specifies the challenges for the 2019/20financial year:

V	Actions to address
Breakages of refuse trucks – redundant trucks	Replacement trucks on 2019/2020 budget
Cleaning of illegal dumpsites in residential areas	Although illegal dumps are regularly cleaned by
	municipality, residents keep on dumping green and
	household waste.

Challenges: Waste Management

#### 3.6.4 Waste Management Service Delivery Levels

The table below indicates the different refuse removal service delivery standards within the urban edge area of the Municipality:

Description	2018/19	2019/20		
Description	Outcome	Actual		
<u>Household</u>				
Refuse Removal: (Minimum level)				
Removed at least once a week	62 722	62 722		
Minimum Service Level and Above Sub-total	62 722	62 722		
Minimum Service Level and Above Percentage	100	100		

Description	2018/19	2019/20
Description	Outcome	Actual
	<u>Household</u>	
Refuse Removal: (Below minimum level)		
Removed less frequently than once a week	N/A	N/A
Using communal refuse dump	N/A	N/A
Using own refuse dump	N/A	N/A
Other rubbish disposal	N/A	N/A
No rubbish disposal	N/A	N/A
Below Minimum /Service Level Sub-total	0	0
Below Minimum Service Level percentage	0	0
Total number of households	62 722	62 722

Service Delivery Levels: Refuse Removal

## 3.6.5 Total Employees: Solid Waste Services

Job level	2018/19	2019/20				
(T-grade)		Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)	
		Number				
0-3	13	10	8	2	20%	
4-6	65	71	59	12	17%	
7-9	18	23	22	1	4%	
10-12	2	2	2	0	0%	
13-15	2	2	2	0	0%	
16-18	2	2	1	1	50%	
19-20	О	0	0	0	0%	
Total	102	110	94	16	15%	

Employees: Sold Waste Services

## 3.6.6 Capital Expenditure 2019/2020: Waste Management Services

Capital Expenditure 2019/2020: Waste Management Services								
Capital Projects	Original Budget	Amended Budget	Actuals Total					
Bakkies - Foremen - Refuse Removal	320 000.00	0.00	0.00					
JCB Rubber Wheels	63 000.00	0.00	0.00					
Transfer Facility Uniondale	500 000.00	1 979 433.00	1 848 265.74					
Rehabilitation of Landfill Site	1 500 000.00	0.00	0.00					
Rehabilitation of Uniondale Landfill Site	500 000.00	0.00	0.00					
Building of Compost Plant	1 000 000.00	1 800 000.00	1 596 456.47					
Bulk Refuse Containers	150 000.00	29 100.00	0.00					
Recycling Equipment - Transfer Station	800 000.00	777 000.00	650 000.00					
Weed Eater - Cleansing Services	7 500.00	7 500.00	5 563.48					
Furniture for Transfer Station	20 000.00	20 000.00	5 758.67					

Capital Expenditure 2019/2020: Waste Management Services							
Capital Projects	Original Budget	Amended Budget	Actuals Total				
Extension of Transfer Station	0.00	1 766 220.00	1 561 849.85				
Upgrade Public Toilets	150 000.00	386 587.00	69 930.79				
Upgrade Cleansing Camp	100 000.00	100 000.00	98 014.98				
2xtrucks - Refuse	2 000 000.00	0.00	0.00				
Weighbridge for Transfer Station	500 000.00	0.00	0.00				
Upgrade of Refuse Camp	100 000.00	539 024.00	495 497.91				
Skips	500 000.00	500 000.00	0.00				
Bin Lifters	300 000.00	751 800.00	0.00				
Skip Truck	1 500 000.00	2 000 000.00	0.00				
Equipment for Laundry at The Transfer Station	150 000.00	170 000.00	139 442.00				
Under Roof Parking for Vehicles and Machinery	100 000.00	0.00	0.00				
Transfer Station - Generator	0.00	194 997.00	0.00				
Refuse Compactor Nissan - Replacement	0.00	100 653.00	0.00				
Bakkies - Foremen – Refuse Removal	0.00	320 000.00	192 793.13				
2xTrucks - Refuse	0.00	1 500 000.00	0.00				
Total	10 260 500.00	12 942 314.00	6 663 573.02				

Capital Expenditure 2019/20: Waste Management

#### 3.7 HOUSING

#### 3.7.1 Introduction to Housing

In the National context, George is no exception in facing severe backlogs in the provision of housing opportunities to both the lower income and affordable housing/GAP sections of the community. The backlog is  $\pm$  16 801 families in the lower income sector and  $\pm$  1 785 in the affordable/GAP sector, which are officially captured on the Housing Demand Database.

During the financial year, priority was given to servicing erven in Thembalethu through the Upgrading of Informal Settlements Programme (UISP), servicing of the Metro Grounds Housing project and the building of top structures in the UISP project as well as the Golden Valley Housing Project.

In collaboration with the Provincial Department of Human Settlements, the Title Deed Restoration Project was initiated with the aim of transferring old housing stock to the rightful owners. An amount of R4 857 854.00 was received for this project and since the initiation of this project (1 April 2016) a total of 1 023 properties were registered. In the 2019/2020 financial year 236 transfers were registered.

The main Human Settlements Projects and Initiatives in 2019/2020 were as follows:

#### i) THEMBALETHU UISP HOUSING PROJECT

The project has been approved and will provide 4350 families with a serviced site with access to water, sanitation and electricity. A total of 113 erven were serviced during the 2019/20 financial year and a total of 154 houses were built and handed over to beneficiaries.

#### ii) EXTENSION 42 & 58 HOUSING PROJECT

This is an in-situ project of which the Provincial Department of Human Settlements approved funding for the building of 46 top structures. The procurement of a contractor to construct the 46 top structures is in process.

#### iii) ERF 325 HOUSING PROJECT

This is a catalytic project funded by the Provincial Department of Human Settlements who are also the developers on the project. The project makes provision for ± 2096 housing opportunities which includes various housing typologies and programmes e.g. GAP/Finance Linked Individual Subsidy Programme(FLISP), Breaking New Grounds (BNG) and housing units for Military Veterans.

All 173 FLISP houses have been completed. The construction of the BNG houses on 4 of the phases is in progress. Most of the civil services have been completed. All unskilled labour is sourced locally.

#### iv) METRO GROUNDS HOUSING PROJECT

The Metro Grounds Housing project consists of 664 housing opportunities. The installation of the civil services is in an advanced stage where after the construction of the top structures will commence.

#### v) GOLDEN VALLEY HOUSING PROJECT

A total of 65 foundations have been completed with 31 top structures having roofs. The contract of the contractor has been terminated due to non-performance and the procurement of a new contractor is in an advanced stage.

#### **HUMAN SETTLEMENTS PLAN**

The George Municipality is in the process of compiling a new Human Settlements Plan. The Provincial Department of Human Settlements has made funding available to the Municipality to appoint a consultant to assist with the compilation of the plan. The procurement is currently in process.

#### **SOCIAL HOUSING**

Social Housing is designed to provide accommodation for working people on the upper end of the low-income market, by government agencies, in collaboration with Social Housing Institutions. It is a rental housing option for households earning between R3501 and R15000 per month. The Social Housing Institution, accredited by the government agency, in this case Social Housing Regulatory Authority (SHRA), manages the property from planning through to property management. The important aspect of Social Housing is that projects should be developed in identified Restructuring Zones in order to contribute to spatial, economic and social development.

In terms of the Social Housing Act, 2008, Municipalities have a responsibility to facilitate social housing delivery and to encourage the development of social housing stock within its area of jurisdiction, subject to compliance to relevant legislation. Restructuring Zones have been identified and completed and George Municipality is in the process of finalizing its application for funding to invite proposals from accredited Social Housing Institutions to deliver and manage the social housing units in the George Municipal area.

#### **AFFORDABLE HOUSING - FLISP**

In December 2019, a tender for the development of 13 Kleinkrantz erven sold in line with the National Finance Linked Individual Subsidy Programme (FLISP) was awarded to a local Contractor. The developer, as part of the tender, sold these 13 erven to local buyers that qualified in terms of the tender and the FLISP qualifying criteria.

The FLISP subsidy was introduced to assist qualifying households by providing a once-off down payment to those households who have secured mortgage finance to acquire a residential property for the first time. Due to house prices and building costs, the upper income threshold for qualifying beneficiaries was increased to a collective R22,000 per month, as was the applicable subsidy quantum, from a minimum of R27,960 to a maximum of R121,626 subject to collective salary.

George Municipality is actively reviewing additional sites to enable further FLISP opportunities for the Affordable Housing market.

#### **ACCREDITATION**

Council approval was granted to apply for Level 1 and 2 Accreditation for George Municipality. The accreditation process is intended to achieve coordinated development and accelerate service delivery. Some of the key benefits of achieving accreditation of the Human Settlements function include the following:

- Progressive capacitation of municipalities on the human settlements functions to enhance service delivery;
- Integration of housing infrastructure planning and delivery processes at local level;
- Places Local Government to be the drivers for spatial transformation;
- The municipal IDP and Housing Sector Plan become the housing planning and budgeting instruments for all three spheres of government;
- Budget expenditure alignment and improved expenditure patterns;
- Certainty in respect of funding allocations;
- Improving coordination of decisions on land use management, public transport, infrastructure investment and service delivery, to build sustainable and integrated human settlements.

Being awarded Level 1 and 2 Accreditation will boost George Municipality's status as 'The City for all Reasons' and invite much sought-after investment.

#### **INFORMAL SETTLEMENTS**

The Access to Basic Services (ABS) Project is a continuous programme which deals with the upgrading and installation of communal services (waterborne and chemical ablution facilities as well as taps) in informal settlements. All informal settlements have access to basic services. Chemical toilets were provided to inhabitants in Thembalethu and Pacaltsdorp who invaded land, and this was done in response to the COVID-19 pandemic. These toilets however have not been provided in terms of the National norm which is 1 toilet for 5 structures due to funding limitations. A total of 30 water tanks were installed in rural areas and in informal settlements where the inhabitants had no access to water in these areas. 20 of the water tanks were donated to the George Municipality by the National Department of Water and Sanitation in response to the COVID-19 pandemic.

One of the biggest challenges that the Municipality faces is the on-going land invasions and land within the settlements where basic services can be installed. The provision of basic services is made significantly difficult due to the location of these settlements and lack of sufficient and appropriate space for this infrastructure and associated amenities. In most cases the ownership of the land vests with other spheres of government posing further prolonged processes.

#### **ASSISTANCE DURING EMERGENCIES- FIRE, FLOODS**

The Department New Housing assists families during emergencies by verifying the information of affected beneficiaries and responds by providing a 4 x 5 emergency structure to qualifying beneficiaries. During the 2019/20120 financial year a total of 206 emergency structures were provided to beneficiaries who found themselves homeless due to emergency situations and a total of 163 fire cases were reported.

#### WATER LEAKAGES SEWER (INDIGENT HOUSEHOLDS)

This has been included within the functions rendered by the Directorate of Human Settlements. Teams were constituted and spread throughout the areas that posed critical water losses to the organisation. It is too early to measure the losses and the savings it brought about for the organisation until the new water services audit outcomes is available and can be compared with that of the previous year.

During the 2019/20 financial year approximately 1300 water and sewer related indigent household complaints were attended to. In addition to the water leakages attended to at various indigent households in the George Municipal area, a total of 75 additional taps were provided in Informal settlements in response to the COVID-19 pandemic.

#### 3.7.2 Highlights: Housing

The following details all the achievements for the 2019/20 financial year:

- 619 of the 700 houses within the UISP have been completed and handed over to qualifying beneficiaries
- 30 water tanks installed in rural areas and informal settlements in response to COVID-19 pandemic
- 245 additional toilets installed in informal settlements in response to COVID-19 pandemic.
- 75 additional taps installed in various informal settlements in response to the COVID-19 pandemic

#### 3.7.3 Challenges: Housing

The table below specifies the challenges for the 2019/2020 financial year:

Challenges	Actions to address
Ongoing service delivery protests	Liaison with committees to address service delivery issues
Ongoing land invasions on land identified for housing development	Constant monitoring of land to prevent further land invasions
Financial challenges to address the provision of basic services as a result of land invasions	Applications for funding from Provincial and National Government to address the problem.
Lack of bulk infrastructure for new housing development	Civil Engineering Department to budget accordingly.

Challenges: Human Settlements

#### 3.7.4 Housing Service Delivery Levels

The Integrated Housing Demand Database (waiting list) linked to the Provincial Department of Human Settlements is reviewed on a regular basis, removing duplications, applicants who have subsequently acquired ownership or received a subsidy, who have moved from the area and relocated elsewhere in the country or deaths in cases of sole applicants. This impacts on the totals on the waiting list and in this instance the reduction.

The following table shows an 8.16% increase in the number of people on the housing waiting list. There are

currently approximately 18 586 housing units on the waiting list:

Financial year	Number of housing units on waiting list	% Housing waiting list increase/(decrease)
2017/18	18 620	5.2
2018/19	17 184	(0.9)
2019/20	18 586	8.16

**Housing Waiting List** 

#### 3.7.5 Total Employees: Housing

Job level	2018/19	2019/20					
(T-grade)		Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total		
		Num	ber		Budgeted Posts)		
0-3	0	0	0	0	0%		
4-6	18	22	20	2	9%		
7-9	8	11	10	1	9%		
10-12	8	9	8	1	11%		
13-15	3	3	2	1	33%		
16-18	1	2	2	0	0%		
19-20	0	0	0	0	0%		
Total	38	47	42	5	11%		

**Employees: Housing** 

#### 3.7.6 Capital Expenditure 2019/2020: Housing

Capital Expenditure 2019/2020: Housing								
Capital Projects	Original Budget	Amended Budget	Actuals Total					
Furniture: Office of Director	9 000.00	9 000.00	0.00					
Chairs - Maintenance Section	3 000.00	3 000.00	2 173.04					
Visitor Chairs Replacement - Existing Housing	2 000.00	2 000.00	1 395.42					
Furniture - Maintenance Section	14 000.00	14 000.00	13 462.01					
Chairs Replacement - Existing Housing	3 000.00	3 000.00	2 320.00					
Filing Cabinets - Existing Housing	5 000.00	5 000.00	0.00					
Furniture: Informal Housing	7 000.00	7 000.00	0.00					
Furniture: Housing (Existing)	7 000.00	7 000.00	0.00					
Furniture: Housing (New)	7 000.00	7 000.00	0.00					
Rosedale Creche, Erf 8046: Cover from Classroom To	100 000.00	131 000.00	122 575.26					
Isiseko Creche: Replace Fencing and Improve Site Se	0.00	185 000.00	0.00					
Lawaaikamp Creche: Paving and Walkways	80 000.00	105 000.00	98 100.87					
Masimbambane Creche: Covert Garage into Classroom	80 000.00	70 000.00	26 826.09					

Capital Expenditure 2019/2020: Housing								
Capital Projects	Original Budget	Amended Budget	Actuals Total					
Lawaaikamp Creche: Burglar Bars	0.00	50 550.00	40 978.00					
1x Sedan: Existing Housing	300 000.00	0.00	0.00					
Replacement Tipper Truck: Informal Housing	500 000.00	0.00	0.00					
Upgrade Functional Unit - Council Chambers	80 000.00	70 500.00	0.00					
Building Equipment and Tools	60 000.00	120 000.00	59 352.56					
Fireproof Safe- Existing Housing	60 000.00	37 000.00	18 904.35					
Data Projector - Housing	10 000.00	10 000.00	0.00					
PA System	82 000.00	82 000.00	67 363.91					
Laptop - New Housing	12 000.00	212 000.00	181 816.22					
2x Portable Printers (New Housing)	20 000.00	20 000.00	0.00					
Laptop - Deputy Director: Housing	12 000.00	25 000.00	21 889.57					
Isiseko Creche: Replace Fencing and Improve Site Se	200 000.00	0.00	0.00					
Lawaaikamp Old Age Home: Extension of Building	400 000.00	400 000.00	8 700.52					
Zamaxolo Creche - Outside Classroom	400 000.00	10 000.00	0.00					
Kekkel en Kraai Creche: Upgrading of Existing Structure	400 000.00	20 000.00	0.00					
Mzomhle Creche: Tile Kitchen and Bathroom Areas	60 000.00	39 000.00	0.00					
Upgrade Water Supply: 5 <sup>th</sup> Floor	80 000.00	80 000.00	0.00					
Siembamba Creche: 2500l Water Tanks	15 000.00	15 000.00	14 200.00					
Kekkel En Kraai Creche: Security Fence	240 000.00	235 000.00	193 304.36					
Chris Nissan Creche: Palisade Fence	240 000.00	240 000.00	1 000.00					
Kleinkrantz Creche: Gas Storage	5 000.00	10 000.00	9 300.00					
1x Sedan: Existing Housing	0.00	300 000.00	0.00					
Replacement Tipper Truck: Informal Housing	0.00	500 000.00	426 122.00					
Nikiwe Creche - Erf 2206, Tyolora	0.00	0.00	2 595 000.00					
Total	3 493 000.00	3 024 050.00	3 904 784.18					

Capital Expenditure 2019/20: Housing

#### 3.8 FREE BASIC SERVICES AND INDIGENT SUPPORT

## 3.8.1 Introduction to Free Basic Services and Indigent Support

The following table shows the percentage of indigent households that have access to free basic municipal services. In accordance with the approved indigent policy of the municipality, all households earning less than **R4 000** per month will receive the free basic services as prescribed by National policy, in terms of George Municipality's indigent policy.

#### 3.8.2 Free Basic Services to Low Income Households

The tables below indicate the households that received free basic services in the 2019/20 and financial year under review:

Year			Number of households							
	Total		Households earning less than R 3 000 per month							
	no of	Free Basic	Water	Free Basic Sa	Free Basic Sanitation   Free Basic Electricity   Free Basic Refus					
	НН	Access	%	Access	%	Access	%	Access	%	
2018/19	49 483	20 233	40%	15 832	31.90%	15 397	31.11%	15 558	31.44%	
2019/20	49 647	15 142	31%	14 720	30%	19 730	40%	14 853	30%	

Free Basic Services to Households

	Electricity									
Financial	Financial Indigent Households			Non-i	Non-indigent households			Households in Eskom areas		
year	No of HH	Unit per HH (kwh)	Value pm	No of HH	Unit per HH	Value pm	No of HH	Unit per HH	Value pm	
			R'ooo		(kwh)	R'ooo		(kwh)	R'ooo	
2018/19	20 233	70	20 727	0	0	0	772	50	564	
2019/20	15 463	70 kwh	1 492 643	44 467	o kwh	0.00	745	50 kwh	51 367	
		137.90C			194.30c			137.90C		

Free Basic Electricity Services to Indigent Households

Water									
Financial year	Indigent Households Non-indigent househ					olds			
	No of HH	Unit per	Value pm	No of HH	Unit per HH	Value pm			
		HH (kl)	R'ooo		(kl)	R'ooo			
2018/19	15 832	6	16 916	33 651	6	35 955			
2019/20	15 463	6kl	1 459 397	39 685	6kl	3 745 470			
		15.73			15.73				

Free Basic Water Services to Indigent Households

## 3.8.3 Financial Performance 2019/20: Cost to Municipality FBS Delivered

Financial Performance 2019/20: Cost to Municipality of Free Basic Services Delivered				
	2018/19	2019/20		
Services Delivered	Actual	Actual		
	R'000			
Water	22 194 101	16 404 595		
Electricity	19 813 219	22 689 087		
Sanitation	36088034 38 857 5			
Refuse removal	33 313 420	36 608 096		
Total				

Financial Performance 2019/20: Cost to The Municipality of Free Basic Services Delivered

The municipality subsidizes indigent households with the following basic charges on their municipal accounts, namely 1) Basic Water Charges and the first 6kl Water is free. Basic charges for Sewerage, Refuse and 70kwh units of Electricity free. Indigents Households who used less than 450kwh of electricity per month, are charged at a lower electricity tariff. Council also assist with the writing off of arrears and with the repairs of water leakages and faulty electricity pre-paid meters.

Properties with a municipal value of less than R150 000 are also exempted from the levying of rates. Churches Creches, Old ages Homes and frail Care units receives a monthly allowance on their municipal accounts, depending on the number of indigent people that make use of the facilities. Indigents that lives on farms, receives 50kwh of electricity as per agreement with Eskom. These expenses are mainly funded from the equitable share funds from National Treasury.

The exposure to free basic services helps to improve the self-esteem of indigent households. Door to door campaigns, visits at homes and talks over the radio are planned for the rest of the year, to encourage indigent consumers to apply for the subsidy.

## **COMPONENT B: ROAD TRANSPORT**

#### 3.9 ROADS

This component includes roads, transport and storm water (storm water drainage).

George Municipality is responsible for the planning of and maintenance of proclaimed main roads, municipal streets and establishing transportation infrastructure for the transport of goods and commuters. The National Land Transport Act 5 of 2009 (NLTA) places the responsibility for the provision of public transport with the local municipalities. The NLTA further determined that the George Municipality qualifies to prepare a Comprehensive Integrated Transport Plan that is dealt with under the Directorate: Protection Services. This section therefore relates to the road and storm water asset management within which the road and storm water network maintenance planning may be carried out. Road and storm water asset management is essentially a road network planning tool which offers a prospect of significantly improving by development of decision-making tools to assist roads agencies and local municipalities.

#### Roads

Maintenance and rehabilitation priorities are determined by means of a Pavement Management System (PMS), based on the condition of the road and the implementation of these priorities are subject to Council approval of adequate funding. The main challenges to overcome, which will significantly improve service delivery, are the difficulty in procurement of services and adequate funding.

#### 3.9.1 Highlights: Roads

The table below specifies the highlights for the 2019/20 financial year:

Highlights	Description		
Completion of the Pavement Management System (PMS) (February 2020)	Assists in the prioritisation of upgrading/repairs of roads		
Paving in roads	Upgrading of gravel roads in previously disadvantaged areas		
Rehabilitation of Caledon street (1 250 m)	Completion of the rebuilding of Caledon street, including the upgrading of the sidewalks to universal accessible standard		
Rehabilitation of Mission street (570m)	Completion of the rebuilding of Mission street, including the upgrading of the sidewalks to universal accessible standard		

Highlights	Description
Rehabilitation of Merriman street (665 m)	Completion of the rebuilding of Merriman street, including the upgrading of the sidewalks to universal accessible standard, installation of new 300 mm PVC pipeline, railway crossing and new electrical street lighting
Rehabilitation of Tabata street (1 100 m)	Commencement with complete rebuild of phase 1 of Tabata street. Unfortunately, due to Community disruption, the project was suspended until the outstanding labour issues could be resolve. It is foreseen that construction work will recommence within 2020/21, as soon as sufficient funding is secured.
Rehabilitation of Wellington street (400 m)	Commencement of the rebuilding of Wellington street
Rehabilitation of Triumph street (330 m)	Commencement of the rebuilding of Triumph street, including the upgrading of the sidewalks and street lighting to universal accessible standard
Reseal of 5th avenue (500 m)	Reseal of 5th avenue
Reseal of Union street (900 m)	Reseal of Union street

Highlights: Roads

## 3.9.2 Challenges: Roads

The table below specifies the challenge(s) for the 2019/20 financial year:

Challenge	Actions to address			
Staff Capacity	Currently this Department is understaffed, and filling of vacant positions is slow			
Budget restraints	PMS and Storm Water Maintenance Plans indicated priorities for repairs/upgrades, but insufficient budget			
COVID-19	Already understaffed under further pressure as a result of vulnerable staff with comorbidities on mandatory leave and/or working from home			
Expansion of George	This causes more road users, putting the road infrastructure under further pressure			
Access to adequate/decent gravel quarries	The quality of materials is a cause of great concern, since most of the quarries in the region are depleted			
Community disruption of road maintenance and rebuilding projects	The employment of local labour and contractors from directly affected wards that meet the necessary legislative requirements remains a challenge. All projects focus or maximum creation of job opportunities for unemployed members of affected communities.			
	Delays due to finalising local labour and contractors resulted in unbudgeted financial cost, leading to reduce project scope.			
Insufficient and timeously funding	Insufficient funding is provided to maintains of the exiting road network, with additional grand funding only being made available within the last quarter of the financial year			

Challenge	Actions to address		
COVID-19 related construction restriction	Covid-19 related delays due to regulations restricting construction work		

Challenges: Roads

### 3.9.3 Gravel Roads

The table below specify the service delivery levels for the 2019/20:

Gravel Road Infrastructure: Kilometres					
Year	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar/block paving	Gravel roads graded/maintained	
2017/18	108	1	o	108	
2018/19	108	0	1	107	
2019/20	107	0	5	102	

Gravel Road Infrastructure

## 3.9.4 Tarred (Asphalted) Roads

Tarred Road Infrastructure: Kilometres					
Year	Total tarred roads	New tar & paved roads	Existing tar roads re- tarred	Existing tar roads maintained	
2017/18	448,6	0	3	448,6	
2018/19	448.6	0	8	448.6	
2019/20	448.6	0	3	448.6	

Tarred Road Infrastructure

Tar roads are being maintained as reports of problems are received or as maintenance is required.

#### 3.9.5 Cost of Construction/Maintenance

The table below shows the costs involved for the maintenance and construction of roads within the municipal area:

Cost of Construction/Maintenance						
R' 000						
Gravel			Tar			
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
2017/18	490000	1900000	280000	2300000	1300000	600000
2018/19	o	13293090	1211800	18108348	7605812	8066280
2019/20	0	12 000 000	1 200 000	0	7 000 000	9 000 000

Cost of Construction/Maintenance of Roads

# 3.9.6 Total Employees: Roads

Job level	2018/19	2019/20					
(T-grade)		Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total		
		Nı	umber		Budgeted Posts)		
0-3	0	О	О	О	0%		
4-6	65	56	32	24	42%		
7-9	18	7	5	2	29%		
10-12	2	6	4	2	33%		
13-15	2	3	1	2	66%		
16-18	2	1	1	0	0%		
19-20	0	0	0	0	0%		
Total	89	73	43	30	41%		

Employees: Roads

Job level (T-grade)	2018/19	2019/20				
		Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total	
		Nu	mber		Budgeted Posts)	
0-3	2	O	О	o	0%	
4-6	0	4	4	0	0%	
7-9	3	0	0	0	0%	
10-12	1	1	1	0	0%	
13-15	0	1	1	0	0%	
16-18	0	0	0	0	0%	
19-20	0	0	0	0	0%	
Total	6	6	6	0	o%	

Employees: Mechanical workshop

# 3.9.7 Capital Expenditure2019/2020: Roads

Capital Expenditure 2019/2020: Roads						
Capital Projects Original Budget Amended Budget Actual						
Tools & Equipment - Streets	100 000.00	100 000.00	79 275.80			
GIPTN Road Rehabilitation	0	40 797 604.00	24 220 315.24			
Street Resealing: Greater George	8 165 000.00	9 322 035.00	7 128 608.97			
Rebuilding of Streets: Greater George	4 950 500.00	12 958 650.00	12 006 108.17			
Rooidraai Road: Repairs to Slip Failure	800 000.00	600 000.00	631 867.97			
GIPTN Road Rehabilitation	0	1 813 725.00	0			
Upgrading of PW Botha Boulevard	1 000 000.00	0	0			
Upgrade of Voortrekker Street and Longstreet Sidewalk	250 000.00	250 000.00	220 373.20			
Peters Road: Repairs to Slip Failure and Associate	500 000.00	1 000 000.00	385 192.14			

Capital Expenditure 2019/2020: Roads					
Capital Projects	Original Budget	Amended Budget	Actuals Total		
Construction of Perimeter Wall at Street Depot	750 000.00	593 592.00	593 584.00		
Upgrading of Admin Building and Ablution Facilities	500 000.00	1 068 795.00	731 332.94		
GIPTN: Bus Shelters	0	3 500 000.00	2 636 083.88		
Link Road Stream Crossing Erf 325 East	0	570 000.00	567 453.40		
TLB (UNIONDALE)	1 000 000.00	1 000 000.00	994 478.00		
3 Ton Tipper Truck - Streets	850 000.00	982 264.00	852 244.00		
Bakkie (Road Reserve Maintenance)	280 000.00	0	0		
GIPTN: Bus Shelters	4 108 124.00	0	0		
Thembalethu UISP - Roads	4 357 065.00	4 200 000.00	2 178 775.68		
GIPTN: Traffic Signals	200 000.00	0	0		
GIPTN: Traffic Signals	1 800 000.00	1 550 000.00	0		
Delville Park Primary: Parking and Drop-Off Zone	300 000.00	300 000.00	297 096.07		
GIPTN Traffic Sidewalks	501 677.00	3 000 000.00	1 561 955.94		
Property Development - Diamond Road Industrial Erv	360 000.00	360 000.00	71 149.00		
Construction of Sidewalks: George Area	1 000 000.00	952 988.00	596 631.84		
Upgrading of Ruby Street	500 000.00	202 000.00	201 775.00		
Mechanic Broom (Road Reserve Maintenance)	580 000.00	0	0		
Adjustment to Left Boundary Encroachments	20 000.00	0	0		
Upgrading of Saagmeul Street	250 000.00	145 310.00	145 310.00		
GIPTN Road Rehabilitation	15 000 000.00	0	0		
Stabilization of Embankment: Borchards	500 000.00	0	0		
Property Development - Sweatpea Street Residential	840 000.00	840 000.00	369 484.20		
GIPTN Transfer Locations	3 000 000.00	0	0		
Upgrading of Binne & Buite Street Intersection	500 000.00	65 655.00	65 655.00		
CCTV Cameras (Street Camp)	150 000.00	415 000.00	401 989.21		
GIPTN Transfer Locations	0	287 500.00	0		
Bakkie (Road Reserve Maintenance)	0	280 000.00	242 581.92		
Mechanic Broom (Road Reserve Maintenance)	0	580 000.00	0		
Total	53 112 366.00	87 735 118.00	57 179 321.57		

Capital Expenditure 2019/20: Roads

## 3.9.8 Overall Performance: Roads

The road infrastructure network is one of the largest assets of George Municipality. The condition and maintenance thereof as well as the construction of new roads and transport infrastructure, impacts directly on the safety of all road users' modes of transport and indirectly on local economic development.

## 3.10 PUBLIC TRANSPORT

## 3.10.1 Introduction to Public Transport

The George Integrated Public Transport Network (GIPTN) is a flagship model for the provision of public transport in South Africa's emerging cities. The first services commenced in George in 2014, and currently Phases 1, 2, 3

and Phase 4B are operational. The GIPTN provides the citizens of George with access to social, educational and economic opportunities within the areas where the service has been rolled out. This is facilitated by providing a public transport service that is safer, more affordable, accessible and reliable. The latter is being realised through the transformation of the existing local bus and minibus taxi industries into an integrated bus operator, and the provision of universally accessible and non-motorised transport facilities.

The GIPTN is implemented by George Municipality in partnership with and supported by the Western Cape Government's Department of Transport and Public Works. Once all six (6) phases have rolled out, expansion to include intertown services will be considered.

## 3.10.2 Highlights: Public Transport

Highlight	Description
Phase 4B Roll-Out	Expansion of the service into Phase 4B which consists of the
	communities of Parkdene, Lawaaikamp, Conville and
	Borcherds on 22 March 2020
AFC/ITS (Automated Fare Collection/ Integrated	Partial integration of the ITS and the AFC system has begun
transport system)	whereby route, duty, schedule and driver information will be
	uploaded from the ITS to the AFC system. Currently only driver
	sign-on is integrated. Subsequently, operational information
	will be passed to the ITS from the AFC driver console to automate driver to waybill scheduling and deviation alerts. This
	two-way integration will drive accuracy with regards to inter-
	system master data and operational efficiencies that requires
	little or no user intervention.
Finance	During the period under review applications for in-year funding
	were submitted to the Department of Transport (DoT) and the
	Provincial Department of Transport and Public Works (DTPW).
	These applications were successful and resulted in the
	following in-year allocations being received:
	R82.127 million from DoT toward the upgrading of the
	N2/Thembalethu bridge widening project.
	R66 million from DTPW toward the operational requirements
In division (Challage and an Engage and Durant, they are the	of the project.
Industry/Stakeholder Engagement Break through	Disgruntled stakeholders were identified and engaged, and task teams formed. Through this process undertakings were
	sighed with these stakeholders which allowed the roll out of
	Phase 4B to take place. In addition, a way forward to engage on
	the roll-out of Phase 4A was agreed.
Operations	The latter part of 2019/20 saw the successful expansion of
	operations through the roll out of Phase 4B (Parkdene,
	Conville, Borchards, Lawaaikamp and Ballotsview) adding 3
	main routes and a community route to the GIPTN service which
	prior to this had consisted of Phases 1 to 3.
Safety & Security	The road-based CCTV network was expanded, primarily in
	Phase 4B, with improvements implemented to CCTV in Blanco
	and Thembalethu. The Public Transport Safety and Security
	Operations Committee (PTSOC) continued to convene,
	resulting in a successful integrated interagency Operational plan for Phase 4B roll out.
	plan for Pridse 4D foil out.

Highlights: Public Transport

# 3.10.3 Challenges: Public Transport

Challenges	Actions to address
Resistance to further roll out of the service by stakeholders	Task teams were formed during the reporting period which will engage on targeted matters to facilitate a peaceful Phase 4A roll out.
Funding Constraints	The roll-out of Phase 4A is a priority to ensure that the project can access the additional fare revenue from this Phase. Phase 4A represents an almost doubling of the demand.
	Once Phase 4A is rolled-out it will improve the ability of the project to obtain an increased share of the performance component of the Public Transport Network Grant (PTNG).
	A further funding application has been submitted through the Budget Facility for Infrastructure (BFI) grant. If this application is favourably received it will cover the costs of the long-term infrastructure requirements for the project which is currently unfunded.
Infrastructure	Limited success with the construction of new infrastructure, including for Phase 4B mainly due to the Covid-19 Lockdown restrictions
Outbreak of Covid-19	The impact of COVID-19 on the public transport industry in George as with the rest of South Africa has been severe as a vast majority of the population depend on public transport to access essential services and work. Public transport also poses an associated and heightened risk of contracting COVID-19 even with all the health, safety, and social distancing measures in place.
	GO GEORGE is doing and continues to do everything in its power to contribute to limiting the spread of the virus and promoting the safety of passengers and operational staff including drivers. Key interventions and safety measures include daily disinfecting of facilities, cleaning and sanitisation of buses before and after every duty, wearing of masks by both passengers and staff and regular hand sanitising by both drivers and passengers.  The regulations implemented on the public transport sector to prevent the spread of the COVID-19 pandemic has also had a negative impact on the monthly revenue. For the period April 2020 to June 2020 there was a reduction in fare revenue of 50%.
	Certain infrastructure projects had to be placed on hold due to the regulations.

Challenges: Public Transport

# Top three service delivery objectives and impact

One of the biggest objectives achieved in the design of the service was the transformation of the existing minibus taxi industry in George into a formalised vehicle operating company (VOC) contracted to government for the provision of the service.

Other major objectives included acquiring and providing a new fleet of Universally Accessible (UA)-compliant vehicles, the provision and upgrading of infrastructure including provision for Non-Motorised Transport (NMT) and UA, and the design of the integrated public transport service with routes and schedules that accommodate all users and provide access to places of work as well as community services.

In designing the service, the policy principles provided the framework by which to determine the design parameters of the service. The detailed choices within those parameters were informed by the context of the public transport environment in George and the envisaged implementation plan, including consideration of various implementation choices and their applicability in the George environment.

The NMP 2050 vision has reinforced that transport is the heartbeat of the economy and the fabric of socio-economic development. The NMP vision 2050, aims to achieve:

An integrated, smart and efficient transport system supporting a thriving economy that promotes sustainable economic growth, supports a healthier lifestyle, provides safe and accessible mobility options, socially includes all communities and preserves the environment.

The above is being achieved through integrated planning between various departments on a municipal and provincial level and expanded upon existing principles of GIPTN. The GIPTN has experienced exponential growth, including into Phase 4B during the reporting period, and wide acceptance as a municipal service and will add substantial further benefit to George and its community as the phases continue to roll out.

### Major efficiencies achieved

During the period under review no major efficiencies were achieved. Once the full service is rolled out increased efficiencies are expected. This noted, there have been some improvements with regards to the streamlining of workflows in relation to the extraction and finalisation of pole collar information in the correct format for ease of implementation.

#### Approach to the Public Bus Operation

The GIPTN is an Integrated Public Transport Network (IPTN) rather than an Integrated Rapid Public Transport Network (IRPTN), which makes use of dedicated bus lanes and is referred to as Bus Rapid Transit (BRT). The reason for choosing an IPTN approach in George is to keep costs to a minimum. Once the system settles, the required additional infrastructure can be constructed where proven to be necessary based on the Operate First, Build Light staged approach (Infrastructure light), which is then linked to the funding is available.

Initially, the focus has been to prioritise implementation of operations over infrastructure. The adoption of this approach was to ensure operations commenced with the premise to refine the operations and only build infrastructure that is required. Whilst this approach has ensured effective spending on infrastructure, a substantial increase in the spending on Infrastructure is now required to ensure the success and sustainability of the Public Transport Service. The implementation of the GO GEORGE bus service is structured in 6 phases, with Phases 1 to 3 and 4B currently operational.

### Support given to communities that are living in poverty

The public transport service is subsidised to ensure that fares remain at affordable levels. If fares were set at a level high enough to cover the operating deficit then it is likely that the services would prove to be an unaffordable and poorly utilised, and services would not support those with the greatest need for public transport. The fare tariffs for GIPTN is linked to the minimum wage to ensure affordability.

## 3.10.4 Municipal Bus Service Data

Municipal Bus Service Data						<u>Table Note</u> <u>References:</u>
		2018/2019 2019/2020		2020/2021	Δ.	
	Details	Year -1	Year 0		Year 1	Α
			Estimate No.	Actual No.	Estimate No.	В
1	Passenger Journeys	4,123,489		3,529,764	4,474,764	С
2	Seats available for all journeys	14,970,828		14,970,828	14,970,828	D
3	Average Unused Bus Capacity for all journeys	10,847,339		11,441,064	10,496,064	Е
4	Size of bus fleet at year end	114		122	122	F
5	Average number of buses off the road at any one time	62		66	54	G
6	Proportion of the fleet off road at any one time	54%		54%	44%	Н
7	No. of Bus journeys scheduled	259,761		241,017	333,065	I
8	No. of Bus journeys cancelled	20,781		26,512	16,653	J
9	Proportion of journeys cancelled	8%		11%	5%	K

#### **Table Notes:**

Year -1 was taken to be 2018/2019, Year 0 as 2019/2020 and Year 1 as 2020/2021. Year-1 is Phase 1-3 services, Year 0 is Phase 1-3 services and 4B services (only for 3months) and Year 1 is a full Phase 1-3 and 4B services projected. although Phase 4B rolled out at the end of 2019/20, the Covid-19 pandemic had a major impact on services and distorted the actual numbers of Phase 4B. 105,000 passenger trips for Phase 4B is estimated and included in the latter part of 2019/20 and 2020/2021 years and compensates for Covid -19 reduced services impacts based on current trends. Actual numbers were used for 18/19 and 19/20 financial years. A Passenger Journey is defined as having a start point (origin) and an end point (destination) and may include one or more transfers. The data reflects Passenger Trips as an estimate based on ticket sales as trips can include transfers. Based on actual Passenger Trips for 2018/19 and 2019/20. For 2020/21 the average number of trips scheduled and the capacity available on vehicle class scheduled (Mini=15 seats; Midi=79; Std=84) for Ph1-3 were used and includes an estimate for Phase 4B. Phase 4B rolled out end of 2019/20 but is distorted due to the Covid-19 pandemic. Phase 4A is assumed to only roll out after 2020/21. Passenger Seats in this case refers to Passenger Spaces (includes standing and seated passengers). Unused Capacity is the difference between capacity provided per month (Table line 2 above) less the number of passenger trips (Table line 1 above) and is actual numbers for 18/19 and 19/20 and estimated for 20/21. The situation arises out of high levels of directionality in demand on most routes, but the ability to provide several productive trips with a single vehicle, requiring an empty return trip. **F** The size of the bus fleet in hand. The number of bus fleet in hand minus the peak fleet required per year (average) provides the number of buses off the road at any one time H | The percentage of bus fleet off the road = size of bus fleet in hand divided by number of buses off the road at any one time The actual vehicle trips scheduled for 18/19 and 19/20 and projected for 20/21 (includes growth of Phases 1-3 and 4B as well as the impact of Covid-19 with the expectation that the system will recover to some extent to normal expectations. Bus Journeys in this case refers to Bus/Vehicle Trips for the GIPTN system. Almost no Bus Journey trips are cancelled. However, due to protest/strike actions in 18/19 and 19/20 as well as the impact of Covid-19 reduced services in 19/20 as projected for 20/21, a proportion of bus journeys were cancelled **K** Bus Journeys cancelled as a percentage.

## 3.10.5 Capital Expenditure 2019/2020: Public Transport

Capital Expenditure 2019/2020: Public Transport						
Capital Projects Original Budget Amended Budget Act						
Office Equipment - Public Transport Office	20 000.00	20 000.00	0.00			
Optic Bus Camera Equipment	0.00	851 583.00	0.00			
Municipal Contribution Infrastructure	3 814 720.00	0.00	0.00			
GIPTN Communication Equipment	150 000.00	0.00	0.00			
GIPTN Upgrade Premises	200 000.00	0.00	0.00			
GIPTN Communication Equipment	0.00	220 000.00	219 643.10			
GIPTN Upgrade Premises	0.00	100 000.00	50 197.00			
Total	4 184 720.00	1 191 583.00	269 840.10			

Capital Expenditure 2019/20: Public Transport

## 3.11 STORMWATER DRAINAGE

## 3.11.1 Introduction to Storm Water Drainage

The Department is in the process of updating the Storm Water Master Plan. The operation of the storm water network is conducted with the use of a management system which enables the Planning and Maintenance Section to locate shortcomings. It also enables this Section to perform efficient maintenance on the storm water network.

## 3.11.2 Highlights: Storm Water Drainage

The table below specifies the highlights for the 2019/20 financial year:

Highlights	Description
Updating of the Storm Water Maintenance Plan (Partially completed)	Assists in the prioritisation of upgrading/repairs of storm water

Highlights: Storm water Drainage

## 3.11.3 Challenges: Storm Water Drainage

The table below specifies the challenges for the 2019/20 financial year:

Description	Actions to address
COVID 19 State of Disaster	Measures implemented in terms of the DMA impacted directly on various storm water projects. These projects will be addressed in the 2020/21 financial year
Staff Capacity	Currently this Department is understaffed, and filling of vacant positions is slow
Budget restraints	PMS and Storm Water Maintenance Plans indicated priorities for repairs/upgrades, but insufficient budget

Challenges: Storm water Drainage

## 3.11.4 Storm Water Infrastructure

The table below reflects the total kilometres of storm water maintained and upgraded as well as the kilometres of new storm water pipes installed:

Financial year	Total km storm	Km new storm	Km new storm Km storm water	
	water measures	water measures	measures upgraded	measures maintained
2017/18	397,5	0	0,5	399,7
2018/19	399.7	0	1	400.2
2019/20	400.2	0	2	402.2

Storm water Infrastructure

## 3.11.5 Employees: Storm Water

Job level (T-	2018/19	2019/20				
grade)		Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total	
		Nun	nber		Budgeted Posts)	
0-3	0	0	0	0	0%	
4-6	29	98	44	54	55%	
7-9	1	13	11	2	15%	
10-12	4	4	2	2	50%	
13-15	0	1	0	1	0%	
16-18	1	0	0	0	0%	
19-20	0	0	0	0	0%	
Total	35	116	57	59	50%	

Employees: Storm Water

## 3.11.6 Cost of Construction/Maintenance: Storm Water

The table below reflects the costs involved for the maintenance and construction of storm water within the municipal area:

Financial year	Storm water Measures					
	New Upgraded Maintained					
	R'000					
2017/18	0	0	3200			
2018/19	0	2 230	3 033			
2019/20	0	2 820	3 300			

 ${\it Cost\ of\ Construction:}\ Storm\ water$ 

## 3.11.7 Capital Expenditure 2019/2020: Storm Water

Capital Expenditure 2019/2020: Storm Water							
Capital Projects Original Budget Amended Budget Actuals Total							
2X 3 Ton Trucks - Streets & Amp; Storm Water	0	427 124.00	427 124.00				
Upgrading of Existing Storm Water Infrastructure	0	169 189.00	0				
Building of Concrete Canals & Drains	400 000.00	400 000.00	400 000.00				

Capital Expenditure 2019/2020: Storm Water						
Capital Projects	Original Budget	Amended Budget	Actuals Total			
Upgrading Storm Water Infrastructure (Blanco)	700 000.00	700 000.00	501 772.51			
Upgrading of Existing Storm Water Infrastructure (P	1 000 000.00	0	0			
Upgrading of Existing Storm Water Infrastructure (T	1 000 000.00	0	0			
Andersonville: Storm Water Upgrade	0	2 173 913.00	493 399.61			
Andersonville: Storm Water Upgrade	0	304 348.00	0			
New Dawn Park: Storm Water Upgrade	0	3 219 163.00	838 873.69			
New Dawn Park: Storm Water Upgrade	0	851 150.00	0			
Thembalethu Zone 1: Storm Water Upgrade	0	487 120.00	0			
Thembalethu Zone 9: Storm Water Upgrade	0	3 880 698.00	533 722.75			
Thembalethu Zone 9: Storm Water Upgrade	0	357 382.00	0			
Thembalethu Zone 1: Storm Water Upgrade	0	3 913 043.00	607 398.08			
Total	3 100 000.00	16 883 130.00	3 802 290.64			

Capital Expenditure 2019/20: Storm Water

# **COMPONENT C: PLANNING AND DEVELOPMENT**

### 3.12 PLANNING

# 3.12.1 Introduction to Planning and Development

The Directorate is comprised of seven sub-departments which include Land Use Management, Spatial Planning, Environmental Management, Property management, IDP/Performance and Public Participation, Economic Development and Tourism Departments. Within these departments resort the sections responsible for management of the geographic information systems, performance management, ward committee liaison and outdoor advertising.

Collectively the departments across the directorate play a pivotal role in the facilitation of development, economic growth and job creation. The directorate is responsible for development and implementation of strategic tools to guide decision making in land development and investment that will steer the city toward spatial transformation and onto a path of sustainability and improved resilience. The COVID-19 pandemic has exposed areas in which the local economy and communities are least resilient, urging a deepening of the departments focus and intervention in areas that will enhance sustainability.

The directorate's challenges with inadequate human capital prevails. The nature of the skills required within the directorate and the scarcity of the required skills have constrained efforts to fill funded critical vacancies. Critical vacancies impact on the efficiency and quality of service rendered by the directorate. Since 2016 the directorate has operated without a director. The resultant strain on existing staff having to fill several portfolios compromises the performance of the directorate.

The spatial planning and environmental management sections remain unstaffed with only one budgeted post available in each section. Specialised skills are needed, and the recruitment process is advanced. The resultant risk is that certain statutory functions related to these functions are not being complied with. The decline in land

development applications submitted to the Land Use Management Section persist and is attributed to the implementation of the George Integrated Zoning Scheme Bylaw in September 2017. The complexity of land development applications, incurred as a result of legislative requirements, renders the process of assessment of these applications, consuming and intensive. The result is that staff must be in possession of intricate town planning knowledge and experience to execute the task.

While the zoning scheme has introduced greater resilience into the land use management system and contributes to improved development facilitation the implementation of the Spatial Planning Land Use Management Act and resultant Land Use Planning By-Law has exposed a skills gap in the existing staff complement where currently only 4 duly experienced town planners are employed. The Planning department is heavily reliant on internships to build capacity. IN the past financial year new interns were recruited, resulting in an added need for mentoring and supervision over trainees and interns.

The need for human capital and specialised skills continues to escalate as the city expands. The COVID-19 pandemic has escalated pending interventions and re-prioritised measures for improvement of processes. The risk adjusted strategies applied during the pandemic has demonstrated that available office space can be utilised on alternating bases and enables addition of more staff without having to incur expenses on additional office space. Forced changes to the application submission and handling processes are constantly improved and are envisaged to yield significant results as improved measures contribute to more efficient operations.

The amended Municipal Spatial Development Framework was adopted in May 2019 and this past financial year has been the first year of its' implementation in decision making. It has induced a shift in focus of applications to outcomes that improves sustainable natural environments, resource frugal developments, spatial transformation and resilience. The directorate continues to rely on partners and stakeholders in both the public and private sector to leverage on skills and knowledge as well as supplementing capacity.

## 3.12.2 Highlights: Planning and Development

The table below specifies the highlights for the 2019/20 financial year:

Highlights	Description
Electronic Application Submission System	The advent of the Co-Vid 19 lockdown lead to the Planning Department expediting the implementation of a paperless electronic land use application management system using the municipality's existing Collaborator platform. This intervention contributes to the accuracy and efficiency of planning application processes and assist in reduction of the municipality's carbon footprint.
Continued service delivery during Co-Vid 19 Lockdown	During Lockdown Level 5, the Planning Department issued laptops and 4g WIFI dongles to essential staff to ensure that a remote planning service can be delivered. In April and May 2020, the department acquired additional hardware and equipped all its staff so that a complete land use planning service, albeit still somewhat constrained by the Lockdown levels 3 and 4 regulations, can be provided. This intervention aids business continuity and ensures enhanced protection of critical staff.

Highlights: Planning

# 3.12.3 Challenges: Planning and Development

The table below specifies the challenges for the 2019/20 financial year:

Challenges	Actions to address			
Staff Capacity and appointments	Two (2) planning officials left the service of the Planning Department			
	following the institution of disciplinary measures. Posts are in the			
	process of being filled. The recruitment process for senior planner post			
	has been completed and await a decision from the municipal manager.			
Uncompetitive salary scales and Job	It is general difficult to find adequately skilled and experienced equity			
Descriptions	candidates for these posts due to various factors including			
	uncompetitive salary scales. Job Descriptions were revised and			
	submitted for evaluation towards mid-June 2020 to align tasks and			
	responsibilities with the new planning dispensation and organogram			
	structure.			

Challenges: Planning

# 3.12.4 Statistics on Land Use Applications

### NO OF LAND USE APPLICATIONS FINALISED

Application Type	2017/2018	2018/2019	2019/2020
Rezoning	33	24	22
Subdivision	29	51	26
Departures	350	92	68
Consent Use	42	38	12
Removal of Restrictions	25	7	14
Amendment of Conditions of Approval	5	4	4
Other	90	32	38
TOTAL	574	248	184

## **SUMMARY OF LAND USE APPLICATIONS**

Process	2017/2018	2018/2019	2019/2020
Applications received in reporting period	369	281	208
Applications still in process	189 (96*)	223 (71*)	163 (35*)
Applications still in process 6 months or more	5 (2*)	18 (10*)	45 (12*)
Applications still in process at 5 months	3	2	12 (1*)
Applications still in process at 4 months	3	4	8(1*)
Applications finalized in reporting period	574	248	184
Applications finalized 6 months and older	78	17	35
KPI calculation	86.41%	93.15%	80.98%

\* Denotes the number of applications referred back to the applicant

Delegated Applications	PMS Target	2017/2018	2018/2019	2019/2020
Delegated Application Finalized – 4 months		534	215	170
No delegated applications overtime limit		116	25	48
Compliance Level	75%	78.28%	88.35%	71.76%

Tribunal Applications	PMS Target	2017/2018	2018/2019	2019/2020
Non-Delegated applications finalized – 7 months		40	33	14

Tribunal Applications	PMS Target	2017/2018	2018/2019	2019/2020
No non-delegated applications over time limit		16	6	6
Compliance Level	75%	60%	81.82%	57.14%

Appeal Applications	PMS Target	2018/19	2019/20
Appeal applications received		10	9
Appeal applications overturned		3	1
Appeals applications over time limit		0	3
Compliance Level	100%	100%	66.67% **

<sup>\*\*</sup> Note: Appeals over limit due to change in Mayor and Co-Vid 19 Lockdown.

## 3.12.5 Total Employees: Planning

Occupational	2018/19	2019/20				
Level		Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)	
		Nun	nber			
0-3	1	0	0	0	0%	
4-6	1	2	2	0	0%	
7-9	6	5	5	0	0%	
10-12	22	20	17	3	15%	
13-15	1	8	5	3	38%	
16-18	3	3	2	1	33%	
19-20	1	1	1	0	0%	
Total	35	39	32	7	18%	

Employees: Planning

### 3.13 ECONOMIC DEVELOPMENT

### 3.13.1 Overview on Economic Development

LED is an approach towards economic development that aims to involve a range of different stakeholders (e.g. community, businesses and government) in the achievement of sustainable economic growth that provides benefits such as employment, skills development and Small, Medium and Micro-Sized Enterprises (SMMEs) support to a specific area. Sustainable economic growth in this sense refers to economic development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs.

The LED concept has been applied as a government programme to improve the economic performance of municipal areas across all industries (agriculture, manufacturing etc.) and sectors (formal and informal).

LED occurs primarily at the local sphere of government due to its proximity to local challenges and understanding of needs within the municipal area that impact on the economic growth and development of the city.

A key assignment of the City of George is to create an environment in which investment can grow and employment opportunities can be created, combat poverty, unemployment and inequality. This involves a

multi-pronged strategy that includes attracting investment, encouraging enterprise/ entrepreneurship development, accelerated local economic growth and development through a co-ordinated organisational wide effort, thus, raising the city's appeal as an educational hub in the Garden Route, maximising the value of its geographic location, and investing significantly in infrastructure (strategic), utilities and services.

### George's Economy

In the George municipal area, the local economy was dominated by the finance, insurance, real estate and business services (R4.587 billion; 26.7 per cent), followed by the wholesale and retail trade, catering and accommodation sector (R3.157 billion; 18.4 per cent) and manufacturing (R2.592 billion; 15.1 per cent) in 2017. Combined, these top three sectors contributed R10.335 billion (or 60.2 per cent) to George's economy, estimated to be worth R17.183 billion in 2017.

George GDPR performance per sector, 2008 - 2017									
	Contribution to GDPR (%)	R million value	l	end		Average R	eal GDPR g	rowth (%)	
Sector	2017	2017	2008 - 2017	2014 – 2018e	2014	2015	2016	2017	2018e
Primary sector	4.3%	733.0	2.6%	0.2%	6.9%	-2.3%	-7.8%	8.4%	-4.2%
Agriculture, forestry & fishing	4.1%	703.7	2.6%	0.1%	6.8%	-2.4%	-8.1%	8.6%	-4.3%
Mining & quarrying	0.2%	29.3	1.7%	2.1%	7.9%	0.6%	1.3%	2.6%	-2.0%
Secondary sector	24.0%	4 125.8	1.4%	0.9%	1.3%	0.8%	1.2%	0.2%	1.0%
Manufacturing	15.1%	2 591.7	1.9%	1.4%	1.4%	1.1%	2.0%	0.7%	1.9%
Electricity, gas & water	3.4%	586.3	-1.8%	-1.2%	-1.7%	-2.3%	-2.7%	0.0%	0.9%
Construction	5.5%	947.8	1.9%	0.2%	2.6%	1.4%	0.6%	-1.6%	-2.0%
Tertiary sector	71.7%	12 324.5	3.1%	2.4%	3.2%	2.7%	2.2%	1.7%	2.2%
Wholesale & retail trade, catering & accommodation	18.4%	3 156.5	2.1%	1.2%	1.7%	2.3%	2.0%	-0.7%	0.8%
Transport, storage & communication	11.5%	1 980.9	3.4%	3.0%	4.7%	2.4%	2.5%	2.3%	3.1%
Finance, insurance, real estate & business services	26.7%	4 586.8	4.3%	3.7%	4.0%	4.4%	3.2%	3.5%	3.3%
General government	9.0%	1 539.3	1.9%	0.1%	2.4%	-0.5%	-0.6%	-0.9%	0.4%
Community, social & personal services	6.2%	1 061.1	1.5%	1.2%	1.5%	0.9%	1.5%	1.4%	0.5%
Total George	100.0%	17 183.3	2.7%	2.0%	2.9%	2.1%	1.5%	1.7%	1.6%

The 10-year trend shows that the finance, insurance, real estate and business services sector, also the largest sector in the District, registered the highest average growth rate (4.3 per cent), followed by the transport, storage and communication section (3.4 per cent and the agriculture, forestry and fishing sector (2.6 per cent). The wholesalesale and retail trade, catering and accomodation and manufacturing sectors, the second and third largest respectively, registered modest growth of 2.1 per cent and 1.9 per cent respectively between 2008-2017. Growth in the agriculture, forestry and fishing sector experienced a postive growth rate of 8.6 per ecent in 2017, showing some recovery from the following the contractions experienced in 2015 and 2016, however it is estimated to contract again by 4.3 per cent in 2018. There has been moderate overall growth in 2017 (1.7 per cent); it is estimated that growth in 2018 had fallen back slightly to 1.6 per cent.

The 2017/2022 IDP identified thirteen departmental objectives to Develop and Grow George. This section offers an overview of the progress made against each of these objectives and underpinning programmes as set out below, in the past financial year.

Objectives	Programmes
To create and facilitate an enabling environment for economic development in George	<ul> <li>Investment Promotion programme</li> <li>Investment Facilitation and Aftercare</li> <li>South Cape Economic Partnership (SCEP) programme</li> <li>Wesgro Support Service Partnership programme</li> </ul>
To ensure the development of participatory, practically implementable economic development and business retention and expansion strategies.	<ul> <li>Enterprise/ SMME/ Entrepreneurship Development programme</li> <li>Appointed as George Business Chamber Executive Committee Member</li> <li>George Business Forum Established</li> </ul>
To ensure that industry support is focused on high-growth potential areas, with high job absorption ratios	Identification and promotion of catalytic sectors
To leverage construction industry potential through strategic housing related projects	<ul> <li>Emerging Contractor and Supplier Development Programme</li> <li>Smart Procurement Programme</li> </ul>
To focus on building a revitalised and interactive CBD through a City Improvement District	<ul> <li>CBD Revitalisation programme</li> <li>Investigated the establishment of the City Improvement District (CID) project i.e. Revitalise the CBD; Clean up Crime and Social Development; Resolve Parking Issues</li> </ul>
To establish incubators, clusters and centres of excellence to contribute meaningfully to the demands of a growing economy	<ul> <li>SEDA Co-location programme</li> <li>George Business development programme</li> </ul>
Red-tape reduction at all administrative levels	<ul><li>Ease of Doing Business programme</li><li>Business Process Assessment Initiative</li></ul>
To maximise job creation opportunities through government expenditure (e.g. EPWP)	Expanded Public Works Programme (EPWP)
To establish a Science Park	Investment Promotion Strategy implementation
To swap strategic land and buildings with other government departments to unlock economic potential.	Investigate and leverage all the strategic assets
To promote George as a sports tourism and business destination.	Events and Festival programme
To identify an educational and research hub and to facilitate the continued growth of NMU in George.	<ul> <li>Implementation of the Skills Mega Resolution (Garden Route)</li> </ul>
To improve planning and regulatory frameworks to encourage job creation.	Planning and regulation programme

# 3.13.2 Highlights: Economic Development

Below are the performance highlights regarding the implementation of the Economic Development Strategy (EDS):

Highlights	Description
SMME Development	<ul> <li>93 Spaza Shop Permits/Licenses were issued; and</li> <li>19 Informal Trader Permits/Licenses were issued</li> <li>Referrals with other spheres of government and organisations from the private sector</li> <li>Promotion of local procurement to retain jobs and grow the local economy</li> <li>Red tape reduction initiatives to boost innovation and faster business establishments</li> <li>Destination marketing drive to increase the number of visitors and boost the local spending</li> <li>Promoting business to business cooperation through local networks, committees and forums</li> </ul>
Investment Promotion	WESGRO Investment Promotion, Trade and Tourism Agreement – PHASE I Implementation Completed
A Partnership and Service Level Agreement (PSLA) signed with SEDA for the implementation of various SMME development projects	◆ ICT Business Incubation - Development of Innovative Technology-based platforms and business incubation towards the realisation of 4IR
Improving the business environment	<ul> <li>"Ease of doing Business" for online building plan submission and approval https://westerncapecollab.collaboratoronline.com/SignIn.aspx to submit your online building plan application project completed.</li> </ul>
New Training Facility at Worker Collection Point	<ul> <li>The facility was sponsored by Kirsten &amp; Tulleken. The purpose / aim of the training facility is to assist the men registering at WCP to get accredit training to develop their individual skills; painter, carpenter etc.</li> </ul>
Agriculture and Rural Development Haarlem Mechanisation Centre	<ul> <li>Haarlem Mechanisation Centre was built by the Department of Rural Development with the assistance of the LED department for the small farmers of the Haarlem area.</li> </ul>

Highlights: Economic Development

# 3.13.3 Challenges: Economic Development

Below challenges regarding the implementation of the Economic Development Strategy (EDS) are:

Below chancing the implementation of the Economic Bevelopment Strategy (EBS) are:				
Description	Actions to address			
Staff/ Capacity:	Budget needs to be allocated for the permanent appointment of an			
The Division Economic Development (DED) unit	Assistant Manager: Enterprise Development. This post will create			
remains constrained in its execution of projects by	much needed operational capacity and improve resilience and			
a very small staff contingent	continuity in the section			
LED Strategy Implementation:	Care is taken to design annual plans of action that is balanced in			
LED takes a minimum of 5 years from strategy,	terms of delivering short term results and tangible successes,			
through implementation to deliver large scale	whilst working actively towards longer			
tangible results, although some results have been				

Description	Actions to address
delivered, patience to stay the path and continue	term strategic priorities aligned with the IDP and Municipal Spatial
efforts towards greater success will be required	Development Framework.

Challenges: Economic Development

## 3.13.4 Capital Expenditure 2019/2020: Economic Development

Capital Expenditure 2019/2020: Economic Development					
Capital Projects	Original Budget	Amended Budget	Actuals Total		
Furniture & Fittings - LED	50 000.00	75 000.00	69 248.00		
Vehicles- Rural Development	500 000.00	0.00	0.00		
Vehicles- Rural Development	0.00	500 000.00	0.00		
Tools - WCP	15 000.00	25 000.00	0.00		
Projector and Projector Screen - WCP	10 000.00	40 000.00	3 234.74		
Laptops - LED	50 000.00	50 000.00	42 842.59		
Construction of New Informal Trading Stands	500 000.00	0.00	0.00		
2 Ablution Facilities - WCP	60 000.00	60 000.00	0.00		
Blinds - WCP	10 000.00	8 566.00	0.00		
Upgrade Waiting Area - WCP	20 000.00	295 084.00	0.00		
Burglar Bars - WCP	14 000.00	10 350.00	10 350.00		
Paving and Shading WCP	50 000.00	150 000.00	110 847.14		
Electric Fence- WCP	50 000.00	50 000.00	0.00		
Total	1 329 000.00	1 264 000.00	236 522.47		

Capital Expenditure 2019/20: Economic Development

### 3.14 TOURISM

### 3.14.1 Introduction to Tourism

Tourism will be one of the hardest hit sectors affected by the COVID 19 pandemic, and although society is expecting to 'go back to normal' there will be a new normal, where tourism and destinations will have to adapt to new protocols. The report below deals with pre-and post COVID strategies implemented during the financial year.

### **TOURISM DEVELOPMENT**

The Department still lacks a dedicated, experienced Tourism Development Officer with a team of field workers to focus on development projects and tourism awareness, not just within the communities, but on a broader spatial and strategic industry level.

With the resources available, the Tourism department continues to develop small entrepreneurs focussing on cultural and heritage tourism as well as tourism that celebrates the qualities of our natural environment. Given the restrictions imposed by the pandemic the potential of sports tourism will also be harnessed going forward.

### Dine with a Local

The concept of opening your home and sharing a meal with a Tourist is practiced all over the world and was fully operational in George. The COVID 19 pandemic brought an abrupt halt to International Tourism, comprising

the dominant market targeted by this project. George lost one of our products to the Northern Cape, and although they operated there only for a few months, they were not kept on due to the pandemic and have returned to George. The hope remains that they will all be in a position to continue, once International Tourists are readmitted.

### **Pacaltsdorp Historical Walk**

The Pacaltsdorp Tourism Office was leased to one of the Dine with a Local hosts for a community coffee and craft shop. The coffee shop took of well, with many functions and local community events, but the craft side has not yet been established.

To this end, a Pacaltsdorp Historical Tour map was developed in conjunction with the training of guides in the Pacaltsdorp area. The tour guides are fully trained and have received their qualifications. They have each developed their own unique tour of the area and have taken staff on a 'try-out' tour. Feedback was given, and the tours refined, and as soon as Tourism is open again, this will be marketed aggressively through all marketing channels. The medicinal garden has faltered due to many factors, but it is hoped that this can be revived in the new near.

Although a large budget was put aside for route signage and interpretation, the pandemic prevented the necessary public participation. This will be done in the new financial year.

### **Tourism Marketing**

While developing new product is a critical part of the Tourism function, even more vital is the marketing of these products as part of a generic, destination marketing plan that attracts both domestic and international tourists to make use of the products, to not just render them sustainable, but to cause them to thrive, as fully-fledged members of the tourism community.

To this end, the Tourism Department has implemented a new tourism brand for George that will be instantly recognisable and tell the rest of the country and the world what George offers tourists, focussing on what is unique to George as well as it's unique location, making the Garden Route and Klein Karoo uniquely accessible from George, Wilderness and Uniondale. This brand is promoted through partnering, financially and non-financially with flagship events in George and surrounds.

#### 3.14.2 Highlights: Tourism

The table below specifies the highlights for the 2019/20 financial year

Highlights	Description
New Website went Live	A new Website for George, Wilderness and Uniondale
	combined was launched in September 2019.
Mailchimp Newsletter & WhatsApp Group for	These proved invaluable in the communication with
Stakeholders	Stakeholders, especially during the pandemic
Successful Trade Engagements	Participated in several trade engagements to promote the city
	both domestically and Internationally, even on Zoom, during
	the pandemic. SATSA Roadshow in Cape Town, and SAT India
	Roadshow attended
Tourism Members Conference	Successful conference held in both George & Wilderness – the
	next one will be an online version, due to the pandemic
Updated all marketing material into new branding	Most printed. The new brochure was detained by the
	pandemic

Highlights	Description
Road and Access Improvement 124 York street	Upgrade of entire U-road around the Tourism Office to
	facilitate parking and easy access to the building in
	consultation with Civils Department
Refurbishment of Floors of the George Tourism Office	All floors were replaced or refurbished at the George Tourism
	Office — 124 York street, George

Highlights: Tourism

# 3.14.3 Challenges: Tourism

The table below specifies the challenges for the 2019/20 financial year

Challenges	Actions to address		
Inadequate Budgets Allocated	Limited budget needs to be applied to interventions that		
	will render most efficient short-term outcomes in aid		
	economic recovery		
Shows and Exhibitions Cancelled due to Pandemic	Many of the planned events, including SA Tourism Indaba		
	(Durban), World Travel Market (Cape Town) and ITB		
	(Berlin, Germany) were cancelled due to the pandemic.		
Not enough adequate staff and lack of skilled staff in	The Marketing and Development Tourism has changed		
department	dramatically in the last 10 years, to become almost totally		
	online focussed.		

Challenges: Tourism

The Tourism Department is committed to responding to enquiries within 24 hours, and have reached an 98% success rate in this regard, with only a few service complaints received during the year, mainly as a result of having to use students and interns to man Information desks.

# 3.14.4 Capital Expenditure 2019/2020: Tourism

Capital Expenditure 2019/2020: Tourism					
Capital Projects	Original Budget	Amended Budget	Actuals Total		
Billboard - Uniondale Tourism Office	0.00	159 000.00	0.00		
Fridge - George Tourism Office	4 000.00	4 000.00	3 477-39		
Branded Gazebos - Tourism	30 000.00	30 000.00	0.00		
Furniture & Fittings - Tourism Offices	24 000.00	24 000.00	5 700.00		
Laptop Senior Beampte Tourism	14 000.00	14 000.00	10 454.79		
Laptop - Tourism George Office (New Appointment)	45 000.00	94 000.00	89 162.63		
Paving and Shading - George Tourism Office	68 000.00	368 000.00	363 244.42		
Branded Wall Banners	30 000.00	30 000.00	0.00		
Shop Fit - Tourism Offices	300 000.00	94 000.00	0.00		
Fencing- Pacaltsdorp Big Tree	30 000.00	15 000.00	0.00		
New Flooring- George	100 000.00	100 000.00	0.00		
Total	645 000.00	932 000.00	472 039.23		

Capital Expenditure 2019/20: Tourism

## 3.14.5 Total Employees: Economic Development and Tourism

Job level (T-	2018/19	2019/20			
grade)		Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted
		Numbe	er		Posts)
0-3	0	1	1	0	0%
4-6	2	2	2	0	0%
7-9	0	0	0	О	0%
10-12	2	8	7	1	13%
13-15	1	3	3	О	0%
16-18	0	0	0	0	0%
19-20	0	0	0	О	0%
Total	5	14	13	1	7%

Employee: Economic Development and Tourism

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

This component includes: Libraries and Archives; Community Halls; Cemeteries and Crematoria; Child Care; Aged Care and Social Programmes.

### 3.15 LIBRARIES

### 3.15.1 Introduction to Libraries

The friendly, caring and "Willing-to-Serve" attitude of all staff members of George Libraries paved the way for strong and collaborative relationships with different communities, the Education Sector, The Department of Correctional Service, The National Library of South Africa and numerous other organs of State, NGO's, NPO's as well as Provincial structures and services. The result of this concerted effort had definite benefits as the public had access to the latest information and technology and enjoyed the benefits of a learning society. By providing places and spaces for community programmes and community involvement, George Libraries ensured that services were rendered in clean, safe, harmonious environments. It was a privilege for all staff members to be of service and to ensure that the cultural, educational, informational and recreational needs of all the citizens of George and surrounding areas including all the people who visited these areas, were addressed.

## 3.15.2 Highlights: Libraries

The table below specifies the highlights for the 2019/20 financial year:

Highlights	Description
National Book Week	This was the tenth year that this reading-for-enjoyment campaign was held. It is a National event that promotes reading as a recreational activity
Funda Mzantsi Reading Championship	This was the tenth year that this championship was held. It is a National event that has as its aim the building of a reading nation and serves as a tool to develop, promote and sustain a culture of reading in all local languages and further provide easy access to books for all

Highlights	Description
National Library Week	Libraries across the country use this annual event as an opportunity to market their services to their users, the broader community, civil society and decision makers. The theme for Library Week this year was: Collaborate at your Library
Read-Aloud Day	This national reading-for-enjoyment campaign has as its aim to spark children's potential through storytelling and reading

Highlights: Libraries

# 3.15.3 Challenges: Libraries

The table below specifies the challenges for the 2019/20 financial year:

Description	Actions to address
COVID-19 Pandemic	The Covid-19 Pandemic led to the closure of all libraries (from the 27 <sup>th</sup> March 2020 until the end of the financial year). Service delivery came
	to a standstill. Limited services are at present being rendered and by
	means of a phased process it is our intention to slowly but surely
	increase services in a responsible and well-structured manner
Library Security	Lack of security leads to vandalism of libraries and staff insecurity.
	Monitoring of premises by means of visible policing and site visits by
	Protection Services should be encouraged and maintained

Challenges: Libraries

# 3.15.4 Service Delivery Levels: Libraries

The table below specifies the service delivery levels for the 2019/20 financial year:

Type of service	2018/19	2019/20
Library members	49 078	51 215
Books circulated	427 912	275 660
Exhibitions held	436	352
Internet users	57 525	13 920
Children programmes	577	197
Visits by school groups	61	156

Services Delivery Levels for Libraries

## 3.15.5 Total Employees: Libraries

Occupational	2018/19	2019/20			
Level		Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
		Nun	nber		
0-3	0	0	0	0	0%
4-6	1	21	20	1	5%
7-9	2	8	7	1	13%
10-12	11	2	2	0	0%

Occupational	2018/19	2019/20			
Level		Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
		Nun	nber		
13-15	1	1	1	О	0%
16-18	0	0	O	0	0%
19-20	0	0	0	0	0%
Total	15	32	30	2	6%

Employees: Libraries

# 3.15.6 Capital Expenditure2019/2020: Libraries

Capital Expenditure 2019/2020: Libraries				
Capital Projects	Original Budget	Amended Budget	Actuals Total	
Furniture & Office Equipment - Bib	14 000.00	81 500.00	9 995.00	
Blanco Library	350 000.00	0.00	0.00	
Pacaltsdorp Library	250 000.00	250 000.00	153 500.00	
Thembalethu Library	250 000.00	82 500.00	0.00	
Sedan Vehicle - Bib	200 000.00	200 000.00	195 210.04	
Banners - Libraries	40 000.00	40 000.00	0.00	
Additional Office Space - Libraries	50 000.00	50 000.00	0.00	
Total	1 154 000.00	704 000.00	358 705.04	

Capital Expenditure 2019/20: Libraries

# 3.16 COMMUNITY HALLS, FACILITIES AND THUSONG CENTRES

# 3.16.1 Highlights: Community Halls, Facilities and Thusong Centres

The table below specifies the highlights for the 2019/20 financial year:

Highlights	Description
Safe guarding Conville Community Hall	Putting Beta fencing
Safe guarding Lawaaikamp Community Hall	Putting Beta fencing
upgrading Pacaltsdorp Community Hall	Upgrading of Bathroom
	Removing and replacing of floor
Waboomskraal Thusong Centre improvement;	Erecting of a disable toilet; Kitchen upgrade and painting
Thembalethu Thusong Centre upgrade to kitchen and	of facility (Thembalethu TSC)
painting	
Thembalethu Civic Centre face lift	Installation of curtains and blinds
Civic Centre kitchen face lift	Removing and replacing floor with tiles
Blanco Community Hall face lift	Repairing of the ceiling
2 <sup>nd</sup> floor kitchen tilling away of bad smell	Installation of an extractor fan
National award nomination - Waboomskraal Thusong	Waboomskraal Thusong Service Centre was nominated
Service Centre	for best managed Thusong satellite

Highlights	Description
Provincial & Municipal <i>Thusong</i> outreaches	Provincial outreach was held in Uniondale & Haarlem (+/-1500 attendees);
	Municipal outreach was held in Touwsranten (+/-500
	attendees)

Highlights: Community Halls, Facilities & Thusong Centres

# 3.16.2 Challenges: Community Halls, Facilities and Thusong Centres

The table below specifies the challenge(s) for the 2019/20 financial year:

The table below specimes the chamenge(s) for the Lor	-5/20
Challenge(s)	Action to address
Insufficient budget for maintenance	To do proper budgeting
State of disaster management – Covid-19 (personnel with variability (some projects could not proceed and be finalized due to Covid-19)	Adhere to Covid-19 regulations
Burglaries / security	Risk assessment to properly address and safeguard municipal facilities

Challenges: Community Halls, Facilities & Thusong Centres

# 3.16.3 Capital Expenditure 2019/2020: Community Halls, Facilities and Thusong Centres

Capital Expenditure 2019/2020: Community Halls, Facilities and Thusong Centres			
Capital Projects	Original Budget	Amended Budget	Actuals Total
Beta Fence - Lawaaikamp Hall	280 000.00	280 000.00	243 943.82
Replace Curtains - Main and Banquet Hall	80 000.00	101 570.00	0.00
Beta Fencing - Conville Hall	280 000.00	280 000.00	224 900.00
Upgrade Air Conditioner: Civic Centre	450 000.00	0.00	0.00
Replace Roof: Conville Community Hall	1 298 350.00	298 350.00	0.00
Bakkies - Corporate Services	280 000.00	0.00	0.00
Fire Pa System - Admin Building	500 000.00	0.00	0.00
Beverages Cooler	12 000.00	12 000.00	10 241.30
Repairs of Ceiling	80 000.00	40 000.00	0.00
Curtains and Blinds	100 000.00	103 870.00	0.00
Upgrading of Bathroom	105 000.00	105 000.00	0.00
Erecting Disabled Toilet	95 000.00	200 000.00	169 200.00
Replacement of Stage Curtains and Blinds	80 000.00	0.00	0.00
Ramp to Stage for The Disabled	50 000.00	50 000.00	2 500.00
Repair Floor - Pacs Hall	0.00	817 542.00	526 552.00
Bakkies - Corporate Services	0.00	280 000.00	194 937.70
Total	3 690 350.00	2 568 332.00	1 372 274.82

Capital Expenditure 2019/20: Community Halls, Facilities and Thusong Centres

### 3.17 CEMETERIES AND CREMATORIUMS

### 3.17.1 Introduction to Cemeteries

George Municipality manages 13 cemeteries. They all add up to 46.3 hectares, most of the cemeteries (nine) are in George with four in Uniondale which is 110 km away from George.

At present, seven of the cemeteries are operational while the other 6 are maintained as if they were operational. Maintenance is done by four community contractors. The combined capacity allows for a window of about 5 years. The possible expansion of the current cemeteries is reflected in the structural plan for George and new areas are being investigated in George and Uniondale.

There is a privately-owned cremation facility in George and it is found that there is an increase in the number of cremations each year.

All cemeteries are running out of space. George Municipality is currently involved in discussions with the Provincial Department of Public Works and the Garden Route District Municipality to secure additional space for this purpose.

## 3.17.2 Highlights: Cemeteries

The table below specifies the highlights for the 2019/20 financial year:

Highlight(s)	Description
Approved Projects	Allocation of R8m by DEAF to George Municipality from the Environmental Protection and Infrastructure Program for the Upgrading of Cemeteries
	Funding held back due to DEAF administrative processes: Consultation is in process

Highlights: Cemeteries

## 3.17.3 Challenges: Cemeteries

The table below specifies the highlights for the 2019/20 financial year:

Challenges	Actions to address
Availability of suitable land	Appointment of consultant to conduct Geotechnical and Environmental Impact Assessment in George and Uniondale
	There was a real risk of not finding suitable property within the 12 months due to current public property identified, being invalidated via Geotechnical and Environmental Impact Assessments completed in George and Uniondale area. Consultation is ongoing with various stakeholders to acquire suitable property

Cemeteries Challenges

## 3.17.4 Service Statistics: Cemeteries

Type of service	2018/19	2019/20
Inhumations	806	905
Pauper burials	29	35

Service stats for Cemeteries

## 3.17.5 Capital Expenditure 2019/2020: Cemeteries

Capital Expenditure 2019/2020: Cemeteries			
Capital Projects	Original Budget	Amended Budget	Actuals Total
Security Cameras - Cemeteries	23 000.00	0.00	0.00
Wall at Cemetery	23 000.00	137 000.00	0.00
Grave Cages	23 000.00	0.00	0.00
Extension of Cemeteries - George	500 000.00	0.00	0.00
Extension of Cemeteries - Uniondale	200 000.00	0.00	0.00
Security Lighting at Cemeteries	68 000.00	0.00	0.00
TOTAL	837 000.00	137 000.00	0.00

Capital Expenditure 2019/20: Cemeteries

## 3.18 SOCIAL DEVELOPMENT

## 3.18.1 Introduction to Social Development

Social Development includes the development and implementation of effective community-based projects and programmes that address social needs within the broader George and its surrounding areas, including the Uniondale and Haarlem area.

## 3.18.2 Highlights: Social Development

The table below specifies the highlights for the 2019/20 financial year:

The table below specifies the highlights for the 2019/20 financial year.		
Highlights	Description	
Project Hope – Persons Living on the Street	Programme aimed at addressing the social challenges that people living on the street face on a daily basis. This programme entails:  Reunification services  Provision of basic necessities such as toiletries and clothing  Typing of CV's and distributing it to local businesses.  Regular information sessions with regards to social challenge  House 81 Persons at a safe place during the lockdown.	
	• 61 been relocate to different safe heavens in the district.	

Highlights	Description		
	22 persons were successfully reunified with their families, 15		
	persons gained accommodation, 31 persons received		
	employment opportunities		
Municipal Crèche Programme	Educators receive regular training as their needs are identified.		
	Regular monitoring takes place and are working closely with the Dept		
	Social Development to ensure that the crèches are functioning		
	optimally. Educational toys been handed over to 23 Municipal		
	creches		

Highlights: Social Development

# 3.18.3 Challenges: Social Development

The table below highlights the challenges for the 2019/20 financial year:

Challenges	Actions to address	
Staff shortage	EPWP appointments	
Shortage of transport	Hiring of vehicles, Bought a new vehicle.	

Challenges: Social Development

# 3.18.4 Delivery of Services: Social Development

Type of service	2018/2019	2019/2020
Soup kitchens established or supported	145 Established and functioning soup kitchens	137 soup kitchens been active, number increased due to the covid-19 lockdown. 8 additional (Churches) been operating.
Initiatives to increase awareness on child abuse	During Child protection week awareness sessions took place at 24 pre-school centres. (1180 learners reached) Two Holiday programmes also took place where emphasis is placed on Child abuse. 50 children attended each programme which was aimed at Primary School learners.	National Children's Day event took place in November 2019. Approximately 400 learners from Primary schools and Pre-schools attended the event. Emphasis was placed on the rights of Children. Regular awareness sessions also took place at pre-schools and Primary Schools. An aftercare programme is also taking place at 8 primary schools where weekly sessions are done to create awareness amongst learners about child abuse.
Youngsters educated and empowered		Outreached expo's been held throughout the year to inform the youngster, about opportunities to further studies etc.
Initiatives to increase awareness on disability and Gender/ Women empowerment		Support groups been formed to raise awareness on Gender and Disability empowerment

Type of service	2018/2019	2019/2020
Initiatives to increase awareness on		Education and Awareness
HIV/AIDS		Support groups
		Special events
		OVC programmes
		Parent and Child programmes
Initiatives to increase awareness on substance abuse and high drug and alcohol related crimes	Anti-Drug Abuse Door to doors took place in the community	Anti-drug abuse door to door campaigns took place in Lawaaikamp, Maraiskamp and Parkdene
		Life skills Camp also took place with thirty learners from Lancewood Primary. This also aims to make youngsters aware of other alternatives to negative behaviour
		They are capacitated with information that will enable them to make more informed choices with regards to challenges they might face
Special events hosted (World's Aids Day, World Disability Day, Youth Day,	Special events where host in the community, to create awareness.	World Aids day take place in Touwsranten.
16 Days of activism against women abuse), Khomanani day		Disability day been host in conjunction with Emmaus, sport day
		Khomanani day – women support group was Launched.

Social Development Statistics

# 3.18.5 Capital Expenditure 2019/2020: Social Development

Capital Expenditure 2019/2020: Social Development			
Capital Projects	Original Budget	Amended Budget	Actuals Total
Furniture and Office Equipment - Youth Centre	30 000.00	72 300.00	36 005.08
Step Ladder	2 000.00	1 700.00	0.00
Furniture and Equipment - Social	50 000.00	50 000.00	28 791.60
Data Projector	15 000.00	5 000.00	4 781.74
Air-Conditioning - Youth Centre	18 000.00	18 000.00	12 226.96
1x 4x4 Bakkie Social	320 000.00	0.00	0.00
Sound System - Youth Cafe Uniondale	20 000.00	17 000.00	16 655.66
Sound System - Social	20 000.00	13 000.00	12 608.69
Projector and White Screen - Youth Centre Uniondale	20 000.00	20 000.00	0.00
Step Ladder - Youth Cafe George	2 000.00	0.00	0.00
Visitors Chairs and Table - Haarlem	20 000.00	10 000.00	9 481.40
2x Trolleys - Social	10 000.00	2 000.00	1 478.26
Urns - Youth Cafe Uniondale	5 000.00	5 000.00	0.00
Office Chairs - Youth Centre Uniondale	20 000.00	5 465.00	5 464.35
Shredder - Haarlem	10 000.00	10 000.00	2 478.26
Fridge - Youth Cafe Uniondale	15 000.00	15 000.00	7 824.35
Tables for Outreach - Uniondale And Haarlem	5 000.00	5 000.00	0.00

Capital Expenditure 2019/2020: Social Development			
Capital Projects	Original Budget	Amended Budget	Actuals Total
Camera - Youth Cafe George	7 000.00	6 000.00	3 912.17
Banners - Youth Cafe George	32 000.00	32 000.00	0.00
Office Tables - Youth Centre Uniondale	50 000.00	31 448.00	22 479.13
Gazebos - Youth Cafe George	20 000.00	20 000.00	0.00
Back Drop - Youth Cafe George	5 000.00	5 000.00	0.00
Microwave - Youth Centre Uniondale	7 000.00	3 000.00	2 173.91
Office Desks - Youth Centre Uniondale	30 000.00	10 000.00	5 000.00
Screen - Youth Centre George	2 000.00	2 000.00	0.00
Data Projector - Youth Cafe George	3 000.00	3 000.00	0.00
Computers: Social Services	0.00	60 087.00	41 604.35
1x 4x4 Bakkie Social	0.00	320 000.00	252 914.55
3x Over lockers - HIV	10 000.00	8 000.00	7 823.48
6x Sewing Machines - HIV	15 000.00	10 000.00	9 907.83
Total	763 000.00	760 000.00	483 611.77

Capital Expenditure 2019/20: Social Development

# **COMPONENT E: ENVIRONMENTAL PROTECTION**

This component includes: Environmental Protection Services.

### 3.19 ENVIRONMENTAL PROTECTION

#### 3.19.1 Introduction to Environmental Protection

Coastal Management is presently a new concept in the country with which the Municipality must still start to deal with. Beaches are cleaned in a reactive manner as and when needed and further provides protection services to ensure discipline, but there is currently not enough capacity to do this on a full-time basis. Visits are seasonal and weather permitting. The Provincial Government has compiled Estuary Management Plans for two of the largest rivers (Gwaiing and Kaaimans) in terms of the Integrated Coastal Management Act. The smaller rivers fall within a generic management plan compiled by the Provincial Government. The Act also refers to a set of standard By-Laws and possible Scheme Regulations. The Provincial Government has also appointed a service provider in terms of the Act to deal with the setback of lines.

Coastal Management will have an impact on various functions within the Municipality and there is currently no staff member dedicated to this responsibility.

Regarding biodiversity, the Provincial Government is also in process to finalise the Environmental Management Plan for the George area.

George Municipality has a total of 150 parks with a total area of 200 hectares. These parks are maintained on a regular basis (18 cutting cycles per year) by private contractors. Almost 50% of these parks have playing apparatuses. The latter are vandalised on a continued basis costing the Municipality approximately R150 000 per year to maintain. During the previous financial year, very little was done to repair vandalised play parks due to capacity constraints.

Landscaping the urban area of the George Municipality is ongoing with some new beds being made in areas where unsightly vegetation has dominated. The budget for this is limited but innovative means (such as recycling plants) are being employed to keep costs down but still beautify the town as the municipality has no nursery of their own.

Alien clearing is a function that is required on all land infested by alien plant species and a budget for this function has been allocated this financial year, so an alien clearing plan can be compiled thus making the municipality compliant with the law. Small contractors utilizing aliens for firewood has been used to control alien trees whilst awaiting an alien clearing budget.

## 3.19.2 Highlights: Environmental Protection

The table below specifies the highlights for the 2019/20 financial year:

Highlights	Description
Estuary Management Plans completed by Provincial Government	Gwaiing River and Kaaimans River
Alien clearing budget allocated but whilst awaiting an alien clearing budget, small contractors cutting aliens for firewood have been used to control alien trees on municipal properties.	Small contractors cutting aliens for firewood have been used to control alien trees on municipal properties.

Highlights: Environmental Protection

## 3.19.3 Challenges: Environmental Protection

The table below specifies the challenges for the 2019/20 financial year:

Challenges	Description
Motivating for an Alien clearing budget	No Alien clearing budget for past few years. Alien clearing must be done by law and if not, huge fines or even jail time can be given to responsible person in municipality
Playpark vandalism	Vandalism creates unnecessary expenditures with funds that could have been used for more equipment
Vacant EHP Position	Vacant for more than two years. Struggling to fill this position. Currently only one EHP for George

Challenges: Environmental Protection

### 3.19.4 Service Delivery Statistics: Environmental Protection

The table below specifies the service delivery levels for the year under review:

Performance indicators	2018/19	2019/2020
Noise nuisance complaints	23	15
Air pollution complaints	7	6
Complaints regarding overgrown erven	259	94
Number of complaints received	324	113

Performance indicators	2018/19	2019/2020
Percentage of complaints resolved	99%	99%
Number of environmental sessions held	10	2
Issuing of business & entertainment licenses	13	12
Keeping of animal complaints	22	26
Pauper burials		28

Service Delivery Statistics: Environmental Protection

# **COMPONENT F: SECURITY AND SAFETY**

This component includes: Traffic; Law Enforcement; Fire; Disaster Management; Licensing and Control of Animals; and Control of Public Nuisance, etc.

## 3.20 TRAFFIC AND LICENSING

The Municipal Council aims to ensure the safety of all residents and visitors in the municipal area through law enforcement. Currently, the Municipal Law Enforcement Officers work closely with the South African Police Services (SAPS) to combat crime while the Traffic Law Enforcement Officers are also assisting those agencies. Integrated operations are held to prevent crime increase in this municipal area through proper planning. The willingness of the community to report crime assists the different law enforcement agencies in the fight against crime.

## 3.20.1 Introduction to Traffic and Licensing Services

Traffic and Licencing Services aims to provide a professional service to all road users and the community of George by promoting road safety and creating a safe road environment through effective management, education, protection and law enforcement.

## 3.20.2 Highlights: Traffic and Licensing Services

The table below specifies the highlights for the 2019/20 financial year:

Highlight	Description
Driver of the Year competition every year in October	Driver skills tested on all vehicle codes during Transport
	Month
Transport Month	Roadworthiness of Public Vehicles are checked
Welcoming of December visitors to George	Mayoral Committee hands out welcome packs with road
	safety awareness flyers to visitors entering George

Highlights: Traffic and Licensing Services

# 3.20.3 Challenges: Traffic and Licensing Services

The table below specifies the challenges for the 2019/20 financial year:

the table below specifies the chancing as for the 2023/20 this manda / can				
Challenge Action to address				
Back log of learners and license appointments due to	Staff are working on weekends including Sunday's to			
COVID 19	attend to back log			
Building which can cater for sufficient numbers	Relocate or expand current building			
Long queues	Appointment of additional staff			
Outstanding warrants	Appointment of team to serve warrants			

Challenges: Traffic and Licensing Services

# 3.20.4 Service Statistics: Traffic and Licensing Services

The table below specifies the service delivery levels for the 2019/20 financial year:

Details	2018/19	2019/20
Number of road traffic accidents during the year	547	415
Number of Traffic officers in the field on an average day	15	15
Number of Traffic officers on duty on an average day	19	19
Motor vehicle licenses processed	87440	70577
Learner driver licenses processed	3507	3045
R-value of fines collected	R10 972 300.00	R10 353 770.00
Complaints attended to by Traffic Officers	691	531
Special Functions – Escorts	333	258

# 3.20.5 Total Employees: Traffic and Licensing Services

Occupational	2018/19	2019/20			
Level		Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
		Nun	nber		
0-3	2	2	2	0	0%
4-6	28	31	28	3	10%
7-9	1	1	1	0	0%
10-12	3	39	38	1	3%
13-15	1	1	1	0	0%
16-18	0	0	0	0	0%
19-20	0	0	0	0	0%
Total	35	74	70	4	5%

Employees: Traffic Services

# 3.20.6 Capital Expenditure 2019/2020: Traffic and Licensing Services

Capital Expenditure 2019/2020: Traffic and Licensing Services					
Capital Projects	Original Budget	Amended Budget	Actuals Total		
Vehicles	1 000 000.00	0.00	0.00		
Public Seating - Traffic	11 000.00	11 000.00	0.0		
Furniture - Traffic	50 000.00	50 000.00	33 254.70		
Upgrading of Building - Vehicle Registration	250 000.00	55 961.00	0.0		
Carports - Traffic	100 000.00	140 000.00	14 653.0		
Fencing at Back of Traffic Office	100 000.00	100 000.00	0.0		
Training Facility: Traffic	25 000.00	25 000.00	0.0		
Firearms	60 000.00	60 000.00	0.0		
Upgrading of JTTC-Skate lab	250 000.00	304 480.00	103 150.9		
Quantum	690 000.00	0.00	0.0		
Installation of Camera System	20 000.00	0.00	0.0		
Shotguns	10 000.00	10 000.00	0.0		
Breathalyser	100 000.00	95 520.00	85 570.0		
Safety Projects	50 000.00	61 900.00	0.0		
Dragger	150 000.00	140 100.00	140 091.0		
Public Seating - Vehicle Testing Station	23 000.00	23 000.00	0.0		
Furniture – Vehicle Registration	23 000.00	23 000.00	21 172.0		
End User Equipment (Pc's Laptops and Peripheral De	50 000.00	70 000.00	61 192.1		
Upgrading of Building - Traffic	150 000.00	150 000.00	88 870.0		
Upgrade Vehicle Testing Centre	400 000.00	29 500.00	0.0		
Flood Lights - Vehicle Testing Station	23 000.00	11 000.00	0.0		
Installation of Camera System - Vehicle Registration	40 000.00	24 000.00	0.0		
Queue Management System	20 000.00	0.00	0.0		
Waiting Area and Public Toilets - Vehicle Testing	70 000.00	70 000.00	0.0		
Vehicles	0.00	1 000 000.00	921 347.1		
Quantum	0.00	645 000.00	642 429.4		
Battery Pack - Drivers Licences	6 000.00	16 000.00	0.0		
Drivers Licences 2nd Testing Track	300 000.00	0.00	0.0		
Learner & Driver Testing Station - Uniondale	200 000.00	0.00	0.0		
Total	4 171 000.00	3 115 461.00	2 111 730.3		

Capital Expenditure 2018/19: Traffic Services

## 3.21 LAW ENFORCEMENT

## 3.21.1 Introduction to Law Enforcement

Law Enforcement is responsible for enforcing Municipal By-laws and to ensure the Councils objective of Keeping George Green, Safe and Clean is adhered to.

Objectives and priorities are *inter alia* to follow up all complaints as soon and best possible. Issue fines to transgressors and ensure static security at the Municipal Court. Safeguarding the officials from other Departments such as Environmental Health, Building Control etc. while carrying out their duties in volatile areas.

# 3.21.2 Highlights: Law Enforcement Services

The table below specifies the highlights for the 2019/20 financial year:

Highlight	Description
Enforcing Municipal Bylaws	Municipal Court has improved the handling of cases.
Safeguarding/Protecting Council property and staff	Always being alert, use information from the SAPS or other departments to protect and counter actions.
Assists on Public Transport system	Provide assistance to Traffic Officers, Rapid response team, Bus monitors and Go George.
Successful festive season	With assistance from SAPS, and other Departments including private sector, the transgressions were reduced.
Service rendering started in Uniondale/ Haarlem	One Officer deployed to the area. Additional staff including EPWP we will be deployed in future.

Highlight: Law Enforcement Services

## 3.21.3 Challenges: Law Enforcement Services

The table below specifies the challenges for the 2019/20 financial year:

Challenges	Action to address
Protest Marches	Monitor situations / Have Triangle meetings / include SAPS for assistance.
Assisting on the Public Transport system	Assists as much as possible to keep passengers, staff and property safe and secured.
Enforcing Municipal Bylaws/ Dumping etc.	Proactively monitor problem areas, rapid response to complaints and <i>inter alia</i> use CCTV cameras for visual assistance.

Challenges: Law Enforcement Services

# 3.21.4 Service Statistics: Law Enforcement Services

The table below specifies the service delivery levels for the 2019/20 financial year:

Service	2018/19	2019/20
Number of By-Law infringements attended	2293	2334
Number of Law Enforcement officers in the field per day (Monday to	10 Permanent	8
Friday)	16 Temporary	3
Number of Law Enforcement officers on duty on an average weekday	8 Permanent,	10
	20 Temporary	5

Services Delivery Levels for Law Enforcement

# 3.21.5 Total Employees: Law Enforcement Services

Occupational Level	2018/19	2019/20			
Levei		Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total Budgeted Posts)
			Number		
0-3	9	9	8	1	11%
4-6	6	16	11	5	31%
7-9	3	4	2	2	50%
10-12	2	18	17	1	6%
13-15	1	1	1	0	0%
16-18	0	0	0	0	0%
19-20	0	0	0	0	0%
Total	21	48	39	9	19%

Employees: Law Enforcement Services

# 3.21.6 Capital Expenditure 2019/2020: Law Enforcement Services

Capital Expenditure 2019/2020: Law Enforcement Services				
Capital Projects	Original Budget	Amended Budget	Actuals Total	
CCTV: Extension of Camera System	500 000.00	1 806 122.00	1 585 711.28	
Safety Equipment - Law Enforcement	70 000.00	70 000.00	0.00	
Firearms	120 000.00	120 000.00	0.00	
CCTV: Furniture	40 000.00	0.00	0.00	
Carport - Law Enforcement	100 000.00	288 293.00	267 358.90	
CCTV: Extension of CCTV Building	500 000.00	595 827.00	49 151.00	
CCTV: Access Control Upgrade Gate	60 000.00	0.00	0.00	
Silent Generator	400 000.00	400 000.00	0.00	
CCTV: Inverter and Batteries	256 000.00	178 000.00	171 725.00	
Safety Equipment: Main Building	200 000.00	200 000.00	13 645.00	
Sedans - EHP	800 000.00	0.00	0.00	
Sedans - EHP	0.00	800 000.00	693 161.93	
Bakkie Sc - Anti-Land Invasion Unit	560 000.00	460 000.00	296 073.21	
6ton Tipper Truck - Anti-Land Invasion Unit	0.00	594 609.00	382 845.50	
Loudhailers - Anti Land Invasion	40 000.00	47 000.00	0.00	

Capital Expenditure 2019/2020: Law Enforcement Services					
Capital Projects	Original Budget Amended Budget Actua				
Torches - Anti-Land Invasion Unit	15 000.00	6 778.00	0.00		
Office Furniture - Land Management	50 000.00	15 600.00	15 600.00		
Cameras - Anti-Land Invasion Unit	10 000.00	10 000.00	8 551.30		
Public Seating - Anti-Land Invasion Unit	12 000.00	0.00	0.00		
Total	3 046 000.00	4 458 242.00	2 780 753.11		

Capital Expenditure 2019/20: Law Enforcement

## 3.22 FIRE SERVICES

## 3.22.1 Introduction to Fire Services

The function of this section is to save lives and to protect property. Awareness campaigns in informal areas did reduce the number of fires in those areas as well as the restructuring of Informal Housing to ensure that fire fighting vehicles and fire fighters can reach those in need. Immediate relief is provided to victims of fires in the form of food parcels, blankets and matrasses.

The Fire Services has identified the need to conduct more fire prevention inspections to make George a safer city and to effectively train all fire personnel to a minimum qualification of Fire Fighter 2.

## 3.22.2 Highlights: Fire Services

The table below specifies the highlights for the 2019/20 financial year:

Highlight(s)	Description
Taking delivery of a 35000 L water tanker	Delivery of a truck and trailer with a water capacity of 35 ooo litres to provide for water at large remote incident, reducing travel time to water sources like hydrants and increasing firefighting capabilities
Taking delivery of a jet-ski	Jet Ski allowed for more effective water rescue capabilities especially in the surf and sea conditions  A successful summer season with more than 3 effective safes and assistance during an international boating event increased Fire Service rescue capability
Taking delivery of a 4x4 tractor	The bigger tractor with cutting and scraping abilities has increased effective Fire break maintenance and construction in the urban interface
Successful summer season	Overall reduction in serious incidents and drastic reduction in fatalities at sea/beaches this season speaks to an effective team of Life Guards working together with the Fire Department

Highlights: Fire and Disaster Management

# 3.22.3 Challenges: Fire Services

The table below specifies the challenge(s) for the 2019/20 financial year:

Challenge(s)	Challenge(s) for the 2019/20 financial year:				
	Actions to overcome				
Staff: Staff shortage has a very negative effect on the operations of a Fire Service.  The lack of funding to appoint more staff remains an administrative obstacle. The need for "a fourth shift" to reduce overall working hours	Additional staff to be appointed subject to the availability of funding. The funding challenge needs to be addressed in conjunction with the Budget Office and the Budget Steering Committee.				
	In order to comply with BCEA a fourth shift is required as it will reduce working hours form 56 hrs a week to 45hrs a week. Once this is in place there will be no need to pay shift allowances				
The need for more officers to increase effective management	Officers are crucial to ensure that policies and procedures are followed especially in dangerous situations as this will ensure the safety of employees and the public and potentially save lives				
The need for training officer	Internal training is essential to ensure life safety of employees while fighting fires. Ongoing training will reduce repair and maintenance cost on critical, expensive specialised equipment. Continues training is a Legislative requirement				
The need for more Fire Prevention staff and training to increase inspections and reduce risks and increase compliance	Fire Prevention is a section on its own and is a legislative requirement Municipalities must adhere to. It requires a Specialist with experience to provide training on different levels. Key fire prevention areas and training will include public education (Including children), awareness of hazardous materials, fire Investigations, health and safety, building plan approvals etc.				
The COVID-19 Pandemic brought about unprecedented challenges to the Fire Service and the Municipality in general	Establishment of a Joint Operations Centre to assist with centralising the management of service delivery in all departments				
Staff Shortages created critical shortfalls in Managing the effects of the Pandemic while maintaining an effective fire service to the public Keeping staff safe at work, motivating them to stay safe at home remains a challenge	The Municipality appointed a Compliance Officer to assist management OHS and Covid-19 compliance				

Challenges: Fire Services and Disaster Management

# 3.22.4 Service Statistics: Fire Services

The table below specifies the service delivery levels for the 2019/20 financial year:

Details	2018/19	2019/2020	
Total fires attended in the year	992	764	
Total Other Emergencies attended		989	
Reservists and volunteers trained	0	0	
Awareness Initiatives on Fire Safety	2959	5242	
Average turnout time – urban areas	8 min	8 min	
Average turnout time – rural areas	18 min	18 min	

Services Delivery Levels for Fire Services and Disaster Management

## 3.22.5 Capital Expenditure 2019/2020: Fire Services

Capital Expenditure 2019/2020: Fire Services					
Capital Projects	Original Budget	Amended Budget	Actuals Total		
Upgrading of Radio Communication - George	300 000.00	280 000.00	216 083.00		
Tools and Equipment	200 000.00	200 000.00	91 568.01		
Furniture & Office Equipment - Fs (Kleinkrantz)	50 000.00	49 950.00	34 046.66		
Kleinkrantz Fire Station	750 000.00	750 000.00	72 894.40		
4x4 Trekker	684 000.00	0.00	0.00		
Jet ski - Fire Services	0.00	392 050.00	392 045.41		
Upgrade George Fire Station	500 000.00	650 000.00	0.00		
Replace Equipment (Caw14383) - Fire Services	0.00	162 000.00	24 704.00		
Replace Equipment (Caw36682) - Fire Services	0.00	16 700.00	0.00		
Bush Cutter for Tractor - Fire Services	0.00	96 000.00	0.00		
Replace Equipment (Caw 61598) - Fire Services	0.00	18 900.00	0.00		
Replace Equipment (Caw10782) - Fire Services	0.00	33 710.00	25 790.61		
Ford Motor Corp Truck - Replacement	0.00	1 011 649.00	988 441.30		
4x4 Trekker	0.00	633 000.00	632 386.87		
Total	2 484 000.00	4 293 959.00	2 477 960.26		

Capital Expenditure 2019/20: Fire Services

# **COMPONENT G: SPORT AND RECREATION**

This component includes: Community Parks; Sports Facilities; Stadiums; Swimming Pools; and Camp Sites.

### 3.23 HOLIDAY RESORTS AND CAMPSITES

## 3.23.1 Holiday Resorts and Campsite

The George Municipality is responsible for the management and maintenance of one (1) holiday resort in the municipal area, which is Herolds Bay.

The main priority of the caravan park is for the guests to experience true hospitality and efficient client service. The resort is next to the beach, where the sheer natural beauty of the sea can be experienced. Braai facilities, water taps and refuse bins are positioned at regular intervals at the campsite.

On arrival at the park, the necessary information including the rules and safety evacuation plan is provided.

George manages four beaches namely Herolds Bay, Gwaiing, Victoria Bay and Leentjiesklip in Wilderness. Beaches east of the Touw River are managed by Sanparks. There are ablution facilities at all of these beaches which are serviced by the George Municipality.

A huge challenge is that the playing apparatuses in parks are being vandalised on a continued basis costing the Municipality approximately R150 000 per year to maintain.

### 3.24 SPORTS AND RECREATION

### 3.24.1 Introduction to Sports and Recreation

The George Municipality is responsible for the management and maintenance of 14 sport grounds in the municipal area. It is the Municipality's goal to create a healthy lifestyle for all our residents, by offering a wide range of well-maintained and managed sport facilities.

The Sport Development Section aims to deliver sustainable and affordable sport services to contribute to the reconstruction and development of the George community.

### 3.24.2 Highlights: Sports and Recreation

The table below specifies the highlights for the 2019/20 financial year:

Highlights	Description
Pacaltsdorp Night Race	The annual sporting and fun event for the whole family, took place on 26 December 2019 in Pacaltsdorp. The event, hosted by George Municipality, is aimed at developing local athletics and promoting sports. The race falls within the approved SWD athletics calendar
	In 2016 the race was named after local athlete Elroy Gelant, from Pacaltsdorp, in honour of him becoming an Olympic athlete that year
Sport Week for People living with disabilities	The event took place in George from 11 to 14 February 2020 at Rosemoore Sport Stadium and Conville Community Hall. The various participant in this sport week were:  a) Emmaus - 120 b) DPSA - 22 c) APD - 30 d) DEAFSA - 12 e) Local Community - 19 f) International - 7 g) Cape Winelands - 20 h) Employees - 11

Highlights: Sport and Recreation

### 3.24.3 Challenges: Sports and Recreation

The table below specifies the challenges for the 2019/20 financial year:

Challenges	Actions to address
Continuous vandalism and criminal activities at	Community support and collaboration, to take ownership of these
sport facilities.	community facilities to assist us in our fight to protect these assets.
	Improve existing security measures at facilities.
Budget & Funding constraints	Source of funding for projects

Challenges: Sport and Recreation

### 3.24.4 Service Statistics: Sports and Recreation

Type of service	2018/19	2019/20		
Number of Sport Grounds/fields	13	13		
Number of events hosted on fields	164	290		
Number of Swimming Pools	2	2		
Number of visitors at swimming pools	5910	8090		
Number of stadiums	3	3		
Number of events hosted in stadiums sport and entertainment		1		
Community parks				
Number of parks with play park equipment	50	39		
Number of wards with community parks	20	27		
Swimming pools				
R-value collected from entrance fees	R14 015.20	R27 092.09		
Sport fields/Sport Halls				
Number of wards with sport fields/sport halls	12	12		
R-value collected from utilisation of sport fields/sport halls	R26 235.88	R18 512.84		
Number of sport associations utilising sport halls	12	18		

Service Statistics Sport Grounds, Parks and Swimming Pools

## 3.24.5 Total Employees: Parks and Recreation

Occupational	2018/19	2019/20			
Level		Budgeted Posts	Employees	Vacancies	Vacancies (as a % of
			Number		total Budgeted
					Posts)
0-3	9	9	8	1	11%
4-6	6	16	11	5	31%
7-9	3	4	2	2	50%
10-12	2	18	17	1	6%
13-15	1	1	1	0	0%
16-18	0	0	0	0	0%
19-20	0	0	0	0	0%
Total	21	48	39	9	19%

Employees: Parks & Recreation

# 3.24.6 Capital Expenditure 2019/2020: Sports and Recreation

Capital Expenditure 2019/2020: Sport and Recreation				
Capital Projects	Original Budget	Amended Budget	Actuals Total	
Trailer X2	50 000.00	50 000.00	0.00	
Ride on Lawnmower	65 000.00	84 400.00	0.00	
Tools	3 000.00	2 300.00	0.00	
Generator	4 000.00	12 700.00	0.00	
Welder	3 000.00	0.00	0.00	
Brush Cutter	4 000.00	5 300.00	5 199.00	
Electric Drill	4 000.00	4 000.00	3 343.95	
Ladder	3 000.00	1 000.00	0.00	
Grinder	3 000.00	1 500.00	0.00	
Line Marking Machine - Sport	12 000.00	6 500.00	6 010.00	

Capital Expenditure 2019/2020: Sport and Recreation				
Capital Projects	Original Budget	Amended Budget	Actuals Total	
Office Furniture	11 000.00	21 000.00	0.00	
Upgrade Parkdene Sport Facilities	668 840.00	291 305.00	96 418.85	
Thembalethu Upgrade Sport Grounds Phase A	871 013.00	0.00	0.00	
Fencing - Sport Grounds DMA	200 000.00	450 000.00	256 200.00	
Tartan Track - Rosemore Sport Ground Phase 1	0.00	1 869 560.00	0.00	
Upgrade Swimming pool - Uniondale	0.00	119 870.00	98 130.87	
Floodlights at Pacaltsdorp Sport Ground	360 000.00	360 000.00	0.00	
Fence - Lawaaikamp Sport Ground	90 000.00	90 000.00	0.00	
CCTV Cameras - Sport Facilities	100 000.00	98 000.00	0.00	
Upgrade Hospitality Suites (George) - Sport	23 000.00	23 000.00	0.00	
Upgrade Tennis & Netball Courts	90 000.00	92 700.00	2 500.00	
Blanco Sport grounds (MIG)	254 415.00	0.00	0.00	
Tartan Track - Rosemore Sport Ground Phase 1	0.00	2 096 990.00	3 643.87	
New Ablution/Public Toilet Facilities: Zone 9	200 000.00	200 000.00	0.00	
New Ablution/Public Toilet Facilities: Rosedale	150 000.00	150 000.00	0.00	
New Ablution/Public Toilet Facilities: New Dawn Pa	150 000.00	150 000.00	0.00	
Upgrade Rosemore Sport Ground	3 243 240.00	0.00	0.00	
Concrete Cricket Pitch - Lyonville	200 000.00	200 000.00	0.00	
Replacement of Roof - George Sport Clubhouse	150 000.00	150 000.00	0.00	
New Ablution/Public Toilet Facilities: Uniondale	250 000.00	250 000.00	0.00	
Conville Swimming pool - Starting Blocks	100 000.00	80 600.00	80 600.00	
Total	7 262 508.00	6 860 725.00	552 046.54	

Capital Expenditure 2019/20: Sport and Recreation

# COMPONENT H: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: Corporate Policy Offices, Financial Services, Human Resource Services, ICT Services, property services.

### 3.25 OFFICE OF THE MUNICIPAL MANAGER

The Office of the Municipal Manager includes the following functions:

- Communications
- Risk and Internal Audit
- Legal Services
- Information Technology(IT) Services

# 3.25.1 Highlights: Office of the Municipal Manager

The table below specifies the highlights for the 2019/20 financial year:

Highlights	Description
Website, redesigned and relaunched	Redesign complete, will go live in July 2020.
	Content and photographs finalised, user-friendly, aesthetically
	pleasing and functionality improved.
	Implemented Corporate Identity.

Highlights: Office of the Municipal Manager

### 3.25.2 Challenges: Office of the Municipal Manager

The table below indicates the challenges for the 2019/20 financial year:

Challenges	Actions to address
Staff Capacity (Communication Department) – online	Budget required for dedicated Social Media
presence has escalated	Communications Officer.

Challenges: Office of the Municipal Manager

# 3.25.3 Total Employees: Office of the Municipal Manager

Occupational	2018/19	2019/20			
Level		Budgeted Posts	Employees	Vacancies	Vacancies (as a
		Nun	nber		% of total Budgeted Posts)
0-3	3	1	0	1	100%
4-6	2	4	4	0	0%
7-9	2	2	1	1	50%
10-12	10	17	13	4	24%
13-15	5	7	6	1	14%
16-18	5	7	5	2	29%
19-20	2	1	1	0	0%
Total	29	39	30	9	23%

Employees: Office of the Municipal Manager

Occupational	2018/19	2019/20			
Level		Budgeted Posts	Employees	Vacancies	Vacancies (as a %
		Num	ber		of total Budgeted
					Posts)
0-3	0	0	0	0	0%
4-6	1	1	1	0	0%
7-9	4	4	4	0	0%
10-12	4	5	4	1	20%
13-15	1	1	0	1	100%
16-18	1	1	1	0	0%
19-20	0	0	0	0	0%
Total	11	12	10	2	17%

Employees: Executive and Council

# 3.26 ADMINISTRATION (COMMITTEE SERVICES, RECORDS MANAGEMENT AND TELECOMMUNICATIONS)

Administration (Committee Services, Records Management and Telecommunication) aims to provide effective records management and telecommunication throughout the entire Municipality and to ensure adherence to all relevant legislation coupled to the function.

### 3.26.1 Highlights: Administration (Committee Services)

The table below provides the highlight(s) for the 2019/20 financial year:

Highlights	Description
Implementation of Translation Booth during July 2019	Interpreting simultaneously whilst a speaker talks.
Enhancing on existing electronic channels to distribute agendas (Collab and OneDrive)	The volume of paper work for agendas sometimes ranged between 1000 and $\pm$ 2000 pages per agenda for $\pm$ 80 people. The printing of hard copies also had an impact on the copier because the machine constantly jammed, and it caused frustration. The distribution of agendas to the residential addresses of Councillors had its own frustration and challenges because Councillors or relatives were not always available at their addresses.
First electronic Council Meeting – 22 May 2020	Due to the Covid-19 pandemic and regulations in terms of social distancing measures, we had to conduct a Council meeting via Ms Teams.
First ever election of Mayor in virtual Council meeting	Due to the Covid-19 pandemic and regulations in terms of social distancing measures, we had to conduct a visual Council meeting via Ms Teams to elect a Mayor.
Upload attendance registers and instruction sheets relating to Council and Committee Meetings on Collab on a monthly basis;	Councillors requested to access instruction sheet to monitor the progress of execution of instructions by the various directorates.

Highlights: Administration

### 3.26.2 Challenges: Administration (Committee Services)

The table below provides the challenge(s) for the 2019/20 financial year:

The table below provides the chancing (3) for the 2019/20 manetal year.			
Challenges	Actions to address		
Unprofessionalism and lack of order at certain Committee	Training sessions for Councillors on how to conduct		
meetings	meetings		
Lack of compatible tools for staff	Exposure to lower level staff to perform higher level tasks		
Lack of office space	Put alternative plans in place to make office space		
	comfortable and convenient for everyone and use outside		
	buildings belonging to the municipality for office space		
Unwillingness to use Collab	Training sessions for both Councillors and officials		

Challenges: Administration

## 3.26.3 Capital Expenditure 2019/2020: Administrative and Corporate Support

Capital Expenditure 2019/2020: Administrative and Corporate Support				
Capital Projects	Original Budget	Amended Budget	Actuals Total	
Buffelsfontein 204: Acquisition of Immovable Property	300 000.00	0.00	0.00	
Bakkie: Civil Engineering Service - DMA	0.00	108 544.00	0.00	
Tools & Equipment - Fleet	10 000.00	10 000.00	0.00	
ISDG Equipment - Civil	200 000.00	0.00	0.00	
Petrol Management System	150 000.00	150 000.00	0.00	
Above Fuel Storage Tank	400 000.00	0.00	0.00	
End User Equipment (Pc's Laptops and Peripheral De	50 000.00	149 000.00	119 339.13	
Ups - Fuel Management System	35 000.00	35 000.00	0.00	
Furniture & Fittings - Corp Admin	40 000.00	30 000.00	29 047.81	
Vacuum Cleaners - Corp Admin	9 000.00	9 000.00	0.00	
Bulk Filers for Central Registry - Corp Admin	20 000.00	15 685.00	15 365.44	
Filling Units for Building Plans - Corp Admin	45 000.00	39 390.00	39 152.43	
Urns - Corp Admin	6 000.00	6 000.00	0.00	
Office Furniture - Vacancies Filled Community	15 000.00	20 100.00	14 823.11	
Tables - 'Link'	23 000.00	23 000.00	0.00	
Furniture & Fittings - Mm	200 000.00	200 000.00	0.00	
Office Equipment - Mm	150 000.00	150 000.00	51 088.53	
Bar Fridge - Mm	3 000.00	3 000.00	1 724.02	
Office Chairs - Records Staff	2 000.00	2 000.00	1 165.64	
Call Centre Furniture	23 000.00	20 000.00	0.00	
Bulk Scanners - Registry	45 000.00	31 600.00	30 896.91	
Furniture - Human Resources	80 000.00	148 288.00	15 217.86	
Filing Cabinets: Building Control	6 000.00	6 000.00	0.00	
Chairs: Building Control	3 000.00	0.00	0.00	
Camera: Planning	7 000.00	7 000.00	0.00	
Furniture and Fittings - Councillors	50 000.00	50 000.00	2 166.37	
Camera - Communication Unit	16 500.00	11 400.00	10 467.95	
Furniture: Planning	7 000.00	77 000.00	67 054.75	
Furniture and Fittings - Civil Admin	50 000.00	51 000.00	45 465.21	
Furniture & Office Equipment - Coms Admin	9 000.00	9 000.00	0.00	
Computer Hardware - Corp Admin	24 000.00	181 960.00	179 922.63	
Computer Hardware - Internal Audit	100 000.00	100 000.00	28 774.80	
End User Equipment (Pc's Laptops and Peripheral De	50 000.00	42 000.00	40 137.22	
End User Equipment (Pc's Laptops and Peripheral De	50 000.00	293 000.00	225 146.95	

Capital Expenditure 2019/2020: Administrative and Corporate Support  Capital Projects  Original Budget  Upgrading of Haarlem Community Hall  23 000.00  Additional Office Space 4th Floor  Falisade Fence - Uniondale Community Hall  Upgrade Vehicle Workshop Building  Security Cameras at Fleet Offices  7-Seater Vehicle - DMA  500 000.00  Sewerage Truck with Tanker (DMA)  Replace Caw 29932 Opel Club Sedan  440 000.00  Replace Caw 19719 Nissan Bakkie  Original Budget  Amended Budget  Amended Budget  23 000.00  60 000.00  60 000.00  50 000.00  441 327.00  50 000.00  50 000.00  441 327.00  50 000.00  450 000.00  0.00  0.00  0.00  0.00  0.00  0.00  0.00	Actuals Total 0.00 0.00 0.00 17 977.63 33 188.96 429 214.34 0.00 0.00
Additional Office Space 4th Floor         60 000.00         60 000.00           Palisade Fence - Uniondale Community Hall         0.00         368 000.00           Upgrade Vehicle Workshop Building         200 000.00         441 327.00           Security Cameras at Fleet Offices         50 000.00         50 000.00           7-Seater Vehicle - DMA         500 000.00         0.00           4x4 Tractor (DMA)         450 000.00         450 000.00           Sewerage Truck with Tanker (DMA)         1750 000.00         1750 000.00           Replace Caw 29932 Opel Club Sedan         280 000.00         0.00           4x4 Bakkie: Planning Section         500 000.00         0.00	0.00 0.00 17 977.63 33 188.96 429 214.34 0.00
Palisade Fence - Uniondale Community Hall         0.00         368 000.00           Upgrade Vehicle Workshop Building         200 000.00         441 327.00           Security Cameras at Fleet Offices         50 000.00         50 000.00           7-Seater Vehicle - DMA         500 000.00         450 000.00           4x4 Tractor (DMA)         450 000.00         450 000.00           Sewerage Truck with Tanker (DMA)         1750 000.00         1750 000.00           Replace Caw 29932 Opel Club Sedan         280 000.00         0.00           4x4 Bakkie: Planning Section         500 000.00         0.00	0.00 17 977.63 33 188.96 429 214.34 0.00
Upgrade Vehicle Workshop Building         200 000.00         441 327.00           Security Cameras at Fleet Offices         50 000.00         50 000.00           7-Seater Vehicle - DMA         500 000.00         0.00           4x4 Tractor (DMA)         450 000.00         450 000.00           Sewerage Truck with Tanker (DMA)         1750 000.00         1750 000.00           Replace Caw 29932 Opel Club Sedan         280 000.00         0.00           4x4 Bakkie: Planning Section         500 000.00         0.00	17 977.63 33 188.96 429 214.34 0.00
Security Cameras at Fleet Offices         50 000.00         50 000.00           7-Seater Vehicle - DMA         500 000.00         0.00           4x4 Tractor (DMA)         450 000.00         450 000.00           Sewerage Truck with Tanker (DMA)         1750 000.00         1750 000.00           Replace Caw 29932 Opel Club Sedan         280 000.00         0.00           4x4 Bakkie: Planning Section         500 000.00         0.00	33 188.96 429 214.34 0.00
Security Cameras at Fleet Offices         50 000.00         50 000.00           7-Seater Vehicle - DMA         500 000.00         0.00           4x4 Tractor (DMA)         450 000.00         450 000.00           Sewerage Truck with Tanker (DMA)         1750 000.00         1750 000.00           Replace Caw 29932 Opel Club Sedan         280 000.00         0.00           4x4 Bakkie: Planning Section         500 000.00         0.00	33 188.96 429 214.34 0.00
7-Seater Vehicle - DMA         500 000.00         0.00           4x4 Tractor (DMA)         450 000.00         450 000.00           Sewerage Truck with Tanker (DMA)         1750 000.00         1750 000.00           Replace Caw 29932 Opel Club Sedan         280 000.00         0.00           4x4 Bakkie: Planning Section         500 000.00         0.00	429 214.34 0.00
Sewerage Truck with Tanker (DMA)         1750 000.00         1750 000.00           Replace Caw 29932 Opel Club Sedan         280 000.00         0.00           4x4 Bakkie: Planning Section         500 000.00         0.00	0.00
Sewerage Truck with Tanker (DMA)         1750 000.00         1750 000.00           Replace Caw 29932 Opel Club Sedan         280 000.00         0.00           4x4 Bakkie: Planning Section         500 000.00         0.00	0.00
Replace Caw 29932 Opel Club Sedan         280 000.00         0.00           4x4 Bakkie: Planning Section         500 000.00         0.00	
4x4 Bakkie: Planning Section 500 000.00 0.00	0.00
	0.00
	0.00
5 Ton Roll Back Truck 800 000.00 0.00	0.00
Scaffolding (DMA) 40 000.00 40 000.00	0.00
air conditioner - DMA 80 000.00 80 000.00	0.00
Security Cameras 100 000.00 110 000.00	109 565.00
Tools and Equipment (DMA) 26 500.00 26 500.00	25 147.73
Vehicle Tracking System 150 000.00 150 000.00	0.00
Note Recorder 2 000.00 2 000.00	0.00
Jet Machine (DMA) 500 000.00 500 000.00	0.00
Trailers (DMA) 25 000.00 55 000.00	0.00
Furniture and Fittings - Internal Audit (In House) 45 000.00 45 000.00	0.00
Office Equipment 30 000.00 30 000.00	11 088.41
Fridge - Chief Whip 3 000.00 3 000.00	0.00
Office Equipment - IDP 20 000.00 0.00	0.00
Chairs: Property Section 20 000.00 20 000.00	5 990.00
Cabinet (DMA) 5 000.00 5 000.00	4 850.00
Furniture and Fittings (DMA) 11 000.00 11 000.00	6 520.00
Projector Screen 15 000.00 15 000.00	9 868.96
Tables for Hall - DMA 80 000.00 80 000.00	0.00
Microwaves - Corp Admin 15 000.00 15 000.00	14 181.75
Filing Cabinets - DMA 9 000.00 9 000.00	6 134.65
Furniture and Fitting: Property Section 20 000.00 20 000.00	0.00
Furniture and Fittings - IDP 40 000.00 0.00	0.00
End User Equipment (Pc's Laptops and Peripheral De 250 000.00 250 000.00	237 240.86
Projector Screen - DMA 5 000.00 0.00	0.00
Projectors - DMA 8 000.00 13 000.00	0.00
End User Equipment (Pc's Laptops and Peripheral De 100 000.00 100 000.00	00

Capital Expenditure 2019/2020: Administrative and Corporate Support				
Capital Projects	Original Budget	Amended Budget	Actuals Total	
Printer: Property Section	5 000.00	5 000.00	0.00	
Laptops - (IDP Office)	37 500.00	18 500.00	15 546.10	
Computer Equipment - Office Of MM	60 000.00	90 000.00	29 332.93	
Printers - Planning	15 000.00	6 000.00	0.00	
Buildings	100 000.00	0.00	0.00	
Aircon Offices (DMA)	12 500.00	12 500.00	0.00	
Upgrade Civil Service Buildings (DMA)	60 000.00	60 000.00	0.00	
Parking Area and Fencing	200 000.00	120 000.00	2 500.00	
Carports - Haarlem (DMA)	60 000.00	0.00	0.00	
Project Room Stairs - DMA	120 000.00	0.00	0.00	
Renovations Office Spaces 5th Floor	200 000.00	115 000.00	0.00	
ISDG Equipment - Civil	0.00	380 000.00	380 289.50	
Adjustment to Left Boundary Encroachments	0.00	20 000.00	0.00	
Replace Caw 29932 Opel Club Sedan	0.00	280 000.00	0.00	
Replace Caw 19719 Nissan Bakkie	0.00	450 000.00	432 041.09	
5 Ton Roll Back Truck	0.00	900 000.00	758 787.00	
7-Seater Vehicle - DMA	0.00	500 000.00	0.00	
Total	9 711 000.00	9 634 794.00	3 525 653.50	

Capital Expenditure2019/20: Administrative and Corporate Support

### 3.27 FINANCIAL SERVICES

### 3.27.1 Introduction to Financial Services

During the 2019/20 to 2021/22 Medium Term and Revenue Framework (MTRF) the following was taken into account:

- Constraining fiscal environment and in particular the stagnant growth in the local South African economy;
- National and Provincial priorities;
- Policies on tariffs and service charges;
- Determination of prudent levels of cash revenue.

During the current financial year, Council accepted and reviewed the Long-Term Financial Plan and all budget related policies. The Long-Term Financial Plan of the Municipality does not only highlight some of the material, financial and other issues identified, but makes very specific proposals and recommendations regarding the future financial management. Some priorities are highlighted below:

• The need to maximise income through efficiencies and the way we do business was investigated before we decided to increase our rates, service charges and other tariffs;

- A revenue enhancement project is ongoing to ensure that all consumers are billed correctly and are contributing to the municipality's income as set out in our tariff policy;
- The capital contributions policy was reviewed to ensure that the municipality receives fair compensation from bulk capacity sold to developers. The Budget Committee emphasized the principle that developers need to "pay-up-front" before any infrastructure development is carried out by Council;
- A greater emphasis will be placed on improving our cash management practices, within the legal prescripts, to improve our liquidity position;
- The Budget Committee reconfirmed that specific strategic land be identified which may be sold or developed to effect growth in George and to build the CRR.

### 3.27.2 Total Employees

Occupational	2018/19	2019/20			
Level		Budgeted Posts	Employees	Vacancies	Vacancies (as a
		Nun	nber		% of total
					Budgeted Posts)
0-3	1	0	0	0	0%
4-6	32	43	39	4	9%
7-9	32	40	37	3	8%
10-12	28	35	32	3	9%
13-15	2	15	13	2	13%
16-18	4	5	4	1	20%
19-20	3	3	3	0	0%
Total	102	141	128	13	9%

Employees: Finance

### 3.27.3 Capital Expenditure 2019/2020: Financial Services

Capital Expenditure 2019/2020: Financial Service					
Capital Projects	Original Budget	Amended Budget	Actuals Total		
Chairs for Clients at Chief Clerks - Client Service	5 000.00	0.00	0.00		
Bakkie - Water and Electricity	300 000.00	0.00	0.00		
Hand Held Devices (Meter Reading/Credit Control)	44 000.00	0.00	0.00		
Shredder – DMA Credit Control	5 000.00	5 000.00	4 358.27		
Air-conditioner Enquiry Desk - Client Services	15 000.00	0.00	0.00		
Microwave - Client Services	3 000.00	1 200.00	1 196.07		
Filing Cabinets - Rates	15 000.00	15 000.00	14 473.28		
Chairs - Valuation	3 500.00	0.00	0.00		
Office Furniture - New Appoint(Creditors)	15 000.00	0.00	0.00		
Chairs - Rates	10 000.00	5 373.00	5 263.01		
Office Furniture - Rates	16 000.00	6 627.00	4 752.50		
Filing Cabinets - Client Services	10 000.00	6 000.00	5 971.50		
Office Furniture - Credit Control	40 000.00	30 000.00	10 627.23		

Capital Expenditure 2019/2020: Financial Service						
Capital Projects Original Budget Amended Budget A						
Office Furniture - DMA Credit Control	12 000.00	8 000.00	7 908.58			
Office Furniture - Clint Services	30 000.00	14 000.00	10 925.11			
Cabinets - Valuations	4 000.00	3 335.00	3 334.93			
Filing Cabinets - DMA	5 000.00	2 800.00	2 783.33			
Chairs- Client Services	7 000.00	0.00	0.00			
Chairs for Clients - Credit Control	14 000.00	12 100.00	12 044.20			
Computer Screens- SCM	25 000.00	23 000.00	18 166.13			
Computer Screens - Creditors	10 000.00	0.00	0.00			
Computer Equipment - Creditors	12 000.00	12 000.00	11 832.84			
Laptops -Client Services	26 000.00	315 020.00	315 019.91			
Additional Office Space- Client Services	60 000.00	0.00	0.00			
Office Space: New Appointment (Creditors)	30 000.00	50 000.00	0.00			
Blinds-Credit Control	20 000.00	0.00	0.00			
Additional Office Space- Credit Control	40 000.00	22 045.00	12 312.50			
Blinds - Client Services	25 000.00	0.00	0.00			
Renovation of Office Space - Client Services	30 000.00	0.00	0.00			
Bakkie - Water and Electricity	0.00	300 000.00	246 556.44			
TOTAL	831 500.00	831 500.00	687 525.83			

Capital Expenditure 2019/20: Financial Services

### 3.28 HUMAN RESOURCE SERVICES

### 3.28.1 Introduction to Human Resource Services

The Human Resources Section is responsible for ensuring that the organisation's most valuable asset (i.e. its employees), are taken care of.

Enhanced staff performance is fundamentally part of the Municipality's primary objectives. The Municipality continually strives to promote a culture of good governance and an environment where the needs of employees can be addressed in a manner that is conducive for persistent advancement of the interests of our local communities.

The Human Resources functions include, but are not limited to, administration of employee benefits, recruitment and selection of competent staff, organisational efficiency improvement, employment equity, training and development of staff, sound labour relations, occupational health and safety and general support services to enhance staff capacity in the process of realising organisational strategic objectives of service delivery to the community.

### 3.28.2 Highlights: Human Resources Services

The table below specifies the highlights for 2019/20 financial year:

Highlight	Description
Organisational resilience	The manner in which Human Resources managed to guide the organisation under extremely difficult conditions during the COVID–19 pandemic
Dispute resolution	Despite an overwhelming number of disputes George Municipality successfully defended most of its disputes.
Directives	Human Resources has been the originator of numerous directives regulating and advising on legislative, policy and technical issues that ensured the smooth running of the workforce and ensured effective service delivery

Highlights: Human Resource Services

### 3.28.3 Challenges: Human Resource Services

The table below specifies the challenges for 2019/20 financial year:

Challenge	Actions to address
Capacity challenges in Labour Relations	Recruitment of one additional suitably qualified LR Officer
Capacity challenges in Occupational Health and Safety	Recruitment of two additional OHS officers to service the entire organisation
The changed work environment created by COVID 19 pandemic	COVID 19 has drastically challenged the manner in which we work, and the technological age will have to be embraced creating the need to new policies and guidelines from Working from Home Policies to Virtual recruitment assessment tools need to be developed.

Challenges: Human Resources Services

### 3.28.4 Total Employees: Human Resource Services

Occupational	2018/19	2019/20			
Level		Budgeted Posts	Employees	Vacancies	Vacancies (as a % of total
		Nun	nber	'	Budgeted Posts)
0-3	1	0	0	0	0%
4-6	6	5	5	0	0%
7-9	0	0	0	0	0%
10-12	16	16	16	0	0%
13-15	4	4	4	0	0%
16-18	2	2	2	0	0%
19-20	0	0	0	0	0%
Total	29	27	27	0	o%

Employees: Human Resource Services

### 3.29 LEGAL SERVICES

### 3.29.1 Introduction to Legal Services

During the applicable period the municipal court became fully operational.

# 3.29.2 Service Statistics: Legal Services

Possible Contingent Liabilities:

CASES	STATUS/OUTCOME/PROCESS
Review of appointment of Manager: sewer Network	Review application to be done following a finding by the Public Protector that the appointment of the Manager: Sewer Network was irregular. – Instructed Advocate Quinn to draw up papers for a high court application to set aside the decision of the Municipality to appoint the Manager: Sewer Network. Approximate expected future costs: R 100 000.00, which will increase should the Manager: Sewer Network contest the matter.
	The Claimant, Cape Estates Properties Outeniqua (Pty) Ltd (formerly Reigate Development Projects (Pty) Ltd), is the developer of a residential property development known as Welgelegen Estate, George, which property was situated with a "ringfenced" area, composite of other possible developable properties.
Arbitration: Reigate Development Projects.	Reigate has noted an appeal against the award in terms of clause 8 of the arbitration agreement which is set down for hearing on 18 October 2019.
	If the appeal is upheld the Municipality will be liable for payment of legal costs of the appellant, including the cost of the original arbitration.
	The cost can be as high as R2,5 million and provision should therefore be made for this amount in the event the appeal is upheld.
ACME Tool Hire vs. George Municipality	This is a claim for the loss of equipment and amount to R528 437.88. Summons was issued. This case was handed over to Goussard Attorneys. To date the matter has not been enrolled for hearing.
	Coastal Armature Winders & Supplies CC applied to the High Court for an order setting aside the award of a tender to Delacom Solutions by the George Municipality. The Municipality did not oppose the application.
Coastal Armature Winders and	The court awarded a partial cost order against the Municipality.
Supplies	The costs have not been claimed by the opposing side and must still be taxed. I estimate the costs to be paid to be between R50 000.00 and R150 000.00.
	The future financial exposure for audit purposes can be assumed to be R75 000.00.  Illegal building works, court order to have it removed.
	Mr Saaiman passed away in the meantime and we are trying to ascertain who the executor of the estate is.
GG & F Saaiman	R65 000,00 for costs, R100 000 for breaking down illegal structures to be claimed for the deceased estate.
	R100 000 for removing of illegal structures.
	Tender for upgrading of Nelson Mandela Boulevard. Claim for damages due to breach of contract, against contractor, engineer and insurer.
Muravha Building and Civils Co	Summons issued and served; plea received from engineer. Awaiting plea from contractor. Insurer seems to have stopped trading. Parties indicated that they would like to start settlement negotiations.
	R23 231 624,99, being the estimated cost for remedial work to the road.
	Should we not settle and have to go to arbitration, legal costs of R1 million.

CASES	STATUS/OUTCOME/PROCESS		
	Alleged unfair labour practice referred to the Bargaining Council, potentially leading the labour court dispute.		
Reginald Wesso	Awaiting date for arbitration in bargaining council.		
	Backpay of salary for one year on higher level than currently remunerated.		
	Legal costs R150 000,00 should the matter go to Labour Court.		
	Alleged unfair dismissal. Review application of bargaining council arbitration award.		
Tommy Klaasen	Opposing papers due, will take at least another year to be heard.		
	Re instatement.		
	R150 000,00		
Plaaslike Besorgde Inwoners	Opposing an application for the election of the current mayor of council to be set aside. Matter to be heard on 7 August 2020.		
	None		
	R500 000,00		
	Dispute about the cancellation of a tender agreement.		
Western Purification Chemical & Plant CC	First phase of dispute resolution in terms of FIDIC. No claim received yet, foresee that they will claim unlawful termination of the contract, damages. Potentially legal costs of R1 million		

# 3.29.3 Capital Expenditure 2019/2020: Legal Services

Capital Expenditure 2019/2020: Legal Services					
Capital Projects	Original Budget	Amended Budget	Actuals Total		
Furniture & Amp; Fittings - Legal Services	23 000.00	23 000.00	16 927.66		
Air-conditioner - Legal	17 000.00	17 000.00	6 486.92		
Burglar Bars - Legal	20 000.00	20 000.00	0.00		
Wheel Chair Platform - Stair Lift (Legal)	500 000.00	620 000.00	0.00		
TOTAL	560 000.00	680 000.00	23 414.58		

Capital Expenditure 2019/20: Legal Services

# COMPONENT I: ORGANISATIONAL PERFOMANCE SCORECARD

This component includes: Annual Performance Scorecard Report for the 2020/21.

### 3.30 DEVELOPMENT AND SERVICE DELIVERY PRIORITIES FOR 2019/20

The main development and service delivery priorities for 2020/21 are captured in the Municipality's Top Layer SDBIP are shown in the table below:

### 3.30.1 Affordable Quality Services

Ref	KPI Name	Description of Unit of Measurement	Pre-determined Objective	Area	Original Annual Target
TL4	Limit water network losses to 25% or less by 30 June 2021	% Water network losses	To provide world class water services in George to promote development and fulfil basic needs	Whole Municipal Area: All	25.00%
TL <sub>5</sub>	Spend 85% of the approved capital budget on the rehabilitation and upgrade of streets and storm water by 30 June 2021 {(Actual expenditure divided by the total approved budget) x 100}	% of budget spend	To endevour to improve the reseal of roads such as an extent that potholes are prevented altogether	Whole Municipal Area: All	85.00%
TL6	Spend 85% of the approved capital budget on the rehabilitation and upgrade of the proclaimed roads by 30 June 2021 {(Actual expenditure divided by the total approved budget) x 100}	% of budget spend	To endevour to improve the reseal of roads such as an extent that potholes are prevented altogether	Whole Municipal Area: All	85.00%
TL <sub>7</sub>	Spend 85% of the approved capital budget on the rehabilitation and upgrade of the public transport infrastructure by 30 June 2021 {(Actual expenditure divided by the total approved budget) x 100}	% of budget spend	To implement an Integrated Public Transport Network that will serve the communities of George	Whole Municipal Area: All	85.00%
TL8	Spend 85% of the approved capital budget on the rehabilitation and upgrade of Water - Networks by 30 June 2021 {(Actual expenditure divided by the	% of budget spend	To provide world class water services in George to promote development and fulfil basic needs	Whole Municipal Area: All	85.00%

Ref	KPI Name	Description of Unit of Measurement	Pre-determined Objective	Area	Original Annual Target
	total approved budget) x 100}				
TL9	Spend 85% of the approved capital budget on the rehabilitation and upgrade of Water-Purification by 30 June 2021 {(Actual expenditure divided by the total approved budget) x 100}	% of budget spend	To provide world class water services in George to promote development and fulfil basic needs	Whole Municipal Area: All	85.00%
TL10	Spend 85% of the approved capital budget on the rehabilitation and upgrade of the Sewerage Networks by 30 June 2021 {(Actual expenditure divided by the total approved budget) x 100}	% of budget spend	To provide and maintain safe and sustainable sanitation management and infrastructure	Whole Municipal Area: All	85.00%
TL11	Spend 85% of the approved capital budget on the rehabilitation and upgrade of the Sewerage Treatment Works by 30 June 2021 {(Actual expenditure divided by the total approved budget) x 100}	% of budget spend	To provide and maintain safe and sustainable sanitation management and infrastructure	Whole Municipal Area: All	85.00%
TL12	Achieve 90% compliance to general standards with regards to waste water outflow by 30 June 2021	% compliance achieved	To provide and maintain safe and sustainable sanitation management and infrastructure	Whole Municipal Area: All	90.00%
TL13	Obtain 95% water quality level as per SANS 241 physical and micro parameters by 30 June 2021	% water quality level obtained	To provide world class water services in George to promote development and fulfil basic needs	Whole Municipal Area: All	95.00%
TL17	Completed the upgrade and extension of the Pacaltsdorp library by 30 June 2021	Upgrade and extension of the Pacaltsdorp library completed	To revitalise the current community facilities to increase the access to services for the public	Whole Municipal Area: All	1
TL18	Complete the re- construction of the Touwsranten library by 30 June 2021	re-construction of the Touwsranten library completed	To revitalise the current community facilities to increase the access to services for the public	Whole Municipal Area: All	1
TL23	Limit electricity losses to less than 10% by 30 June 2021 (Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated) x 100	% Electricity losses by 30 June 2021	To explore and implement measures to preserve resources and ensure sustainable development	Whole Municipal Area: All	10.00%

Ref	KPI Name	Description of Unit of Measurement	Pre-determined Objective	Area	Original Annual Target
TL24	Spend 85% of the electricity capital budget by 30 June 2021 {(Actual capital expenditure divided by the total approved capital budget) x100}	% of the capital budget spent by 30 June 2021	To provide sufficient electricity for basic needs	Whole Municipal Area: All	85.00%
TL25	Number of formal residential properties that receive piped water (credit and prepaid water) that is connected to the municipal water infrastructure network and billed for the service as at 30 June 2021	Number of residential properties which are billed for water or have pre-paid meters as at 30 June 2021	To provide world class water services in George to promote development and fulfil basic needs	Whole Municipal Area: All	39 000
TL26	Number of formal residential properties connected to the municipal electrical infrastructure network (credit and prepaid electrical metering) (Excluding Eskom areas) and billed for the service as at 30 June 2021	Number of residential properties which are billed for electricity or have pre-paid meters (Excluding Eskom areas) as at 30 June 2021	To provide sufficient electricity for basic needs	Whole Municipal Area: All	44 000
TL27	Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) and billed for the service as at 30 June 2021	Number of residential properties which are billed for sewerage as at 30 June 2021	To provide and maintain safe and sustainable sanitation management and infrastructure	Whole Municipal Area: All	38 000
TL28	Number of formal residential properties for which refuse is removed once per week and billed for the service as at 30 June 2021	Number of residential properties which are billed for refuse removal as at 30 June 2021	To provide integrated waste management services for the entire municipal area	Whole Municipal Area: All	36 500
TL29	Provide free basic water to indigent households	Number of indigent households receiving free basic water as at 30 June 2021	To provide world class water services in George to promote development and fulfil basic needs	Whole Municipal Area: All	15 000
TL30	Provide free basic electricity to indigent households	Number of indigent households receiving free basic electricity as at 30 June 2021	To provide sufficient electricity for basic needs	Whole Municipal Area: All	19 500

Ref	KPI Name	Description of Unit of Measurement	Pre-determined Objective	Area	Original Annual Target
TL <sub>3</sub> 1	Provide free basic sanitation to indigent households	Number of indigent households receiving free basic sanitation as at 30 June 2021	To provide and maintain safe and sustainable sanitation management and infrastructure	Whole Municipal Area: All	15 000
TL32	Provide free basic refuse removal to indigent households	Number of indigent households receiving free basic refuse removal as at 30 June 2021	To provide an effective and efficient law-enforcement and emergency services to all the communities of George in our quest to protect and promote the fundamental rights of life	Whole Municipal Area: All	15 000
TL36	The percentage of the municipal capital budget actually spent on capital projects by 30 June 2021 {(Actual amount spent on projects/Total amount budgeted for capital projects) X100}	% of capital budget spent by 30 June 2021	To manage the municipal finances according to the Municipal Management Act in an effective and efficient manner	Whole Municipal Area: All	85.00%
TL39	Construct 40 top structures in Extension 42&58 Thembalethu by 30 June 2021	Number of top structures constructed	To accelerate delivery in addressing housing	Whole Municipal Area: All	40
TL40	Construct 83 top structures within the Thembalethu UISP project by 30 June 2021	Number of top structures constructed	To accelerate delivery in addressing housing	Whole Municipal Area: All	83
TL41	Construct 50 top structures in Golden Valley Blanco by 30 June 2021	Number of top structures constructed	To accelerate delivery in addressing housing	Whole Municipal Area: 1	50
TL42	Appoint a consultant to review the Human Settlements Master Plan by 30 June 2021	Consultant appointed	To accelerate delivery in addressing housing	Whole Municipal Area: All	1
TL43	Construct 13 GAP middle income housing units by 30 June 2021	Number of GAP housing units constructed	To accelerate delivery in addressing housing	Whole Municipal Area: All	13

Service Delivery Priorities for 2020/21: Affordable Quality Services

## 3.30.2 Develop and Grow George

Ref	KPI Name	Description of Unit of Measurement	Pre-determined Objective	Region	Original Annual Target
TL14	Create Full Time Equivalents (FTE's) through government expenditure with EPWP by 30 June 2021	Number of FTE's created by 30 June 2021	To maximise job creation opportunities through government expenditure	Whole Municipal Area: All	222

Service Delivery Priorities for 2020/21: Develop and Grow George

# 3.30.3 Good Governance and Human Capital

Ref	KPI Name	Description of Unit of Measurement	Pre-determined Objective	Region	Original Annual Target
TL1	The number of people from employment equity target groups employed (newly appointed) in the three highest levels of management in compliance with the municipality's approved Employment Equity Plan by 30 June 2021	Number of people employed (newly appointed)	To realign the organisational structure to be more responsive to community needs, more service and efficiency orientated and to fulfil goals identified in the 5-year plan	Whole Municipal Area: All	1
TL2	Review the 3-year Internal Audit Plan based on the risk assessment and submit to Audit Committee by 30 September 2020	RBAP (Risk Based Audit Plan) submitted to Audit Committee by 30 September 2020	To evaluate the effectiveness of risk management, control and governance processes and develop actions to address key risks identified	Whole Municipal Area: All	1
TL3	Achieve 100% of the planned audits in terms of approved Audit Plan by 30 June 2021 ((Actual hours completed/ Planned hours to be completed) x100)	% of target hours completed by 30 June 2021 ((Actual hours completed/ Planned hours to be completed) x100)	To conduct a full audit of operations, processes, duties and service delivery standards of departments to address risk areas and promote effectiveness	Whole Municipal Area: All	100.00%
TL20	The percentage of a municipality's personnel budget actually spent on implementing its workplace skills plan by 30 June 2021 {(Actual total training expenditure divided by total personnel budget) x100}	% of municipality's personnel budget actually spent on implementing its workplace skills plan as at 30 June 2021	To undertake regular human resource audits to determine skills gaps, staff diversity and develop skills programmes	Whole Municipal Area: All	0.50%

Ref	KPI Name	Description of Unit of Measurement	Pre-determined Objective	Region	Original Annual Target
TL21	Submit the Workplace Skills Plan to the LGSETA by 30 April 2021	Workplace Skills Plan submitted to the LGSETA by 30 April 2021	To undertake regular human resource audits to determine skills gaps, staff diversity and develop skills programmes	Whole Municipal Area: All	1
TL22	Replace the roof of the Civic Centre in George by 30 June 2021	Civic Centre roof replaced	To undertake regular human resource audits to determine skills gaps, staff diversity and develop skills programmes	Whole Municipal Area: All	1
TL33	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2021 (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Rev	% Debt to Revenue as at 30 June 2021	To develop mechanisms to ensure viable financial management and control	Whole Municipal Area: All	45.00%
TL34	Financial viability measured in terms of the outstanding service debtors as at 30 June 2021 (Total outstanding service debtors/ revenue received for services)	% Service debtors to revenue as at 30 June 2021	To maintain effective credit control in the Municipality and enhance and maximise revenue base through improved collection rate	Whole Municipal Area: All	16.00%
TL <sub>35</sub>	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2021 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excl	Cost coverage as at 30 June 2021	To manage the municipal finances according to the Municipal Management Act in an effective and efficient manner	Whole Municipal Area: All	2
TL <sub>37</sub>	Achieve a payment percentage of 95% by 30 June 2021 {(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance + Bad Debts Written Off)/Billed Revenue x 100}	Payment % as at 30 June 2021	To manage the municipal finances according to the Municipal Management Act in an effective and efficient manner	Whole Municipal Area: All	90.00%

Ref	KPI Name	Description of Unit of Measurement	Pre-determined Objective	Region	Original Annual Target
TL <sub>3</sub> 8	Review the Long Term	Reviewed Long Term	To develop mechanisms	Whole	1
	Financial Plan and submit	Financial Plan submitted	to ensure viable financial	Municipal	
	to Council by 31 March	to Council by 31 March	management and control	Area: All	
	2021	2021			

Service Delivery Priorities for 2019/20: Good Governance and Human Capital

# 3.30.4 Participative Partnerships

Ref	KPI Name	Description of Unit of Measurement	Pre-determined Objective	Region	Original Annual Target
TL44	Submit the IDP/budget time schedule to Council by 31 August 2020	Time schedule submitted to Council	To undertake strategic planning in order to address service delivery challenges in coordinated manner	Whole Municipal Area: All	1
TL45	Submit the draft IDP to Council by 31 March 2021 to ensure compliance with legislation	Draft IDP submitted to Council	To undertake strategic planning in order to address service delivery challenges in coordinated manner	Whole Municipal Area: All	1
TL46	Submit the IDP to Council by 31 May 2021 to ensure compliance with legislation	IDP submitted to Council	To undertake strategic planning in order to address service delivery challenges in coordinated manner	Whole Municipal Area: All	1

Service Delivery Priorities for 2020/21: Participation Partnerships

## 3.30.5 Safe, Clean and Green

Ref	KPI Name	Description of Unit of Measurement	Pre-determined Objective	Region	Original Annual Target
TL15	Spend 85% of the approved project budget for the rehabilitation of the George landfill site by 30 June 2021	% of budget spend	To provide integrated waste management services for the entire municipal area	Whole Municipal Area: 23	85.00%
TL16	Award the tender for the composting plant in George by 30 June 2021	Tender for the composting plant in George award	To ensure infrastructure planning and development keeps pace with growing city needs by aligning all strategic documents and efforts	Whole Municipal Area: 23	1
TL19	Spend 85% of the approved project budget for the rehabilitation of the Uniondale landfill site by 30 June 2021	% of budget spend	To provide integrated waste management services for the entire municipal area	Whole Municipal Area: 25	85.00%

Ref	KPI Name	Description of Unit of Measurement	Pre-determined Objective	Region	Original Annual Target
TL <sub>47</sub>	Draft an Integrated Safety Plan and submit to the Portfolio Committee by 30 June 2021	Integrated Safety Plan drafted and submitted to the Portfolio Committee by 30 June 2021	To provide an effective and efficient law-enforcement and emergency services to all the communities of George in our quest to protect and promote the fundamental rights of life	Whole Municipal Area: All	1
TL48	Draft a By-Law Strategy and submit to the Portfolio Committee by 30 June 2021	By-Law Strategy drafted and submitted to the Portfolio Committee by 30 June 2021	To provide an effective and efficient law-enforcement and emergency services to all the communities of George in our quest to protect and promote the fundamental rights of life	Whole Municipal Area: All	1
TL49	Report quarterly to the GIPTN Committee on the implementation of the Roll- Out Programme of Phase 4A of the GIPTN	Number of reports submitted to the GIPTN Committee	To provide an effective and efficient law-enforcement and emergency services to all the communities of George in our quest to protect and promote the fundamental rights of life	Whole Municipal Area: All	4

Service Delivery Priorities for 2020/21: Safe, Clean and Green

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

# NATIONAL KEY PERFORMANCE INDICATORS: MUNICIPAL TRANSFORMANTION AND ORGANISATIONAL DEVELOPMENT

The table below indicates the key performance indicators linked to the National Key Performance Area: Municipal Transformation and Organisational Development.

Indicator	2018/19	2019/20
The number of people from employment equity target groups employed (newly	2	0
appointed) in the three highest levels of management in compliance with the municipality's approved Employment Equity Plan by 30 June 2020		
The percentage of a municipality's budget actually spent on implementing its workplace		0.65
skills plan		

# COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

### 4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

The George Municipality currently employs 1291 (excluding non-permanent positions) officials, who individually and collectively contribute to the achievement of the municipality's objectives. The primary objective of Human Resource Management is to render an innovative Human Resource service that addresses both skills development and an administrative function.

### 4.1.1 Employment Equity Targets and Actuals Racial Classification

Section 15 (1) of the Employment Equity Act (1998) states that affirmative action measures are measures designed to ensure that suitable qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer.

	Black			Coloured			Indian			White	
Target June	Actual June	% of Target reach									
494	379	77%	702	771	110%	28	6	21%	236	129	55%

2019/20 EE targets/Actual by Racial Classification

	Male			Female	
Target June	Actual June	% of Target reach	Target June	Actual June	% of Target reach
713	785	110%	747	500	67%

2019/20 EE targets/Actual by Gender Classification

# 4.1.2 Occupational Category: Race

Below is a table that indicates the number of employees by race within the specific occupational categories:

	Posts filled								
Occupational		Male				Female			
Categories	Α	С	ı	w	Α	С	ı	w	Total
Legislators, senior officials and managers	8	16	0	11	10	5	О	5	55
Professionals	0	1	0	3	О	О	0	2	6
Technicians and associate professionals	2	26	1	13	1	13	1	11	68
Clerks	37	83	2	20	24	70	2	23	261
Service and sales workers	14	40	0	12	6	17	О	11	100
Craft and related trade workers	60	62	0	32	70	87	0	34	345
Plant and machine operators and assemblers	16	84	0	21	23	71	0	13	228
Elementary occupations	110	28	0	0	32	101	0	0	271
Total	247	340	3	112	166	364	3	99	1334
Councillors included									

Occupational Categories

### 4.1.3 Occupational Levels: Race

The table below categorises the number of employees by race within the occupational levels:

Occupational	Male		Female				Total		
Levels	Α	С	1	W	Α	С	1	W	, otai
Top Management	1	5	0	0	0	0	0	0	6
Senior management	0	1	0	3	0	0	0	2	6
Professionally qualified and experienced specialists and mid- management	2	26	0	13	1	13	0	11	66
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	58	123	1	32	30	87	1	34	366

Occupational		Ma	ale			Fen	nale		Total
Levels	Α	С	ı	W	Α	С	1	W	. oca.
Semi-skilled and discretionary decision making	169	284	2	21	79	172	2	13	742
Unskilled and defined decision making	16	28	0	0	23	32	0	0	99
Total permanent	246	467	3	69	133	304	3	60	1285
Non- permanent employees	26	41	0	2	19	34	0	2	124
Grand total	272	508	3	71	152	338	3	62	1409

Occupational Levels – Race

### 4.1.4 Departments: Race

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

Danastmant		Ma	ale		Female				Total
Department	Α	С	1	W	Α	С	I	W	IOLAI
Office of the Municipal Manager	3	7	0	4	0	12	0	6	32
Financial Services	9	33	0	7	14	44	0	22	129
Human Settlements	11	13	0	1	4	13	0	1	43
Planning and Development	2	12	0	4	7	13	0	8	46
Corporate Services	18	38	0	1	27	53	0	3	140
Community Services	63	86	0	7	27	49	0	3	235
Electro Technical Services	32	52	2	23	14	20	2	6	151
Civil Engineering Services	88	160	1	10	19	45	0	3	326
Protection Services	24	67	0	12	21	55	1	9	189
Total permanent	250	468	3	69	133	304	3	61	1291
Non- permanent	26	41	0	2	19	34	0	2	124
Grand total	252	442	3	59	131	283	2	54	1415

Department: Race

### 4.1.5 Vacancy Rate

The approved organogram for the municipality had **2815 posts** for the 2019/20 financial year. The actual positions filled are indicated in the tables below by post level and by functional level. **1524** Posts were vacant at the end of 2019/20, resulting in a vacancy rate of **54%**.

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

	Per Post Level						
Post level	Filled	Vacant					
Top Management	6	3					
Senior Management	6	1					
Middle management	66	76					

	Per Post Level	
Post level	Filled	Vacant
Skilled	366	398
Semi-Skilled	742	837
Unskilled	99	215
Total	1285	1530
	Per Functional Level	
Functional area	Filled	Vacant
Office of the Municipal Manager	32	47
Financial Services	129	72
Corporate Services	140	63
Human Settlements	43	134
Planning & Development	46	91
Community Services	235	313
Electro Technical Services	151	181
Civil Engineering Services	326	308
Protection Services	189	315
Total	1291	1524

Vacancy Rate

#### 4.1.6 Turn-over Rate

A high turnover may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organisational knowledge. Below is a table that reflects the turnover rate within the Municipality.

The table below provides the turn-over rate over the last two years:

Financial year	Total no. of appointments at the end of each Financial Year	New appointments	No. of Terminations during the year	Turn-over Rate
2018/19	1247	124	62	4.97%
2019/20	1291	44	27	2.09%

Turnover Rate

# COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### 4.2 MANAGING THE MUNICIPAL WORKFORCE

Managing the municipal workforce refers to analysing and coordinating employee behaviour.

### 4.2.1 Human Resources Policies and Plans

Policies and plans provide guidance for a fair and equitable staff treatment and a consistent approach to the managing of staff.

Approved policies	
Name of policy	Date approved/ revised
Acting Policy, Latest provisions of Conditions of Service incorporated into new draft and sent to management for further instruction (June 2017)	29 November 2017
Overtime Policy (Last changes made Feb 2017 but during workshop held on 23 April 2018 more changes requested.)	28 November 2012
Placement Policy	28 November 2012
Succession and Career Path Policy	28 November 2012
Training and Development Policy	27 September 2017
Scarce Skills and Staff Retention Policy (Latest amendments sent for comments on 18 April 2016)	March 2008
Organisational Performance Management Framework	12 February 2018
Experiential Training Policy	28 November 2012
Personal Protective Equipment Policy	28 November 12
Recruitment and Selection Policy (Latest changes to be added by R&S section for workshop with Council)	Policy has been workshopped numerous times in 2019 but referred back for additions to be made. Last approved policy
Bursary policy (Income threshold increased)	31 January 18
Private Work Policy	19 June 2013
Smoking Policy	19 September 2007
Disability and Gender Policy	23 September 2008
HIV/ AIDS Policy (Last drafted October 2016)	2008
EAP Policy (Last drafted September 2015)	2008
Fleet Management Policy (Policy currently resorts under Electro- Technical Services but last amended by HR in 2012)	2 November 2012
Occupational Health and Safety Policy (Last draft was sent to OHS section for further inputs in December 2016)	05 July 2007
Travel & Subsistence Policy and Procedures	30 June 2020
Relocation Policy (New policy: Drafted 14 February 2017)	Not submitted for approval
Bouquet Policy (New policy: Drafted March 2016)	Changes to be made to policy suggested to author
Leave Policy	Policy drafted but not submitted for comments
Policy on the payment of professional licenses (Draft finalized on 14 July 2017: sent to management for input)	Item requested by Council on the financial implication of approval of policy: item submitted 29 May 2018 to serve on HR Committee
TASK Job Evaluation Policy	29 November 2017

### HR Policies and Plans

The Human Resources Department submits policies to the Local Labour Forum on a regular basis for review purposes.

### 4.2.2 Injuries

An occupational injury is a personal injury, disease or death resulting from an occupational accident. Compensation claims for such occupational injuries are calculated according to the seriousness of the injury/disease and can be costly to a municipality. Occupational injury will influence the loss of man hours and therefore financial and productivity performance.

The table below provides the total number of injuries within the different directorates:

Directorates	2018-19	2019/20
Office of the Municipal Manager	4	5
Financial Services	7	2
Corporate Services	11	19
Human Settlements	1	4
Planning & Development	0	0
Community Services	82	31
Protection Services	37	25
Electro Technical Services	14	6
Civil Engineering Services	77	56
Total	233	148

Injuries

### 4.2.3 Sick Leave

The number of sick leave days taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective action can be taken.

The table below provides the total number sick leave days taken within the different directorates:

Department	2018/19	2019/20
Office of the Municipal Manager	264	372
Financial Services	1723	1420
Corporate Services	1 570	1394
Human Settlements	250	383
Planning and Development	596	576
Community Services	1 682	1591
Protection Services	2 170	2260
Electro Technical Services	1 429	1198
Civil Engineering Services	2 708	2724
Total	12679	11918

Sick Leave

# COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

### 4.3 CAPACITATING THE MUNICIPAL WORKWORCE

Section 68(1) of the MSA states that a municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose, the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

### 4.3.1 Skills Matrix

The table below indicates the number of employees that received training in the year under review:

Management level	Gender	Number of employees identified for training at start of the year	Number of Employees that received training
Legislators	Female	-	-
Legislators	Male	-	-
MM and Directors	Female	-	-
Wilvi and Directors	Male	3	2
Professionals	Female	12	2
FIGUESSIONALS	Male	6	0
Technicians	Female	6	3
recillicians	Male	14	5
Community and Personal Service	Female	13	9
workers	Male	28	3
Clerical and Administrative Workers	Female	18	26
Clerical and Administrative Workers	Male	7	14
Machine enerators and drivers	Female	6	5
Machine operators and drivers	Male	22	20
Labarrana	Female	28	8
Labourers	Male	49	38
Sub total	Female	83	53
305 (0:01	Male	129	82
Total		212	135

Skills Matrix

### 4.3.2 Skills Development and Training

The Skills Development Act (1998) and the Municipal Systems Act, (2000), require employers to supply employees with the necessary training in order to develop its human resource capacity. Section 55(1) (f) states that as head of administration the Municipal Manager is responsible for the management, utilisation and training of staff.

Occupational	Gender	Number of		Training	provided	within th	e reportir	ng period	
categories		employees as at the beginning of the financial year	Learne	rships	prograi other	ills nmes & short rses		Total	
			Actual	Target	Actual	Target	Actual	Target	% achieved
Legislators	Female	20	-	-	-	-	-	-	-
	Male	33	-	-	-	-	-	-	-
MM and S57	Female	-	-	-	-	-	-	-	-
	Male	8	2	0	-	3	2	3	67%
Professionals	Female	50	1	10	-	2	1	12	8%
	Male	54	1	3	-	3	1	6	17%
Technicians	Female	48		6	-	0	0	6	0%
	Male	55	3	6	-	8	3	14	21%
Community and Service	Female	67	9	9	-	4	9	13	69%
workers	Male	87	3	14	-	14	3	28	11%
Clerical and Administrative	Female	173	17	9	-	9	17	18	94%
Workers	Male	40	11	3	-	4	11	7	157%
Machine	Female	32	5	4	-	2	5	6	83%
operators and drivers	Male	128	22	12	-	10	22	22	100%
Labourers	Female	91	8	12	6	16	14	28	50%
	Male	245	38	22	9	27	47	49	96%
Sub total	Female	481	40	50	6	33	46	83	55%
	Male	650	80	60	9	69	89	129	69%
Total		1131	120	110	15	102	135	212	64%

Skills Development

### 4.3.3 Skills Development: Budget Allocation

The table below provides that a total amount of **R500 000** was allocated to the Workplace Skills Plan and 65.03 % of the total amount was spent in the 2019/20 financial year:

Year	Total personnel budget (R)	Total Allocated (R)	Total Spend (R)	% Spent
2018/19	560 009 160	2 077 830	1 272 229	41.10%
2019/20	555 666 034	500 000	325 136	65.03%

### 4.3.4 Municipal Finance Management Act (MFMA) Competencies

In terms of Section 83 (1) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003), the Accounting Officer, Senior Managers, the Chief Financial Officer, non-financial managers and other financial officials of a municipality must meet the prescribed financial management competency levels that are key for

the successful implementation of the Municipal Finance Management Act. National Treasury has prescribed such financial management competencies in Government Notice 493 dated 15 June 2007.

To assist the above-mentioned officials to acquire the prescribed financial competencies, National Treasury, with the collaboration of various stakeholders and role-players in the local government sphere, developed an outcomes-based NQF Level 6 qualification in Municipal Finance Management. In terms of the Government Notice 493 of 15 June 2007, "(1) No municipality or municipal entity may, with effect 1 January 2013 (exempted until 30 September 2015 as per Government Notice 179 of 14 March 2014 and again as per Government Gazette 40593 of 3 February 2017), employ a person as a financial official if that person does not meet the competency levels prescribed for the relevant position in terms of these Regulations".

The table below provides details of the financial competency development progress as required by the regulation:

regulation.	Total number of	Competency	Total number of officials whose	Total number of officials that								
Description	officials employed by municipality (Regulation 14(4)(a) and (c))	cials employed assessments agreements completed (Regulation and (c)) 14(4)(b) and (d)) performance agreements comply with Regulation 16 (Regulation 14(4)(f))		meet prescribed competency levels (Regulation 14(4)(e))								
	Financial Officials											
Accounting Officer	1		1	1								
Chief Financial Officer	0		0	0								
Senior Managers	6		3	6								
Any other financial officials	29		27	29								
	Supply Chain M	anagement Officials										
Heads of supply chain management units	1		1	1								
Supply chain management senior managers	4		3	4								
Sub Total	43		31	43								
Other	officials for the purpose	of acting and succes	sion planning									
Other Officials	6			6								
Total	48			48								

Financial Competency Development: Progress Report

# COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

### 4.4 EMPLOYEE EXPENDITURE

Section 66 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) states that the Accounting Officer of a Municipality must report to the Council on all expenditure incurred by the Municipality on staff salaries, wages, allowances and benefits. This is in line with the requirements of the Public Service Regulations, (2002), as well as National Treasury Budget and Reporting Regulations SA22 and SA23.

### 4.4.1 Municipal Finance Management Act (MFMA) Competencies

The percentage personnel expenditure is essential in the budgeting process, as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowances for the two financial years, confirming the Municipality is well within the National norm of between 35 to 40%:

Financial year	Total Expenditure salary and allowances	Total Operating Expenditure	Percentage
			%
2018/19	520 124 491	1 926 029 423	27.00%
2019/20	533 149 696	2 088 760 822	25.52%

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

Financial year	2018/19		2019/20	
Description	Actual	Original Budget	Adjusted	Actual
			Budget	
Councillors	(Political Office Be	earers Plus Other)		
All-inclusive package	22 017 242	23 942 803	23 942 803	22 516 337
Sub Total	22 017 242	23 942 803	23 942 803	22 516 337
% Yearly increase/ (decrease)				2,27%
<u>Senio</u>	r Managers of the	Municipality		
Basic Salaries	8 196 700	10 482 655	11 591 825	9 154 961
Pension Contributions	634 889	833 944	833 944	431 751
Medical Aid Contributions	148 353	131 901	131 901	181 801
Motor vehicle allowance	324 000	360 000	504 000	301 290
Cell phone allowance	91 650	35 208	35 208	81 910
Housing allowance	0	0	0	0
Performance Bonus	456646	1 891 387	1 863 387	878 567
Other benefits or allowances	260 889	446 310	551 148	263 581
In-kind benefits				- 55
Sub Total - Senior Managers of Municipality	10 113 127	14 181 405	15 511 413	11 293 861
% yearly increase/ (decrease)				12%
	Other Municipal	<u>Staff</u>		
Basic Salaries and Wages	308 852 351	360 437 938	351 220 295	317 496 040
Pension Contributions	46 360 148	54 964 809	54 815 269	50 933 442
Medical Aid Contributions	20 321 911	32 921 943	32 882 093	22 362 840
Motor vehicle allowance	14 870 307	15 422 579	15 732 169	15 107 363
Cell phone allowance	1 105 061	1 105 896	1 275 446	1 260 746
Housing allowance	2 124 680	4 115 924	4 105 694	2 219 764
Overtime	41 737 218	32 350 840	41 878 811	42 012 830
Other benefits or allowances	73 138 169	81870734	84526828	70462812
Sub Total - Other Municipal Staff	508 509 846.00	583 190 663	586 436 605	521 855 837
	rease/ (decrease)			10.37%
Total Municipality	540 640 215	621 314 871	625 890 821	555 666 035
% increase/ (decrease)				2,78%

# CHAPTER 5 – FINANCIAL PERFORMANCE

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

### 5.1 FINANCIAL SUMMARY

The Statement of financial performance provides an overview of the financial performance of the municipality and focuses on the financial health of the municipality.

### 5.1.1 Financial Performance

The table below highlights the summary of the financial performance for the 2019/20 financial year:

Description Description	W mgmgmes en	e sommary or cr	ne financial perfor	2019/20	019/20 1111011010	тусат.	
R thousand	2018/19 Actual (Audited Outcome)	Original Budget	Final Adjustments Budget	Pre-Audited Outcome	Variance between Actual and Final Adjustments Budget	Actual Outcome as % of Final Adjustments Budget	Actual Outcome as % of Original Budget
		ŀ	inancial Perform	nance			
Revenue by Source	-						
Property rates	270 172 863	279 613 000	289 613 000	302 109 389	12 496 389	104%	108%
Service charges - electricity revenue	623 449 586	723 026 230	727 026 230	674 896 622	-52 129 608	93%	93%
Service charges - water revenue	129 255 985	127 469 170	131 469 170	137 666 170	6 197 000	105%	108%
Service charges - sanitation revenue	98 989 249	101 019 867	105 019 867	110 678 138	5 658 271	105%	110%
Service charges - refuse revenue	81 726 654	85 162 937	88 162 937	92 266 008	4 103 071	105%	108%
Service charges - other	0	0	0	0	0	0%	0%
Rental of facilities and equipment	3 130 158	6 183 220	6 183 220	2 871 434	-3 311 786	46%	46%
Interest earned - external investments	46 245 723	43 179 623	47 061 413	45 170 443	-1 890 970	96%	105%
Interest earned - outstanding debtors	4 079 781	6 095 910	6 095 910	3 000 389	-3 095 521	49%	49%
Dividends received	0	0	0	0	0	0%	0%
Fines, penalties and forfeits	94 581 387	76 125 676	76 125 676	76 282 875	157 199	100%	100%
Licences and permits	2 322 083	3 515 785	3 515 785	0	-3 515 785	0%	0%
Agency services	11 140 288	8 848 100	8 848 100	12 270 160	3 422 060	139%	139%
Transfers and subsidies - operational	452 232 722	605 092 063	791 806 045	548 390 041	-243 416 004	69%	91%
Other revenue	92 963 689	151 618 049	98 956 144	98 031 109	-925 035	99%	65%
Total Revenue (excluding capital transfers and contributions)	1 910 290 168	2 216 949 630	2 379 883 497	2 103 634 524	-276 248 973	88%	95%
Expenditure by Type							

Description				2019/20			
R thousand	2018/19 Actual (Audited Outcome)	Original Budget	Final Adjustments Budget	Pre-Audited Outcome	Variance between Actual and Final Adjustments Budget	Actual Outcome as % of Final Adjustments Budget	Actual Outcome as % of Original Budget
Employee related costs	520 124 491	597 372 068	601 948 018	533 149 697	-68 798 321	89%	89%
Remuneration of councillors	22 017 242	23 942 803	23 942 803	22 516 337	-1 426 466	94%	94%
Debt impairment	97 354 416	71 386 200	71 386 200	125 303 664	53 917 464	176%	176%
Depreciation & asset impairment	142 899 550	162 816 890	162 816 890	158 186 241	-4 630 649	97%	97%
Finance charges	42 264 372	36 143 780	34 873 400	43 771 580	8 898 180	126%	121%
Bulk purchases	428 852 192	498 974 880	494 974 880	485 199 057	-9 775 823	98%	97%
Other materials	57 574 310	38 86o 876	66 287 143	59 353 971	-6 933 172	90%	153%
Contracted services	430 073 297	641 852 316	677 036 507	418 293 331	-258 743 176	62%	65%
Transfers and grants	65 525 472	69 450 380	147 035 510	146 141 322	-894 188	99%	0%
Other expenditure	119 270 252	128 532 741	144 879 116	112 595 617	-32 283 499	78%	88%
Loss on disposal of PPE	709 406	674 160	674 160	1 476 153	801 993	219%	219%
Total Expenditure	1 926 665 001	2 270 007 094	2 425 854 627	2 105 986 970	-319 867 657	87%	93%
Surplus/(Deficit)	-16 374 832	-53 057 464	-45 971 130	-2 352 446	43 618 684		
subsidies - capital (monetary allocations) (National / Provincial and District)  Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Nonprofit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)  Transfers and subsidies - capital (inkind - all)  Surplus/(Deficit)	0	o 9 421 427	0	0 60 819 466	o 37 571 588	- 262%	- 646%
after capital transfers & contributions							
		Capital	expenditure & fu				
			Capital expendi	ture			
Transfers recognised - capital	113 832 965	61 220 697	109 314 305	56 450 194	-41 936 047	52%	92%
Public contributions & donations	0	0	0	0	0	-	-
Borrowing	18 776 017	144 695 032	22 815 475	4 548 507	-3 593 441	20%	3%

Description				2019/20			
R thousand	2018/19 Actual (Audited Outcome)	Original Budget	Final Adjustments Budget	Pre-Audited Outcome	Variance between Actual and Final Adjustments Budget	Actual Outcome as % of Final Adjustments Budget	Actual Outcome as % of Original Budget
Internally generated funds	110 626 967	138 856 552	159 920 785	90 896 122	-36 024 424	57%	65%
Total sources of capital funds	243 235 949	344 772 281	292 050 565	151 894 823	-81 553 912	52%	44%
			Financial Posit	ion			
Total current assets	875 806 066	919 816 346	919 816 346	1 120 018 865	0	-	-
Total non-current assets	3 130 835 856	3 035 023 660	3 035 023 660	3 123 640 701	0	-	-
Total current liabilities	393 016 236	394 006 368	394 006 368	589 077 640	0	-	-
Total non-current liabilities	533 010 469	545 264 920	545 264 920	533 117 867	0	-	-
Community wealth/Equity	3 080 615 217	3 015 568 718	3 015 568 718	3 121 464 059	0		
			Cash Flows				
Cash/cash equivalents at the beginning of the year	617 784 461	562 603 736	562 603 736	562 603 736			
Net cash from (used) operating	232 277 171	156 986 629	156 986 629	358 640 298	201 653 669	228%	228%
Net cash from (used) investing	-242 917 164	-343 282 100	-343 282 100	-150 371 705	192 910 395	44%	44%
Net cash from (used) financing	-44 540 732	100 653 832	100 653 832	28 633 317	-72 020 515	28%	28%
Cash/cash equivalents at the year end	562 603 736	476 962 097	476 962 096	799 505 646	322 543 549	-	-

Financial Performance 2019/20

# 5.1.2 Revenue Collection by Vote

The table below indicates the Revenue collection performance by vote:

	2018/19			2019/2	20				
Description	Actual (Audited Outcome)	Original Budget	Final Adjustment Budget	Actual Outcome	Variance between Actual and Final Adjustments Budget	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget		
	REVENUE COLLECTION BY VOTE								
Executive and council	22 913	4 678 400	4 678 400	463 022	(4 215)	10%	10%		
Finance and administration	352 044 056	358 189 759	372 577 764	372 481 623	(96)	100%	104%		
Internal audit	439 189	0	0	0	0	0%	0%		
Community and social services	16 959 384	15 726 223	17 176 223	19 241 494	2 065	112%	122%		
Sport and recreation	5 131 946	7 080 134	3 771 995	562 665	(3 209)	15%	8%		
Public safety	93 442 770	73 867 663	73 867 663	75 394 820	1 527	102%	102%		

	2018/19			2019/2	20		
Description	Actual (Audited Outcome)	Original Budget	Final Adjustment Budget	Actual Outcome	Variance between Actual and Final Adjustments Budget	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
		REV	'ENUE COLLECTIO	N BY VOTE			
Housing	75 118 419	161 594 577	234 310 186	30 512 477	(203 798)	13%	19%
Health	92 220	80 000	80 000	18 181	(62)	23%	23%
Planning and development	11 662 961	12 335 840	12 450 930	8 095 505	(4 355)	65%	66%
Road transport	332 416 133	390 893 046	449 853 963	456 626 519	6 773	102%	117%
Environmental protection	1023	1600	1600	1741	0	109%	109%
Energy sources	670 325 839	770 611 622	774 611 622	716 189 968	(58 422)	92%	93%
Water management	184 272 965	185 303 031	183 327 567	184 749 450	1 422	101%	100%
Waste water management	171 496 405	172 133 278	192 361 244	168 594 579	(23 767)	88%	98%
Waste management	118 981 285	126 874 710	129 874 710	133 556 915	3 682	103%	105%
Other	35 759	58 638	158 638	317 476	159	200%	541%
Total Revenue - Functional	2 032 443 266	2 279 428 521	2 449 102 505	2 166 806 434	(282 296)	88%	-12%

Revenue Collection by Vote

# 5.1.3 Functional Services Performance

The table below indicates the Functional services performance for the 2019/20 financial year:

	2018/19	·		2019/20	·					
Description	Actual (Audited Outcome)	Original Budget	Final adjustments budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget			
Expenditure - Functional										
Executive and council	65 251 726	85 463 787	88 819 564	48 363 827	(40 456)	54%	57%			
Finance and administration	242 184 842	268 131 419	271 859 911	255 459 729	(16 400)	94%	95%			
Internal audit	11 542 453	13 790 110	13 690 728	11 419 274	(2 271)	83%	83%			
Community and social services	50 655 569	58 314 088	59 893 375	53 115 327	(6 778)	89%	91%			
Sport and recreation	30 698 400	29 963 878	31 938 709	31 695 425	(243)	99%	106%			
Public safety	138 989 151	106 883 263	109 401 024	137 514 287	28 113	126%	129%			
Housing	102 008 282	197 227 592	272 472 379	53 082 009	(219 390)	19%	27%			
Health	2 742 696	3 921 187	3 917 817	2 873 470	(1 044)	73%	73%			
Planning and development	27 138 603	31 763 093	31 195 430	25 531 903	(5 664)	82%	80%			
Road transport	302 131 829	421 902 154	485 133 641	370 858 226	(114 275)	76%	88%			
Environmental protection	1 593 498	2 283 124	2 243 902	1 413 107	(831)	63%	62%			
Energy sources	541 826 079	632 269 597	629 398 256	611 508 576	(17 890)	97%	97%			
Water management	112 808 069	122 025 022	125 034 671	138 476 700	13 442	111%	113%			
Waste water management	169 416 358	196 554 417	200 586 567	184 588 370	(15 998)	92%	94%			
Waste management	113 916 568	85 456 419	86 o86 8 <sub>54</sub>	83 122 945	(2 964)	97%	97%			

	2018/19	2019/20					
	Actual (Audited	Original	Final	Actual	Variance	Actual	Actual
	Outcome)	Budget	adjustments	Outcome		Outcome	Outcome
Description			budget			as % of	as % of
						Final	Original
						Budget	Budget
Other	13 760 877	14 057 944	14 181 799	14 836 798	655	105%	106%
Total Expenditure - Functional	1 926 665 001	2 270 007 094	2 425 854 627	2 023 859 974	(401 995)	83%	-18%

Functional Revenue Expenditure: 2019/20

## 5.2 FINANCIAL PERFORMANCE PER MUNICIPAL FUNCTION

## 5.2.1 Water Services

Financial Performance 2019/20: Water Services								
Details	2018/19	2019/20						
	Actual	Original	Adjustment	Actual	Variance to			
		Budget	Budget		Budget			
Total Operational Revenue	200 470 577	198 600 951	196 625 487	200 755 988	0%			
Expenditure:								
Employees	33 220 485	39 666 622	40 256 622	36 208 645	9%			
Contracted Services	11 264 436	16 047 360	12 416 606	9 106 707	-19%			
Other	95 317 000	94 949 040	100 999 443	119 584 046	25%			
Total Operational Expenditure	139 801 921	150 663 022	153 672 671	164 899 398	18%			
Net Operational Expenditure	-60 668 656	-47 937 929	-42 952 816	-35 856 590	-41%			

## 5.2.2 Electricity Services

Financial Performance 2019/20: Electricity Services							
Details	2018/19	2019/20					
	Actual	Original	Adjustment	Actual	Variance to		
		Budget	Budget		Budget		
Total Operational Revenue	723 990 798	823 669 042	828 773 122	772 947 392	7%		
Expenditure:							
Employees	62 819 753	77 645 742	77 990 631	71 310 136	14%		
Contracted Services	33 103 837	36 711 110	30 292 690	25 518 491	-23%		
Other	480 401 436	562 069 249	565 951 519	547 652 358	14%		
Total Operational Expenditure	576 325 026	676 426 101	674 234 840	645 617 395	12%		
Net Operational Expenditure	-147 665 772	-147 242 941	-154 538 282	-127 329 997	-14%		

# 5.2.3 Waste Management Services

Financial Performance 2019/20: Waste Management Services								
Details	2018/19		2019/	20				
	Actual	Original	Adjustment	Actual	Variance to			
		Budget	Budget		Budget			
Total Operational Revenue	120 175 678	127 514 630	130 514 630	134 238 752	12%			
	Ex	oenditure:						
Employees	37 283 723	32 808 583	33 633 583	32 012 000	-14%			
Contracted Services	21 087 254	32 024 200	26 357 130	25 489 532	21%			
Other	60 709 944	27 071 500	32 469 565	31 359 880	-48%			
Total Operational Expenditure	119 080 921	91 904 283	92 460 278	88 861 412	-25%			
Net Operational Expenditure	-1 094 757	-35 610 347	-38 054 352	-45 377 340	4045%			

# 5.2.4 Housing

Financial Performance 20119/20: Housing									
Details	2018/19		2019/2	.0					
	Actual	Original	Adjustment	Actual	Variance to				
		Budget	Budget		Budget				
Total Operational Revenue	71 150 096	160 338 177	233 053 786	24 971 890	-65%				
	E	xpenditure:							
Employees	15 555 553	17 632 838	17 864 838	17 333 557	11%				
Contracted Services	75 183 261	163 412 407	237 644 856	27 510 335	-63%				
Other	6 557 583	8 585 359	10 149 576	9 275 486	41%				
Total Operational Expenditure	97 296 397	189 630 604	265 659 270	54 119 379	-44%				
Net Operational Expenditure	26 146 301	29 292 427	32 605 484	29 147 489	11%				

# 5.2.5 Wastewater Management Services

Financial Performance 2019/20: Waste Water Management Services									
Details	2018/19		2019/2	20					
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget				
Total Operational Revenue	173 728 297	169 323 788	174 543 980	169 715 751	-2%				
	I	Expenditure:							
Employees	36 295 519	39 814 532	39 435 532	38 554 603	6%				
Contracted Services	20 875 079	23 307 970	19 037 622	16 468 370	-21%				
Other	69 082 510	65 158 390	73 835 606	80 358 538	16%				
Total Operational Expenditure	126 253 108	128 280 892	132 308 760	135 381 511	7%				
Net Operational Expenditure	-47 475 189	-41 042 896	-42 235 220	-34 334 240	-28%				

# 5.2.6 Roads Transport

Financial Performance 2019/20: Roads Transport										
Details	2018/19		2019/20							
	Actual	Original	Adjustment	Actual	Variance					
		Budget	Budget		to					
					Budget					
Total Operational Revenue	334 795 970	400 062 421	474 031 112	462 148 360	38%					
		Expenditure:								
Employees	29 993 407	38 819 419	36 283 487	30 041 655	0%					
Contracted Services	200 352 735	285 290 438	262 636 255	244 009 110	22%					
Other	157 710 741	174 371 954	261 762 372	272 742 050	73%					
Total Operational Expenditure	388 056 883	498 481 811	560 682 114	546 792 815	41%					
Net Operational Expenditure	53 260 913	98 419 390	86 651 002	84 644 455	59%					

# 5.2.7 Planning

Financial Performance 2019/20: Planning									
Details	2018/19		2019	9/20					
	Actual	Original	Adjustment	Actual	Variance to				
		Budget	Budget		Budget				
Total Operational Revenue	10 702 870	11 680 840	11 795 930	7 807 255	-27%				
		Expenditure:							
Employees	16 412 446	20 123 179	20 084 504	17 277 928	5%				
Contracted Services	1 491 607	1 272 870	736 470	374 722	-75%				
Other	7 174 785	4 633 249	4 457 161	4 792 996	-33%				
Total Operational Expenditure	25 078 838	26 029 298	25 278 135	22 445 645	-10%				
Net Operational Expenditure	14 375 968	14 348 458	13 482 205	14 638 390	2%				

# 5.2.8 Health

Financial Performance 2019/20: Health									
Details	2018/19		2019/20						
	Actual	Original Adjustment Actual Variance Budget Budget Budge							
Total Operational Revenue	1023	1600	1600	1 741	70%				
		Expenditure:							
Employees	1 334 321	1 788 714	1 527 714	891 695	-33%				
Contracted Services	73 065	249 370	227 760	98 009	34%				
Other	290 913	363 020	324 818	426 657	47%				
Total Operational Expenditure	1 698 298	2 401 104	2 080 292	1 416 361	-17%				
Net Operational Expenditure	1 697 276	2 399 504	2 078 692	1 414 620	-17%				

# 5.2.9 Community Development

Financial Performance 2019/20: Community Development									
Details	2018/19		2019	9/20					
	Actual	Original	Adjustment	Actual	Variance to				
		Budget	Budget		Budget				
Total Operational Revenue	13 802 826	20 007 957	17 899 818	17 727 197	28%				
		Expenditure:							
Employees	26 764 450	37 848 908	38 181 118	33 854 182	26%				
Contracted Services	12 981 703	15 623 630	17 504 500	15 036 495	16%				
Other	16 745 440	16 693 340	17 553 734	19 904 897	19%				
Total Operational Expenditure	56 491 593	70 165 878	73 239 352	68 795 574	22%				
Net Operational Expenditure	42 688 767	50 157 921	55 339 534	51 068 377	20%				

# 5.2.10 Public Safety

Financial Performance 2019/20: Public Safety									
Details	2018/19		201	9/20					
	Actual	Original Adjustment Actual Variance to Budget Budget Budget							
Total Operational Revenue	108 742 248	86 406 786	86 406 786	25 525 712	-77%				
	Ex	penditure:							
Employees	66 613 872	75 <sup>8</sup> 95 979	80 639 192	79 339 691	19%				
Contracted Services	8 387 788	12 170 430	12 455 800	10 533 402	26%				
Other	108 774 418	70 279 077	71 886 145	34 230 798	-69%				
Total Operational Expenditure	183 776 077	158 345 486	164 981 137	124 103 890	-32%				
Net Operational Expenditure	75 033 830	71 938 700	78 574 351	98 578 179	31%				

# 5.2.11 Public Finance and Administration

Financial Performance 2019/20: Finance and Administration									
Details	2018/19	2019/20							
	Actual	Original	Adjustment	Actual	Variance to				
		Budget	Budget		Budget				
Total Operational Revenue	347 096 713	356 710 896	371 092 686	383 695 421	11%				
	E	Expenditure:							
Employees	52 561 549	61 018 270	61 793 270	55 944 258	6%				
Contracted Services	17 088 203	21 406 161	20 351 921	16 677 857	-2%				
Other	40 709 090	47 259 727	46 671 494	57 820 656	42%				
Total Operational Expenditure	110 358 842	8 842 129 684 158 128 816 685 130 442 771 189							
Net Operational Expenditure	-236 737 872	-227 026 738	-242 276 001	-253 252 650	7%				

## 5.2.12 Executive and Council

Financial Performance 2019/20: Executive and Council									
Details	2018/19	2019/20							
	Actual Original Adjustment Actual Var Budget Budget B								
Total Operational Revenue	39 374 430	42 722 990	41 733 820	58 076 915	47%				
	E	xpenditure:							
Employees	60 476 373	78 883 793	78 781 190	45 075 587	-25%				
Contracted Services	4 184 249	9 354 460	11 553 812	46%					
Other	65 841 373	81 812 040	812 040 82 466 640 81 823 081						
Total Operational Expenditure	130 501 995	170 050 293 172 801 642 133 008 176							
Net Operational Expenditure	91 127 565	127 327 303	131 067 822	74 931 262	-18%				

## 5.2.13 Other

Financial Performance 2019/20: Other									
Details	2018/19		2019/20						
	Actual	Original Adjustment Actual Variance Budget Budget Budget							
Total Operational Revenue	84 247 882	77 722 343	77 963 648	77 843 137	-8%				
	Ex	penditure:							
Employees	67 419 406	73 399 301	73 478 149	74 156 033	10%				
Contracted Services	21 128 917	24 981 910	23 941 085	20 709 731	-2%				
Other	66 463 233	34 376 673	36 799 177	40 678 412	-39%				
Total Operational Expenditure	155 011 555	132 757 884 134 218 411 135 544 175 -13%							
Net Operational Expenditure	70 763 673	55 035 541	56 254 763	57 701 038	-18%				

# 5.3 GRANTS

#### 5.3.1 Grant Performance

The Municipality had a total amount of R790 582 019 for operational and R117 466 667 capital expenditure available that was received in the form of grants from National and Provincial Governments during the 2019/20 financial year. The performance in the spending of these grants is summarised as follows:

	2018/19	Bu	dget Year 2019/:	Budget Year 2019/20			
Description	Audited Outcome	Original Budget	Adjusted Budget	Year TD actual	Original Budget variance	Adjusted Budget variance	
Operating Transfers and Grants Receipts	<u>i</u>						
National Government:	265 264 021	328 280 483	363 188 056	355 537 123	8%	-2%	
Local Government Equitable Share	137 401 000	149 978 000	149 978 000	149 978 000	0%	0%	
Finance Management	1 550 000	1 550 000	1 550 000	786 460	-49%	-49%	

	2018/19	Bu	dget Year 2019/	20	2019/20	Variance
Description	Audited Outcome	Original Budget	Adjusted Budget	Year TD actual	Original Budget variance	Adjusted Budget variance
EPWP Incentive	5 466 000	5 111 000	5 111 000	4 298 963	-16%	-16%
Energy Efficiency and Demand Management	378 238	0	0	0	0%	0%
Infrastructure Skills Development Grant	5 897 210	7 040 000	6 718 000	6 059 382	-14%	-10%
Municipal Infrastructure Grant - PMU	1 531 873	1 604 160	1 604 160	1 604 160	0%	0%
Public Transport Network Operating Grant	113 039 700	162 997 323	197 720 896	192 304 158	15%	-3%
Municipal Disaster Relief Grant			506 000	506 000	100%	0%
Provincial Government:	119 625 980	275 019 277	412 947 277	191 814 260	-30%	-54%
Housing Proclaimed Boards	2 878 354	156 872 277	216 614 277	1 137 228	-99%	-99%
Proclaimed Roads  Local Government Master Planning Grant	5 168 098	422 000	10 542 000	10 086 965	2290%	-4%
Local Government Internship Grant	6 506 56 695	600 000	600 000 80 000	78 013	0%	-100% -2%
Library Grant	9 239 000	9 543 000	9 743 000	9 797 790	3%	1%
Community Development Workers	9 239 000	9 343 000		9/9//90		
Operating Grant	15 214	0	186 000	22 937	0%	-88%
Integrated Pubic Transport Grant	101 237 380	106 747 000	172 747 000	168 901 989	58%	-2%
Financial Management Capacity Building Grant	0	380 000	380 000	0	-100%	-100%
Financial Management Support Grant	755 000	255 000	755 000	589 338	131%	-22%
Thusong Services Centres Grant	200 000	200 000	200 000	200 000	0%	0%
Financial Management Support Grant (Government Support)	0	0	0	0	0%	0%
Municipal Infrastructure Support Grant: Electrical Master Plans	o	О	0	o	0%	0%
Development of Sport and Recreation facilities	0	0	0	0	0%	0%
Municipal Service Delivery and Capacity Building Grant	0	0	0	0	0%	0%
Provide resources for the cycle infrastructure project	0	0	100 000	0	0%	-100%
Local Government Support Grant	0	0	1 000 000	1 000 000	0%	0%
Fire Service Capacity Building Grant	69 733	0	0	0	0%	0%
Other grant providers:	1 045 420	650 000	650 000	1 038 658	60%	60%
LG SETA	1 045 420	650 000	650 000	1 038 658	0%	0%
Total Operating Transfers and Grants	385 935 421	603 949 760	776 785 333	548 390 042	-9%	-29%
Capital Transfers and Grants						
National Government:	115 522 434	62 863 517	110 588 944	59 675 853	-5%	-46%
Municipal Infrastructure Grant (MIG)	35 595 160	38 499 840	38 499 840	6 976 908	-82%	-82%
Regional Bulk Infrastructure	3 089 776	6 358 000	6 358 000	6 717 840	0%	0%
Integrated National Electrification	16 475 935	10 044 000	10 044 000	9 249 665	-8%	-8%
Programme Energy Efficiency and Demand	., 5 555			3 .5 5		
Management	7 602 420	7 000 000	7 000 000	4 341 903	-38%	-38%
Infrastructure Skills Development	102 790	460 000	782 000	619 516	35%	-21%
Public Transport Infrastructure Grant	52 656 353	501 677	47 905 104	31 770 021	6233%	-34%
Provincial Government:	6 067 178	6 877 723	6 877 723	3 496 058	-49%	-49%
Housing Library Crook	5 959 804	6 627 723	6 627 723	3 300 848	-50%	-50%
Library Grant	_	250 000	250 000	195 210	-22%	-22%
George Integrated Public Transport Network	0	0	0	0	-	-
Fire Service Capacity Building Grant	107 374	0	0	0	-	-
Other grant providers:	92 998	0	0	0		

	2018/19	Bu	2019/20 Variance			
Description	Audited Outcome	Original Budget	Adjusted Budget	Year TD actual	Original Budget variance	Adjusted Budget variance
Sport fields YDVS: Thembalethu &						
Pacaltsdorp	92 998	О	0	0	0%	
Total Capital Transfers and Grants	121 682 610	69 741 240	117 466 667	63 171 911	-9%	-46%
TOTAL RECEIPTS OF TRANSFERS &						
GRANTS	507 618 031	673 691 000	894 252 000	611 561 953	-9%	-32%

No grants have been held back over the financial year. All unspent grant after roll-over approval will be included in programmes for 2019/20 financial year.

#### 5.3.2 Level of Reliance on Grants

Financial Year	Basis of Calculation	2017/18	2018/19	2019/20
Level of Reliance on Grants	Total Grants and subsidies Received/ Total Operating Revenue	30.85%	28.26%	28.22%

For the 2018/19 financial year 28.26 % of the municipalities operational budget was grant funded. In 2019/20, 28.22% of the operational budget is grant funded which could mean the municipality is becoming more reliant on grants.

#### **Grant Dependency**

Description	Basis of Calculation	2017/18	2018/19	2019/20
Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	Own funded Capital Expenditure (Internally generated funds + Borrowings) / Total Capital Expenditure x 100	27.07%	53.20%	61.14%

Dependence on own funding (Internally generated funds and Borrowings) to fund capital projects for 201920 increased from 53.20% to 61.14%

#### 5.4 ASSET MANAGEMENT

#### 5.4.1 Introduction to Asset Management

George Municipality has an Asset Unit in place which handles all matters with regard to the financial classification and accounting of/for assets, as required by Section 63 of the MFMA. The Asset Unit falls under the Finance Directorate and it is their duty to ensure all municipal assets are accounted for in accordance with relevant legislation.

All Departments remain the custodians of the assets under their control and should take the required steps to safeguard as well as effectively manage and maintain their assets.

George Municipality has an Asset Management and Accounting Policy (reviewed annually) which outlines amongst other things the following:

- Roles and responsibilities of various role-players i.e. Directors, CFO, Municipal Manager, Budget Office, Asset Unit, etc.
- Acquisitions & disposal of assets
- Verification process relating to assets
- Financial classification of assets
- The fixed asset register required fields, information and layout
- The useful lives allocated per asset type
- All operating procedures relating to Asset Unit functions

The Asset Unit currently consists of four people:

Snr Accountant, Senior Controllers (x2) and a Snr Clerk.

Keeping abreast of all required information to ensure the Fixed Asset Register remains updated is a challenge due to the lack of capacity within the Asset Unit as well as not having specified asset managers within the various Departments assisting with the management of assets.

## 5.4.2 Repairs and Maintenance Expenditure: 2019/2020

Description	201819	201920	
	Actual (Audited Outcome)	Actual	% Increase
Repairs and Maintenance Expenditure	127 124 733.00	101 276 719.00	-20%

#### 5.5 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

#### 5.5.1 Liquidity Ratio

This ratio indicates the Municipality's ability to pay its debts due, with a year, out of the current assets. The ratio of 1.5–2 is considered to be acceptable.

Description	Basis of Calculation	Norm	2017/18	2018/19	2019/20
Current Ratio	Current Assets/ Current Liabilities	1.5-2: 1	2.07	1.74	2.47
Current Ratio Adjusted for aged debtors	Current Assets less debtors > 90 days/ Current Liabilities		_		
			1.76	1.50	2.09
Liquidity Ratio	Monetary Assets/ Current				
	Liabilities		1.41	1.00	1.78

This ratio indicates the municipality's ability to pay its debts due within a year out of the current assets. The ratio of 1.5 - 2 is considered to be acceptable.

# 5.5.2 IDP Regulation Financial Viability Indicators

Description	Basis of Calculation	Norm	2017/18	2018/19	2019/20
Cost Coverage	(Available cash + Investment -				
	Unspent Grants)/monthly fixed operational expenditure	1-3 months	4.30 months	3.83 months	4.87 months
The norm is 1-3 months	s. This ratio gives an indication on the	municipality's a	bility to meet at	least its monthly	fixed operating
commitments from cas	sh and short-term investment without	collecting any a	additional reven	ue during that mo	onth. It will take
4.81 months for George	e Municipality to cover expenditure ou	t of available ca	sh and liquid ass	ets.	
Total Outstanding	(Total outstanding service				
Service Debtors to	debtors/annual revenue received		9.56%	10.93%	10.55%
Revenue	for services				
Measures how much m	oney is still owed by the community for	or water, electric	city, waste remo	val and sanitation	compared to
how much money has I	peen paid for these services.				
Debt Coverage	(Overdraft +Finance Lease				
	Obligation + Borrowings) / (Total		000/		
	Operating Revenue - Conditional		24.88%	20.14%	20.74%
Grants) x 100					
The number of times	debt payments can be accommodate	ted within Oper	rating revenue (	excluding grants	). This in turn
represents the ease wit	:h which debt payments can be accom	modated by the	municipality	3 3	

# 5.5.3 Borrowing Management

Description	Basis of Calculation	Norm	2017/18	2018/19	2019/20		
Capital Charges to	Interest and Principal Debt Paid/						
Operating	Operating Expenditure	6% - 8%	5.07%	4.75%	4.87%		
Expenditure							
Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the							
total operating expen-	diture.						

## 5.5.4 Employee Costs

Description	Basis of Calculation	Norm	2017/18	2018/19	2019/20	
Employee Costs	Employee Costs/ (Total Revenue - Capital Revenue)		34.51%	38.48%	25.34%	
Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and grant revenue.						

# COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

## 5.6 SOURCES OF FINANCE

## 5.6.1 Capital Expenditure: Funding Sources 2018/19 to 2019/20

The table below indicates the Capital Expenditure by funding source for the 2019/20 financial year:

Description	2018/19			2019/20		
	Actual	Original	Final	Actual	Adjustment	Actual
	(Audited	Budget	Adjusted	Outcome	to Original	to
R thousand	Outcome)		budget		Budget	Adjusted
					Variance	Budget
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	Variance
	<u>Capital</u>	expenditure & fu				
		Source of Fina Sources of capital				
Transfers recognised - capital	113 832 965	61 220 697	109 314 305	56 450 194	79%	-48%
Public contributions & donations	0	0	0	4 123 645	0%	0%
Borrowing	18 776 017	144 695 032	22 815 475	4 548 507	-84%	-80%
Internally generated funds	110 626 967	138 856 552	159 920 785	90 896 122	15%	-43%
Total sources of capital funds	243 235 949	344 772 281	292 050 565	156 018 467	-15%	-47%
		Percentage of Fir	nance			
Transfers recognised - capital	47%	18%	37%	36%		
Public contributions & donations	0%	0%	0%	3%		
Borrowing	8%	42%	8%	3%		
Internally generated funds	45%	40%	55%	58%		
Total sources of capital funds	1	1	1	1		
		Capital expendi	ture			
Water	18 067 322	77 893 943	46 370 405	23 786 216	-40%	-49%
Sanitation	48 725 754	84 552 812	55 963 545	17 686 688	-34%	-68%
Electricity	46 329 659	71 837 582	45 191 493	28 464 512	-37%	-37%
Road Transport	89 198 627	58 229 086	89 610 286	57 897 458	54%	-35%
Other	40 914 586	52 258 858	54 914 836	28 183 593	5%	-49%
Total sources of capital funds	243 235 949	344 772 281	292 050 565	156 018 467	-18%	-47%
	1	Percentage of Fir		1		
Water	7%	23%	16%	15%		
Sanitation	20%	25%	19%	11%		
Electricity	19%	21%	15%	18%		
Road Transport	37%	17%	31%	37%		
Other	17%	15%	19%	18%		
Total sources of capital funds	1	1	1	1		

#### 5.7 BASIC SERVICES AND INFRASTRUCTURE BACKLOGS: OVERVIEW

#### 5.7.1 Introduction to Basic Services and Infrastructure Backlogs

The municipality is currently experiencing a rise in people living together as one family unit, due to the unavailability of affordable housing for many families. There has been a drastic increase in backyard dwellers, mainly due to the influx of people from other provinces creating a social and economic problem. Children live in the backyard of their parents placing additional pressure on available resources.

Infrastructure is over utilized and cannot carry the higher demand with the increasing numbers. Pipes and other infrastructure tend to break more easily. The need for suitable housing and the eradication of backlogsin proper housing facilities is of great importance. Our Municipality is in the process of facilitating various housing projects to supply proper housing facilities. The Indigent Policy was reviewed and adjusted enabling backyard dwellers to apply for the subsidy, in order to receive the 70K whele ctricity units and 6kl of water free of charge. This will aid the poor communities making housing and basics ervices more affordable.

George Municipality has been able to successfully provide electricity to all formal houses. The backlog of informal houses would have been eradicated in the short term (2019/2020), however a large influx of informal structures has been experienced over the last 12 months. The Electrotechnical Department will not be able to electrify all of the new informal structures in the short term. Great focus will be placed on electrify the new housing projects in Thembalethu and Pacaltsdorp in order to provide formal housing opportunities for those living in informal houses. Funding for electrification however remain a challenge.

## 5.7.2 Expenditure on Municipal Infrastructure Grant (MIG)

Details	Original Budget	Adjustment Budget	Actual	% Spent				
Infrastructure Stormwater								
Streets and Stormwater	0	15 164 839	2 844 403	19%				
	Infrastr	ucture Water						
Water Purification	18 653 962	5 701 036	2 008 862	35%				
Infrastructure Sanitation								
Sewerage Networks	0	1 002 899	0	ο%				
Sewerage Purification	14 052 744	15 148 970	2 012 761	13%				
Other Specify: Recreational facilities								
Outdoor Sport Facilities	5 793 <del>1</del> 34	2 484 995	110 882	4%				
Project Management Unit								
Project Management Unit	1 604 160	1 604 160	1 604 160	100%				
Total	40 104 000	25 942 060	5 736 665	22%				

# COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

## 5.8 CASH FLOW

#### 5.8.1 Cash Flow Outcomes

Description	2019/20						
R thousand	Original Budget	Final Budget	Actual Outcome	Variance			
CASH	FLOW FROM OPER	ATING ACTIVITI	ES				
Receipts							
Sale of goods and services	1 004 850 291	1 004 850 291	1 015 450 334	10 600 043			
Other revenue	455 213 994	455 213 994	342 987 720	-112 226 274			
Grants	665 781 000	665 781 000	675 702 960	9 921 960			
Interest	49 031 697	49 031 697	45 170 443	-3 861 254			
Payments							
Suppliers and employees	-1 912 296 192	-1 912 296 192	-1 677 155 401	235 140 791			
Finance charges	-36 143 780	-36 143 780	-43 515 758	-7 371 978			
Transfers and Grants	-69 450 380	-69 450 380	0	69 450 380			
NET CASH FROM/(USED) OPERATING	156 986 629	156 986 629	358 640 298	201 653 669			
ACTIVITIES							
CASH	<b>FLOWS FROM INVE</b>	STING ACTIVITI	ES				
Receipts							
Proceeds on disposal of PPE	1 000 000	1 000 000	1 240 221	240 221			
Decrease (Increase) in non-current debtors	25 160	25 160		0			
Decrease (increase) other non-current	0	0	282 891	282 891			
receivables							
Decrease (increase) in non-current	0	0	0	0			
investments							
Payments							
Capital assets	-344 307 260	-344 307 260	-151 607 933	192 699 327			
Intangible assets			-286 890				
NET CASH FROM/(USED) INVESTING	-343 282 100	-343 282 100	-150 371 711	192 910 389			
ACTIVITIES							
CASH	FLOWS FROM FINA	NCING ACTIVITI	ES				
Receipts							
Short term loans	0	0		0			
Borrowing long term/refinancing	144 695 032	144 695 032	69 865 389	-74 829 643			
Increase (decrease) in consumer deposits	-2 062 115	-2 062 115	0	2 062 115			
Payments							
Repayment of borrowing	-41 979 085	-41 979 085	-41 232 072	747 013			
NET CASH FROM/(USED) FINANCING ACTIVITIES	100 653 832	100 653 832	28 633 317	-72 020 515			
NET INCREASE/ (DECREASE) IN CASH	-85 641 639	-85 641 639	236 901 904				
HELD							
HELD  Cash/cash equivalents at the year begin:	562 603 736	562 603 736	562 603 736				

Cashflow Outcomes: 2019/20

# 5.9 GROSS OUTSTANDING DEBTORS PER SERVICE

Financial year	Rates	Trading services (Electricity and Water)	Economic services (Sanitation and Refuse)	Housing rentals	Other	Total
	R					
2018/19	37 313 793.00	173 311 004.00	53 182 706.00	710 931.00	11 487 950.00	276 006 384.00
2019/20	51 153 519.00	198 666 432.00	65 526 336.00	781 907.00	13 063 117.00	329 191 311.00
Difference	13 839 726.00	25 355 428.00	12 343 630.00	70 976.00	1 575 167.00	53 184 927.00
% growth						
year on	37.09%	14.63%	23.21%	9.98%	13.71%	19.27%
year						

# 5.10 TOTAL DEBTORS AGE ANALYSIS

Financial Year	0-30	31-60	61-90	91-120	121-365	Total
201819	103 530 492.67	7 798 301.18	3 005 749.98	1 614 732.58	6 694 573.91	122 643 850.32
201920	98 047 008.44	15 335 399.10	7 660 468.01	4 172 258.55	8 144 624.78	133 359 758.88
Difference	-5 483 484.23	7 537 097.92	4 654 718.03	2 557 525.97	1 450 050.87	10 715 908.56

## 5.11 BORROWING

Instrument	2018/19	2019/20	
Long-Term Loans (annuity/reducing balance)	290 220 942	321 522 829	
Financial Leases	3 438 013	1 025 266	
Total	293 658 955	322 548 094	

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

# COMPONENT A: AUDITOR-GENERAL REPORT YEAR 2018/19

The Constitution S188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA section 45 states that the results of performance measurement must be audited annually by the Auditor-General.

## 6.1 AUDITOR-GENERAL REPORTS YEAR 2018/19 (PREVIOUS YEAR)

Report of the Auditor-General to the Western Cape Provincial Parliament and the Council on the George Municipality

Report on the audit of the financial statements of George Municipality

#### Opinion

- 1. I have audited the financial statements of George Municipality set out on pages 6 to 113, which comprise, the statement of financial position as at 30 June 2019, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget with actual information for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
- 2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the George Municipality as at 30 June 2019, and its financial performance and cash flows for the year then ended in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2017 (Act No. 3 of 2018) (Dora).

#### **Basis for opinion**

- 3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
- 4. I am independent of George Municipality in accordance with sections 290 and 291 of the International Ethics Standards Board for Accountants' Code of ethics for professional accountants and, parts 1 and 3 of the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence
  - Standards) (IESBA codes), as well as the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA codes.
- I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### **Emphasis of matters**

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

#### Restatement of corresponding figures

7. As disclosed in note 46 to the financial statements, the corresponding figures for 30 June 2018 were restated as a result of reclassification and an error in the financial statements of the municipality at, and for the year ended, 30 June 2018.

#### Irregular expenditure

8. As disclosed in note 49 to the financial statements, the municipality incurred irregular expenditure of R632,61 million (2017-18: R11,85 million) mainly as a result of councillors involved in tender processes.

#### **Material** impairments

- 9. As disclosed in note 32 to the financial statements, the municipality provided for impairment of trade and other receivables from exchange transactions to the amount of R17,68 million (201718: R39,39 million).
- 10. As disclosed in note 32 to the financial statements, the municipality provided for the impairment of trade and other receivables from non-exchange transactions amounting to R79,65 million (2017-18: R72,59 million).

#### Underspending of capital budget

11. As disclosed in the Statement of Comparison of Budget and Actual Amounts, the municipality has materially underspent the budget on capital expenditure to the amount of R90,7 million (27%) (2017-18: R81,5 million (23%)). The underspending is mainly due to savings identified on projects, delays in appointment of service providers, service delivery protests and time constraints as explained in note 56 to the financial statements.

#### Other matters

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

#### Unaudited disclosure notes

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

#### **Unaudited supplementary schedules**

14. The supplementary information set out on pages 114 to 117 does not form part of the financial statements and is presented as additional information. I have not audited this appropriation statement and, accordingly, I do not express an opinion on it.

#### Responsibilities of the accounting officer for the financial statements

- 15. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA standards of GRAP and the requirements of the MFMA and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
- 16. In preparing the financial statements, the accounting officer is responsible for assessing George Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

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

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

#### Report on the audit of the annual performance report

#### Introduction and scope

- 19. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for selected objectives presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
- 20. My procedures address the reported performance information, which must be based on the approved performance planning documents of municipality. I have not evaluated the completeness and appropriateness of the performance indicators/measures included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
- 21. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected objectives presented in the annual performance report of the municipality for the year ended 30 June 2019:

Objectives	Pages in the annual performance report
Strategic Objective 3: affordable quality services	10-17

- 22. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
- 23. I did not raise any material findings on the usefulness and reliability of the reported performance information for this objective:
  - Strategic objective 3: affordable quality services

#### Other matter

24. I draw attention to the matter below.

#### Achievement of planned targets

25. Refer to the annual performance report on pages 10 to 25 for information on the achievement of planned targets for the year.

#### Report on the audit of compliance with legislation

#### Introduction and scope

- 26. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
- 27. The material findings on compliance with specific matters in key legislations are as follows:

#### Procurement and contract management

- 28. The performance of some of the contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA.
- 29. Bid specifications for a tender was drafted in a biased manner and did not allow all potential suppliers to offer their goods or services, in contravention of the Municipal Supply Chain Management Regulations (SCM), 2005 regulation 27(2)(a).

#### Consequence management

- 30. Irregular expenditure incurred by the municipality were not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the Municipal Finance Management Act.
  - 31. Fruitless and wasteful expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the Municipal Finance Management Act.

#### Other information

- 32. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected objectives presented in the annual performance report that have been specifically reported in this auditor's report.
- 33. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
- 34. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected objectives presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
- 35. The other information I obtained prior to the date of this auditor's report is the draft annual report, and the annual report is expected to be made available to us after 30 November 2019.
- 36. If, based on the work I have performed on the other information (annual report) that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.
- 37. When I do receive and read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

#### Internal control deficiencies

- 38. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
- 39. Inadequate oversight responsibility was implemented to ensure that irregular and fruitless and wasteful expenditure was investigated to ensure if any relevant parties were liable for the recoveries.
- 40. Management did not consistently apply the requirements of the supply chain management prescripts and the MFMA, which resulted in processes not being implemented for contracts to be monitored on a monthly basis and bid specifications drafted in biased manner.

#### Other reports

- 41. I draw attention to the following engagements conducted by various parties that had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
- 42. The public protector investigated allegations of improper conduct and maladministration by the municipality relating to the appointment of the manager: sewer network. The report was finalised in October 2019 and the municipality concluded that disciplinary action needs to be taken against officials involved in the appointment process. The remedial action is currently being followed up by the municipality.
- 43. The municipality investigated the allegations of electricity meter tampering by a councillor during the previous financial period. Currently, the outstanding debt relating to the tampering has been outstanding for longer than 90 days. The investigation report was tabled at a special council meeting in October 2019. The council has appointed a special committee to further investigate the allegations.

Auditor-General

Cape Town

29 November 2019



Auditing to build public confidence

#### Annexure - Auditor-general's responsibility for the audit

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

#### **Financial statements**

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

#### Communication with those charged with governance

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

# COMPONENT B: AUDITOR-GENERAL OPINION YEAR 2019/20

#### 6.2 AUDITOR-GENERAL REPORTS YEAR 2019/20(YEAR UNDER REVIEW)

Report of The Auditor-General to the Western Cape Provincial Parliament and council on the George Municipality

Report on the audit of the financial statements

#### Opinion

- 1. I have audited the financial statements of the George Municipality set out on pages 7 to 135, which comprise the statement of financial position as at 30 June 2020, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.
- In my opinion, the financial statements present fairly, in all material respects, the financial position of the George Municipality as at 30 June 2020, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 16 of 2019 (Dora).

#### Basis for opinion

the IESBA code.

- 3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.
- 4. I am independent of the municipality in accordance with the International Ethics Standards

  Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and
- 5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### **Emphasis of matters**

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

#### Restatement of corresponding figures

7. As disclosed in note 48 to the financial statements, the corresponding figures for 30 June 2019 were restated as a result errors in the financial statements of the municipality at, and for the year ended, 30 June 2020.

#### **Material impairments**

- 8. As disclosed in note 36 to the financial statements, the municipality provided for impairment of receivables from exchange transactions of R43,91 million (2018-19: R17,68 million).
- 9. As disclosed in note 36 to the financial statements, the municipality provided for impairment of receivables from non-exchange transactions of R81,35 million (2018-19: R79,02 million).

#### Underspend of capital expenditure

10. As disclosed in the statement of comparison of budget and actual amounts, the municipality has materially underspent the budget on capital expenditure by R136,03 million (47%) [2018 19: R90,7 million (27%)]. The underspending is mainly because of projects that could not be completed due to the covid-19 national lockdown, as explained in note 64 to the financial statements.

#### Other matters

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

#### **Unaudited disclosure notes**

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

#### **Unaudited supplementary schedules**

13. The supplementary information set out on pages 136 to 139 did not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

#### Responsibilities of the accounting officer for the financial statements

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

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

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

#### Report on the audit of the annual performance report

#### Introduction and scope

- 18. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected objectives presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
- 19. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators/measures included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures also do not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

20. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected objective presented in the municipality's annual performance report for the year ended 30 June 2020:

Objective	Pages in the annual performance report
Strategic objective 3 – affordable quality services	9 – 15

- 21. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
- 22. The material findings in respect of the usefulness and reliability of the selected objective are as follows:

#### Strategic objective 3 - affordable quality services

Various indicators

23. The achievements reported in the annual performance report materially differed from the supporting evidence provided for the indicators listed below:

Indicator description	Reported achievement
TL 36: provide free basic water to indigent households	15 142
TL 38: provide free basic sanitation to indigent households	14 720

#### Other matter

24. I draw attention to this matter.

#### **Achievement of planned targets**

25. Refer to the annual performance report on pages 9 to 15 for information on the achievement of planned targets for the year. This information should be considered in the context of the material findings on the reliability of the reported performance information in paragraph 23 of this report.

## Report on the audit of compliance with legislation

#### Introduction and scope

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

#### Other information

- 28. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and the selected objective presented in the annual performance report that has been specifically reported in this auditor's report.
- 29. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
- 30. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected objectives presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
- 31. The other information I obtained prior to the date of this auditor's report is the draft annual report, and the annual report is expected to be made available to me after 25 March 2021.

#### Internal control deficiencies

I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the George Municipality performance report included in this report.

- 33. The oversight responsibility implemented was inadequate to ensure that action plans were adequately implemented. A lack of appropriate monitoring and implementation could also be attributed to instability at leadership levels.
- 34. Management did not have proper records management to ensure that indigent subsidies were provided to valid indigent applicants.

#### Other reports

- 35. I draw attention to the following engagement conducted by the public protector which had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. This report did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
- 36. The public protector investigated allegations of improper conduct and maladministration by the municipality relating to the appointment of the manager: sewer network. The report was finalised in October 2019 and the municipality concluded in January 2021 that the appointment of the manager: sewerage network be taken on judicial review as recommended by the by the public protector.

Cape Town

25 March 2021



Auditor-General

Auditing to build public confidence

#### Annexure - Auditor-general's responsibility for the audit

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

#### Financial statements

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

#### Communication with those charged with governance

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

# GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.			
Accountability	Documents used by executive authorities to give "full and regular" reports on the			
documents	matters under their control to Parliament and provincial legislatures as prescribed			
	by the Constitution. This includes plans, budgets, in-year and Annual Reports.			
Activities	The processes or actions that use a range of inputs to produce the desired outputs			
	and ultimately outcomes. In essence, activities describe "what we do".			
Adequacy indicators	The quantity of input or output relative to the need or demand.			
Annual Report	A report to be prepared and submitted annually based on the regulations set out			
	in Section 121 of the Municipal Finance Management Act. Such a report must			
	include annual financial statements as submitted to and approved by the Auditor-			
	General.			
Approved Budget	The annual financial statements of a municipality as audited by the Auditor			
- "	General and approved by council or a provincial or national executive.			
Baseline	Current level of performance that a municipality aims to improve when setting			
	performance targets. The baseline relates to the level of performance recorded in			
Do sie my misimal se maior	a year prior to the planning period.			
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger			
	the public health and safety or the environment.			
Budget year	The financial year for which an annual budget is to be approved – means a year			
Bouget year	ending on 30 June.			
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.			
Distribution indicators	The distribution of capacity to deliver services.			
Distribution indicators	The distribution of capacity to deliver services.			
Financial Statements	Includes at least a statement of financial position, statement of financial			
	performance, cash-flow statement, notes to these statements and any other			
	statements that may be prescribed.			
General Key	After consultation with MECs for local government, the Minister may prescribe			
performance	general key performance indicators that are appropriate and applicable to local			
indicators	government generally.			
Impact	The results of achieving specific outcomes, such as reducing poverty and creating			
	jobs.			
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs			
	are "what we use to do the work". They include finances, personnel, equipment			
	and buildings.			
Integrated	Set out municipal goals and development plans.			
Development Plan				
(IDP)	Cantico delition ( ) infractructura			
National Key	Service delivery & infrastructure     Fconomic development			
performance areas	<ul> <li>Economic development</li> <li>Municipal transformation and institutional development</li> </ul>			
	Financial viability and management			
	Good governance and community participation			
Outcomes	The medium-term results for specific beneficiaries that are the consequence of			
	achieving specific outputs. Outcomes should relate clearly to an institution's			
	active in institutions			

	strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be
·	defined as "what we produce or deliver". An output is a concrete achievement (i.e.
	a product such as a passport, an action such as a presentation or immunization, or
	a service such as processing an application) that contributes to the achievement of
	a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input,
	activities, outputs, outcomes and impacts. An indicator is a type of information
	used to gauge the extent to
	which an output has been achieved (policy developed, presentation delivered,
	service rendered)
Performance	Generic term for non-financial information about municipal services and activities.
Information	Can also be used interchangeably with performance measure.
Performance	The minimum acceptable level of performance or the level of performance that is
Standards:	generally accepted. Standards are informed by legislative requirements and
	service-level agreements. Performance standards are mutually agreed criteria to
	describe how well work must be done in terms of quantity and/or quality and
	timeliness, to clarify the outputs and related activities of a job by describing what
	the required result should be. In this EPMDS performance standards are divided
	into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve.
	Performance Targets relate to current baselines and express a specific level of
	performance that a municipality aims to achieve within a given time period.
Service Delivery	Detailed plan approved by the mayor for implementing the municipality's delivery
Budget	of services; including projections of the revenue collected and operational and
Implementation Plan	capital expenditure by vote for each month. Service delivery targets and
	performance indicators must also be included.
Vote:	One of the main segments into which a budget of a municipality is divided for
	appropriation of money for the different departments or functional areas of the
	municipality. The Vote specifies the total amount that is appropriated for the
	purpose of a specific department or functional area.
	1 /:
	department or functional area concerned
	Section 1 of the MFMA defines a "vote" as: a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned

# **APPENDICES**

# APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time/ Part Time FT/PT	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance %	Percentage Apologies for non- attendance %
Aurice Letitie	ET.		DD FFF	<u> </u>	
Arries, Letitia	FT	3	PR: EFF	95%	5%
Bungane, Nosicelo	PT	7	PR: DA	98%	2%
Bussack, Edmund	FT	6	Ward 14: DA	99%	1%
Buys, John-Patrick	PT	2	PR: PBI	100%	
Clarke, Charlotte Mary-Ann	FT	7	PR: DA	100%	
Cornelius, Belrina Magdelena	PT	6	Ward 27: DA	100%	
Cronje, Daniel Lodevicus	FT	5	Ward 2: DA	100%	0,
Daniels, Micheal	PT	3	Ward 24: ANC	91%	9%
De Villiers, Erasmus Petrus	FT	5	Ward 3: DA	100%	
Dlikilili, Sivuyile	PT	1	Ward 9: ANC	99%	1%
Draghoender, Mercia	PT	11	Ward 20: DA	99%	1%
Du Toit, Johan	PT	4	PR: ACDP	98%	2%
Esau, Jacques Denvar	PT	3	Ward 25: ANC	91%	9%
Figland, Raybin-Gibb Sylvester	FT	11	PR: DA	99%	1%
Fry, Justin	PT	6	PR: DA	100%	
Gericke, Virgil	PT	1	PR: PBI	95%	5%
Harris, Wilbert Terence	PT	5	PR: ICOSA	94%	6%
Ingo, Hendrik Hermanus	PT	6	Ward 6: DA	100%	
James, Ntombi Rosy	PT	2	Ward 21: ANC	98%	2%
Kiwit, Abel	PT	5	PR: AIC	94%	6%
Kritzinger, Iona Christina	FT	6	PR: DA	98%	2%
Langa, Langa	PT	4	Ward 13: ANC	100%	
Lesele, Cokiswa Iris	PT	3	Ward 11: ANC	100%	
Loff, Helen	PT	4	PR: ANC	100%	
Louw, Peter	PT	7	Ward 5: DA	100%	
Mdaka, Nontembeko Faith	PT	3	Ward 15: ANC	97%	3%
Mooi, Buyiswa Henge	PT	1	Ward 10: ANC	100%	
Muller, Vicentius	PT	6	Ward 17: DA	98%	2%
Naik, Melvin George	FT	2	PR: DA	100%	
Ncamazana, Julia	PT	3	PR: ANC	96%	4%
Noble, Cecil Henry	FT	9	Ward 16: DA	99%	1%
Nosana, Phumela Pamela	PT	3	PR: ANC	98%	2%
Nyakathi, Mxolisi Micheal	FT	5	PR: DA	100%	
Petrus, Bazil	FT	3	PR: SAC	100%	
Plata, Bulelwa	PT	1	Ward 12: ANC	99%	1%
Pretorius, Gerrit	FT	1	Ward 22: DA	100%	
Rooiland, Shaheed	PT	2	Ward 7: ANC	99%	1%
Säfers, Jean	PT	6	Ward 1: DA	100%	
Jantjies, Nomawethu	PT	3	PR: ANC	98%	2%

Councillors, Committees Allocated and Council Attendance						
Council Members	Full Time/ Part Time FT/PT	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance %	Percentage Apologies for non- attendance %	
Snyman, Sean	FT	7	Ward 19: DA	99%	1%	
Stander, Gideon Johannes	PT	5	Ward 23: DA	100%		
Stemela, Isaya	PT	7	PR: DA	96%	4%	
Stroebel, Elizabeth	PT	7	PR: DA	100%		
Teyisi, Tobeka		2	PR: ANC	100%		
Van Der Hoven, Pieter Jacobus	PT	4	PR: ANC	97%	3%	
Van Der Westhuizen, Jannie	PT	2	Ward 18: DA	98%	2%	
Van Niekerk, Gert Johannes	PT	4	PR: FF PLUS	98%	2%	
Van Wyk, Leon David	PT	6	PR: DA	100%		
Viljoen, Marlene	FT	6	Ward 4: DA	99%	1%	
Von Brandis, Jacqulique	FT	8	Ward 26: DA	100%		
Wessels, Dirk Johannes	PT	5	PR: DA	100%		
Willemse, Anthony David	FT	6	Ward 8: DA	100		
Williams, Charlie Thamsaqa	PT	1	PR: ANC	99%	1%	

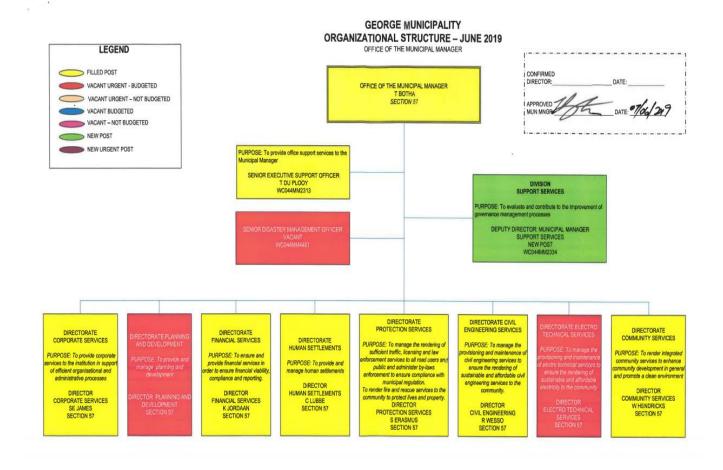
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# APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral/Executive Committee) and Purpose of Committees				
Municipal Committees	Purpose of Committee			
Community Services Committee				
Electrotechnical Services Committee				
Finance Committee				
Human Resource Committee	Section 80 Committee: Section 80 committees are			
Planning and Development Committee	permanent committees that specialises in a specific functional area of the municipality and may in some			
Strategic Services Committee	instances make decisions on specific functional issues.			
Civil Engineering Committee	They advise the executive committee on policy matters			
Protection Services Committee	and make recommendations to Council.			
Community and Social Development Services Committee				
Corporate Services Committee				
Human Settlements Committee				

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# APPENDIX C – THIRD TIER ADMINISTRATIVE STRUCTURE



# APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal Function	Municipal Function: Yes / No
Constitution Schedule 4, Part B functions:	<del></del>
Air pollution	Yes
Building regulations	Yes
Child care facilities	Yes
Electricity and gas reticulation	Only electricity
Firefighting services	Yes
Local tourism	Yes
Municipal airports	No
Municipal planning	Yes
Municipal health services	No
Municipal public transport	No
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No
Storm water management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic	No
waste-water and sewage disposal systems	
Constitution Schedule 5, Part B functions:	
Beaches and amusement facilities	Yes
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes from 2013
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes
Licensing of dogs	No
Licensing and control of undertakings that sell food to the public	Yes
Local amenities	Yes
Local sport facilities	Yes
Markets	No
Municipal abattoirs	No
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

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# APPENDIX E – WARD FUNCTIONALITY

Ward	Committee established Yes/No	Committee functioning effectively Yes/No
1	Yes	Yes
2	Yes	Yes
3	Yes	Yes
4	Yes	Yes
5	Insufficient members to constitute a quorum. Filling of vacancies was scheduled from 16 March 2020 to 21 April 2020 but was cancelled due to the National Lockdown and prohibition on public gatherings	No
6	Yes	Yes
7	Yes	Yes
8	Yes	Yes
9	Yes	Yes
10	Yes	Yes
11	Yes	Yes
12	Insufficient members to constitute a quorum. Filling of vacancies was scheduled from 16 March 2020 to 21 April 2020 but was cancelled due to the National Lockdown and prohibition on public gatherings. Meetings for August 2019 and October 2019 was postponed and could not be rescheduled due to the recess period.	No
13	Yes	Yes
14	Yes	Yes
15	Yes	Yes
16	Yes	Yes
17	Yes	Yes
18	Yes	Yes
19	Yes	Yes
20	Yes	Yes
21	Yes	Yes
22	Yes	Meetings for August 2019 and October 2019 were cancelled until meaningful responses on service delivery issues are provided by directorates
23	Yes	Yes
24	Yes	Yes
25	Yes	Yes
26	Yes	Yes
27	Yes	Yes

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# APPENDIX F – WARD INFORMATION

#### Ward 1: Councillor - Säfers

Name of representative	Capacity representing	Date of meetings
C Laws	Community Safety: Blanco	
A Kaffoen	Culture	<b>A</b>
C Ahrends	Sport	o1 August 2019
J Williams	Health	17 October 2019 March 2020 (Lockdown)
S Erasmus	Block: Golden Valley	May 2020 (Lockdown)
L Mentoor	Block: Golden Valley	iviay 2020 (Lockdowii)
F Solomons	Welfare	

Ward 1 Committee Meetings

#### Ward 2: Councillor - DL Cronje

Name of representative	Capacity representing	Date of meetings
C Ralston	Block 1	
W Barkhuysen	Block 2	12 August 2019
D Labuschagne	Block 2	21 October 2019
E Cronje	Block 3	17 February 2020 May 2020 (Lockdown)
M Mulder	Block 2	lviay 2020 (Lockdowii)
L Klue	Block 1	

Ward 2 Committee Meetings

#### Ward 3: Councillor E Brown

Name of representative	Capacity representing	Date of meetings
E Dreyer	Community Safety: Heatherlands	
G de Necker	Golf Park 3 House Owners	
d de Neckei	Association	
S Thwaites	Golf Park 1 Homeowners Association	o6 August 2019
A Willemse	Heather Park Neighbourhood Watch	14 October 2019
M Mackenzie	Faith Based Organisations	10 February 2020
J Barnard	Community Safety: Glen Barrie	May 2020 (Lockdown)
A van Zyl	Woman	
J Wessels	Culture	
N Dold-Chapman	Block: Golf Park 2	

Ward 3 Committee Meetings

#### Ward 4: Councillor M Bardnardt

Name of representative	Capacity representing	Date of meetings
C Buys	Youth	
Q Simons	Ward 4 Housing Committee	<b>A</b>
D Goldfain	Ratepayers Association	14 August 2019
E Titus	Welfare	14 October 2019 10 February 2020
S Jumat	Block: Wilderness Heights Informal Area	May 2020 (Lockdown)
E Stoffels	Block: Touwsranten	Widy 2020 (LOCKGOWII)
E Gibson	Block: Wilderness East	

Ward 4 Committee Meetings

#### Ward 5: Councillor P Louw

Name of representative	Capacity representing	Date of meetings
C Linford	Culture (Block 4)	Insufficient members to constitute a
C Donson	Block 3	quorum. Filling of vacancies was scheduled
S Matiwane	Block 1	for 16 March 2020 to 21 April 2020 but was

Name of representative	Capacity representing	Date of meetings
L Lodewyk	Block 5	cancelled due to the National Lockdown and prohibition on public gatherings

Ward 5 Committee Meetings

#### Ward 6: Councillor HH Ingo

Name of representative	Capacity representing	Date of meetings
HH Ingo	Ward Councillor	
K Louw	Community Safety (Block 4)	
A King	Youth (Block 6)	]
C Williams	Block 1	5 August 2019
M Petersen	Block 1	14 October 2019
A Petersen	Block 2	March 2020 (Lockdown)
E Xolilizwe	Block 5	May 2020 (Lockdown)
H Scott	Block 6	7
T Windvoel	Block 5	7

#### Ward 6 Committee Meetings

#### Ward 7: Councillor S Rooiland

Name of representative	Capacity representing	Date of meetings
M Dyasi	DPSA (Block 3)	
J Laws	Community Safety (Block 6)	<b>1</b>
C Appolis	Block 1	27 August 2019
N Jola	Block 2	31 October 2019
S Madayi	Block 3	12 February 2020 May 2020 (Lockdown)
M Ningi	Block 4	May 2020 (Lockdown)
M Maree	Block 5	
J Josephs	Block 7	7

#### Ward 7 Committee Meetings

#### Ward 8: Councillor AD Willemse (until 19 February 2020)

Name of representative	Capacity representing	Date of meetings
D Jafta-Booysen	Health (Block 5)	
J Leonard	Faith Based Organisations (Block 5)	
A Amas	Block 1	
M Petersen	Block 1	01 August 2019
S Laws-Klaasen	Block 2	29 October 2019 20 February 2020
S Vorster	Block 2	
M Maneville	Block 3	May 2020 (Lockdown)
E Kuboni	Block 4	
C Spires	Block 5	
M Adams	Block 5	

#### Ward 8 Committee Meetings

#### Ward 9: Councillor S Dlikilili

Ward 9. Cooncilior 5 Dirkillin			
Name of representative	Capacity representing	Date of meetings	
N Mangqunyana	DPSA (Block 1)		
S September	Block 1	o6 August 2019	
M Ntsendwana	Welfare (Block 2)	15 October 2019	
Z Tyida	Faith Based Organisations (Block 2)	11 February 2020	
M Sapho	Block 2	May 2020 (Lockdown)	
P Mbi	Block 3		
C Diamond	Block 4		

Ward 9 Committee Meetings

# Ward 10: Councillor B Henge

Name of representative	Capacity representing	Date of meetings
S Dayimani	CBO (Block 1)	
S Msutu	Block 1	
V Dywili	Youth (Block 4)	
B Jara	Sport, Culture & Recreation (Block 6)	o5 August 2019 14 October 2019
Z Blau	Welfare (Block 2)	17 February 2020
M Mngoma	Block 5	May 2020 (Lockdown)
T Kutala	Block 7	
M Mathiso	Block 8	
A Xelegu	Block 6	

Ward 10 Committee Meetings

#### Ward 11: Councillor C Lesele

Name of representative	Capacity representing	Date of meetings
O Appie	Block 3	
S Hermans	Block 3	o8 August 2019
C Malobola	Block 3	24 October 2019
L Ncamile	Block 3	18 March 2020
D Thetho	Block 3	May 2020 (Lockdown)
N Tyhawana	Block 3	
N Mathanzima	Block 3	

Ward 11 Committee Meetings

## Ward 12: Councillor- B Plata

Name of representative	Capacity representing	Date of meetings
W Muteyi	DPSA (Block 1)	Meetings for August 2019 and
L Pieters	Welfare (Block 4)	October 2019 was postponed and
O Gwangqa	Block 1	could not be rescheduled due to the
M Matseke	Block 5	recess period.
L Xhaso	Block 5	11 March 2020 Insufficient members to constitute a quorum. Filling of vacancies was scheduled from 16 March 2020 – 21 April 2020 but was cancelled due to the National Lockdown and prohibition on public gatherings.  May 2020 (Lockdown)

Ward 12 Committee Meetings

# Ward 13: Councillor L Langa

Name of representative	Capacity representing	Date of meetings
G Makinana	Community Safety (Block 4)	o1 August 2019 17 October 2019 24 February 2020 May 2020 (Lockdown)
S Dyantyi	Block 4	
B Zintwana	Block 2	
A Matolengwe	Block 2	
M Bekwa	DPSA (Block 2)	
M Dyantyisi	Welfare	
T Booi	Block 4	
X Cola	CBO (Block 4)	
N Somatamba	Block 3	
M Maweni	Block 1	

Ward 13 Committee Meetings

# Ward 14: Councillor E Bussack (until 19 February 2020)

Name of representative	Capacity representing	Date of meetings
E America	Sport, Culture & Recreation	
B Klassen	Youth	
C Albrecht	Welfare	13 August 2019
S Rhode	Health	14 October 2019 10 February 2020 May 2020 (Lockdown)
R Deyce	Block 3	
J Pato	Block 6	
S Yazo	Block 9	
G Olivier	Block 10	

Ward 14 Committee Meetings

# Ward 15: Councillor NF Mdaka

Name of representative	Capacity representing	Date of meetings
C Ngethu	Block 2	
M Kalipa	Block 2	August 2019 (Cllr hospitalised)
N Toto	Block 7	12 November 2019
Z Matwa	Block 7	03 March 2020
V Mtwecu	Welfare (Block 3)	May 2020 (Lockdown)
G Nombengu	DPSA (Block 4)	
Z Mhlambiso	Agriculture (Block 3)	

# Ward 15 Committee Meetings

# Ward 16: Councillor CH Noble

Name of representative	Capacity representing	Date of meetings
B J Stoffels	Sport, Culture & Recreation (Block 3)	
O Matholla	Faith Based Organisations (Block 7)	
C Daman	Community Safety (Block 1)	12 August 2019
M Patterson	Block 3	17 October 2019 26 February 2020
D Bezuidenhoudt	Block 2	May 2020 (Lockdown)
J Cornelius	Block 6	
R Treurnicht	Block 6	

# Ward 16 Committee Meetings

# Ward 17 Councillor V Muller (until 26 May 2020)

Name of representative	Capacity representing	Date of meetings
B Schoeman	Welfare (Block 4)	
P Foster	Block 1	13 August 2019 22 October 2019 18 February 2020 May 2020 (Lockdown)
R Brinkhuys	Block 6	
R Lewis	Community Safety (Block 1)	
F Weyers	Block 2	, , , , , , , , , , , , , , , , , , , ,
N Joseph	Block 2	

Ward 17 Committee Meetings

# Ward 18: Councillor D Gultig

Name of representative	Capacity representing	Date of meetings
A Joubert	Business (Tourism)	
A Storm	Welfare	
P Truter	Community Safety: Denneoord	20 August 2019
C Nieuhoff	Faith Based Organisations	14 November 2019
H Hill	Block 1	13 February 2020 2 June 2020
J Truter	Block 4	
E Rautenbach	Block 4	
J van der Merwe	Block 4	

Ward 18 Committee Meetings

# Ward 19: Councillor S Snyman

Name of representative	Capacity representing	Date of meetings
J Jacobs	Welfare (Block 2)	- 1 August 2019
B S Redelinghuys	Infrastructure (Civil & Electrical)	31 October 2019
D Hattingh	Block 1	20 February 2020
L Snyman	Block 3	May 2020 (Lockdown)
F van der Merwe	Block 4	]
S Habbet	Block 7	

# Ward 19 Committee Meetings

## Ward 20: Councillor R Windwaai

Name of representative	Capacity representing	Date of meetings
J Muller	Welfare (Block 3)	
M Boezak	Community Safety (Block 5)	12 September 2019 15 October 2019 27 February 2020 May 2020 (Lockdown)
B Jansen	Education (Block 4)	
G Carolus	Block 2	
I Scheepers	Block 4	
L Smit	Block 5	
R Fischer	Sport, Culture & Recreation	
P Moolman	DPSA	7

# Ward 20 Committee Meetings

## Ward 21: Councillor NR James

Name of representative	Capacity representing	Date of meetings
K George	Welfare (Block 1)	Date of meetings
L Mavela	DPSA (Block 2)	
N Malgas	Block 1	11 September 2019
E Mbanjana	Block 2	21 November 2019 06 February 2020 May 2020 (Lockdown)
F Dyani	Block 2	
R Olifant	Block 2	
A Yalolo	Block 4	

Name of representative	Capacity representing	Date of meetings
J Gubula	Block 4	
M Fatman	Block 4	

Ward 21 Committee Meetings

# Ward 22: Councillor G Pretorius

Name of representative	Capacity representing	Date of meetings held
P de Swardt	Welfare	
J Jansen	Education	Meetings for August 2019 and October 2019 were cancelled until
P Khumalo	Sport	meaningful responses on service
G Brits	Community Safety: Herold	delivery issues are provided by directorates
P Fourie	Business	5 March 2020
J Du Preez	Block: Sinksabrug	May 2020 (Lockdown)
M Mei	Block: Hoogekraal	

# Ward 22 Committee Meetings

# Ward 23: Councillor GJ Stander

Name of representative	Capacity representing	Date of meetings
S Gericke	Agriculture	
J Smith	Syferfontein Committee	
F Joseph	DPSA	
G Hamel	Ratepayers Association	20 August 2019
M Visagie	Faith Based Organisations	22 October 2019 18 February 2020
C J van Niekerk	Hansmoeskraal Community Forum	May 2020 (Lockdown)
H A du Plessis	Block: Heroldsbay	
B Johnson	Block: Groeneweide	
B A Ernstzen	Dellville Park Neighbourhood Watch	

# Ward 23 Committee Meetings

## Ward 24: M Daniels

Name of representative	Capacity representing	Date of meetings	
G Lourens	Block 1		
P Abrahams	Block 2		
S Abrahams	Block 2	13 August 2019	
J Louw	Business (Block 3)	5 December 2019 18 February 2020	
A Boom	Housing Committee (Block 3)	May 2020 (Lockdown)	
M du Preez	Sport, Culture & Recreation (Block 3)		
N du Preez	Education (Block 3)		

Ward 24 Committee Meetings

# Ward 25: Councillor J Esau

Name of representative	Capacity representing	Date of meetings
C Mongo	DPSA (Block 3)	
A Blaauw	Welfare (Block 3)	1 August 2019
C Adolph	Lyonville (Block 3)	25 November 2019
H Metik	Lyonville (Block 3)	20 February 2020 May 2020 (Lockdown)
W Decelly	Lyonville (Block 3)	
K Prins	Rooirivier (Block 2)	

Ward 25 Committee Meetings

# Ward 26: Councillor J von Brandis

Name of representative	lame of representative Capacity representing		
D van der Rijst	Community Safety: Blanco Neighbourhood Watch (Block 5)		
C Hulme	Block 4		
T Forsberg	Block 4	06 August 2019 15 October 2019	
B Muller	Block 4	March 2020 (Lockdown)	
L van der Rijst	Block 5	May 2020 (Lockdown)	
C Newham	Earls Court Home Owners Association (Block 2)		
M Gultig	Business (Block 2)		

Ward 26 Committee Meetings

# Ward 27: B Cornelius (until 19 February 2020)

Name of representative	Capacity representing	Date of meetings
G Felix	Sport, Culture & Recreation	
E Heynes	Health	
P McCarthy	Faith Based Organisations	o6 August 2019
J Gordon	Block: Europe	15 October 2019
H Ceasar	Block: Seesight	11 February 2020 May 2020 (Lockdown)
G Sharp	Block: Harmony Park	,
U da Silva	Uitbreiding 11	
M Snyman	Seaview	

Ward 27 Committee Meetings

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# APPENDIX G - RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2019/2020 FINANCIAL YEAR

#### Audit Committee Recommendations during 2019/2020

#### Consequence Management

• That Unauthorized, Irregular, Fruitless and Wasteful Expenditure was submitted to the Municipal Public Accounts Committee (MPAC) who have requested further information for their deliberations

#### Ward Committee Management

• That requests relating to IDP and Ward Committees be referred to the relevant Section 80 Committees for their input and recommendations.

#### Risk Management

• That management perform a risk assessment of the respective directorates and submit a report to Council.

#### **Annual Financial Statements**

• That the concerns of Finance Directorate relating to the timely submissions of draft financial statements for 2019/20 to the Audit Committee and accordingly requests that further discussions be held to clarify the timeline before submission of the financial statements to the Auditor-General in August 2020.

#### **Caledon Street Project**

- That Council takes note of the Audit Committee's concern with the overall management of the Caledon Street Project; and
- That Council consider investigating the project in terms of the following:
  - o Reasons for the delays in completion;
  - Appointment processes of the Contractor;
  - o Quality of work performed by the Contractor.

## Regional Waste Disposal Site

• That a report be submitted to the Audit Committee and Council regarding the finalization of the Regional Waste Disposal Site and Composting Facility.

#### **AG Audit Action Plan**

- That Council takes note of the Audit Committee's concern with regards to the progress of the quantification of the irregular expenditure.
- That the Audit Action Plan be submitted to Council for follow-up and monitoring purposes

#### **Auditor-General**

- That the Municipal Manager and the Chief Financial Officer discuss the Audit Committee's concerns with the Auditor General with regards to the significant increase in external audit fees.
- That the Auditor-General's (AG) report and management report [year ended 30 June 2019] be submitted to the MPAC meeting.

# Audit Committee Recommendations during 2019/2020

# **Audit Committee matters**

• Independence of Audit Committee members: that Council acknowledge that they are satisfied with the independence of the members of the Audit-Committee (AG) to address the AG finding regarding the independence of the Audit Committee.

# Restructuring of the Bid Evaluation Committee

• That Council instruct the administration to implement the recommendations supported by the Municipal Manager as set out in the memorandum (Composition of the members of the Bid Evaluation and Adjudication Committee) dated 7 March 2018.

TG

# APPENDIX H – LONG TERM CONTRACTS

	Long Term Contracts (20 Largest Contracts Entered into during 2019/2020)						
Bid Number	Title of Bid	Directors and Section	Successful Bidder	Value of bid awarded			
T/ING/023/2018	Upgrading of the Outeniqua WTW - Mechanical, Electrical and Instrumentation Works	Civil Engineering Services	Water Purification Chemical and Plant cc	R117 201 296.96			
T/ING/031/2018	Tender for the Road Rehabilitation, Resurfacing and Ancillary Works for a period of three years	Civil Engineering Services	Panel of Contractors: Martin & East (Pty) Ltd; Civil 2000 (Pty) Ltd; Roadmac Surfacing Cape (Pty) Ltd; Tau Pele Construction (Pty) Ltd; Aqua Transport & Plant Hire (Pty) Ltd; WTW Civil (Pty) Ltd; Entsha Henra (Pty) Ltd; Actophambili roads (Pty) Ltd	Rates Tendered			
ENG031/2019	Appointment of a Contractor for the Electrification of ERF 325, East (Phase C)	Electro-Technical Services	MDL Engineering (Pty) Ltd	R11 828 171.50			
BA005/2019	Appointment of a Service Provider for the Underwriting of the municipality's Group Life Portfolio for the period of three (3) years, from 1 December 2019 until 30 November 2022	Corporate Services	Verso Financial Services (Pty) Ltd	Rates Tendered			
MM017/2019	Internal Audit Services for a period of one year with option to extend for another (1) year	Municipal Manager	PKF George	Rates Tendered			
ENG027/2019	Supply and Delivery of Electrical Stock for pre-paid meters, for period of three years	Electro-Technical Services	Conlog	Rates Tendered			
T/ING/005/2019			Coastal Armature Winders and Supplies cc	Rates Tendered			
PS001/2019	,		Afsol Public Transport	Rates Tendered			
DPD044/2019	Hiring and Maintenance / Servicing of Chemical Toilets in the George Municipal Area for a period of two (2) years	Human Settlement	Moreki Distributors cc	Rates Tendered			
T/ING/006/2019	Maintenance of Wastewater and Water Purification Sites and Clearing of Pathways to rivers for sampling for a period of three (3) years	Civil Engineering Services	Area 1: Apcot Trading (Pty) Ltd	R1 268 460.00			

Bid Number	Long Term Contracts (20 Larger Title of Bid	Directors and Section	Successful Bidder	Value of bid	
Dia Homber	The of Did	Sirectors and Section	Soccession Blader	awarded	
DPD030/2019 Removal and Replacement of the Floor at the Pacaltsdorp Community Hall		Human Settlement	Makhare Holding (Pty) Ltd t/a MH Construction		
ENG017/2019	Appointment of Consulting Engineer for Professional Engineering Services for various electrical projects for a period of three years	Electro-Technical Services	Neil Lyners & Associates (RF) (Pty) Ltd	Rates Tender	
ENG017/2019	Appointment of Consulting Engineer for Professional Engineering Services for various electrical projects for a period of three years	Electro-Technical Services	Zoep Consulting Engineers & Architects	Rates Tender	
		Electro-Technical Services	CVW Consulting Engineers	Rates Tender	
ENG017/2019	Appointment of Consulting Engineer for Professional Engineering Services for various electrical projects for a period of three years	Electro-Technical Services	Element Consulting Engineers	Rates Tender	
ENG017/2019	Appointment of Consulting Engineer for Professional Engineering Services for various electrical projects for a period of three years	Electro-Technical Services	Eya Bantu Group (Pty) Ltd	Rates Tender	
ENG017/2019 Appointment of Consulting Engineer for Professional Engineering Services for various electrical projects for a period of		Electro-Technical Services	Motla Consulting Engineers	Rates Tender	
three years  ENG017/2019 Appointment of Consulting Engineer for Professional Engineering Services for various electrical projects for a period of three years		Electro-Technical Services	CMB Consulting Engineers	Rates Tender	
ENG035/2019	Appointment of a contractor for the removal of illegal electrical connection for the period of three (3) years, from 1 December 2019 until 30 November 2022	Electro-Technical Services	EDZ Electrical & Projects cc	Rates Tender	
ENG006/2019	Appointment of contractor for the construction and installation of a security fence around an electrical substation	Electro-Technical Services	Ice Gee (Pty) Ltd	R327 250.00	
BA012/2019	Supply and Installation of Beta Fencing at Lawaaikamp Community Hall	Corporate Services	Ice Gee (Pty) Ltd	R 271,000.00	

	Long Term Contracts (20 Largest Contracts Entered into during 2019/2020)						
Bid Number	Title of Bid	Directors and Section	Successful Bidder	Value of bid awarded			
MM006/2019	Supply and Erection of palisade fencing at the Lyonville Community Hall	Municipal Manager	ZABS Enterprises (Pty) Ltd	R256 200.00			
ENG021/2019	Supply and delivery of Surge Generator 16KV SWG 500 and Ground Microphone Digiphone	Electro-Technical Services	Lead HV (Pty) Ltd	R242 745.45			
MM007/2019	Supply and Erection of palisade fencing at the Uniondale Sportsground	Municipal Manager	ICE Gee (Pty) Ltd	R239 000.00			
DPD057/2019	Supply and Installation of Security Fencing at Chris Nissan Creche, Uniondale	Human Settlement	ZABS Enterprises (Pty) Ltd	R 235,017.45			
BA011/2019	Supply and Installation of Beta Fencing at Conville Community Hall	Corporate Services	Zmani (Pty) Ltd	R 224,900.00			

# APPENDIX I – MUNICIPAL SERVICE PROVIDER PERFORMANCE SCHEDULE

Name of service provider	PKF	Nico Smith Attorneys	ABSA	CDV Property Valuers Pty Ltd	Nextec	Henra	Ikapa Reticulation and Flow
Directorate	Municipal Manager	Financial Services	Financial Services	Financial Services	Civil Engineering	Civil Engineering	Financial Services
Type of services required	Internal Audit Co-Service	Litigation	Provision of Banking	Compilation and Maintenance of General valuation roll, Supplementary Valuations and Supplementary Valuation Rolls	Consulting and site Supervision	Road Construction: Tabata Street	Reading of Water and electricity meters and other meter related services
Supply Chain Contract No	MM017/209	FIN013/2017	FIN011/2013	FIN010/2016	T/ING/033/2016	T/ING/03182018	FIN001/2015
Available Budget (R'ooo)	R3 784 000.00	R1 001 047.45	R4 812 930.00	R1 026 411.84	R1 473 000.00	R12 700 000.00	R2 143 830.00
Actual Spending (R'000)	3 704 093.95	4 261 215.28	1 305 940.04	719 112.25	2 706 863.00	32 197 823.15	2 042 468.30
			Grading of servi				
		1 Poor / 2 Unsa	tisfactory / 3 Satis	sfactory / 4 Good / 5	Excellent		
Contract work to specification	5	4	4	3	4	0	2
Contract still within budget	5	4	4	4	4	0	3
Contract within time frame	5	4	4	3	4	0	3
Compliance with contract requirement	5	4	4	3	4	0	2
Claims	5	0	0	4	4	0	3
Incidents on site	5	0	0	4	4	0	3
Suitably qualified/experienced personnel	5	4	4	3	5	0	4
Job creation/training	5	0	0	4	5	0	3
Other comments	0	0	0	0	4	0	0
Overall rating Action taken with regard to poor and unsatisfactory service providers	O NONE	4 Improve process – e.g. phone clients also	4 NONE	Regular meetings and good communication helps to overcome problems	5 NONE	Project have been suspended via a supplementary agreement which have been entered into between the contractor and client	o Limited reading due to ongoing lockdown
Overall recommendation and comments	All projects are performed in line with the approved Internal Audit plan	Ongoing continuously to improve	NONE	NONE	NONE	Work being suspended	Monthly meetings with service provider to address issues. Item

Name of service	PKF	Nico Smith	ABSA	CDV Property	Nextec	Henra	Ikapa
provider		Attomeys		Valuers Pty Ltd			Reticulation
							and Flow
Directorate	Municipal	Financial	Financial	Financial	Civil	Civil	Financial
	Manager	Services	Services	Services	Engineering	Engineering	Services
							wat taken to
							Council to
							insource
							service. New
							Service
							Provider to be
							appointed
							(March 2020)

Name of service provider	iCon Construction	Aurecon	Quantra Consulting	Royal Haskoning DHV	Charles Rowe Associated	IX Engineers	AFSOL Public Transport
Directorate	Civil Engineering	Civil	Civil	Civil	Civil	Civil	Protection Services
Type of services required	Upgrading of the Outeniqua WwTW Civil Works (Phase 2)	Engineering Raising of Garden Route Dam Spillway and Associated Works	Engineering MIG Storm water Projects: Andersonville; New Dawn Park; Thembalethu Zone 1; Thembalethu Zone 9	Engineering Consulting Services: 10 MI/d Upgrading of Outeniqua WwTW: Phase 2 (Civil) & 3(M&E)	Engineering Construction and supervision: Merriman street	Engineering Design: Makriel Street	Repairs and Maintenance to existing tracking and camera units as well as the purchase of new units for municipal vehicles and Go George Busses
Supply Chain Contract No	T/ING/030/2016	T/ING/033/2016	T/ING/033/2016	T/ING/033/2016	T/ING/022/2016	T/ING/033/2016	PS001/2019
Available Budget (R'ooo)	R65 549 090,75	R15 140 287.00	R15 186 817.00	R13 173 018.00	R1 407 759.97	R500 000.00	R500 220.00
Actual Spending (R'000)	5 888 875.81	560 601.04	277 747.24	5 191 605.71	1 060 526.21	4 158 432.27	0.00
			Grading of service	rendered			
		1 Door La Uncatio	sfactory / 3 Satisfac	top///Cood/rEx	/callant		
		T FOOT / 2 OTISALIS	stactory / 5 Satistac	.tory / 4 Good / 5 Lx	Celleric		
Contract work to specification	4	4	2	2	0	4	4
	4		· ·			4	4
specification Contract still within		4	2	2	0		
specification Contract still within budget Contract within time frame Compliance with	4	5	2	3	0	4	4
specification Contract still within budget Contract within time frame	4 4	4 5 4 5	2 2 3	3 2 3	0 0 1	4 4	4
specification Contract still within budget Contract within time frame Compliance with contract requirement Claims	4 4 4	4 5 4 5	2 2 3 3	3	0 0 1	4 4 4	4 4
specification Contract still within budget Contract within time frame Compliance with contract requirement	4 4	4 5 4 5	2 2 3 3 3 2	2 3 2 3 3	0 0 1 1 0 0	4 4	4 4 0
specification Contract still within budget Contract within time frame Compliance with contract requirement Claims Incidents on site Suitably qualified/experienced	4 4 4 4 4	4 5 4 5 4 5	2 2 3 3 2 0	2 3 2 3 3 0	0 0 1 1 0 0 0	4 4 4	4 4 0 0 0
specification Contract still within budget Contract within time frame Compliance with contract requirement Claims Incidents on site Suitably qualified/experienced personnel	4 4 4 4 4 4	5 4 5 4 5 5 5	2 2 3 3 2 0 3	2 3 2 3 3 0 3	0 0 1 1 0 0 0 0 0	4 4 4 4	4 4 0 0 0 4
specification Contract still within budget Contract within time frame Compliance with contract requirement Claims Incidents on site Suitably qualified/experienced personnel Job creation/training	4 4 4 4 4 4	4 5 4 5 4 5 5	2 2 3 3 2 0 3	2 3 2 3 3 0 3	0 0 1 1 0 0 0	4 4 4 4	4 4 0 0 0 4

Name of service	iCon	Aurecon	Quantra	Royal	Charles Rowe	IX Engineers	AFSOL Public
provider	Construction		Consulting	Haskoning DHV	Associated		Transport
Directorate	Civil Engineering	Civil	Civil	Civil	Civil	Civil	Protection
		Engineering	Engineering	Engineering	Engineering	Engineering	Services
Overall recommendation and comments	Work seems to be of very good quality to date	Consultant quite weak and needs help with standards and to adhere to municipal reporting	NONE	NONE	Service provider work of excellent quality	NONE	NONE
		requirements					

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

# APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

	2018/19 2019/20							
Description	Actual (Audited Outcome)	Original Budget	Final Adjustment Budget	Actual Outcome	Variance between Actual and	Actual Outcome as % of	Actual Outcome as % of Original	
) Sestinguisiii			Douget		Final Adjustments Budget	Final Budget	Budget	
		REVEN	UE COLLECTION	N BY VOTE				
Executive and council	22 913	4 678 400	4 678 400	37 425 282	3 <sup>2</sup> 747	800%	800%	
Finance and administration	352 044 056	358 189 759	372 577 764	443 076 059	70 498	119%	124%	
Internal audit	439 189	0	0	0	0	0%	0%	
Community and social services	16 959 384	15 726 223	17 176 223	35 472 734	18 297	207%	226%	
Sport and recreation	5 131 946	7 080 134	3 771 995	562 665	(3 209)	15%	8%	
Public safety	93 442 770	73 867 663	73 867 663	75 394 820	1 527	102%	102%	
Housing	75 118 419	161 594 577	234 310 186	28 237 180	(206 073)	12%	17%	
Health	92 220	80 000	80 000	18 181	(62)	23%	23%	
Planning and development	11 662 961	12 335 840	12 450 930	8 095 505	(4 355)	65%	66%	
Road transport	332 416 133	390 893 046	449 853 963	456 645 415	6 791	102%	117%	
Environmental protection	1023	1600	1600	1741	0	109%	109%	
Energy sources	670 325 839	770 611 622	774 611 622	772 139 826	(2 472)	100%	100%	
Water management	184 272 965	185 303 031	183 327 567	200 755 988	17 428	110%	108%	
Waste water management	171 496 405	172 133 278	192 361 244	188 389 242	(3 972)	98%	109%	
Waste management	118 981 285	126 874 710	129 874 710	134 238 752	4 364	103%	106%	
Other	35 759	58 638	158 638	-213 646 953	(213 806)	-134676%	-364349%	
Total Revenue - Functional	2 032 443 266	2 279 428 521	2 449 102 505	2 166 806 436	(282 296)	88%	-12%	

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# APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE SOURCE

Description	2019/20						
R thousand	2018/19 Actual (Audited Outcome)	Original Budget	Final Adjustments Budget	Pre-Audited Outcome	Variance between Actual and Final Adjustments Budget	Actual Outcome as % of Final Adjustments Budget	Actual Outcome as % of Original Budget
		Fin	ancial Perform	ance			
Revenue by Source	-						
Property rates	270 172 863	279 613 000	289 613 000	302 109 389	12 496 389	104%	108%
Service charges - electricity revenue	623 449 586	723 026 230	727 026 230	674 896 622	-52 129 608	93%	93%
Service charges - water revenue	129 255 985	127 469 170	131 469 170	137 666 170	6 197 000	105%	108%
Service charges - sanitation revenue	98 989 249	101 019 867	105 019 867	110 678 138	5 658 271	105%	110%
Service charges - refuse revenue	81 726 654	85 162 937	88 162 937	92 266 008	4 103 071	105%	108%
Service charges - other	0	0	0	0	0	0%	0%
Rental of facilities and equipment	3 130 158	6 183 220	6 183 220	2 871 434	-3 311 786	46%	46%
Interest earned - external investments	46 245 723	43 179 623	47 061 413	45 170 443	-1 890 970	96%	105%
Interest earned - outstanding debtors	4 079 781	6 095 910	6 095 910	3 000 389	-3 095 521	49%	49%
Dividends received	0	0	0	0	0	0%	0%
Fines, penalties and forfeits	94 581 387	76 125 676	76 125 676	76 282 875	157 199	100%	100%
Licences and permits	2 322 083	3 515 785	3 515 785	0	-3 515 785	0%	0%
Agency services	11 140 288	8 848 100	8 848 100	12 270 160	3 422 060	139%	139%
Transfers and subsidies - operational	452 232 722	605 092 063	791 806 045	548 390 041	-243 416 004	69%	91%
Other revenue	92 963 689	151 618 049	98 956 144	98 031 109	-925 035	99%	65%
Total Revenue (excluding capital transfers and contributions)	1 910 290 168	2 216 949 630	2 379 883 497	2 103 634 524	-276 248 973	88%	95%

TK<sub>2</sub>

# VOLUME II: ANNUAL FINANCIAL STATEMENTS