

2015-2016 DRAFT INTEGRATED DEVELOPMENT PLAN

Third review of the third GENERATION IDP (2012-17), as prescribed by Section 34 of the Municipal Systems Act (2000)



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LIST OF ABBREVIATIONS

The following abbreviations are found in this document and represent processes, institutions of government, programs and plans of different spheres of government playing an active role or form an integral part of the Operations of local government.

BVM	Breede Valley Municipality
CWDM	Cape Winelands District Municipality
MAYCO	Mayoral Committee
PGWC	Provincial Government of the Western Cape
COGTA	Department of Cooperative Governance and Traditional Affairs
NATIONAL	National Government
DBSA	Development Bank of Southern Africa
SALGA	South African Local Government Association
MIG	Municipal Infrastructure Grant
NT	National Treasury
PT	Provincial Treasury
MSA	Municipal Systems Act
IDP	Integrated Development Plan
PMS	Performance Management System
SDBIP	Service Delivery Budget Implementation Plan
LED	Local Economic Development Plan
EPWP	Expanded Public Works Program
EEP	Employment Equity Plan
WSP	Workplace Skills Plan

SDF	Spatial Development Framework
EMP	Environmental Management Plan
IWMP	Integrated Waste Management Plan
WSDP	Water Services Development Plan
ITP	Integrated Transport Plan
RSEP	Regional Socio-Economic Programme
GRMS	Gravel Road Management Service



EXECUTIVE MAYOR'S FOREWORD

In terms of developmentally-oriented planning, Council in consultation with stakeholders from the community, formulated the following strategic objectives, underpinned by five strategic pillars – opportunity, safety, caring, inclusiveness and a well-run municipality, to ensure an effective, efficient, people driven municipality:

-To create a unique and caring Valley of service excellence, opportunity and growth.

-To provide, maintain and assure basic services and social upliftment for the Breede Valley community.

-To create an enabling environment for employment and poverty eradication through proactive economic development and tourism.

-Provide democratic, accountable government for local communities and encourage involvement of communities and community organisations in the matters of local government.

-Ensure a healthy and productive workforce and an effective and efficient work environment.

-Assure a sustainable future through sound financial management, continuous revenue growth, corporate governance and risk management practices.

-To ensure a safe, healthy, clean and sustainable external environment for all Breede Valley people.

The above objectives form the essence of the Municipality's 5-year strategy plan (IDP) for the period 1 July 2012 to 30 June 2017.

However, meeting the said objectives is no easy walk in the park. Numerous challenges exist of which poverty, unemployment and crime top the list. In pursuance of service excellence, opportunity and growth Council set out to create an environment that will instil confidence in the Municipality, promote service delivery and attract investment.

In addressing the above, the following highlights need mentioning:

- BVM, after receiving two consecutive unqualified audit reports for the 2010/ 2011 and 2011/ 2012 financial years, top this achievement with a clean audit report from the Auditor General for the 2012/ 2013 financial year, proving that Council and the administration respectively executed their oversight role and managerial duties effectively, serving the best interest of the people of the Breede Valley.
- The adoption of a long term economic strategy based on the Genesis model.

- The approval of a human settlement plan.
- The establishment of a community safety forum.
- Improved service delivery.
- The adoption of various policies that will guide the administration and improve governance.

The above initiatives are already bearing fruit with various new developments taking place in the Breede Valley, providing employment opportunities.

The Integrated Development Plan (IDP) is the Municipality's principal strategic plan that deals with its most critical development and governance needs. To accommodate and consult the beneficiaries of the plan, it is reviewed annually in consultation with the local community and other interested role players.

Contemporary local government is becoming more and more complex with various legislation and processes that have to be complied with. This creates a real danger that public participation might become just another compliance exercise, accommodating communities rather than embracing them. The heart of developmental local government is vibrant engagement with communities, creating a culture of public participation. In the light of the above public participation processes, protocols needed to be revisited regularly to ensure optimal public participation.

I am confident that BVM is fulfilling its custodian duties, that we are addressing our strategic obligations, that the third generation IDP is on track.

The IDP is a shared responsibility. It is a partnership between the Municipality and the community. In view of the above I wish to encourage ward committees and community organisations to become actively involved in governance – to become gatekeepers of their own destiny.

Yours sincerely,



Councillor A Steyn (Mayor)

12 March 2015



MUNICIPAL MANAGER'S FOREWORD

Local government is the coalface of democracy. It is where the lives of ordinary people can be changed and the triple threats of poverty, inequality and unemployment are addressed. The IDP in a nutshell is about planning and consultation where the Municipality consults with the community for the community. Key to a successful planning process is communication, communication, communication... Consulting with communities on their future is for BVM not only a legal obligation but a heartfelt desire - to create evenly balanced communities when it comes to service delivery and rendering a climate conducive to social and economic harmony.

The Municipal Systems Act (2000) requires from each elected council to develop and adopt an Integrated Development Plan at the start of its elected term of office. Our 2012-2017 IDP outlines the development path the municipality will pursue over the five-year term of office. A full IDP was prepared during the 2011/12 financial year and was adopted by Council in May 2012. The first review of the 2012/13 – 2016/17 IDP was concluded in May 2013 and now the municipality is ready to embark on the 3rd Revision of the IDP.

The IDP process plan was submitted to Council in August 2013. It is designed for consultations in terms of the Systems Act (2000), to enable the local community to participate in the affairs of the municipality stay responsive to Breede Valley municipal community needs, and to remain credible given budgetary constraints, affordability and capacity.

The IDP review process aims to assess whether the municipality is on course to deliver on the strategic intent of council, and incorporates adjustments to be responsive to the ever-changing realities that communities face. Despite our capital reserve constraints, we endeavour to decrease these backlogs and provide the environment for sustainable and inclusive economic growth for all our citizens, thereby addressing socio-economic challenges such as unemployment, high crime rates and poverty. Ultimately, we will address these challenges through sustainable partnerships with our society partners who will play a pivotal role in realising our strategic programmes and projects.

Highlights that the municipality must strive to sustain during the 2015/16 financial year:

- Implementation of RCEP;
- Filling of critical vacancies, with the splendid skills set;
- Conducting of a customer satisfactory survey;
- Implementation of a client service charter, for accountability and improvement on service delivery;
- Achievement of a third consecutive clean audit status;

- Strengthening the Performance management culture within the organization;
- Implementation of a new integrated solid waste management practice
- Maintaining an excellent Green Drop status.

We must bear in mind what the municipality stand for, in relation to its vision, mission and strategic pillars. The municipality has achieved a lot during the 2012/13 financial year, and strives to improve and/or sustain those achievements. Although the core mandate of local government is defined by legislation, Breede Valley municipality strives to continually assess its strategy and institutional arrangements, reflecting on previous institutional models to ensure alignment of its long-term strategy, and medium and short term planning.

The challenge of inadequate youth development programmes, need to be focused on during this five-year period, through various programmes, such as Job4U and other interventions.

We are inculcating a new leadership culture of professionalism and discipline, aiming to transform the municipality's organizational culture to one that is characterised by passionate employees, relentless in their pursuit for excellence.

Through our participation in the Rural Socio-Economic Programme, we endeavour to accelerate social development to build social capital in our communities, thereby building a necessary condition for sustainable social and economic upliftment of our communities. The realisation of our vision of *"A unique and caring Valley of service excellence, opportunity and growth"*, depends on our ability to build inclusion, our ability to take our community with us, working with each other, the community understanding the financial challenges we are facing and taking ownership for their property, street, neighbourhood, town etc. Each small contribution is indispensable in establishing communities our children can be proud of. For thousands of Breede Valley residents there is only one place they call home, and have known in their lifetime and we have no choice but to make it the best place to live, in the district, province and nationally, TOGETHER we can make Breede Valley an effective developmental municipality, establish cohesive and caring societies.

As accounting officer I would like to convey a word of thanks to the Executive Mayor, Deputy-Mayor, Speaker, Mayoral Committee members and all Councillors that attended and participated in all our public participation processes, for your leadership and input during the IDP and Budget refinement processes. Although the challenges we face are immense, TOGETHER we can make a difference!



GF Matthyse

Municipal Manager

CHAPTER 1

CHAPTER 1: INTRODUCTION

1.1 Introduction

The Breede Valley Municipality is a B2 municipality presiding over the towns of Rawsonville, Worcester, De Doorns and Touwsrivier, covering a square km area of 3833 km², also known as the Breede Valley region. The municipality is obligated by the Municipal Systems Act, Act 32 of 2000 to compile a comprehensive and integrated development plan for the municipality, outlining and guiding all development and management in its area of jurisdiction. On 1 July 2015 Breede Valley municipality will be implementing its 3rd Reviewed 3RD Generation five-year plan to inform and guide the elected public representative leadership and Council, during its term of office.

The five-year IDP is developed after extensive consultative processes and reflection with community organisations and ward committees, who are tasked to reflect on development imperatives on an annual basis. The current document is the third review in the five-year IDP cycle that covers the period July 2012 to July 2017.

The diagram below describes the process thus far:



Figure 1: IDP Five-year Cycle

1.2 The Role and Purpose of the IDP

The key focus of this document is to deliver on the strategic intent of Council, mobilising all available resources to systematically implement its mission through action plans in support of our objectives.

The priorities and actions identified in this IDP will inform the structure of the municipality, the service delivery standards, all financial planning and budgeting as well as performance reporting by the municipality. The IDP as the strategic plan of the municipality must inspire ownership amongst all stakeholders, including the political leadership, management and the public whom we serve. This IDP aligns all municipal resources and processes to achieve developmental goals and objectives.

The IDP links to a financial plan or budget, which aligns financial resources and investment to stimulate local economic growth and development, focused on redressing economic imbalances and providing opportunities for all. Monitoring and evaluation of the IDP is further linked to a performance management system, ensuring that the strategy remains effective and efficient. The service delivery budget implementation plan or SDBIP flows from the IDP process, which the executive mayor signs-off after approval of both the IDP and budget.

Section 26 of the MSA spells out the core components that the IDP must reflect:

- (a) the municipal council's vision for the long term development of the municipality with special emphasis on the municipality's most critical development and transformation needs;
- (b) an assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;
- (c) the council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs;
- (d) the council's development strategies which must be aligned with any national or provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;
- (e) a spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality;
- (f) the council's operational strategies;
- (g) applicable disaster management plans;
- (h) a financial plan, which must include a budget projection for at least the next three years; and
- (i) the key performance indicators and performance targets determined in terms of section 41.

1.3 Legal framework for the revision of the IDP

In terms of the Municipal Systems Act, Act 32 of 2000, Section 34, a municipal Council must review its integrated development plan annually in accordance with an assessment of its performance measurements in terms of Section 4 i and may amend its integrated development plan in accordance with a prescribed process. The MSA places an obligation on municipalities to create conditions for the local community to participate in the affairs of the municipality, including the preparation, implementation and review of its integrated development plan (Section 16, MSA).

The review planning cycle starts with the development and adoption of a process plan that identifies all stakeholders and processes. The IDP is developed and reviewed in accordance within the IDP process plan, thereby ensuring that processes comply with certain minimum quality standards, resulting in proper coordination amongst the spheres of government and the engagement of communities during the preparation of the IDP. The Breede Valley municipal Council approved the IDP process plan for 2014-2015 on 26 August 2014, which set out the methods and approach for the IDP planning processes that were used (see Figure 2).

Upon approval, the process plan was disseminated to provincial departments, communities, CBO's, IDP Representative Forum, Ward Committees, Community Development Workers and key stakeholders to engage meaningfully with the process and also to allow proper planning to be carried out for the disbursement of the resources necessary to conduct the process.

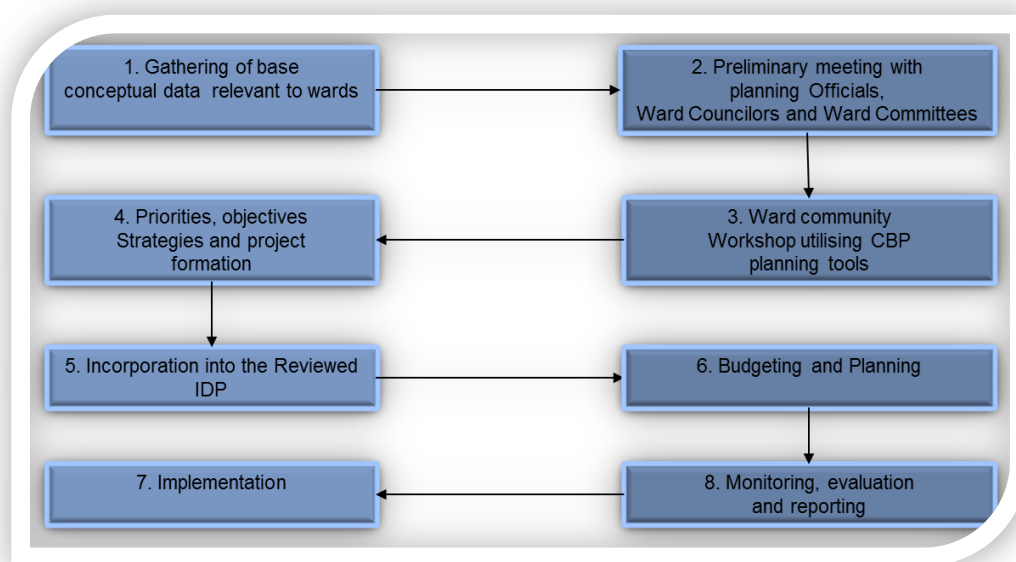


Figure 2: IDP Review Process

1.4 Cursory glance over the Breede Valley

The Breede Valley Municipality covers an area of approximately 3 833 km² stretching from the Du Toitskloof Mountains in the south-west to the Kwadousberg Mountains in the south-east and including the towns of Rawsonville, Worcester, De Doorns and Touwsrivier as well as the rural areas adjacent to and between these towns and the Matroosberg rural area. The town of Worcester lies on the N1 national road and has a major railway link, which presents the town with a locational advantage providing access to inland markets. The most striking feature of the Breede Valley in the Western Cape is its scenic beauty. Majestic mountains, fertile valleys, vineyards and vast plains, covered with indigenous semi-desert vegetation, captivating the soul. Apart from the formal settlement areas, the municipality has a number of informal settlements. The region has a counted population of 166 825 (inclusive of the informal settlements) comprising 42 527 households of which 38% (7 000) are classified as indigent (also see Figure 3). The key economic sectors for the municipality are agriculture, tourism and manufacturing.

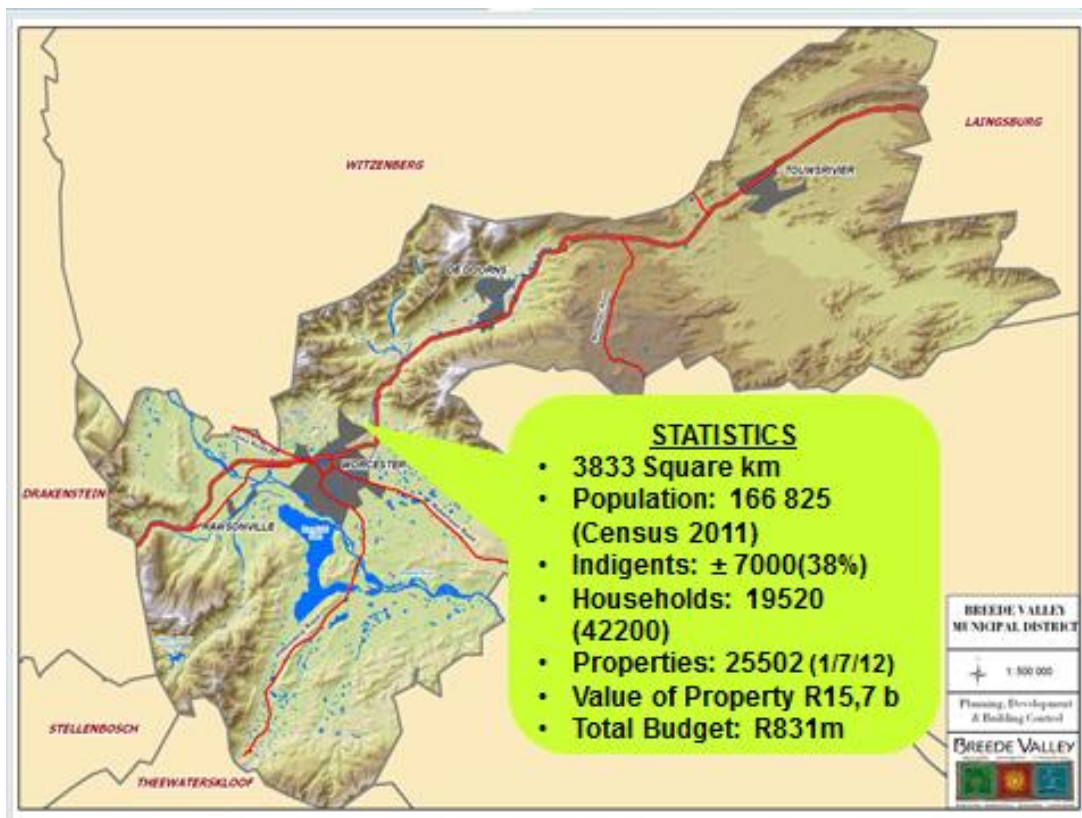


Figure 3: Breede Valley municipal area

The local municipality is approximately 100 kilometres east of Cape Town, forming part of the Cape Winelands District municipality, with its head office located in Worcester, which serves as the major services node in the Breede Valley municipality. The municipality is divided into 21 wards that are shown below:

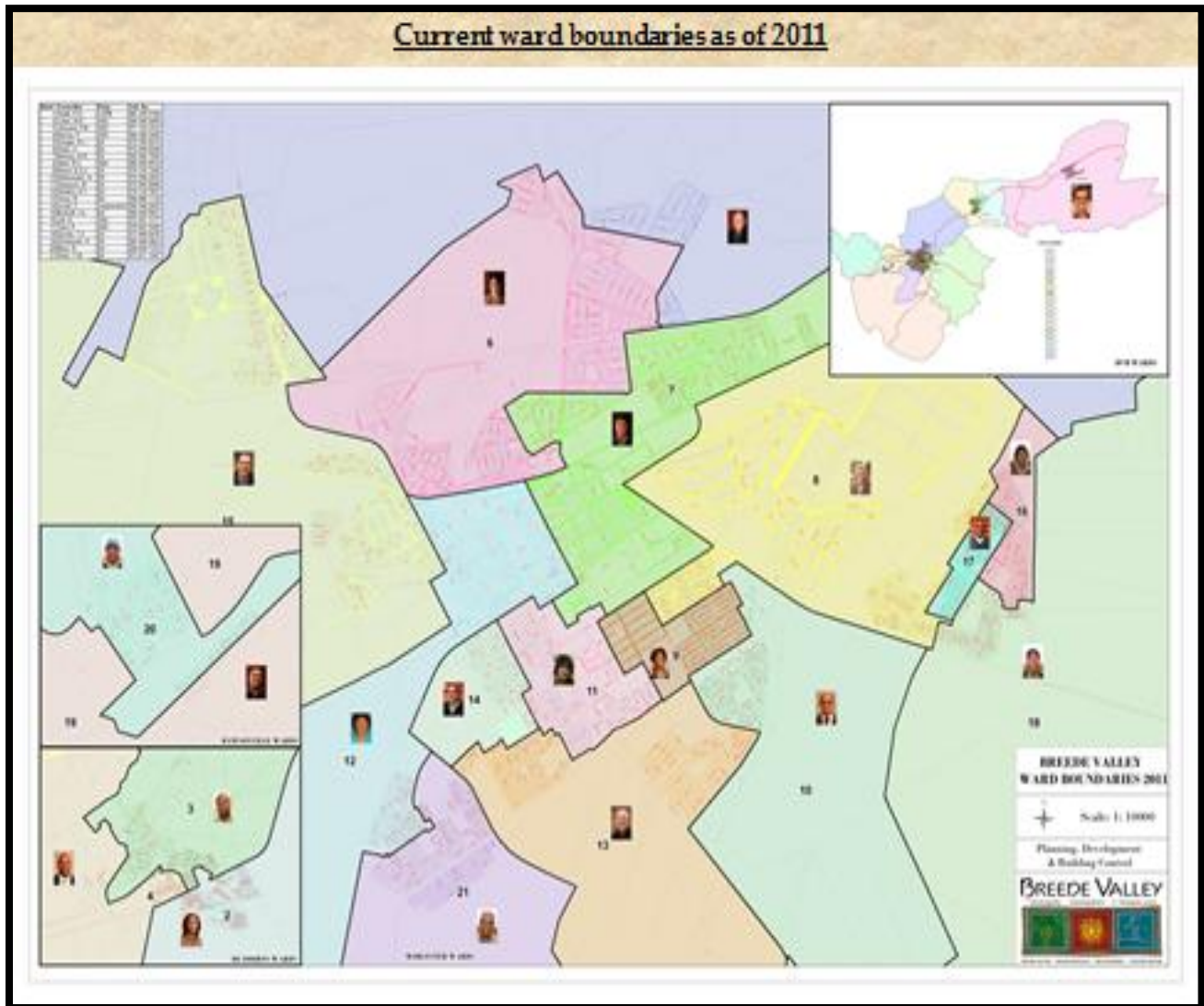


Figure 4: Breede Valley municipality wards

The Breede Valley has a vibrant economy, based on strong agricultural, manufacturing and tourism sectors. The region is known for its wine farms across the world, producing export quality wines and creating sustainable livelihoods for many citizens in the Breede Valley. Parts of the Breede Valley are integrated into wine routes frequented by overseas tourists, which form the basis of a vibrant tourism economy. The region has a mixed farming character, with vegetable farming, poultry farming and livestock production the dominating the agricultural landscape. The region has a strong business

sector, comprising large corporates in the finances, insurance and business services sector in Worcester, and smaller enterprises operating in manufacturing, agriculture, retail and the tourism sectors. The Breede Valley municipality has a unique locational advantage, lying on the N1 national road and a major railway intersection, which is highly desirable for businesses in operating in these sectors. The national toll road on the N1 to Cape Town acts as a major incentive for businesses seeking access to Breede Valley markets to relocate to Worcester.

1.5 Strategic Framework of the IDP

1.5.1 Vision, Mission and Values

Breede Valley municipality aims to realise its vision of *'A unique and caring Valley of service excellence, opportunity and growth'*, taking into account the development challenges that remain. The vision describes where Breede Valley wants to be as a municipality and within the greater Cape Winelands area. We endeavour to leverage our comparative and locational advantage to drive economic development and inclusive growth, creating sustainable employment for all our citizens.

The mission of the municipality offers the people of Breede Valley the following: *'To provide sustainable and affordable basic services in a safe and healthy environment which promotes social and economic welfare through participative governance in a committed service orientated approach, and appreciates committed staff as the organisation's most valuable resource and key to service delivery.'*

Breede Valley municipality is committed and embraces the Batho Pele principles and subscribes to the following values:

B - Beyond service excellence - We exceed the expectation of our communities by delivering innovative and affordable services.

A - Accountable - We are professional and take ownership for everything we do.

T - Teamwork - We believe in delivering together.

H - Honesty - We behave with integrity and truthfulness in all our dealings.

O - Open and Transparent - We hide nothing and keep everyone informed.

P - People Driven - We deliver service for people through people.

E - Efficient and Effective - We will deliver a rand's worth of service for every rand we receive.

L - Learning Organisation - We believe in continuous learning and create opportunities for personal and communal development and growth.

E - Equal Opportunity - We believe in equal opportunity for all and will use this diversity to the advantage of our communities.

1.5.2 Strategic Pillars and Objectives

Breede Valley municipality also developed five strategic pillars and seven strategic objectives. The strategic pillars underpin the strategic objectives. The strategic objectives have been developed to address the challenges identified during the IDP development process and are linked to service areas and pre-determined objectives.

STRATEGIC PILLARS	
OPPORTUNITY	Breede Valley municipality wishes to provide an opportunity for every resident to have access to all basic services and live in a safe, caring and well-managed municipal environment.
SAFETY	Breede Valley municipality aims on partnering with community, other government departments and community organisations to provide a safe environment for communities to thrive, especially women and children in pursuit of good community values.
CARING	Breede Valley municipality will take and provide care to all vulnerable groups, encourage social investment by our partners with, a focus on youth development and opportunities for youth to play a meaningful role in developing a better and caring Breede Valley community.
INCLUSIVE	Breede Valley community plans in consultation with all residents and partners to create and stimulate social cohesion, restore hope and break down social divide.
WELL-RUN MUNICIPALITY	Breede Valley municipality continues to build on being a well-run municipality, with strong committed administration, uphold the principles of good governance, maintain a good credit rating, provide good basic services to all and improve our good productivity rating into becoming the best run municipality.

Table 1: Strategic pillars

1.6 Process Plan for Revision adopted by Council

Below are a summary of key activities that will take place in terms of the IDP, Budget and PMS for the 2014/15 IDP Process:

IDP PROCESS PLAN 2014/2015				
MONTH	ACTIVITIES	DUE DATE	LEGISLATION	RESPONSIBLE PERSON/STRUCTURE
ANALYSIS PHASE				
JULY 2014	Preparation of the Draft IDP /Budget and PMS Process Plan			PMS/IDP Manager
	Senior Management to discuss the draft IDP/Budget and PMS Process Plan			EXECMAN
	Engagement with Budget Office and PMS for alignment purposes			CFO/IDP/PMS Manager
	Provincial IDP Assessment		MSA S31	DLG/IDP/PMS Manager
	Mayor begins planning for next three-year budget cycle in accordance with co-ordination role of budget process and review of previous		MFMA S53	CFO/MM/EM

	year's budgeting process			
	Accounting officer and senior managers of municipality commence planning for next three-year budget		MFMA S68, 77	MM/EXECMAN
	Accounting officer and senior managers of municipality review options and contracts for service delivery		MSA S76-81	MM/EXECMAN
	Approve and announce new budget schedule and set up committees and forums after consultation on performance and changing needs			MM/EXECMAN
	Signing of new performance agreements for Section 57 Managers and submission to Mayor and Municipal Manager on 31 July 2014		MFMA S69 MSA S57	EM/MM/IDP/PMS Manager
	Prepare Sector Plans for the 2014/15 financial year.			HODs
	Conduct final 2013/14 S57 Managers' Performance Assessments.			MM/PMS Unit
	Preparation of S46 Reports		MSA S46	HODs
	Collate inputs to Annual Report		MSA S46	PMS/IDP Manager
AUGUST 2014	Tabling of IDP Process Plan to MAYCO for comments			IDP/PMS Manager
	Roll-Over Budget tabled to Council	25 Aug 2014	MFMA S28(2)(e), Budget Reg. 23(5)	CFO/Manager Budgets
	IDP Process Plan tabled to Council for approval			IDP/PMS /Council
	Advertisement of the IDP Process Plan in order to meet AG audit requirements			IDP/PMS Manager
	Review of comments received from DLG on the 2014/15 IDP Review document.			IDP Steering Committee
	Self-assessment to identify gaps in the IDP process.			IDP Steering Committee
	Review situational analysis to identify changing community needs and challenges			IDP Steering Committee
	Review of Municipal Strategies, Objectives, KPA's, KPI's and targets			IDP Steering Committee
	Send approved IDP/Budget Process Plan to DLG/ MEC for Local Govt.			IDP/PMS Manager
	Mayor tables in Council a time schedule outlining key deadlines for preparing, tabling and approving the budget.	31 Aug 2014	MFMA S21,22, 23 MSA S34	EM
	Mayor establishes committees and consultation forums for the budget process.			EM
	Accounting Officer submits AFS to Auditor-General by 31 August 2014	31 Aug 2014	MFMA S126(1)(a)	CFO/MM
	Submission of Q4 SDBIP Report (for last quarter of 2013/2014)		MPPR Reg. 14	HOD's/IDP/PMS Unit
	Submission of the Annual Performance Report to Council.		MSA S46	IDP/PMS Manager

	Submission of S46 Report to AG by 31 August 2014		MSA S46	IDP/PMS Manager
SEPTEMBER 2014	Integration of new information from adopted Sector Plans into the IDP Review document.			IDP/PMS Manager
	Conduct public participation sessions in wards			Senior Management/ IDP
	Compile ward-based plans to identify ward priorities			IDP/PMS Manager
	Review and update IDP Vision, Mission and Objectives.			IDP/PMS Manager
	Council determines strategic objectives for service delivery and development for next three-year budgets			IDP/PMS/Council
	Review of provincial and national government sector and strategic plans			IDP/PMS/Council
	Align IDP with provincial and national sector specific programmes (schools, libraries, clinics, water, electricity, roads, etc.)			IDP/PMS Manager
	Audit of performance measures.			AG
	Send reminder to HOD's to submit their Q1 SDBIP Reports.		MSA S41	IDP/PMS Manager
	STRATEGIES			
OCTOBER 2014	Integration of information from reviewed Sector Plans into the IDP Review document.			IDP/PMS Manager
	Integration of Spatial Development Framework			IDP /PMS Manager
	Update and review the strategic elements of the IDP			IDP /PMS Manager
	IDP Steering Committee Meeting			IDP/PMS Manager
	Initial review of national policies and budget plans is conducted and potential		MFMA S35, 36, 42; MTBPS	MM/CFO
	Discuss potential price increases of bulk resources with sector departments.		MFMA S35, 36, 42; MTBPS	MM/CFO
	Determine revenue projections and proposed rates and service charges	3 Oct 2014		CFO/ Budget Steering Committee/ Manager: Budgets
	Drafts initial allocations to functions and departments for the next financial year based on strategic objectives	15 Oct 2014		CFO/Manager: Budgets
	Engagement with sector departments, share and evaluate plans, national policies, MTBPS.			CFO
	Incorporate initial changes into IDP.			IDP /PMS Manager
	Submission of Q1 Reports by HOD's			HOD's
	Q1 Reports tabled to Council (for first quarter of 2014/2015)		MPPR Reg. 14	
	S57 Managers' quarterly informal assessments (for first quarter of 2014/2015)			IDP/PMS Manager
PROJECTS PHASE				
NOVEMBER 2014	Review of Municipal Strategies, Objectives, KPA's, KPI's and targets.			PMS/IDP/MM

	Identification of priority IDP projects based on ward committee inputs.			IDP /PMS Manager
	Convene IDP Representative Forum.			IDP/PMS Manager
	Reviews and initial changes are drafted into IDP		MSA S34	IDP/PMS Manager
	Accounting officer and senior officials consolidate and prepare proposed budget and plans for next financial year taking into account previous year's performance as per audited financial statements.	28 Nov 2014		Budget Steering Comm./CFO
	Identify new CAPEX/OPEX projects and programmes emanating from IDP projects	28 Nov 2014		CFO/IDP Steering Committee
	Auditor-General returns audit report by 30 November 2014.		MFMA S126(4)	AG/MM
	Review performance of service providers as per the approved policy			
DECEMBER 2014	Departments to comment on the reviewed Municipal Strategies, Objectives, KPA's, KPI's and targets.			EM
	Project alignment between CWDM and BVM			EM
	Identification of priority IDP projects.			IDP/PMS Manager
	Council finalises tariff policies for next financial year.		MSA S74, 75	CFO/ Executive Mayor
	Inputs from Departments for Adjustment Budget	10 Dec 2014		MM/Directors/Budget Steering Comm/ Manager:Budgets
	Start preparation for Mid-year review and performance assessment			IDP/PMS Manager
	Compile Annual Report for 2013/2014.		MFMA S121	IDP/PMS Manager
	Send reminder to HOD's to submit their Q2 SDBIP Reports.		MSA S41	IDP/PMS Manager
JANUARY 2015	Review of Municipal Strategies, Objectives, KPA's, KPI's and targets in strategic planning session with senior management			IDP/PMS Manager
	Identification of priority IDP projects.			IDP /PMS Manager
	IDP Steering Committee Meeting.			IDP/PMS Manager
	Submission of Q2 Reports by HOD's.			EM/IDP/PMS
	Q2 Reports tabled to Council (for second quarter of 2014/2015).		MPPR Reg. 14	IDP/PMS Unit
	Mayor tables draft annual report for 2014/2015.		MFMA S127(2)	PMS/IDP /EM
	Make public annual report and invite community inputs into report.		MFMA S127 & MSA S21a	IDP/PMS Manager
	Municipal Manager submits Midterm/Midyear Report to the Mayor.		MFMA S72	MM
	Midterm/Midyear Report is published in the Local Newspaper.			IDP/PMS manager
FEBRUARY 2015	Continuous Review of Municipal Strategies, Objectives, KPA's, KPI's and targets.			PMS/IDP Manager
	Identification of priority IDP projects.			IDP /PMS Manager

	IDP Steering Committee Meeting			IDP /PMS Manager
	Accounting officer finalises and submits to Mayor proposed budgets and plans for next three-years, taking into account the recent mid-year review and any corrective measures proposed as part of the oversight report for the previous years audited financial statements and annual report.			CFO/MM
	Prepare detailed budgets and plans for the next three years.			CFO/Manager: Budgets
	Prepare Adjustment Budget	12 Feb 2015		
	Table Adjustment Budget before Council	28 Feb 2015	MFMA S28(2)b,d,f	Executive Mayor
	Executive Management adopts budget and plans and changes to IDP.			CFO/EXCO/IDP/PMS Manager
	Quarterly Project Implementation Report (for second quarter of 2014/2015)		MPPR Reg. 14	
	Submit draft annual report to AG and DLG		MFMA S127	PMS/IDP Manager
	S57 Manager's formal quarterly assessments (for second quarter of 2014/2015)			MM/IDP/PMS Manager
	Draft SDBIP's for 2015/16 developed and for incorporation into draft IDP 2015/16 FY.			IDP/PMS Manager
	Accounting officer reviews proposed national and provincial allocations to municipality for incorporation into the draft budget for tabling.	28 Feb 2015	MFMA S36	CFO/Manager: Budgets
INTEGRATION/REFINEMENT PHASE				
MARCH 2015	Submit approved Adjustment Budget to NT, PT and Public.	10 Working days after approval		Manager: Budgets
	Finalisation of Municipal Strategies, Objectives, KPA's, KPI's and targets.			IDP/PMS Manager
	IDP Steering Committee Meeting			IDP /PMS Manager
	Convene IDP Representative Forum			IDP /PMS Manager
	Adoption of draft IDP and Budget 2015/16	10 March 2015	MFMA S16(2)	CFO/IDP/ PMS Manager
	Mayor tables municipality budget and proposed revisions to IDP at least 90 days before start of budget year.	31 March 2015	MFMA S16, 22, 23, 87; MSA S 34	Executive Mayor
	Council to consider and adopt an oversight report due by 31 March 2015		MFMA S129(1)	
	Council Adopts draft Annual Report for the year ending June 2015.			EM/IDP/PMS
	Publicise Annual Report and MPAC Report.			PMS/IDP Manager
	Submit Draft SDBIP's for 2015/16 to Council.			IDP/PMS Manager
	Reminder to be sent to HOD's to submit their Q3 SDBIP Reports		MSA S41	PMS/IDP Manager
	Set performance objectives for revenue for each budget vote		MFMA S 17	CFO/Manager: Revenue

APRIL 2015	Publicise Draft IDP and Budget and invite local community to make written comments in respect of the IDP and Budget	Immediately after Tabling before Council	MFMA S22 & MSA S21A	CFO/ IDP/PMS Manager
	Accounting officer publishes tabled budget, plans, and proposed revisions to IDP and submits to NT, PT and others as prescribed.	Immediately after Tabling before Council	MFMA S22 & MSA S21A	CFO/ IDP/PMS Manager
	Review written comments in respect of the Budget and IDP	20 April 2015	Best Practice	CFO/ IDP/PMS Manager
	Conclusion of Sector Plans initiated for the 2014/15 financial year and integration into the IDP Review report.			IDP /PMS Manager
	IDP Steering Committee Meeting			IDP /PMS Manager
	Public participation process launched through series of public hearings on the IDP and Budget.			IDP/PMS Manager
	Prepare departmental business plans linked to the IDP strategies, objectives, KPI's and targets.			IDP/PMS Manager
	Accounting officer assists the Mayor in revising budget documentation in accordance with consultative processes and taking into account the results from the third quarterly review of the current year.	30 April 2015	MFMA S21	CFO
	Public hearings on the Budget, Council Debate on Budget and Plans.			MM/IDP/CFO
	Q3 Reports tabled to Council (for third quarter of 2014/15).		MPPR Reg. 14	PMS/IDP /MM/CFO
	Refinement of Municipal Strategies, Objectives, KPA's, KPI's and targets and inclusion into 2014/15 IDP Review report.			IDP/PMS Manager
	S57 Managers' informal quarterly assessments (for third quarter of 14/15).			IDP/PMS Manager
	Publicise Annual Report due by April 2015.		MFMA S129(3)	IDP/PMS
	Submit Annual Report to DLG/MEC Local Government		MFMA S132(2)	IDP/PMS Manager
	Review annual organisational performance targets.		MPPR Reg. 11	MM/IDP/PMS Manager
APPROVAL PHASE				
MAY 2015	EXCO recommends adoption of the IDP to Council.			IDP/PMS Manager
	Accounting officer assists the Mayor in preparing the final budget documentation for consideration for approval at least 30 days before the start of the budget year taking into account consultative processes and any other new information.	12 May 2015		CFO/EM
	Adoption of the IDP by Council.	31 May 2015	MFMA S24	IDP/PMS Manager
	Convene IDP Representative Forum.			IDP/PMS Manager
	Council to consider approval of budget and plans at least 30 days before start of budget year.	31 May 2015	MFMA S23, 24; MSA Ch 4	CFO
	Council must approve annual budget by resolution, setting taxes and tariffs, approving	31 May 2015	MFMA S16, 24, 26, 53	CFO/Council

	changes to IDP and budget related policies, approving measurable performance objectives for revenue by source and expenditure by vote before start of budget year.			
	Community input into municipality's KPIs and targets.			PMS/IDP Manager
JUNE 2015	Submission of the Final IDP to DLG			IDP/PMS Manager
	Accounting officer publishes approved budget, plans, and proposed revisions to IDP as prescribed.	Within 10 working days after Approval by Council	Budget Reg. 18 & MSA S21A	CFO/ IDP/PMS Manager
	Accounting officer submits approved budget, plans, and proposed revisions to IDP and submits to NT, PT and others as prescribed.	Within 10 working days after Approval by Council	Budget Reg. 20	CFO/ IDP/PMS Manager
	Mayor must approve SDBIP within 28 days after approval of the budget and ensure that annual performance contracts are concluded in accordance with S57 (2) of the MSA.		MFMA S 53; MSA S 38-45, 57(2)	PMS/Manager/Executive Mayor
	Mayor to ensure that the annual performance agreements are linked to the measurable performance objectives approved with the budget and SDBIP. The mayor submits the approved SDBIP and performance agreements to council, MEC for local government and makes public within 14 days after approval.			PMS/IDP Manager
	Council must finalise a system of delegations.		MFMA S 59, 79, 82; MSA S 59-65	Council
	Accounting officer submits to the mayor no later than 14 days after approval of the budget a draft of the SDBIP and annual performance agreements within one month		MSA S57(1)(b) MFMA S69; MSA S57	PMS/IDP Manager
	Finalise performance contracts.			PMS/IDP Manager/MM
	Council adopts budget, resolutions, capital implementation plans, objectives and changes in IDP.			CFO/IDP Manager
	Reminder to be sent to HOD's to submit their Q3 SDBIP Reports.		MSA S 41	PMS/IDP Manager

Table 1: IDP Process Plan 2014/2015

CHAPTER 2

CHAPTER 2

Chapter 2 deals with the socio-economic and demographic profile of the Breede Valley municipality. Data on the demographic and social make-up of the municipality will inform future planning and development initiatives, which will impact on service delivery targets set by the Municipality. Accurate socio-economic and demographic statistics will enable the Municipality to accurately gauge its internal capacity to meet the needs of communities and increase the efficiency and effectiveness of its service delivery programmes.

2.1 Socio-economic Profile

The following table gives a snapshot of the socio-economic profile of communities living in the Breede Valley municipality:

SOCIO-ECONOMIC PROFILE IN BREEDE VALLEY	
Total population	166,825
Young (0-14)	27,8%
Working Age (15-64)	66,9%
Elderly (65+)	5,3%
Dependency ratio	49,5%
Sex ratio	94,5
Growth rate	1,31% (2001-2011)
Population density	44 persons/km ²
Unemployment rate	14,4%
Youth unemployment rate	20,2%
No schooling aged 20+	4,9%
Higher education aged 20+	8,3%
Matric aged 20+	24,9%
Number of households	42,527
Number of Agricultural households	2,447
Average household size	3,7
Female headed households	35,3%
Formal dwellings	77,9%
Housing owned/paying off	40,6%
Flush toilet connected to sewerage	83,5%
Weekly refuse removal	75,3%
Piped water inside dwelling	69,3%
Electricity for lighting	88,3%

Table 2: Socio-Economic Profile in Breede Valley

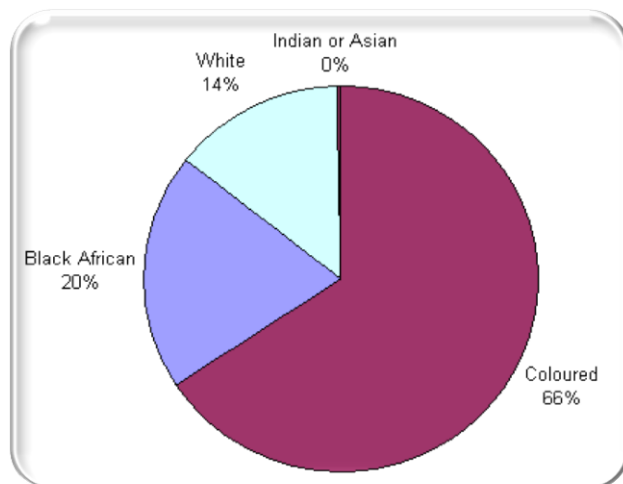
2.2 Demographic Profile

Population size is a useful measure to forecast the future demand for government services in a particular geographical space. It also serves as a planning tool for budget planners to match available resources with the relative demand for services. As is shown in Table 4, Breede Valley has the second largest population density in the Cape Winelands District, which has a population size of 787 490 (13,6% of the Western Cape Province population).

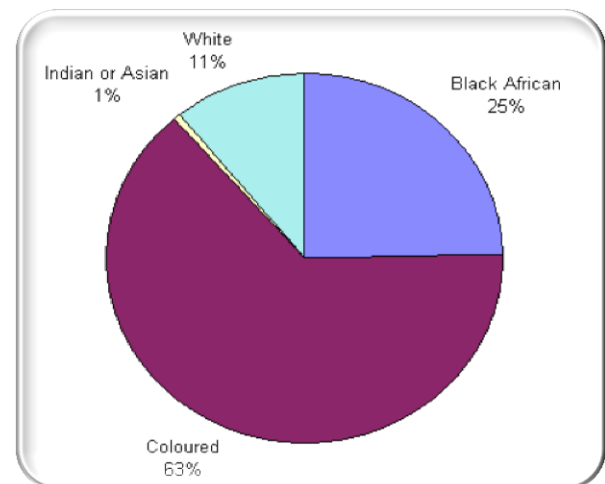
POPULATION DISTRIBUTION IN CAPE WINELANDS DISTRICT		
	Total Population	% in Cape Winelands
Witzenberg Municipality	115 946	14,7%
Drakenstein Municipality	251 262	31,9%
Stellenbosch Municipality	155 733	19,8%
Breede Valley Municipality	166 825	21,2%
Langeberg Municipality	97 724	12,4%
Cape Winelands District	787 490	100%

Table 3: Population distribution in Cape Winelands District

Graph 1 shows the percentage distribution of people by population groups in Breede Valley between 2001 and 2011. In both 2001 and 2011, Coloureds had the highest percentage of people residing in the municipality. Within the period 2001-2011, there were notable changes in composition of the population from 2001 to 2011. In 2001, Coloureds (66%) had the highest percentage of people residing in Breede Valley, followed by Black African (20%), Whites (14%) and Indians or Asian (0%). In 2011, Coloureds (63%) still represents the highest percentage of people staying in Breede Valley, followed by Black Africans (25%), Whites (11%) and Indians or Asian (1%). According to Statistics South Africa, the municipality has an annual estimated population growth rate of 1,31%.



Census 2001



Census 2011

Figure 5: Breede Valley municipality's population groups

2.3 Distribution by gender and age

The Breede Valley has a relatively young population, as the vast majority of citizens fall in the age category of younger than 35 years of age (see Figure 6). The population pyramid for Breede Valley municipality shows a normal and natural demographic trend, with a broad base, indicating high fertility rates, and a narrow top, indicating higher mortality rates for older generations.

This observation has huge implications for future education planning, skills development, employment creation and social investment. The potential economically active population (between 15-60 years) is estimated at 66,9%, which also provides a measure of the market potential for goods and services in the municipal area.

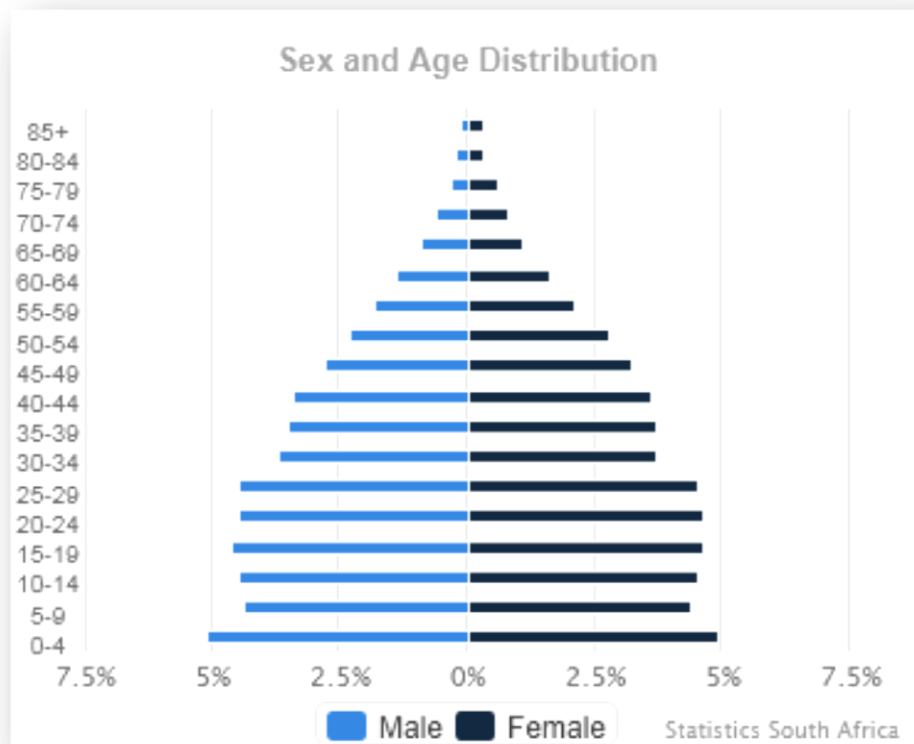


Figure 6: Sex and age distribution in Breede Valley

The gender distribution per ward is shown in Figure 7 below:

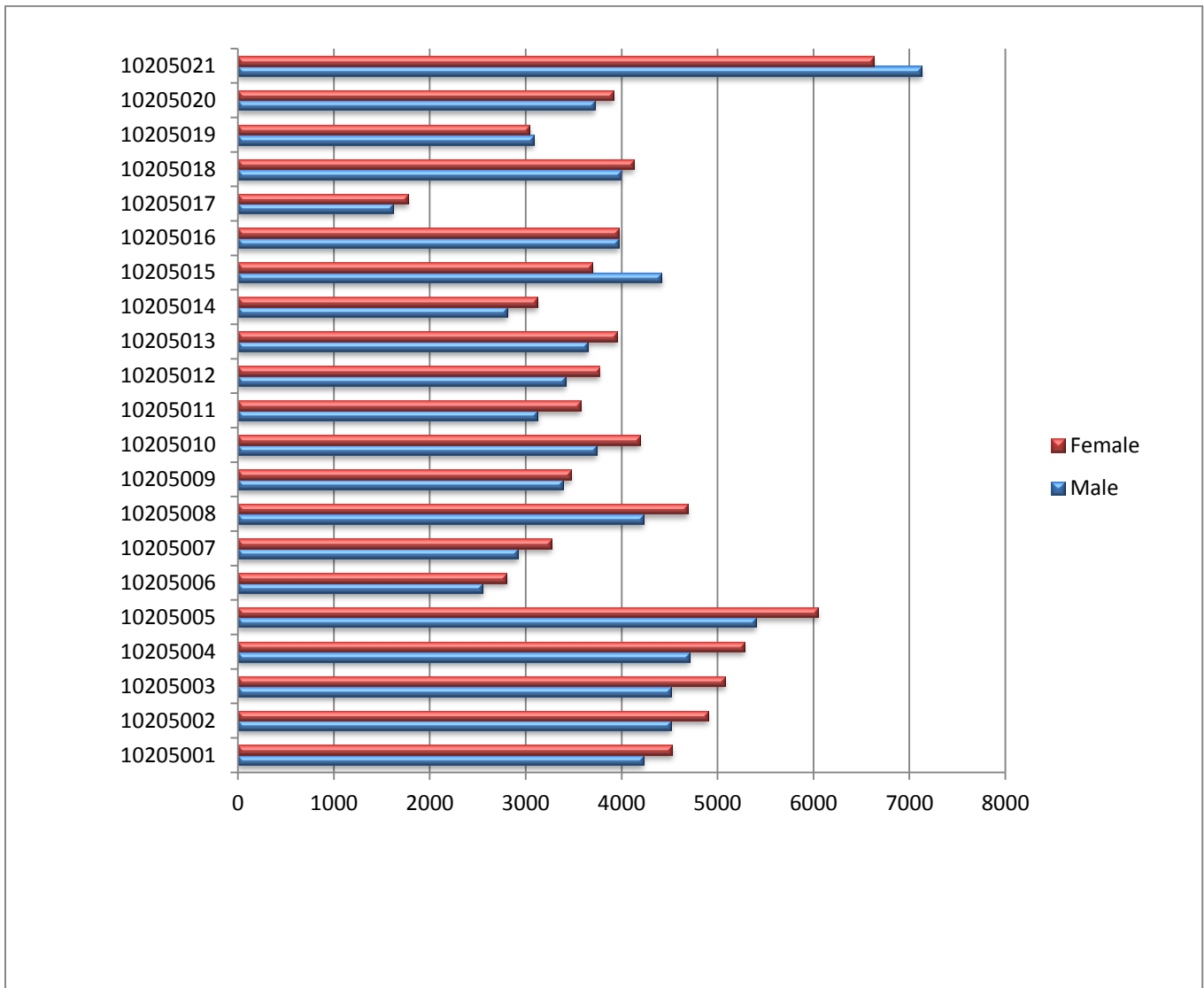


Figure 7: Gender representation per ward (source: Census 2011)

2.4 Educational Statistical Information

(I) Learner Enrolment

The current population profile and projected learner growth provides a basis for sound education planning by education authorities, such as the Western Cape Education Department. In addition, accurate information on learner enrolment numbers enables the Western Cape Education Department (WCED) to determine the level of current and future demand for education provisioning. Municipalities and local businesses utilise learner data to assess the current and potential skills pool in the region, which is a critical consideration for their long-term investment strategies.

A total of 34 794 pupils had been enrolled at schools within the Breede Valley municipal area in 2014. There has been an increase in learner access to schooling in the Breede Valley, indicated by an increase of 912 in the learner enrolment figures between 2012-2014 (see Table 5).

LEARNER ENROLMENT FIGURES FOR 2014			
	Grade R	Grade 1 - 7	Grade 8-12
No of learners	2779	20 060	11 955
%	8,0%	57,7%	34,3%

Table 4: Learner enrolment figures for 2014

Currently there are 56 schools in Breede Valley of which 37 are no fee-schools. A total of 1130 educators teach at these schools, translating into an average teacher-learner ratio of 1:31 across schools in the municipality. The majority of the schools (32) are characterised as Quintile 1 or Quintile 2 schools, which indicates that they are situated in communities where high poverty indices are recorded by national government. A total of 3284 learners utilise the learner transport service of the Education Department and 19 312 learners participate in the National School Nutrition Programme.

Two new secondary schools are planned for the Breede Valley municipality, namely Zwelethemba Senior Secondary and Worcester HS, which will be finished by 30 September 2015 and 28 February 2017 respectively. This amounts to a total capital injection of R92,5 million by the Department of Transport and Public Works under its Education Infrastructure Grant. In addition, one new primary school will be built in Stofland, at an estimated cost of R40 million. Much needed jobs will be created in the local construction sector through the building of these new schools.

(II) Levels of Education

A high correlation exists between education achievement levels and income potential and standard of living of residents in a particular geographic area. In particular, municipalities use the level of education attainment amongst its citizens to drive investment strategies, and to assess how to retain or expand the skills base and diversify businesses that invest in the area.

Table 1 shows the percentage distribution of people by highest education level in 2011. The majority of people in the Breede Valley has had some level of primary schooling (40,5%), followed by people who has had some level of secondary

schooling (32,6%). Only 1,5% of people residing in Breede Valley achieved a tertiary education qualification. This observation has massive implications for education planning, as the majority of initiatives would have to be focused on artisanal training at TVET Colleges, internships and on-the-job skills training. The low tertiary education attainment will impact on the region’s ability to grow the knowledge economy in key economic sectors such as finance, business services and ICT.

HIGHEST EDUCATION LEVELS	
Group	Percentage
No Schooling	3,1%
Some Primary	40,5%
Completed Primary	6,7%
Some Secondary	32,6%
Completed Secondary	11,9%
Tertiary Education	1,5%
Not Applicable	3,6%

Table 5: Highest education levels (all ages)

There is a marked difference in the level of education between males and females in the tertiary education sphere. This observation can be explained by the historic disparity to educational access that has existed between males and females. Males account for 28.8% and 59.5% of graduates and postgraduates respectively. On the other hand, females comprise 71.2% and 40.5% of graduates and postgraduates, respectively (see Figure 8).

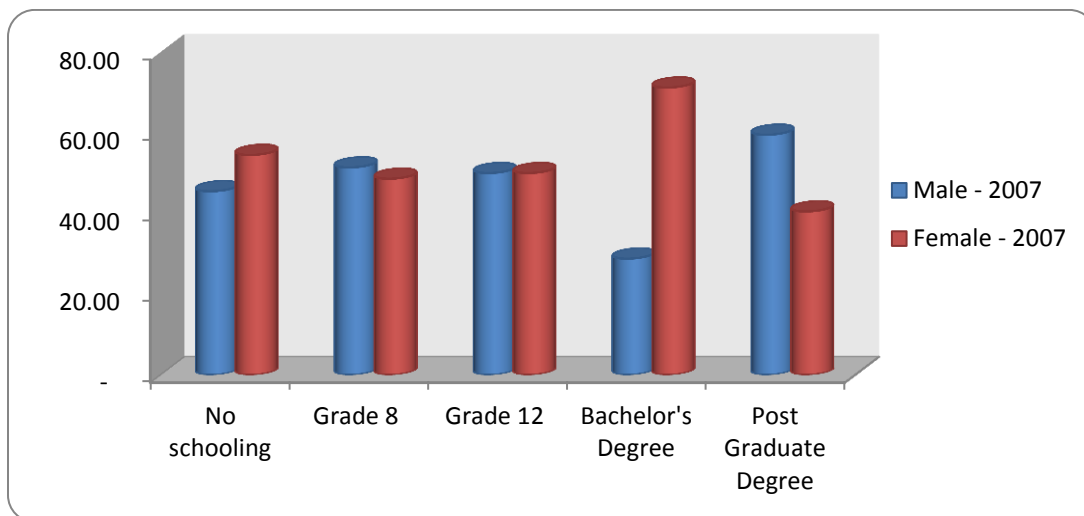


Figure 8: Education attainment levels

(III) Literacy Rate

According to the Department of Social Development, people aged 14 years and older are considered as literate if they have successfully completed seven years of formal schooling (passed Grade 7/Standard 5). An illiterate person would therefore be someone aged 14 years and older with less than seven years of formal education completed. Based on this definition, the literacy rate in Breede Valley Municipality was estimated at 67.7% in 2007.

2.5 Health Statistical Information

(I) Burden of Disease

The table below shows the burden of disease in the Cape Winelands District Municipality, according to the Department of Health Statistics:

BURDEN OF DISEASE	
Disease/Condition	% of population
HIV/AIDS	12,1
Tuberculosis	9,8
Interpersonal violence	6,6
Cerebro-vascular disease	6,0
COPD	5,6
Road injuries	5,3
Ischaemic heart disease	5,1
Lower respiratory infections	4,9
Trachea/bronchi/lung	4,2
Diabetes mellitus	4,0

Table 6: Burden of disease in Cape Winelands District

Cape Winelands district municipality has registered 3 ART (anti-retroviral treatment) service sites and 13 tuberculosis clinics since 2010. Immunisation rates for children below 1 year in Breede Valley (BCG dose at birth and measles) have been well above the district average in the Cape Winelands district.

(II) Access to Health Facilities

The following section profiles the current health infrastructure and human resource capacity in the public health sector in the Breede Valley municipal area.

HEALTH CARE FACILITIES LOCATED IN BREEDE VALLEY								
Municipality	Community Health Centres	Community Day Centres	Clinics	Satellite Clinics	Mobile Clinics	District Hospitals	Regional Hospitals	Total
Breede Valley	0	1	8	4	5	0	1	19
Cape Winelands (2015)	0	6	42	6	28	4	2	889

Table 7: Health care facilities located in Breede Valley in 2015

In 2015, a total of 88 primary health care facilities were located in the entire Cape Winelands District. Breede Valley Municipality has a total of 19 primary health care facilities, which includes 8 fixed clinics, 1 regional hospital, 4 satellite clinics, 5 mobile clinics and 1 community day centre. Over the next three years, the Department of Health is planning a sizable capital investment in Breede Valley Municipality, under its Health Facility Revitalisation Grant. This includes the replacement and rebuilding of the Rawsonville Clinic (R16 150 000), dental suite additions and alterations at Worcester CDC (R5 850 000), the building of Avian Park Clinic (R16 000 000), the De Doorns upgrade (R16 400 000), the building and renovation of nurses' accommodation at Worcester Boland College (R11 885 000), the upgrade of Worcester Hospital (R35 350 000), the addition of a Psychiatric Evaluation Unit at Worcester Hospital (R2 000 000) and preventative maintenance at Worcester Ambulance Services (R281 000), Worcester CDC (R380 000), Worcester FPL (R450 000) and Worcester Hospital (R3 080 000). A total of R10 006 911 will be spent on the maintenance of health infrastructure up to 2018. An estimated total of 2 133 jobs will be created by the various projects in the health sector.

(III) Human Resource Capacity - Health

The provisioning of adequate numbers of health professionals at primary health care facilities is a determinant of quality primary health care. In 2010, 6 doctors and 66 professional nurses were employed by the Department of Health at public health care facilities in Breede Valley (see Table 9). These figures translate into a ratio of 1 doctor per 27 804 people and 1

nurse per 2 527 people in the Breede Valley. The situation has improved slightly in 2014, as 12 doctors and 85 professional nurses were employed by the Department of Health at public health care facilities in Breede Valley (see Table 9). This translates into a ratio of 1 doctor per 13 902 people and 1 nurse per 1 963 people in the Breede Valley. This observation illustrates the dire need for health care practitioners in the rural areas of the Western Cape to combat the myriad of diseases prevalent in our communities. It should be noted that these totals exclude health professionals employed by the private sector.

BREEDE VALLEY MEDICAL STAFF		
Professional	2010	2014
Primary healthcare doctors	6	9
Number of doctors at district hospitals	0	3
Sub-Total Doctors	6	12
Primary healthcare – Professional nurses	66	73
Number of professional nurses at district hospitals	0	12
Sub-total: Professional nurses	66	85
Primary healthcare - dentists	0	3
Number of dentists at district hospitals	0	0
Sub-total: Dentists	0	3
Total	72	100

Table 8: Breede Valley medical staff

2.6 Safety and Security

Residents in all four major towns in the Breede Valley municipal area have access to police stations. These stations also service the surrounding rural areas. It is important that development planning takes cognisance of the importance of security and justice in building safe communities. High crime levels also deter investment and erode social capital.

Table 10 below shows high-order crimes such as murder, sexual related crimes, drug related crimes and property related crimes within Breede Valley police precincts from 2010-2014.

	April to March
--	-----------------------

Crime Category	2010-2011	2011-2012	2012-2013	2013-2014
Murder	72	75	68	75
Total sexual crimes	342	377	343	308
Burglary at residential premises	1374	1531	1727	1542
Drug related crimes	1471	1555	1704	1861
Driving under the influence alcohol/drugs	332	302	223	296

Table 9: Crime in Breede Valley police precincts

Drug-related crimes and burglaries at residential premises recorded the highest crime rates between 2010-2014. However, there had been a marked reduction in burglaries at residential premises from 2013 to 2014, as these decreased by an average rate of 10,7% from 1 727 to 1 542. In contrast, drug related crimes have increased significantly (8,1% annual average) from 1 471 to 1 861 incidents from 2010-2014.

The number of murders stayed relatively constant in the period 2010-2014, but a reduction in the number of sexual crimes was recorded in the same period. Breede Valley continues to experience a similar trend with crimes relating to driving under the influence of alcohol and drugs, which decreased from 332 to 296 incidents in the period 2010 to 2014.

2.7 Household Income

Household income is an indicator of current poverty levels amongst citizens in a municipality, which has a direct influence on indigent household policies, poverty relief and tariff policies. It also provides information about the living standards prevalent in a particular community, for example whether it is predominantly poor, middle income or a rich community.

Figure 9 shows the percentage distribution of household income in Breede Valley in 2011, according to Statistics South Africa. The highest percentage of households in Breede Valley (41,1%) has an annual income of R9 601 – R96 400. Over 10% of households in the Breede Valley had no income (see Figure 9). This could indicate that an increasing number of households find it difficult to survive and will ultimately become dependent on social assistance in the form of social grants in the absence of targeted sustainable employment creation programmes. This observation will also have a significant impact on the Breede Valley municipality's indigent policies, ultimately impacting on the rates and tariffs structure.

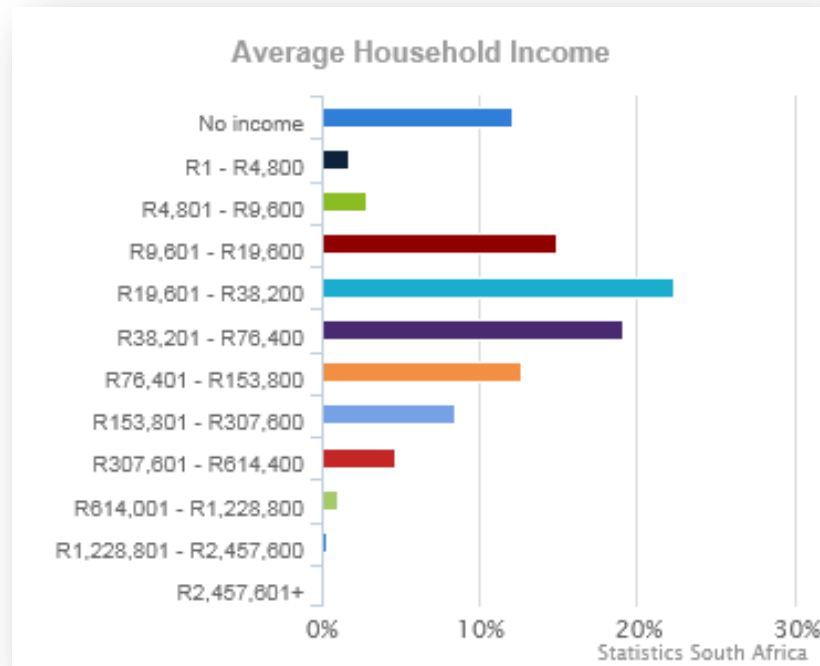


Figure 9: Average household income

2.8 Social Grants

The social security system is one of the government's initiatives to address poverty, inequality and unemployment. It has two main objectives:

- To reduce poverty amongst groups who are not expected to participate fully in the labour market, namely the elderly, those with disabilities and children;
- To increase investment in health, education and nutrition.

There are five major social security grants in South Africa and each grant is dependent on an income-based means test. Grants are implemented and administered by a separate national government agency, the South African Social Security Agency (SASSA).

Figure 10 shows the percentage of social grant recipients per category in Breede Valley in 2011. A total of 24 234 residents receive Child Support Grants, which translates to 50,7% of all social grant recipients in the municipal area. A total of 28,3% of residents on social assistance receive old-age pensions, and 19,4% receive disability grants.

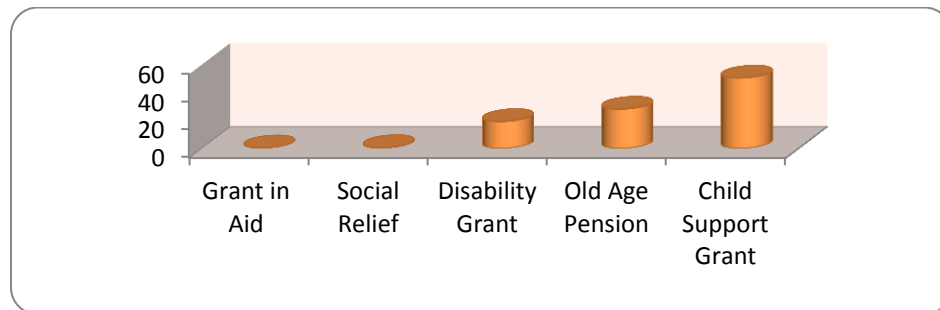


Figure 10: % of Social grants per category

2.9 Labour – Statistical Information

In Breede Valley Municipality, the number of unemployed people decreased from 12 184 in 2001 to 9 874 in 2011. The drop in the number of unemployed residents could be viewed as a positive development against the backdrop of the current economic situation and positive population growth rates experienced from 2001 until 2011. According to Statistics South Africa, the current unemployment rate in Breede Valley is 14,4% (out of an economically active population of 68 607), with the youth unemployment figure slightly higher at 20,2%.

(I) Unemployment by Gender

A labour force analysis of the 2011 census data revealed that females comprise the majority of the unemployed. Out of a total of 12 184 unemployed persons in 2011, 4 637 were males and 5 237 were females (see Figure 11).

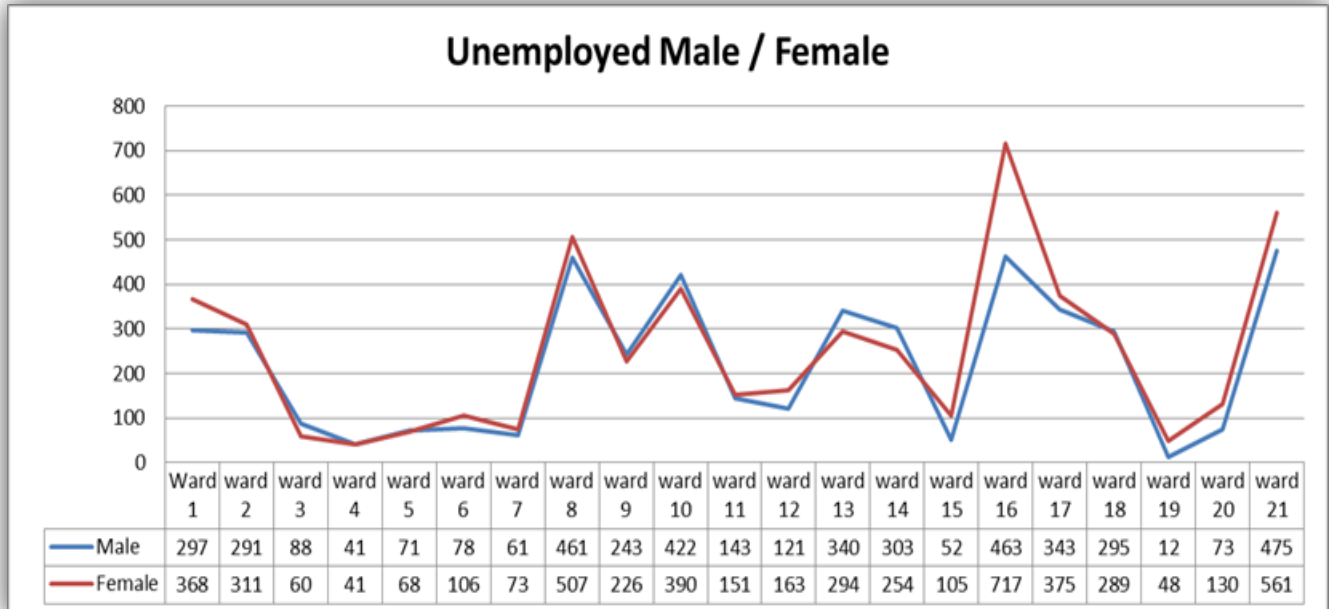


Figure 11: Unemployment by gender per ward

(II) Skills Profile

A labour force can be classified into three main categories namely, highly skilled, skilled and low skilled. Low skill occupations are defined as individuals who are employed in elementary occupations; skilled occupations include clerks, service workers, skilled agricultural and fishery workers, craft and related trade workers, as well as plant and machine operators and assemblers. The highly skilled category includes legislators, senior officials and managers, professionals, technicians and associate professors.

Latest census data shows that 58 698 people are currently employed in Breede Valley. Census 2011 does not include an analysis of Breede Valley’s current skills profile, but earlier data indicates that 46.6% of employees can be categorised as skilled workers, 29.2% as low skilled and 15.1% as highly skilled workers.

2.10 Key Economic Sectors and Employment by Industry

Breede Valley municipality has achieved an economic growth rate of 2,4%, which is below the average growth rate of 3,8% recorded in the Cape Winelands district over the period 2000-2011. The fastest growing sector was construction, which

grew by 7.8%, followed by the transport, storage and communication sector (6.1%). Based on this observation, it is expected that the demand for artisans is likely to increase in the next few years, as well as the pressure on roads infrastructure and the communication grid.

Amongst industry sectors that contracted in Breede Valley municipality are electricity, gas and water (-7.4%) and agriculture, forestry and fishing (-0.3%).

ECONOMIC GROWTH RATES IN CAPE WINELANDS DISTRICT MUNICIPALITY						
Sector	Witzenberg	Drakenstein	Stellenbosch	Breede Valley	Langeberg	Cape Winelands
Agriculture, forestry & fishing	0.8	0.6	0.1	-0.3	-0.1	0.3
Mining & quarrying	-10.0	3.3	3.1	1.2	6.7	2.1
Manufacturing	3.3	0.2	3.2	2.8	6.0	2.4
Electricity, gas & water	3.2	6.5	4.9	-7.4	-0.8	2.1
Construction	0.2	4.2	11.0	7.8	8.7	7.2
Wholesale & retail trade, catering & accommodation	-0.6	4.0	8.9	3.6	7.2	5.4
Transport, storage and communication	7.3	5.3	6.6	6.1	15.5	6.8
Finance, insurance, real estate & business services	10.8	7.6	7.3	2.6	9.0	7.1
Community, social & personal services	3.4	2.3	6.1	2.3	5.0	3.8
General government	2.9	1.8	5.9	1.5	4.3	3.3
Total	3.0	3.0	5.5	2.4	5.1	3.9

Table 10: Economic growth rates: Cape Winelands

Despite a contraction in its growth rate, the agricultural industry remains the biggest employer at 28.8%, followed by community services (21.9%), finance (20.2%) and manufacturing (11.3%).

SECTORS PERCENTAGE CONTRIBUTION TO BREEDE VALLEY	
Industry	% Contribution
Agriculture	28.8
Community Services	21.9
Finance	20.2
Manufacturing	11.3

Trade	7.7
Transport	6.1
Construction	2.7
Electricity	1
Mining	0.2

Table 11: Sectors percentage contribution to Breede Valley

2.11 Human Settlement

According to Statistics South Africa Census 2011 data, there are approximately 42 527 households in Breede Valley municipal area. The section that follows reflects services available to households of Breede Valley.

(I) Electricity

Electricity and street lighting is provided to all formal settlements and electricity and street or high mast lights to most informal areas in the Breede Valley region. Electricity is the main source of energy and lighting: 88.31% of households in Breede Valley municipality have electricity available for lighting and energy, while 4.21% still use candles (see Table 13). As illustrated above electricity usage decreased from 90% of households in 2001 to 88,3% of households in 2011, with the usage rate of paraffin increasing from 4% to 7% of households in 2011. The increase in electricity tariffs and the increase in informal residential areas, where energy dependency is mainly reliant on paraffin and candles as primary sources, are two contributing factors for the declining electricity usage.

The table below illustrates access and usage of different forms of energy in accordance with the different racial demographics.

	Black African	Coloured	Indian or Asian	White	Other	TOTAL
Electricity	9 221	21 375	214	6 333	415	37 558
Gas	32	47	0	7	2	88
Paraffin	2 550	261	3	9	67	2 890
Candles	748	1 013	7	14	11	1 793
Solar	22	30	1	8	0	61
Other	0	0	0	0	0	0

None	51	79	0	2	5	137
TOTAL	12 624	22 805	225	6 373	500	42 527

Table 12: Energy or fuel for lighting by population group of head of household (Census 2011)

A total of 24 333 households **within the urban edge** of the municipality have access to the minimum service level and above for electricity. The graph below indicates the different service delivery level standards for electricity **within the urban edge area** of the Municipality, as at June 2014:

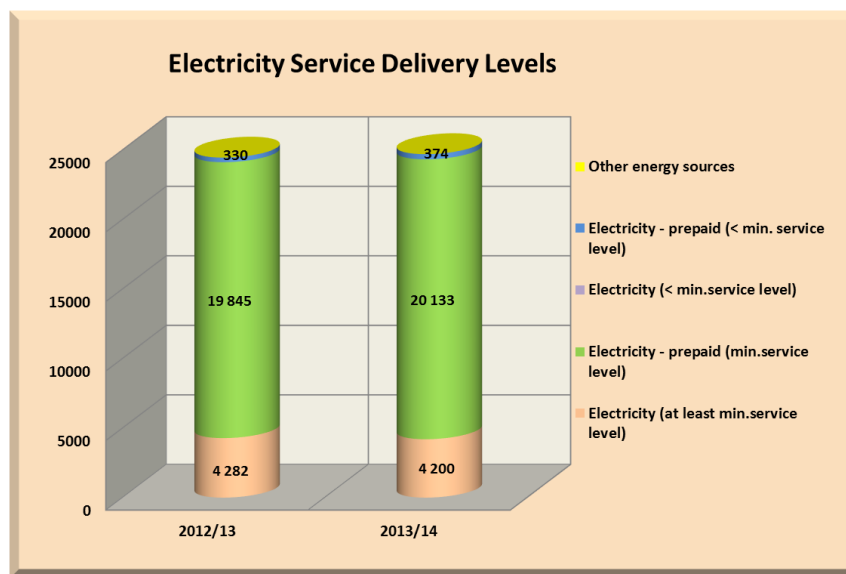


Figure 12: Electricity service delivery levels (source: Annual Report 2013/2014)

Currently the power outages (both planned and unplanned) are within acceptable norms. The areas mostly affected by unplanned outages are the rural areas where overhead line systems are exposed to storms and lightning.

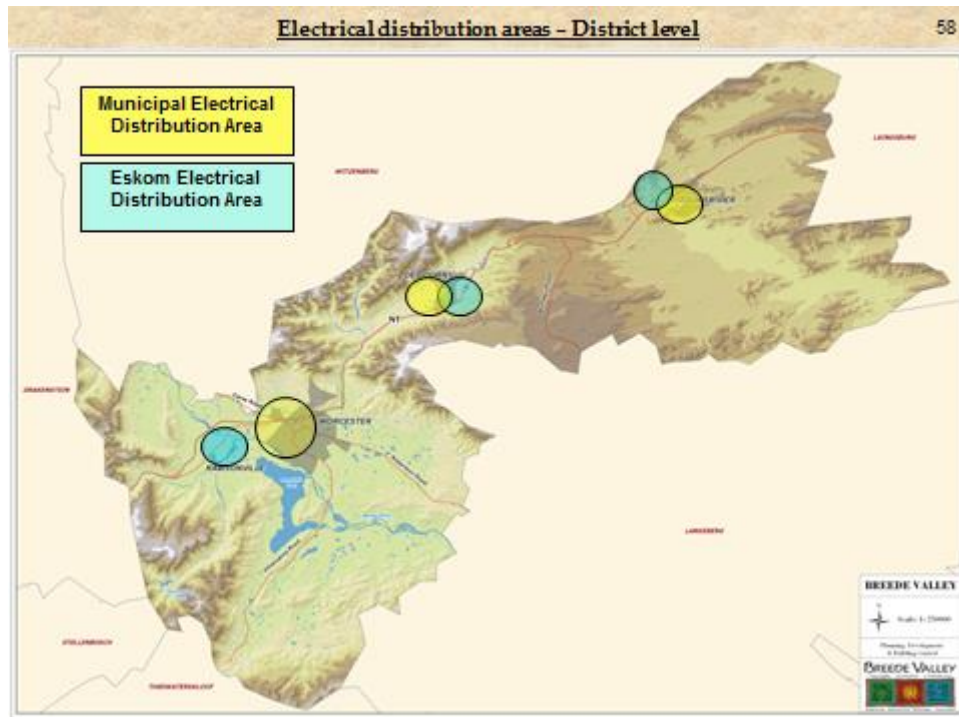


Figure 13: Electrical distribution areas (BVM Technical Services Dept)

The figure below illustrates the electrical and lighting distribution projects to be undertaken during the 2015-2016 financial year. High mast lighting is provided in wide dark open spaces in order to enhance safety and security in communities. The provisioning of substations is handled in accordance with the electricity master plan, ensuring that the municipality give effect to basic service delivery imperatives. The total monetary value of the projects is reflected in the draft Budget for 2015-2016.

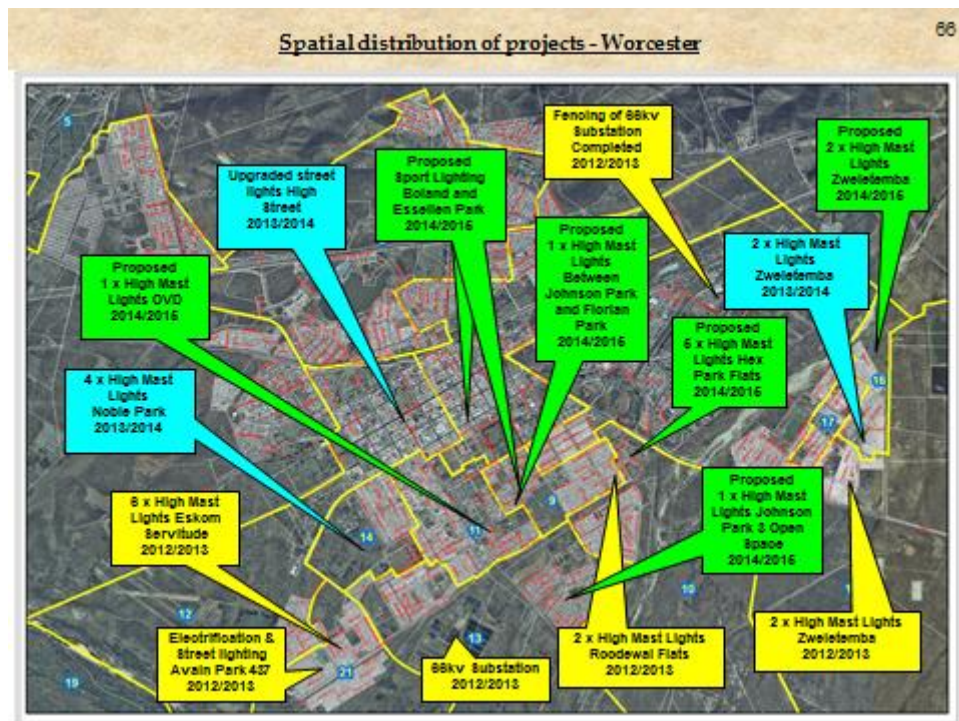


Figure 14: Spatial distribution of projects - Worcester

The quality of electricity supply is dependent on the ability of the municipality to maintain its assets properly and the co-operation of local residents to ensure that electrical service stations are not vandalised and electrical supply points are not accessed without permission. The municipality has established a hotline, where residents can call in to report any illegal or unauthorised incidents that will have the effect of hampering effective and efficient service delivery across the Breede Valley.

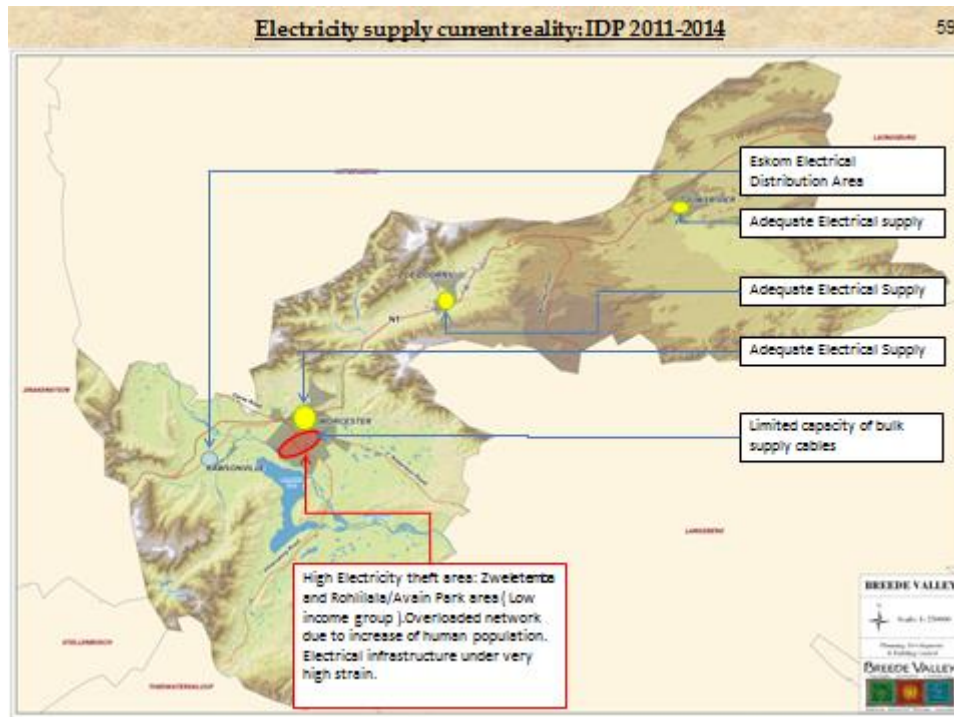


Figure 15: Electricity - current problems

(II) Sanitation

Breede Valley municipality has a duty to all customers or potential customers in its area of jurisdiction to progressively ensure efficient, affordable, economical and sustainable access to sanitation services that promote sustainable livelihoods and economic development. Good sanitation services exist across the municipal area as a total of 35 522 households (82,4%) in Breede Valley have access to flush toilets connected to the sewerage system and 1 993 (3,4%) to a flush toilet with septic tank (Statistics SA, 2011). A total of 2 261 households do not have access to any toilet provisions. Since 2001, the municipality has experienced an increase in the use of the bucket toilet system from 0.4% to 2.7% of households. This is a concern against the backdrop of the national policy drive to eradicate the bucket toilet system.

	Black African	Coloured	Indian or Asian	White	Other	TOTAL
None	1 509	706	4	16	26	2 261
Flush toilet (connected to sewerage system)	9 440	19 332	211	6 107	432	35 522
Flush toilet (with septic tank)	688	1 055	4	230	16	1 993
Chemical toilet	124	232	0	4	6	366

Pit toilet with ventilation (VIP)	37	79	0	2	0	118
Pit toilet without ventilation	33	109	2	0	0	144
Bucket toilet	342	777	4	6	9	1 138
Other	453	516	1	9	10	989
TOTAL	12 626	22 806	226	6 374	499	42 531

Table 13: Sanitation by population group of head of household (Census 2011)

When considering only households **within the urban edge of the municipality**, 27 520 households had access to the minimum sanitation service level by the end of June 2014, as depicted in the Diagram below:

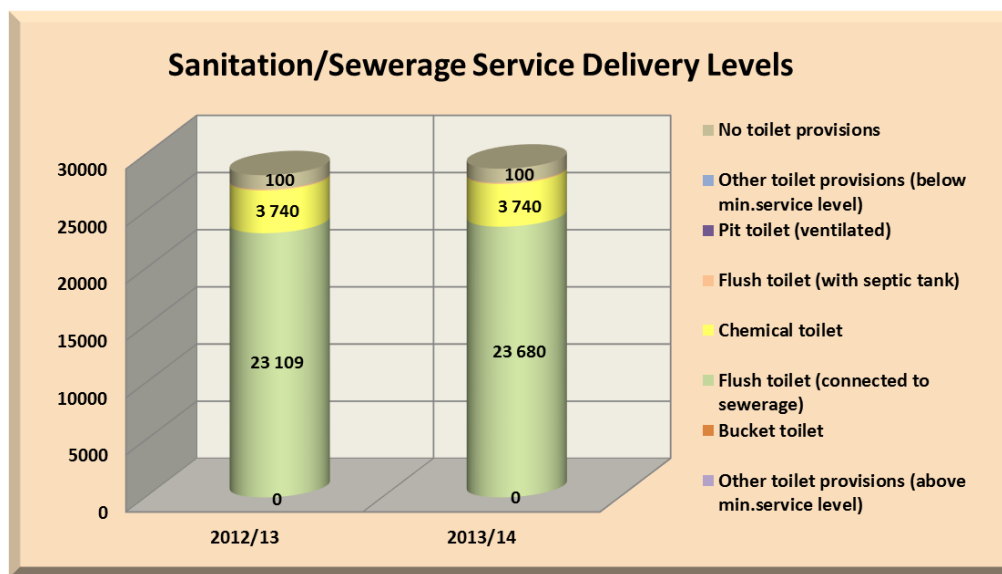


Figure 16: Sanitation Service Delivery Levels (source: Annual Report: 2013/2014)

(III) Water Supply

Access to potable water is the norm in Breede Valley municipality. According to Statistics South Africa 2011 census, the number of households with access to piped water inside the dwelling was estimated at 29 453 (Statistics SA, 2011). Breede Valley residents have experienced a significant shift from access to potable water inside or outside yard to inside dwelling. A total of 615 households had no access to piped (tap water) in 2011.

Black African	Coloured	Indian or Asian	White	Other	TOTAL
---------------	----------	-----------------	-------	-------	-------

Piped (tap) water inside dwelling/institution	5 126	17 596	176	6 273	282	29 453
Piped (tap) water inside yard	3 688	3 845	34	58	114	7 739
Piped (tap) water on community stand: distance less than 200m from dwelling/institution	2 776	955	10	16	82	3 839
Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	307	135	2	3	5	452
Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling /institution	335	27	0	6	1	369
Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	43	16	1	0	0	60
No access to piped (tap) water	350	231	2	18	14	615
TOTAL	12 625	22 805	225	6 374	498	42 527

Table 14: Main source of water used by households (Census 2011)

When considering households **within the urban edge** only, 25 245 households had access to the minimum water service level by the end of June 2014, as depicted in Figure 17 below:

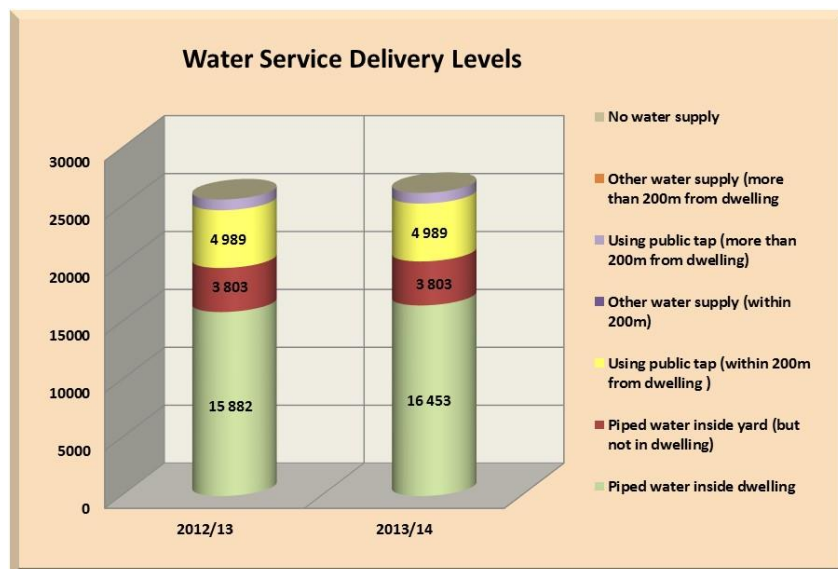


Figure 17: Water service delivery levels (source: Annual Report 2013/2014)

(IV) Refuse Disposal

The majority of households in Breede Valley have access to refuse removal services from the municipality or outside service providers/private companies. Refuse disposal takes place weekly in terms of a collection schedule compiled by the municipality. In 2011, refuse disposal was done by the local authority/private company in 75.3% of households. Households using their own refuse dump remained constant at 11.2%. Households not having any removal services increased to 2.9% in 2011.

	Black African	Coloured	Indian or Asian	White	Other	TOTAL
Removed by local authority/private company at least once a week	8 653	17 084	203	5 702	369	32 011
Removed by local authority/private company less often	641	1 409	1	141	12	2 204
Communal refuse dump	1 100	987	12	46	4	2 149
Own refuse dump	1 445	2 778	5	424	98	4 750
No rubbish disposal	746	423	4	44	15	1 232
Other	40	125	0	16	0	181
TOTAL	12 625	22 806	225	6 373	498	42 527

Table 15: Refuse removal by population group of head of household (Census 2011)

When considering households **within the urban edge** only, 23 780 households had their refuse removed at least once per week, increasing from 23 119 in 2013 (see Figure 18).

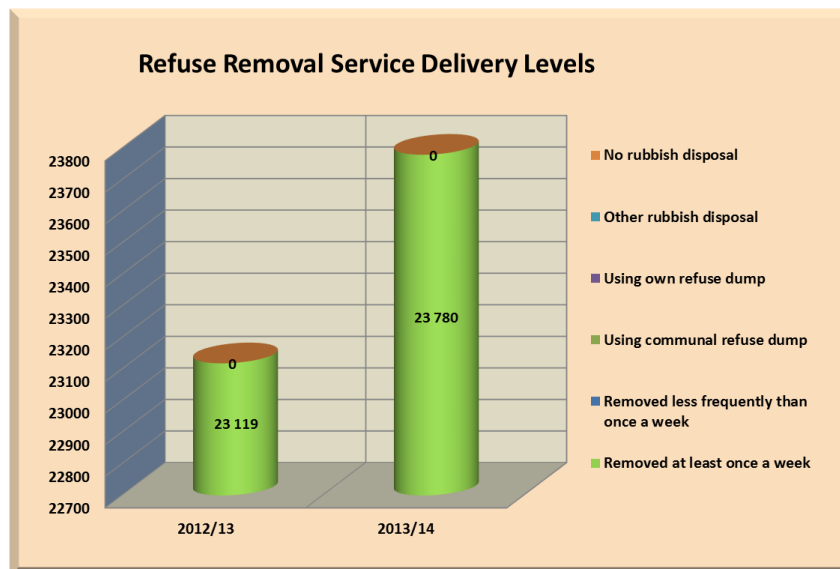


Figure 18: Refuse removal service delivery levels (source: Annual Report 2013/2014)

(V) Roads

Breede Valley municipality has a total roads area of 853.21 kilometres, which comprise of 489.87 (57.4%) kilometres of surfaced roads and 363.34 (42.6%) kilometres of gravel roads. Rehabilitation, renovations and refurbishments will be done by July 2015 on the Worcester-Bainskloof road to a total cost of R257 425 000 under the Provincial Roads Maintenance Programme, creating 181 jobs. Road upgrades are planned for the Worcester (Nekkies) road at a cost of R70 778 000 and Nekkies-Rawsonville road at a cost of R105 211 000. Both projects are due for completion by July 2018.

2.1.2 Access to Free Basic Services

The access to free basic services is summarised into the different services as specified in the following table:

Free basic services to low income households									
Year	Number of households								
	Total	Households earning less than R 3 500 per month							
		Free basic water		Free basic sanitation		Free basic electricity		Free basic refuse	
		Access	(%)	Access	(%)	Access	(%)	Access	(%)
2012/13	24 576	7 061	100	7 061	100	8 800	100	7 061	100
2013/14	24 785	7 095	100	7 095	100	9 208	100	7 095	100

Table 16: Free basic services to low income households

2.1.3 Key Development Challenges Identified during Western Cape Government Joint Planning Initiative

Breede Valley municipality has identified the following five critical development challenges as part of the Joint Planning Initiative from Provincial Government:

(I) Lack of local economic growth and a diversified economy

A particular serious problem in the Breede Valley is that of youth unemployment, with 13 859 youth currently out of work, which represents 20,2% out of an economically active population of 68 607 (Stats SA, 2011).

Economists suggest that a local economic growth rate in excess of 6% is required in order to address unemployment levels and create sustainable employment opportunities. Breede Valley municipality achieved an economic growth rate of 2,4%, which is below the average growth rate of 3,8% recorded in the Cape Winelands district in the last five years. Industry sectors that contracted in Breede Valley municipality were electricity, gas and water (-7,4%) and agriculture, forestry and fishing (-0,3%). A key concern is jobs shedding in a key economic sector such as agriculture, in a local economy based on the agricultural industry. Despite the contraction, agriculture remains the key economic driver and biggest employer in the Breede Valley municipality (also see Section 2.10).

Currently, Breede Valley municipality experiences a mismatch of its skills profile with economic growth sectors such as finance, ICT, business and commercial industries, tourism, renewable energy and agri-processing. The economy of the Breede Valley municipality is highly dependent on the agricultural industry, with a number of manufacturing companies integrated in the agricultural value chain. A critical challenge for Breede Valley is to diversify its local economy and create employment opportunities in identified growth sectors, specifically targeting the youth. For this to happen, the local municipality needs to come up with strategies to attract investment to the four major towns through possible incentives.

As can be seen from Section 2.10 above, the construction sector grew by 7,8% in the Breede Valley over the past five years. This indicates that the demand for artisans is likely to increase in the next few years, as well as the pressure on roads infrastructure and the communication grid. This inference has particular bearing on the education and skills development strategies by provincial education authorities and the manner in which FET colleges such as Boland College address the need for artisans.

Secondary impact of Critical Development Challenge 1:

Social impact:	Education Planning impact:	Economic impact:
Increase in crime and drug abuse	Increased number of citizens requiring skills training	Limit the future market potential for the consumption of goods and services
Downgrade of social capital	High demand for artisan training	Negatively impact on investor confidence
Overload of criminal justice system	Limited skills pool to exploit LED opportunities	Limited economic growth prospects
Increase in social assistance programmes	Increased pressure on government programmes such as EPWP and CWP	Limited ability to pay for municipal services
Growing indigent households		
Growing vagrant population, especially in Worcester CBD		

Limit social mobility, as unemployed persons are trapped in poverty cycle		Limited revenue base for municipality
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Current initiatives:

Breede Valley municipality has embarked on the following initiatives to address the high unemployment and poverty levels and generate local economic development:

- Sale of industrial erven in Uitvlucht Industrial Park. Properties are currently being valued as part of the transfer of assets procedure.
- Kleinplasia is included in the Worcester Museum Precinct feasibility study currently conducted by WCPG. In the interim Kleinplasia is being made available to a private investor.
- Application will be made for registration of a PPP for a feasibility study into the possible development of the airport.
- Regional Socio-economic Programme, in partnership with WCPG and Deutsche Bank. Projects are being identified for social upliftment, urban upgrade and crime prevention.
- Municipal Jobs4U unit and website for youth development and employment opportunities
- In process to link BVM Website with Tourism & Jobs4U website
- Business Retention and Expansion Strategy development
- Special Ratings Area aimed at revitalisation of the Worcester CBD to attract investment and generate employment opportunities
- Registration of unemployed persons on EPWP jobs database to access possible employment opportunities that may become available under the EPWP/CWP Programmes
- Implement Genesis approach to strategically develop competitive advantage and sector competitiveness for the local economy by identifying catalytic projects to jump start the local economy, with support from SALGA and the Department of Economic Development and Tourism
- Identify products and services tailored for inland markets to leverage locational advantage of major towns on the N1 national road and minimise dependency on urban market in Cape Town and disadvantage of tolls to gain access to these urban markets, in collaboration with the Department of Economic Development and Tourism
- Creation of intensification corridors to promote a mutually supportive increase in residential (mixed income) and economic (mixed use) activity straddling the major routes
- Improve signage in Worcester CBD
- Implement waste recycling projects in Touws River, Paglande and the cleaning of street bins in Worcester aimed at job creation

- Implement Zwelethemba Development Corridor, aimed at establishing a business hub along the main road in Zwelethemba
- Investigation of possible PPP at Nekkies
- Investigate development models around the Worcester dam
- Stimulate sports and wellness/health tourism
- Strengthening of awareness programs, such as Green economy 2014/2015 Financial Year
- Appointments: Manager: LED/Advertised LED Officer position & Manager: Project Management

(II) Proliferation of informal settlements/backyard dwelling and high demand for housing

Breede Valley municipality has a current housing backlog of 23 194 households. The following housing demand list and informal structures provides a further indication of the demand for housing in the municipal area:

	Worcester	Rawsonville	De Doorns	Touwsriver	Total
BNG - housing	17 235	941	4 112	1 070	23 358
INFORMAL-housing	5555	384	6600	98	12637
Rental Housing	2520	22	202	21	2765

The municipality has conducted its own survey into informal settlement patterns in Breede Valley to gauge the extent of informal housing:

Worcester	Nuwe Mandela – 3 000
	Rolihlala - 2555
De Doorns	Informal area – 5 000
	GG Kamp – 1 600
Touws River	Zionpark - 98
Rawsonville	Spokiesdorp - 189
	Hammat Square - 122
	Geelkampie - 73

In Breede Valley municipality, a lack of suitable and well-located land, ageing bulk infrastructure (storm water, potable water, electricity, sewerage network), limited capital reserves, close proximity of available land to electricity installations or bulk infrastructure, flood-prone areas are major impediments to housing delivery.

The housing issue in Breede Valley is further compounded by a limited capacity of bulk supply electricity. Electricity infrastructure is under high strain in some areas due to an increase of human population. Processes to identify and purchase suitable land for housing and the relocation of informal settlements involve a lengthy process.

Secondary impact of Critical Development Challenge 2 :

Environmental impact:	Impact on basic service delivery:	Impact on disaster management:
Increase in soil erosion	Limited and inadequate access to	Limited and inadequate access to fire
Environmental degradation and impact on bio-sensitive areas	basic services by informal/backyard dwellers	and disaster management services due to often inaccessible areas
Ineffective land use management practices	Inadequate housing leads to an overpopulation of existing municipal	Increase risk to runaway fires as informal houses consist of highly flammable material
River pollution	housing infrastructure	Increase in the susceptibility to storms
Inadequate public transport to these areas	Increase in water losses	
Unhygienic environmental conditions leading to increased susceptibility to illnesses such as diarrhoea	Increase in electricity losses with resultant impact on stability of local electricity networks	

Current initiatives:

- Touwsriver: Process to buy land and resettlement of citizens in informal housing underway
- De Doorns: Land purchased and 1000 houses built
- GG Kamp: Private land; an application for electrification lodged with ESKOM
- Rawsonville: In the process to buy land for housing and resettlement of informal settlement
- Worcester: Planning phase of Transhex transit area, including 8 000 units with basic services for informal housing
- Housing toolkit was developed to understand the development potential of available land pockets in the main settlements of Rawsonville, Worcester, De Doorns and Touws River
- Demand management for housing based on the housing waiting list database of the municipality and the Department of Human Settlements

- Breede Valley Housing Pipeline guides the identification and implementation of human settlement projects
- Appointments: Manager: Housing in process; Project Manager: Informal Settlements
- Review of Housing Administration Policy

(III) High demand for community safety and reduction in crime levels

Breede Valley currently experiences high crime levels, especially in burglary at residential premises (1 542) and drug related crimes (1 861). The operation of organised crime syndicates and gangsterism are two major contributing factors to high crime levels. High levels of gangsterism can be attributed to the following reasons:

- Close proximity of a large metropole, which presents a major target market for illicit goods trading
- Criminals perceive Worcester as a safe haven, away from the city
- Worcester has a favourable location off the N1 national road, if goods need to be transported to inland markets
- A high population density in rental flats and backyard dwelling present a favourable breeding ground for criminal activities
- Corruption amongst law enforcement agencies such as SAPS
- Broken homes, high levels of domestic violence, abuse, the lure of money and the yearning to belong to a family-like structure attracts vulnerable youth to criminal gangs

Secondary impact of Critical Development Challenge 3:

<p>Social impact:</p> <p>Increase in crime, alcohol and drug abuse</p> <p>Downgrade of social capital</p> <p>Overload of criminal justice system</p>	<p>Economic impact:</p> <p>Negatively impact on investor confidence</p> <p>Limited economic growth prospects</p>
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Current initiatives:

- Currently participating in the Regional Socio-economic Programme (RSEP). Limited funding from BVM and a decrease in funding made available by WCPG will limit the impact of this initiative.
- Active Community Policing Forum
- Joint initiatives with the Worcester Business Forum to address vagrants in the CBD
- Active neighbourhood watches



- 18 high mast lights erected in vulnerable communities
- Sector policing service points established in collaboration with SAPS
- Appointment of Community Development Officer
- Development of Social Development Plan, incorporating a strategy for holistic social and community development
- Support from DLG on implementation programme for Thusong Centre
- Improvement of sport and recreational opportunities amongst the youth (“vlakkie krieket” world tournament)
- Community education to improve moral fibre
- Interventions through Early Childhood Development programmes and crèches
- Strengthening of Intergovernmental Relations to reduce incidence of crime

(IV) Backlog in the rehabilitation and replacement of ageing infrastructure

The Breede Valley municipality has an average of 466 sewer blockages per month. The number of breakdowns in the municipality’s refuse compactors has a negative influence on consistent and quality service delivery in the area of refuse removal. A total of 247 water pipe bursts occurred in the last financial year. The current rate for burst pipes per 100 km of network is 53. A challenge for Breede Valley is to reduce the number of burst pipes per year to 20 or below, which is similar to City of Cape Town’s benchmark. There is no standby for pump stations currently, with no emergency tanker. Insufficient bulk capacity exists for water at De Doorns, waste water at Rawsonville and electricity at Worcester. A regular overload of the electrical network is experienced in Zwelethemba and Rohlilala/Avian Park due to sharp increases in population in these areas.

Backlog in refurbishment and replacement of infrastructure assets		
Item	Length	Unit
Water pipe replacements	47	km
Sewer replacements	35	km
Bulk WT and WWT		
Resurfacing of Streets	136	km
Plant and vehicles		
Waste		
Dirt/gravel roads	36	km
Stormwater pipes & channels	4	km
Electricity		

Building Maintenance

(BACKLOG = Should already have been done)
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Secondary impact of Critical Development Challenge 4:

A lack of preventative maintenance of basic service delivery infrastructure acts as major bottleneck for economic growth and future economic development

Current initiatives:

- Regular cleaning of storm water system
- 91,5 km sewer pipes cleaned by Vac jet machine
- Resurfacing of roads in low income areas in all towns
- Draw up an annual scheduled maintenance programme
- Implement new On-Key maintenance management system
- Rehabilitate and maintain roads according to priority list on the pavement management system
- Implementation of wheelie bins, and steel skips to improve waste removal system
- 100% spending of MIG & RBIG 2013/14
- Civil Engineering/Infrastructure Project Management
- Construction Procurement System in place
- Increase in MIG and RBIG funding

(V) Development of rural nodes

Breede Valley's rural areas are characterised by a lack of social and economic development. A high population of foreigners is found in rural areas, which often compete for limited resources, business and employment opportunities. A high incidence of unemployment, poverty and social problems are often associated with rural areas in the Breede Valley region. Employment opportunities are mainly seasonal in nature, which impacts on creating sustainable livelihoods in rural communities. The abuse of alcohol and drugs lead to the breakdown of the social fibre in rural communities, which often leads to a breakdown in the family structure and social cohesion.

Secondary impact of Critical Development Challenge 5:

In-migration to Worcester, increasing pressure on bulk service capacity

Loss of indigenous knowledge systems in rural areas

Civil disobedience and unrest in rural towns

High incidence of foetal alcohol syndrome (FAS) as a result of alcohol abuse, and other social ills like malnutrition, child neglect, domestic violence etc.

Current initiatives:

- Provide free basic services to indigent households, of which a large number are from rural households
- Rural development is incorporated in the Spatial Development Framework
- Upgrade of critical infrastructure in rural areas
- Breede Valley participates in the Rural Socio-economic Programme (RSEP)

CHAPTER 3

CHAPTER 3

The Breede Valley municipality developed and adopted a five-year strategy plan (IDP) for the period 1 July 2012 to 30 June 2017. The IDP therefore is central to the long term sustainable management of the municipality and informs key processes, developments and decisions within the municipal service area landscape, namely:

- the annual budget of the municipality;
- the budgets and investment programmes of all sector departments (national and provincial) which implement projects or provide services within the municipality;
- the business plans of the municipality;
- land-use management decisions;
- economic promotion measures;
- the municipality's organisational set-up and management systems; and
- the monitoring and performance management system.

3.1 SWOT analysis

A strategic planning session with the management team was held in October 2011, with the broad objective of defining the municipality's strategy for the next five years and together with the allocation of resources to pursue the strategy. A SWOT analysis was done to identify the municipality's strengths, weaknesses, opportunities and threats to gain a better understanding of the municipality, the environment in which it functions and its capacity to pursue a new strategy. Members of the management team jointly undertook a guided process of self-assessment, which included the following steps:

- Identification of the strengths and weaknesses of the municipality
- Identification of opportunities to overcome the weaknesses
- Identification of threats which may prevent the municipality from making successful use of the opportunities

	Positive	Negative
Present Situation	STRENGTHS: <ul style="list-style-type: none"> <input type="checkbox"/> Political stability & stable Council <input type="checkbox"/> Human capital and capacity <input type="checkbox"/> Compliance with legislative requirements 	WEAKNESSES: <ul style="list-style-type: none"> <input type="checkbox"/> Skill shortage & high staff turn-over <input type="checkbox"/> Silos in planning and alignment <input type="checkbox"/> Optimal utilisation of staff <input type="checkbox"/> Limited integration between

	Positive	Negative
	<ul style="list-style-type: none"> <input type="checkbox"/> Good administrative management record <input type="checkbox"/> Excellent tourism potential and strong wine industry <input type="checkbox"/> Experienced personnel <input type="checkbox"/> Committed key role-players 	<p>directorates and departments</p> <ul style="list-style-type: none"> <input type="checkbox"/> Low work ethic and morale <input type="checkbox"/> Lack of service charter <input type="checkbox"/> Aging infrastructure <input type="checkbox"/> Poverty & growing indigent households <input type="checkbox"/> Limited funding <input type="checkbox"/> Limited budget for maintenance of infrastructure <input type="checkbox"/> Insufficient office accommodation (old municipal building outdated) <input type="checkbox"/> Staff wellness <input type="checkbox"/> Retention of staff - experienced staff are leaving the service <input type="checkbox"/> Limited capital reserves
Future	<p>OPPORTUNITIES:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Change management process <input type="checkbox"/> Filling of critical posts <input type="checkbox"/> New paradigm opportunity <input type="checkbox"/> Develop new culture of work <input type="checkbox"/> To understand municipal policies and procedures <input type="checkbox"/> To establish a social contract with the community we serve <input type="checkbox"/> To become a model municipality <input type="checkbox"/> Initiation of RSEP <input type="checkbox"/> Locational advantage 	<p>THREATS:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Non-compliance with certain laws and regulations <input type="checkbox"/> Low grading of municipality <input type="checkbox"/> Unemployment <input type="checkbox"/> Climate change <input type="checkbox"/> Crime <input type="checkbox"/> Environmental management <input type="checkbox"/> Impact of housing projects and industrial development on infrastructure <input type="checkbox"/> Limited funding <input type="checkbox"/> Insufficient law enforcement <input type="checkbox"/> Energy sources <input type="checkbox"/> Land available for development in private or state ownership <input type="checkbox"/> Education and skills shortages

Table 17: SWOT analysis

3.2 Strategic Objectives

Section 24 of the Municipal Systems Act states:

“(1) The planning undertaken by a municipality must be aligned with, and complement, the development plans and strategies of other affected municipalities and other organs of state so as to give effect to the principles of co-operative government contained in section 41 of the Constitution.

(2) Municipalities must participate in national and provincial development programmes as required in section 153(b) of the Constitution.”

STRATEGIC OBJECTIVES	
SO 1	To create a unique and caring Valley of service excellence, opportunity and growth.
SO 2	To provide, maintain and assure basic services and social upliftment for the Breede Valley community.
SO 3	To create an enabling environment for employment and poverty eradication through proactive economic development and tourism.
SO 4	To ensure a safe, healthy, clean and sustainable external environment for all Breede Valley's people.
SO 5	Provide democratic, accountable government for local communities and encourage involvement of communities and community organizations in the matters of local government.
SO 6	Ensure a healthy and productive workforce and an effective and efficient work environment.
SO 7	Assure a sustainable future through sound financial management, continuous revenue growth, corporate governance and risk management practices.

Table 18: Strategic objectives

Breede Valley municipality aims to align its strategic objectives with national and provincial development programmes. A detail discussion of the national and provincial strategic directives is provided in more detail in Chapter 2. The following table illustrates the alignment of Breede Valley municipality's strategic objectives with the key national, provincial and regional strategies.

Millennium Development Goals	National Development Plan	Medium Term Strategic Framework	National Outcomes	Provincial Strategic Objectives	CWDM Strategic Objectives	Breede Valley Strategic Objectives
Eradicate extreme poverty and hunger	An economy that will create more jobs	Speed up economic growth and transform the economy to create decent work and sustainable livelihoods	Decent employment through inclusive economic growth	Creating opportunities for growth and jobs	To support and ensure the development and implementation of infra-structural services such as bulk- and internal services, functional road network and	SO 3: To create an enabling environment for employment and poverty eradication through proactive economic development and tourism.

Millennium Development Goals	National Development Plan	Medium Term Strategic Framework	National Outcomes	Provincial Strategic Objectives	CWDM Strategic Objectives	Breede Valley Strategic Objectives
					public transport services that contributes to integrated human settlements in the CWDM	
	Improve & expand infrastructure	Massive programme to build economic and social infrastructure	An effective, competitive and responsive economic infrastructure network	Integrating service delivery for maximum impact	To support and ensure the development and implementation of infra-structural services such as bulk- and internal services, functional road network and public transport services that contributes to Integrated Human Settlements in the CWDM	SO 2: To provide maintain and assure basic services and social upliftment for the Breede Valley community.
	Transition to a low-carbon economy			Mainstreaming sustainability and optimising resource-use efficiency		
	Transform urban and rural spaces	Comprehensive rural development strategy linked to land and agrarian reform and food security	Vibrant, equitable and sustainable rural communities and food security	Creating opportunities for growth and development in rural areas		
Ensure environmental sustainability	Reverse the spatial effects of apartheid	Build cohesive, caring and sustainable communities	Sustainable human settlements and improved quality of household life	Developing integrated and sustainable human settlements	To facilitate the development of sustainable regional land use, economic, spatial and environmental frameworks that will support and guide the development of a diversified, resilient and sustainable district economy.	SO 4: To ensure a safe, healthy, clean and sustainable external environment for all Breede Valley's people.
		Sustainable resource management and use	Protection and enhancement of environmental assets and natural resources			
Achieve universal primary education	Improve education and training	Strengthen the skills and human	Improve the quality of basic education	Improving education outcomes	To facilitate and ensure the development	SO 1: To create a unique and caring Valley of service

Millennium Development Goals	National Development Plan	Medium Term Strategic Framework	National Outcomes	Provincial Strategic Objectives	CWDM Strategic Objectives	Breede Valley Strategic Objectives
		resource base	A skilled and capable workforce to support inclusive growth		and empowerment of the poor and most vulnerable people, particularly women, children, youth, the disabled, elderly persons and rural dwellers throughout the Cape Winelands.	excellence, opportunity and growth.
Reduce child mortality Improve maternal health Combat HIV/AIDS, malaria, and other diseases	Provide quality health care for all	Improve the health profile of society	Improve health and life expectancy	Increasing wellness	To facilitate and ensure the development and empowerment of the poor and most vulnerable people, particularly women, children, youth, the disabled, elderly persons and rural dwellers throughout the Cape Winelands.	SO 1: To create a unique and caring Valley of service excellence, opportunity and growth.
				Reducing poverty		
	Building safer communities	Intensify the fight against crime and corruption	All people in South Africa protected and feel safe	Increasing safety		
	Build a capacity state	Build a developmental state including improvement of public services and strengthen democratic institutions	A development-orientated public service and inclusive citizenship	Building the best-run regional government in the world	To provide an effective and efficient support service to the Cape Winelands District Municipality's executive directors so that the organisational objectives can be achieved.	SO 5: Provide democratic, accountable government for local communities and encourage involvement of communities and community organisations in the matters of local government.
	Fight corruption and enhance accountability		A responsive and, accountable, effective and efficient local government system			SO 6: Ensure a healthy and

Millennium Development Goals	National Development Plan	Medium Term Strategic Framework	National Outcomes	Provincial Strategic Objectives	CWDM Strategic Objectives	Breede Valley Strategic Objectives
						<p>productive workforce and an effective and efficient work environment.</p> <p>SO 7: Assure a sustainable future through sound financial management, continuous revenue growth corporate governance and risk management practices.</p>
<p>Promote gender equity and empower women</p> <p>Develop a global partnership for development</p>	<p>Transform society and unite the country</p>	<p>Pursue regional development, African advancement and enhanced international co-operation</p>	<p>A better South Africa, a better Africa and world</p>	<p>Increasing social cohesion</p>	<p>To facilitate and ensure the development and empowerment of the poor and most vulnerable people, particularly women, children, youth, the disabled, elderly persons and rural dwellers throughout the Cape Winelands.</p>	<p>SO7: Assure a sustainable future through sound financial management, continuous revenue growth corporate governance and risk management practices.</p>

Table 19: Alignment of strategic objectives

3.3 Strategic focus areas and functional priorities

The National Development Plan (Vision 2030) sets out a plan to move South Africa to a new improved trajectory of economic growth to address poverty and inequality, thereby creating sustainable livelihoods, where active citizens take responsibility for their own development through working with government. The OneCape 2040 provincial strategy charts a way forward towards a society where inequality is addressed and the factors limiting citizens' ability to participate in the economy is minimised. The vision also strives towards a resilient, inclusive and competitive Western Cape with higher rates

of employment producing growing incomes, greater equality and an improved quality of life for all the citizens of the Western Cape.

The Western Cape Provincial Government is currently reviewing its Provincial Strategic Plan (PSP) and Provincial Transversal Management System (PTMS). The current process involves municipalities through the Joint Planning Initiative in identifying and refining the strategic intent of the Western Cape Government over the next five years (2014-2019). The process envisages the consolidation of the current eleven provincial strategic objectives (PSO) into five strategic goals (SG) encompassing the following:

- Creating opportunities for economic growth and jobs
- Improving education outcomes and opportunities for youth development
- Increasing wellness, safety and tackle social ills in all our communities
- Creating an inclusive, resilient, sustainable and quality living environment
- Embedding good governance and integrated service delivery

The table below aligns Breede Valley municipality's strategic objectives with national, provincial and district strategic directives. It also links with municipal functions and objectives that will ensure implementation by the organisation. These strategies and objectives will also inform the distribution of resources (financial/human capacity resources) in the municipal structure.

Municipal Strategic Objective	SO1 – To create a unique and caring Valley of service excellence, opportunity and growth
National Key Performance Area	Basic service delivery Local economic development
National Outcomes	A responsive and accountable, effective and efficient local government system Vibrant, equitable and sustainable rural communities and food security
National Development Plan	Provide quality health care for all Building safer communities Transform urban and rural space An economy that will create jobs
Provincial Strategic Objectives	Increasing wellness Reducing poverty

	Increasing safety Creating opportunities for growth and development in rural areas
Municipal Function	Community services All municipal departments
Applicable Departmental Objectives	To promote tourism and economic development and reduce unemployment and poverty in the municipal area
Functional priorities	<ul style="list-style-type: none"> <input type="checkbox"/> Establish partnerships with all role-players within the social development sector to improve cooperation, integration and effective utilisation of resources <input type="checkbox"/> Conduct a social development plan/study to inform the municipality's response/ involvement in future programs/initiatives for the youth, women, people with disabilities and the aged. Plan to be implemented by 2014. <input type="checkbox"/> To promote social cohesion within the municipal service area

Table 20: Strategic objective 1 - To create a unique and caring Valley of service excellence, opportunity and growth

Municipal Strategic Objective	SO2 – To provide maintain and assure basic services and social upliftment for the Breede Valley community.
National Key Performance Area	Basic service delivery
National Outcomes	Sustainable human settlements and improved quality of household life
National Development Plan	Improving and expand infrastructure
Provincial Strategic Objectives	Develop integrated and sustainable human settlements
Municipal Function	Technical services
Applicable Departmental Objectives	<ul style="list-style-type: none"> <input type="checkbox"/> To set and maintain an acceptable standard of building activity in the Breede Valley <input type="checkbox"/> To ensure the optimal use of land within a political, social, cultural, environmental and economic context <input type="checkbox"/> To promote tourism and economic development and reduce unemployment and poverty in the municipal area <input type="checkbox"/> To maintain the structural- and civil infrastructure (excluding electrical) and mechanical assets of the Breede Valley municipality <input type="checkbox"/> To maintain the roads, sidewalks, kerbs and storm water systems to ensure safe vehicle and pedestrian movement <input type="checkbox"/> To remove and dispose all kinds of waste (other than medical- and hazardous waste) <input type="checkbox"/> To maintain the water- and sewer networks within the municipal area to ensure the distribution of water and the collection of sewerage

	<ul style="list-style-type: none"> <input type="checkbox"/> To maintain the vehicles (± 353) and plant (±190) of the municipality to ensure an effective fleet of vehicles and plant <input type="checkbox"/> To maintain and supply a service to the public in terms of 260 public open spaces and parks, gardens, 9 sports fields, street trees and 11 cemeteries and to eradicate alien vegetation and perform a pest control service <input type="checkbox"/> To improve the solid waste service and maintain existing infrastructure <input type="checkbox"/> To maintain and clean the municipal commonage grounds <input type="checkbox"/> To provide all communities with quality water <input type="checkbox"/> To maintain and upgrade resorts and swimming pools <input type="checkbox"/> To maintain and improve the sewerage system <input type="checkbox"/> To compile, implement and project manage all capital works including the municipal infrastructure grant (MIG) and regional infrastructure grant (RBIG) within the ambit of civil engineering <input type="checkbox"/> Ensure continuous supply of basic electricity
Functional priorities	<ul style="list-style-type: none"> <input type="checkbox"/> Upgrading and provision of bulk infrastructure <input type="checkbox"/> Sufficient maintenance of infrastructure assets <input type="checkbox"/> Provision of clean & safe water <input type="checkbox"/> Extensions and access to electricity <input type="checkbox"/> Maintenance and upgrading of roads, streets & storm water drainage <input type="checkbox"/> Provision of cleaning services <input type="checkbox"/> Development of a funding and capacity strategy for infrastructure development <input type="checkbox"/> Expand and strengthen the EPWP <input type="checkbox"/> Roads maintenance & upgrading <input type="checkbox"/> Construction and implementation of approved capital projects

Table 21: Strategic objective 2 - To provide, maintain and assure basic services and social upliftment for the Breede Valley community

Municipal Strategic Objective	SO3 – To create an enabling environment for employment and poverty eradication through proactive economic development and tourism.
National Key Performance Area	Local economic development
National Outcomes	Decent employment through inclusive economic growth
National Development Plan	An economy that will create jobs
Provincial Strategic Objectives	Creating opportunities for growth and jobs
Municipal Function	Technical services Strategic Support Services All municipal departments
Applicable Departmental Objectives	<ul style="list-style-type: none"> <input type="checkbox"/> To promote tourism and economic development and reduce unemployment and poverty in the municipal area

Functional priorities	<ul style="list-style-type: none"> <input type="checkbox"/> Expand sustainable infrastructure and bulk services to enlarge the rate base of the municipality <input type="checkbox"/> Create a healthier investor-friendly environment <input type="checkbox"/> Market Breede Valley as a tourism destination and a preferred area for business investment <input type="checkbox"/> Build partnerships with local economic development initiatives <input type="checkbox"/> Strengthen relations with business chambers, tourism - and agricultural sectors
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Table 22: Strategic objective 3 - To create an enabling environment for employment and poverty eradication through proactive economic development and tourism

Municipal Strategic Objective	SO4 – To ensure a safe, healthy, clean and sustainable external environment for all Breede Valley’s people.
National Key Performance Area	Basic service delivery
National Outcomes	All people in South Africa protected and feel safe Sustainable human settlements and improved quality of household life Protection and enhancement of environmental assets and natural resources
National Development Plan	Building safer communities Reversing the spatial effects of apartheid Transform urban and rural space
Provincial Strategic Objectives	Increasing safety Developing integrated and sustainable human settlements
Municipal Function	Community services Housing Planning
Applicable Departmental Objectives	<ul style="list-style-type: none"> <input type="checkbox"/> To enhance community safety and risk management <input type="checkbox"/> To execute traffic control and law enforcement activities <input type="checkbox"/> To address and manage the housing backlog in the municipal service area <input type="checkbox"/> To set and maintain an acceptable standard of building activity in the Breede Valley <input type="checkbox"/> To ensure the optimal use of land within a political, social, cultural, environmental and economic context <input type="checkbox"/> To remove and dispose of all kinds of waste (other than medical- and hazardous waste)
Functional priorities	<ul style="list-style-type: none"> <input type="checkbox"/> Transforming law enforcement as a mechanism to ensure that all communities can work and live in a safe environment <input type="checkbox"/> Develop a strategy for the improvement of law enforcement within the municipal service area <input type="checkbox"/> Investigate and establish a municipal court <input type="checkbox"/> Monitor and improve the control & management of informal settlement within the municipal service area. <input type="checkbox"/> Conduct a study on migration patterns within the Breede Valley region

Table 23: Strategic objective 4 - To ensure a safe, healthy, clean and sustainable external environment for all Breede Valley's people

Municipal Strategic Objective	SO5 – Provide democratic, accountable government for local communities and encourage involvement of communities and community organisations in the matters of local government.
National Key Performance Area	Good governance and public participation
National Outcomes	A responsive and accountable, effective and efficient local government system
National Development Plan	Build a capacity state
Provincial Strategic Objectives	Building the best-run regional government in the world
Municipal Function	Office of the Municipal Manager Strategic support services
Applicable Departmental Objectives	<ul style="list-style-type: none"> ☐ To provide a support service for meetings of council
Functional priorities	<ul style="list-style-type: none"> ☐ Strengthening the oversight role and function of council structures ☐ Improve council and committee monitoring and implementation of council resolutions ☐ Expand the decentralized service model within Breede Valley ☐ Review and adopt the communication policy ☐ Implement specific mechanism to improve communication and public participation in municipal affairs: <ul style="list-style-type: none"> ○ Restructuring and training of the ward committees ○ Establishment of a IDP representative forum ○ Launching of a municipal newsletter ○ Hosting of community summits and multi-sectorial forums meetings

Table 24: Strategic objective 5 - Provide democratic, accountable government for local communities and encourage involvement of communities and community organisations in the matters of local government

Municipal Strategic Objective	SO6 – Ensure a healthy and productive workforce and an effective and efficient work environment.
National Key Performance Area	Municipal Transformation and Institutional Development
National Outcomes	A responsive and accountable, effective and efficient local government system A skilled and capable workforce to support inclusive growth
National Development Plan	Build a capacity State Fight corruption and enhance accountability
Provincial Strategic Objectives	Building the best-run regional government in the world

Municipal Function	Office of the Municipal Manager Strategic Support Services
Applicable Departmental Objectives	<ul style="list-style-type: none"> <input type="checkbox"/> To create a functional organization that enables optimal performance by developing and retaining a skilled representative workforce <input type="checkbox"/> To perform independent audits to evaluate whether policies and processes are designed and operating effectively and provide recommendations for improvement <input type="checkbox"/> To manage the municipality to deliver services in terms of the legislative requirements <input type="checkbox"/> To align performance of the municipality to the strategy of council and continuously assess progress made and corrective action required <input type="checkbox"/> To implement and maintain processes to facilitate compliance with legislation and best practices
Functional priorities	<ul style="list-style-type: none"> <input type="checkbox"/> Organizational review and design of the municipal staff establishment (organogram) <input type="checkbox"/> Implement change management processes to realign the municipality human resource capacity to become a more productive workforce <input type="checkbox"/> Strengthening of performance management processes to improve productivity <input type="checkbox"/> Review and approve the Employment Equity Plan <input type="checkbox"/> Develop and introduce a professional fleet management programme and strategy

Table 25: Strategic objective 6 - Ensure a healthy and productive workforce and an effective and efficient work environment

Municipal Strategic Objective	S07 – Assure a sustainable future through sound financial management, continuous revenue growth corporate governance and risk management practices.
National Key Performance Area	Municipal Financial Viability and Management
National Outcomes	A responsive and accountable, effective and efficient local government system
National Development Plan	Fight corruption and enhance accountability
Provincial Strategic Objectives	Building the best-run regional government in the world
Municipal Function	Financial Services
Applicable Departmental Objectives	<ul style="list-style-type: none"> <input type="checkbox"/> To procure goods and services in time to the end user <input type="checkbox"/> Broadening and improve the revenue base <input type="checkbox"/> Assure a sustainable future through sound financial management

Functional priorities	<ul style="list-style-type: none">❑ Develop and implement a strategy to identify additional sources of revenue for financing major capital projects and maintenance of assets❑ Improve the debt collection rate by reviewing and implementing the debt collection policy❑ Improve in the monitoring of the financial health of the municipality❑ Develop a system to address all audit findings and work towards achieving a clean audit by 2016❑ Develop a long-term Financial Strategy
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Table 26: Strategic objective 7 - Assure a sustainable future through sound financial management, continuous revenue growth, corporate governance and risk management practices

CHAPTER 4

CHAPTER 4

The Breede Valley Municipality is an organ of state within the local sphere of government exercising legislative and executive authority within its area of jurisdiction as determined in terms of the Local Government: Municipal Demarcation Act, 1998. The municipality is categorised as a category B municipality by the Demarcation Board and has an Executive Mayoral system. The purpose of this chapter is to discuss the governance structure and to put the institutional structure required to deliver on the objectives in the IDP, into perspective.

4.1 Council

The Council of the Breede Valley Municipality comprises of 41 elected councillors, made up from 21 ward councillors and 20 proportional representation (PR) councillors elected based on the proportionality of votes cast for the respective parties. The portfolio committees are made up of councillors drawn from all political parties. Below is a table that categorises the councillors within their specific political parties and wards:

COMPOSITION OF COUNCIL			
Name of Councillor	Capacity	Political Party	Ward Representing or Proportional
A. Steyn	Executive Mayor	DA	Ward 6
J.D. Levendal	Deputy Executive Mayor	DA	Proportional
M. Sampson	The Speaker	DA	Ward 11
C. Wilskut	Councillor	BO	Proportional
P.G. Smith	Councillor	COPE	Ward 1
M.N. Lubisi	Councillor	ANC	Ward 2
P.B. Januarie	Councillor	ANC	Ward 3
P. Marran	Councillor Councillor: District Municipality	ANC	Ward 4
B.J. Kriegler	Councillor	DA	Ward 5
W.R. Meiring	Member of mayoral committee	DA	Ward 7
N.V. Steto	Councillor	ANC	Ward 8
G. Stalmeester	Councillor	DA	Ward 10

COMPOSITION OF COUNCIL

Name of Councillor	Capacity	Political Party	Ward Representing or Proportional
	Councillor: District Municipality		
E. van der Westhuizen	Councillor	DA	Proportional
E.Y. Sheldon	Member of mayoral committee	DA	Ward 12
R. Farao	Councillor	DA	Ward 13
C. Ismail	Councillor	Independent	Ward 14
J.A. Boshoff	Councillor	DA	Ward 15
N. Jali	Councillor	ANC	Ward 16
P. Tyira	Councillor	ANC	Ward 17
T.B. Dyonta	Councillor	DA	Ward 18
S. Goedeman	Member of mayoral committee	DA	Ward 19
R. Blom	Councillor	DA	Ward 20
T.M. Wehr	Councillor	DA	Ward 21
W.M. Blom	Member of mayoral committee	DA	Proportional
M.N. Bushwana	Councillor Councillor: District Municipality	ANC	Proportional
A.M. Du Toit	Member of mayoral committee	DA	Proportional
L. Dyabooi	Councillor	ANC	Proportional
S.E. James	Councillor	ANC	Proportional
C. Ntsomi	Councillor	ANC	Proportional
A.E. Jordaan	Member of mayoral committee	DA	Proportional
B.V. Klein	Councillor	ANC	Proportional
S. Lakey	Councillor	DA	Proportional
E.S.C. Matjan	Councillor Councillor: District Municipality	DA	Ward 9

COMPOSITION OF COUNCIL			
Name of Councillor	Capacity	Political Party	Ward Representing or Proportional
S.J. Mei	Member of mayoral committee	DA	Proportional
S.B. Mfutwana	Councillor	ANC	Proportional
B.W. Ntshingila	Councillor	ANC	Proportional
L. Richards	Councillor	ANC	Proportional
J. Schneider	Councillor	DA	Proportional
J.F. Van Zyl	Member of mayoral committee	DA	Proportional
G Jaftha	Councillor	CI	Proportional
V.K. Apollis	Councillor	BO	Proportional

Table 27: Composition of Council

4.2 The Executive Mayoral Committee

The Council has an Executive Mayor and Executive Councillors which consists of the Deputy Executive Mayor, the Speaker and eight (8) full-time Councillors which each hold a direct portfolio as assigned by the Executive Mayor. The portfolios assigned to the members of the Executive Mayoral Committee are as follows:



Figure 19: Executive mayoral committee

COMPOSITION OF EXECUTIVE MAYORAL COMMITTEE	
Name of Member	Capacity
The Executive Mayor: Cllr. A. Steyn	Chairperson
The Deputy Executive Mayor: Cllr. JD Levendal	Basic Services, Traffic, Community Safety, Ombudsman
Cllr. WM Blom	Financial Services, Internal Audit, IDP and PMS
Cllr. AE Jordaan	Agriculture & Rural Development, Disaster Management (Fire & Rescue included)
Cllr. JF Van Zyl	Strategic Support Services, Communication & Marketing
Cllr. W Meiring	Technical Services & HR
Cllr. AM Du Toit	LED & Tourism (Business & Agri-business included)
Cllr. S Goedeman	Environment & Recreation, Sport; Arts & Culture (Heritage matters included)
Cllr. SJ Mei	Community Services, Social Development, Women, Youth, Disabled, Library Services
Cllr. EY Sheldon	Human Settlement and Housing Management

Table 28: Composition of Executive Mayoral Committee

The portfolio committees' primary responsibility is to exercise oversight over the executive arm of the municipality's governance structure. These committees monitor the delivery and outputs of the executive and may request Directorates to account for the outputs of their functions. Executive Councillors account for executive decisions and operations performed in general policy framework agreed to by Council and although the portfolio committees play an oversight role, they have limited decision-making powers. These committees are responsible for submitting their reports to the Mayoral Committee.

4.3 The Executive Management structure

The Administration arm of Breede Valley Municipality is headed by the Municipal Manager, who has four (4) Section 57 Directors who report directly to him. The officials responsible for Internal Audit and Risk Management report directly to the Municipal Manager.

The municipal manager as head of the administration is responsible and accountable for tasks and functions as provided for in Section 55 of the MSA, other functions/tasks as provided for in legislation as well as functions delegated to her by the

Executive Mayor and Council. He is supported by a team of 4 directors appointed in terms of the section 57 of the MSA. The Office of the Municipal Manager consists of the following:

- The Municipal Manager;
- Internal Audit;
- Risk Management

4.4 Departmental Functions

Breede Valley Municipality has four departments and the functions of each of the four departments can be summarised as follows:

DEPARTMENTAL FUNCTIONS	
Department	Core Function
Financial Services	Financial Services manages the financial affairs of Council and ensures the optimum use of all Council assets. It is the protector and custodian of public money as it levies and collects taxes and charges from the public. It further administers the expenditure of those taxes and charges on goods, services and assets on behalf of the public.
Strategic Support Services	Strategic Support Services is the secretariat of Council and supports the legislative and executive functions of Council. It is also responsible for cultivating a culture of good governance and administration and to ensure administrative processes take place in an environment which promotes productivity.
Community Services	The department is responsible for the implementation of fire, rescue and disaster management services, traffic and law enforcement services and the provision of community services i.e. library & information services and arts & cultural activities. The applicable services are provided in an integrated and co-ordinated effort with other stakeholders within the municipal service area.
Technical Services	The department is responsible for the provision of bulk infrastructure and services which include planning, project management, municipal roads, water supply and distribution, sewerage management, refuse collection and sites for the disposal of waste in compliance with all applicable legislative and regulating requirements. It is also responsible for the safe and efficient distribution of electricity to customers within the municipal service area, in compliance with the Occupational Health and Safety Act and the Electricity Regulation Act and the management of the electricity infrastructure. The department is also responsible for public amenities namely resorts and swimming pools, public toilets, recreational facilities and cemeteries.

DEPARTMENTAL FUNCTIONS

Department	Core Function
	The department is also responsible for all town planning activities (GIS, building control and local economic development) within the municipality and compliance with zoning and other aspects of planning legislation.

Table 29: Departmental functions

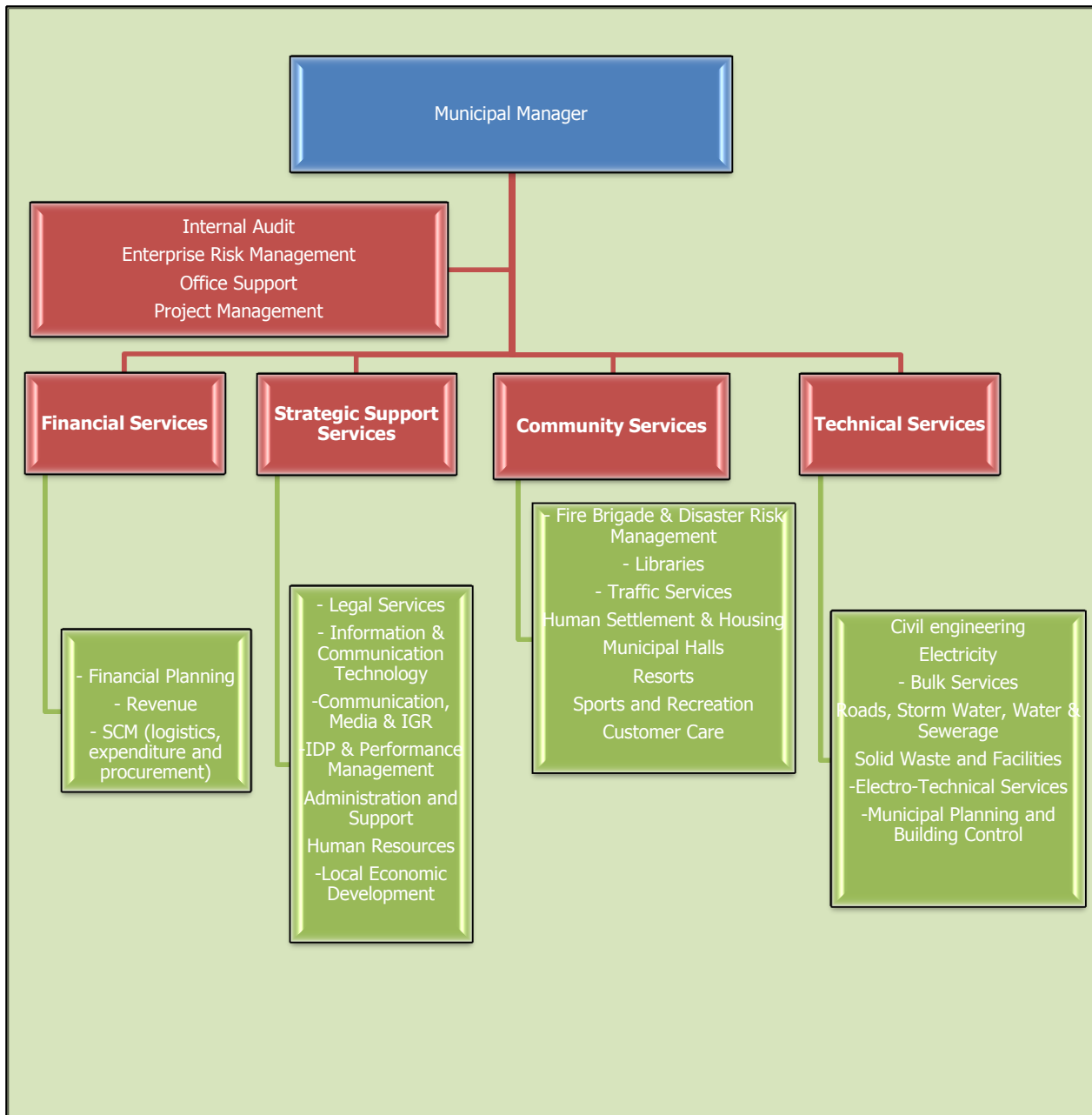


Figure 20: Macro-organisational structure

The macro-organisational structure with departmental functions is indicated in the diagram above. The macro-structure was approved and is currently being implemented through the filling of vacancies and placement processes.

4.5 Municipal Workforce

Based upon the strategic and policy decisions made by Council, the senior management team develops service plans for integration with other sectors within the strategy for the Municipality. They must measure performance according to agreed indicators, analyse and report regularly. They inform decision makers timeously of any risk to service delivery initiatives and conduct review of service performance against plans before other reviews. The senior management team of Breede Valley municipality is supported by a municipal workforce of 1107 permanent and temporary employees, which is structured in the departments to implement the IDP strategic objectives.

Section 68(1) of the MSA states that 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. The organisational structure should be revisited after the approval of the IDP and budget to ensure that the municipality still deliver services and the most productive and sufficient manner. Breede Valley municipality is currently in the process of reviewing its macro structure and organogram. The new staff establishment will be developed in line with normative human resource practices, taking cognisance of the transformation targets and requirements as stated in the Basic Conditions of Employment Act. The recruitment of employees is conducted in terms of the municipality's recruitment and selection policy.

POSTS IN THE ORGANISATION					
Permanent Positions Filled	Funded Vacancies		Unfunded Vacancies		Total
834	186		192		1212
Representation of Employees					
Employees categorised in terms of Gender (permanent and temporary employees)	Male	694			1105
	Female	411			
Employees categorised in terms of Race (permanent and temporary employees)	Coloured	African	Indian	White	1105
	718	300	1	86	
Disabled employees					7

POSTS IN THE ORGANISATION

Total (permanent and temporary employees)	1105
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Table 30: Staff establishment (January 2015: SAMRAS information system)

Below is a table that indicates the number of employees within the specific occupational levels:

WORKFORCE PROFILE

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top Management	0	4	0	1	0	0	0	0	5
Senior Management	1	6	0	7	0	1	0	2	17
Professionally qualified and experienced specialist and mid-management	5	27	0	12	2	12	0	2	60
Skilled technical and academically qualified workers, junior management, supervisors, foremen and Superintendents	6	40	1	19	3	4	0	4	77
Semi-skilled and discretionary decision making	44	142	0	17	43	108	0	19	374
Unskilled and defined decision making	89	138	0	0	22	52	0	0	301
Total permanent	145	358	1	56	70	177	0	27	834
Non- permanent	31	100	0	3	54	83	0	0	271
Grand total	176	458	1	59	124	260	0	27	1105

Table 31: Workforce Profile (January 2015: SAMRAS Information system)

The municipality reviews its employment equity status annually and prepares a plan that the municipality aims to implement and report on annually. Council has set itself a target to align the staff equity with the demographics of the community of the Breede Valley region and to maintain this position.

The actual positions filled are indicated in the tables below by post level and by functional level. A total of 186 posts were vacant as at 31 January 2015.

PER POST LEVEL		
Post level	Filled	Vacant
Top Management (MM & MSA section 57 & 56)	5	0
Senior Management	17	7
Professionals and Middle Management	60	15
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	77	21
Semi-skilled and discretionary decision making	374	90
Unskilled and defined decision making	301	53
Total	834	186
PER FUNCTIONAL LEVEL		
Functional area	Filled	Vacant
Municipal Manager	9	1
Strategic Support Services	67	17
Financial Services	112	13
Community Services	196	44
Technical Services	450	111
Total	834	186

Table 32: Staff positions filled per post and per functional level (January 2015: SAMRAS Information system)

The turnover rate shows an increase from 4.5% in 2011/12 to 6.14% in 2012/13. The reason for the increase in the turnover rate for the 2012/13 financial year is because there were more terminations and less new appointments.

STAFF TURNAROUND				
Financial year	Total no appointments at the end of each Financial Year	New appointments	No Terminations during the year	Turn-over Rate
2011/12	930	79	42	4.5%
2012/13	862	39	55	6.14%

STAFF TURNAROUND

Financial year	Total no appointments at the end of each Financial Year	New appointments	No Terminations during the year	Turn-over Rate
2013/14	836	22	54	6.48%

Table 33: Staff turnaround as at 30 June 2014 (source: Annual Report 2013/2014)

4.6 Skills Development

Breede Valley Municipality as a caring Municipality is committed to develop their staff to their full potential. The training committee and the Skills Development Facilitator meet monthly to determine the prioritization of the training of a staff compliment of Breede Valley Municipality.

The Workplace Skills Plan is submitted annually on the last day of April reflecting all the training done within the specified period, as well as all the persons trained within the specified year. This plan will also set out the prioritized training for the following financial year. Training is also linked to the job description of each employee; this ensures that employees are registered on training which has a direct impact on the performance within their position. Performance plans will therefore be aligned with the strategic objectives and the TASK job functions. The municipality envisages completing the implementation of its staff performance management system for all staff by 2015.

Training is governed by the Skills Development Act, which is very prescriptive in the manner in which training must be done, and the targets which should be adhere to, as well as the Employment Equity targets which should be reached.

4.7 Municipal Administrative and institutional capacity

The municipality has the following policies and service delivery improvement plans to support the workforce in delivering on the strategic objectives:

SCHEDULE OF POLICIES

Name of Policy, Plan or System	Status	Responsible Department
Asset management	Approved	Financial Services
Fund & reserves	Approved	Financial Services
Cash & investment	Approved	Financial Services

SCHEDULE OF POLICIES		
Name of Policy, Plan or System	Status	Responsible Department
Standby allowance	Approved	Financial Services
Overtime	Approved	Financial Services
Property rates	Approved	Financial Services
Tariff Policy	Approved	Financial Services
Credit control	Approved	Financial Services
Debt collection	Approved	Financial Services
Indigent	Approved	Financial Services
Cell phone	Approved	Financial Services
Supply chain management	Approved	Financial Services
Communication	Approved	Strategic Support Services
Training Policy	Approved	Strategic Support Services
Recruitment and Selection Policy	Approved	Strategic Support Services
Acting allowance	Approved	Strategic Support Services
Occupational Health and Safety Policy	Approved	Strategic Support Services
Public Participation Policy	Approved	Strategic Support Services
Fraud and Corruption Prevention Policy and Response Plan	Approved	Office of the Municipal Manager

Table 34: Schedule of policies

POLICIES STILL TO BE DEVELOPED	
HIV and AIDS policy	Strategic Support Services
Smoking policy	Strategic Support Services
Bursary policy	Strategic Support Services
Essential users scheme policy	Strategic Support Services
Customer care and Management services	Strategic Support Services
Attendance and Punctuality	Strategic Support Services
Succession Planning	Strategic Support Services

Scarce Skills Policy	Strategic Support Services
Renewable Energy Policy	Strategic Support Services

Table 35: Policies to be developed

4.8 Municipal administrative and institutional capacity

The municipality foster relations with other spheres of government and participate in various intergovernmental activities to promote a closure working relationship between the various spheres of government. Council is of view that these relationships can assist in enhancing government's services to the communities of the Breede Valley Municipal Area.

The municipality delegated officials and councillors to the following forums:

IGR INVOLVEMENT		
Forum	Frequency	Responsibility
Municipals Managers Forum	Quarterly	Municipal Manager
SALGA Working Groups	Quarterly	Director and portfolio councillor specific to working group
District Coordinating Forum	Quarterly	Mayor
Premiers Coordinating Forum	Quarterly	Mayor
Provincial and District Managers IDP Forums	Quarterly	Municipal Manager – IDP
Disaster Management Forum	Quarterly	Community Services
Human Resources Forum	Quarterly	Strategic Support Services
Legal Advisors Forum	Quarterly	Strategic Support Services
Environmental Health Forum	Quarterly	Technical Services
Local Economic Development Forum	Quarterly	Technical Services

Table 36: IGR involvement

CHAPTER 5

CHAPTER 5

5.1 Legislation

The Municipal Systems Act, Act 32 of 2000, *Chpt. 4, Section 17 (2)* stipulates that municipalities must establish appropriate mechanisms, processes and procedures to enable the local community to participate in the affairs of the municipality. Chapter 5, Section 29 Subsection 1 (b) provides for consultation with the community on its development needs and priorities, thereby involving the community to actively participate in the drafting of the integrated development plan.

5.2 Background to Public Participation Process

Clear legislative guidelines on the consultation mechanisms and processes with communities and stakeholders are provided that must be followed by municipalities. Breede Valley municipality incorporated these core principles in the IDP Process Plan that was approved by Council on 26 August 2014. The process preceding Council's adoption of the 5-year IDP during 2012 allowed for thorough consultation with all 21 wards, informed by a comprehensive community developmental needs list, as currently captured in our approved 3rd Generation IDP.

5.3 Mechanisms and processes

5.3.1 IDP/Budget Steering Committee

The IDP/Budget Steering Committee guides and coordinates the development and implementation of the IDP/Budget process, from conception to preparation of both the IDP and Budget, for council's consideration. The committee determines the framework and principles to be considered during the preparation/planning process.

The IDP/Budget Steering committee is established through the prerogative of the Executive Mayor. The political representatives are selected by the mayor and the mayor directs the municipal manager on which administrative officials should form part of the process. The terms of reference is therefore set by the mayor in collaboration with the municipal manager.

The executive mayor calls and leads all meetings of the steering committee, whilst the administration takes responsibility for minutes and recording of minutes during meetings. The following table describes the list of active participants and their designations in the IDP / Budget Steering committee.

IDP/BUDGET STEERING COMMITTEE			
	Name	Surname	Portfolio
1.	Antoinette	Steyn	Executive Mayor
2.	Thys	Blom	MMC IDP/Budget
3.	Margaret	Sampson	Speaker
4.	Gerrit	Matthyse	Municipal Manager
5.	David	McThomas	Chief Financial Officer
6.	Jonathan	Marthinus	Director Community Services
7.	Raymond	Esau	Director Strategic Support Services
8.	Eddie	Delport	Director Technical Services
9.	Jabu	Makhubu	Manager: Budget Office
10.	Berdine	Volschenk	Senior Manager Financial Planning
11.	Greg	Muller	Manager: IDP/PMS

Table 37: IDP/Budget Steering Committee

5.3.2 Ward Committees

Ward Committees are established to represent the interests of the ward/community and provide active support to ward councillors during the execution of their functions as the elected ward representative in Council. The involvement of ward committees as elected representative structures in the IDP Review process is regarded as very important, as these structures are instrumental in identifying ward developmental needs in the respective wards.

Ward committees in Breede Valley play a significant role in the IDP/Budget process and are capacitated during the planning process to allow better understanding of the IDP and budget process, including how they should articulate their roles after the plans are approved by council.

In the context of the IDP/Budget process, ward committees as an official mechanism of council, are mandated and tasked to identify the most important existing community needs in their wards and prioritise them in order of priority, with the top five priorities to be considered for budget preparation.

The schedule below reflects the different ward engagements where ward committees community members were given an opportunity to prioritise their needs together with their ward councillors. The objectives of the work sessions above were:

- To provide information to the communities regarding the IDP/Budget process

- To prioritise existing recorded community needs
- To develop top five priorities to be focussed on in the 2015-2016 financial year as guided by ward councillor and ward representative structure; i.e. ward committee
- To provide ward communities an opportunity to engage councillors and senior officials on ward needs which should be prioritised for the financial year in planning.

All public meetings took place during September and October 2015. Participating ward community members prioritised their community needs for 2015-2016 financial year. Emphasis was placed on the top five priorities per ward to be addressed subject to resource constraints. Updated priority needs are reflected in the consolidated wards needs listed in chapter 5.

Below is a summary of the attendance figures recorded for the public meetings during September/October 2014:

PUBLIC MEETINGS HELD IN SEPTEMBER/OCTOBER 2014				
Cllr	Ward	Date	Venue	Attendance (public)
Smith	1	15 September	Steenvliet Community Hall	160
Lubisi	2	23 September	De Doorns MPC	39- Meeting was postponed to 13 Oct
Marran	4		Orchard Community Hall	10- Meeting was postponed to 15 Oct
Steyn	6		Tuindorp Hall	44
Meiring	7	18 September	Worcester-East NG Church	14
Stalmeester	10	30 September	Hexpark Primary School	15
Jali	16		Zwelethemba Community Hall	39
Sheldon	12	29 September	Worcester Town Hall	30
Ismail	14	01 October	Victoria Park Primary School	26
Tyira	17		Zwelethemba Community Hall	19
Boshoff	15	02 October	Worcester-West NG Church	33
Dyonta	18		Zwelethemba Community Hall	15
Goedeman	19	07 October	Goudini High School	37
Blom	20	08 October	Goudini High School	36
Farao	13		Maranatha Christian Centre	10
Matjan	09	09 October	Indoor Sport Centre	6 -Meeting postponed to 10 Nov
Wehr	21		Avian Park Primary School	163

Steto, Tyira, Dyonta	8, 17, 18		Zwelethemba Community Hall	50
Lubisi	02	13 October	De Doorns MPC	99
Sampson	11	14 October	Indoor Sport Centre	45
Januarie	03	15 October	De Doorns MPC	44
Marran	04		Orchard Community Hall	108
Matjan	09	10 November	Council Chambers	10
Kriegler	05	11 November	AME Church De Wet	22
TOTAL				1074

Table 38: Public meetings held in September/October 2014

5.3.3 Public Engagements

Breede Valley municipality engagements take place in accordance with our approved public participation policy to promote and stimulate participatory democracy. The next round of public engagements is planned for April/May 2015. The public engagement sessions scheduled below was approved as part of the IDP Process Plan.

SCHEDULED PUBLIC MEETINGS FOR APRIL/MAY 2015				
DATE	WYK NO.	COUNCILLOR	VENUE	TIME
01-April-2015	4	Marran	De Doorns MPC	19:00
01-April-2015	17	Tyira	Zweletemba Civic Hall	19:00
02-April-2015	5	Kriegler	De Doorns MPC	19:00
06-April-2015	1	Smith	Steenvliet Hall	19:00
07-April-2015	2	Lubisi	De Doorns MPC	19:00
08-April-2015	3	Januarie	De Doorns MPC	19:00
08-April-2015	6	Steyn	Tuindorp Hall	19:00
09-April-2015	7	Meiring	Worcester-East NG Church	19:00
13-April-2015	8	Steto	Zweletemba Civic Hall	19:00
14-April-2015	9	Matjan	Worcester Civil Hall	19:00
15-April-2015	10	Stalmeester	Kibuts	19:00
16-April-2015	12	Sheldon	Worcester Civil Hall	19:00
21-April-2015	16	Jali	Zweletemba Civic Hall	19:00
21-April-2015	11	Sampson	Worcester Civil Hall	19:00
22-April-2015	17	Tyira	Zweletemba Civic Hall	19:00
22-April-2015	13	Farao	Maranatha Church Hall	19:00

23-April-2015	18	Dyonta	Zweletemba Civic Hall	19:00
23-April-2015	14	Ismail	Victoria Park Primary	19:00
28-April-2015	19	Goedeman	Goudini High School	19:00
29-April-2015	20	Blom	Goudini High School	19:00
30-April-2015	21	Wehr	Breerivier High School	19:00

Table 39: Schedule IDP/Budget consultation meetings

All dates will be confirmed with all ward councillors prior to ward engagements. A complete schedule of meetings will be advertised in the local press for public information and participation. Public notification of meetings will be conducted via pamphlets distributed in identified wards, loud hailing meeting announcements in denser residential areas as requested.

In order to ensure the public is provided ample opportunity to participate in the affairs of council, transport arrangements were made and provided to community members, affording them a fair opportunity to attend. An appointed service provider failed to honour its commitment with the municipality and the public. This matter is currently under investigation by our legal department whom should advise on the recourse to be undertaken by the municipality.

Public consultation remains a challenge in Breede Valley municipality as much as similar challenges are experienced in most municipalities across the country. Various factors may contribute to low levels of participation in Council public participatory. BVM is committed to conduct a survey in order to investigate public participation and establish what citizens regard as important in public meetings.

The minutes of public consultation is available for public scrutiny and relevant comments and/or requests were incorporated into this IDP. It remains the intent of BVM to provide adequate feedback to citizens on ward issues during ward meetings of respective ward councillors.

5.4 Levels of Involvement

To enable the municipality to develop a strategic IDP document, the municipality promotes broader community participation within its municipal services area by utilising a number of mechanisms. These mechanisms strengthen internal and external communication:

Structure/ Publication	Frequency	Stakeholders	Objectives/ functions
IDP Representative Forum	Quarterly	<input type="checkbox"/> 1 Nominated ward committee member per ward <input type="checkbox"/> 1 Ward Councillor <input type="checkbox"/> Executive Mayor & Speaker	<input type="checkbox"/> Monitor IDP and budget process <input type="checkbox"/> Monitor IDP implementation process <input type="checkbox"/> Provide final input to IDP after

Structure/ Publication	Frequency	Stakeholders	Objectives/ functions
		<input type="checkbox"/> IDP/Budget MMC <input type="checkbox"/> Municipal Manager and Executive Management <input type="checkbox"/> IDP Manager <input type="checkbox"/> Manager Performance Management	ward/public consultation process. <input type="checkbox"/> Establish IDP Representative Forum
Public meetings on IDP & Budget	Annually	<input type="checkbox"/> Executive Mayor and Councillors <input type="checkbox"/> Senior management personnel of municipality <input type="checkbox"/> Community	<input type="checkbox"/> To inform the community of council decisions, community rights and duties, municipal affairs etc. <input type="checkbox"/> To enable the community to inform the councillors and officials of their issues. <i>Inputs received during these engagements have been dealt with as described above.</i>
Council meetings (open to public)	Bi-Monthly	<input type="checkbox"/> Mayor and Councillors <input type="checkbox"/> Senior management personnel of municipality	<input type="checkbox"/> To inform the community of council decisions, community rights and duties, municipal affairs etc.
Special IDP and budget engagements	Annually	<input type="checkbox"/> Mayor and Councillors <input type="checkbox"/> Senior management personnel of municipality <input type="checkbox"/> Community	<input type="checkbox"/> To inform the community of IDP and budget related matters <input type="checkbox"/> To obtain community input on content of IDP and proposed.
Municipal Website	Continuously updated	<input type="checkbox"/> Mayor and Councillors <input type="checkbox"/> Community <input type="checkbox"/> Personnel of municipality	<input type="checkbox"/> To provide comprehensive information of municipal affairs <input type="checkbox"/> Advertise public engagements <input type="checkbox"/> Publish Adopted IDP & Budget

Table 40: Public participation mechanisms

Breede Valley Municipality further endorses the following principles for public participation in the IDP process planning cycle namely:

- Elected councillors are the ultimate decisions-making body
- The processes followed should be structured and ensure an equal right to participate
- The process should allow sufficient room for diversity
- The process should create conditions to promote and encourage participation especially with regard to disadvantaged and marginalized groups and gender equity

5.5 Municipal Sectors

The senior management team (Executive Mayor and Mayoral Committee, the Municipal Manager and the Directors) of the municipality of Breede Valley municipality plays an integral role in the preparation of the IDP. Their main role and function is to:

- Engage in strategic discussions regarding implementing the five-year plan for the respective functional areas.
- Evaluate progress made in the implementation of the process plan and initiate corrective action where necessary.
- Evaluate the impact of the Integrated Development Plans.
- Review and refine the vision for the Breede Valley municipality. Ensure that the vision is incorporated into the IDP Representative Forum and the Integrated Development Plan.
- Refine and review IDP objectives, strategies and projects for consideration by Breede Valley IDP Representative Forum and the incorporation thereof into the Integrated Development Plan.
- Consider the Infrastructure Investment Plan

Part of the IDP planning process, including strategic engagements with the political executive, senior management and other departments, was scheduled as follows:

Date	Engagement	Content of Strategic Session/Workshops and Meetings
18,19 February 2015	<ul style="list-style-type: none"> □ IDP Indaba 	<ul style="list-style-type: none"> □ Obtain and share information on sector projects □ Share municipal priorities with sector departments to inform and guide future settings □ Foster alignment between municipal, provincial and national government □ Present and share information on financial allocations
26-27 February 2014	<ul style="list-style-type: none"> □ Strategic Planning: Executive Management 	<ul style="list-style-type: none"> □ Situational analysis conducted for four major towns regarding constitutional municipal functions □ Strategic analysis with the respective directorates, regarding internal and external issues which impacts on key performance areas

Table 41: Municipal strategic planning sessions and meetings

5.6 Structured Community Consultation

One of the main features of the IDP process is to promote and effect the broader stakeholder involvement that culminated in a session with the IDP Representative Forum on 19 November 2014. The purpose is to ensure that the IDP addresses relevant stakeholders' needs and strengthen participatory democracy and delivery.

Council has approved the following public participation policy:

1. PREAMBLE

The Breede Valley municipality acknowledges its commitment to the development of a culture of municipal governance that complements formal representative government with a system of participatory governance (Municipal Systems Act, Section 16). The municipality has an obligation to establish appropriate mechanisms, processes and procedures to enable the local community to participate in the affairs of the municipality in terms of the provisions of the Local Government: Municipal Systems Act, Act no 32 of 2000 (Section 17).

2. PURPOSE

The purpose of the policy is to provide for mechanisms by which citizens may participate in the affairs of the municipality; communicate available mechanisms, processes and procedures to communities to encourage and facilitate public participation; to fully mainstream public participation in Breede Valley's municipal processes; and to ensure openness, transparency, and accountability on the part of the Council, its political structures and its administration by providing for citizens to exercise their right to public participation.

3. DEFINITIONS

In this policy, unless the context indicates otherwise-

"Council" means the municipal council of Breede Valley municipality established by Municipal Systems Act, Act No. 32 of 2000 and Provincial Notice;

"Councillor" means a member of the council;

"IDP" means the integrated development plan as contemplated by Chapter 5 of the Systems Act

"Local community" or "community" in relation to the municipality, means that body of people comprising –

-The residents of the municipality

-The rate payers of the municipality

-Any civic organisation and non-governmental, private sector or labour organisation or bodies which are involved in local affairs in the municipality;

“Minister” means national minister responsible for local government;

“Municipal manager” means the person appointed in terms of Section 82 of the Local Government: Municipal Structures Act, Act No 117 of 1998;

“Municipality”, when referred to as “an entity” means municipality as described in Section 2 of the Local Government: Municipal Systems Act, Act No. 32 of 2000; and when referred to as a geographic area means a municipality area determined in terms of the Local Government: Municipality Demarcation Act, Act No. 27 of 1998;

“Province” means the province of the Western Cape;

“Provincial Gazette” means the official gazette of the province;

“Structures Act” means the Local Government: Municipal Structures Act, Act No. 117 of 1998, as amended;

“MSA/Systems Act” means the Local Government: Municipal Systems Act, Act No. 32 of 2000, as amended.

4. DEVELOPMENT OF A CULTURE OF COMMUNITY PARTICIPATION

4.1 In giving effect to Section 16 of the MSA and as set out in the policy, the municipal manager must ensure that for this purpose –

4.1.1 The municipality encourages and creates conditions for the local community to participate in the affairs of the municipality, including in –

- The preparation, implementation and review of its integrated development plan;
- The establishment, implementation and review of its performance management plan;
- Consideration of drafts by-laws;
- The monitoring and review of its performance, including the outcome and impact of such performance;
- The preparation of its budget; and
- Strategic decisions relating to the provisioning of municipal services.

4.1.2 The municipality employs sufficient staff members, other than councillors, who may help in informing and educating the local community about the affairs of the municipality, in particular, in the areas referred to in Section 16 (1) (a), taking into account special needs, as described in Section 17 (2) of the Systems Act.

4.1.3 That all staff members, including councillors, are trained in the basic knowledge of the areas referred to in Section 16 of the MSA.

4.1.4 The municipal manager may establish a working group, consisting of councillors and previously trained staff members, to administer the training of new staff and councillors under Section 16 of the MSA.

5. MECHANISMS, PROCESSES AND PROCEDURES

5.1 The municipal manager must notify the public of all the available methods for public participation (MSA, Section 18).

Notification may take the form as provided for in this policy.

5.2 The municipality must, when implementing methods for public participation, provide –

5.2.1 For a staff member to help members of the community who cannot read or write;

5.2.2 Appropriate access to public meetings for people with physical disabilities;

5.2.3 For the special needs of women and other disadvantaged groups;

5.2.4 A translator, after having assessed the language preferences and usage and where appropriate.

6. COMMUNICATION OF INFORMATION CONCERNING COMMUNITY PARTICIPATION

The provisions of Sections 17-21 of the Systems Act shall apply.

7. METHODS FOR PUBLIC PARTICIPATION

7.1 The municipal manager must inform the community of any public comment procedures available through which community members can voice their opinions and views on any affairs of the municipality on which the community's input is required, which may include, but is not limited to –

7.1.1 Public meetings by the Council and other political structures and office bearers of the municipality;

7.1.2 Consultative sessions with locally recognised community organisations, and;

7.1.3 The submission of written public comments.

7.3 Invitation for public comments and open sessions

7.3.1 When the municipality considers and deliberates on any of the following issues, it must hold open sessions to which the public and interested organisations must be invited to submit their views on –

7.3.1.1 The identification of needs of the community;

7.3.1.2 Strategies, programmes and services to address priority needs through the IDP;

7.3.1.3 The development, implementation and review of Council's performance management system, the setting of appropriate key performance indicators and performance targets;

7.3.1.4 Proposed tariffs, as contemplated in Section 74 of the Systems Act, as well as its Credit and Debt control policy.

7.3.1.5 Decisions on mechanisms for the provisioning of services through service delivery agreements, as contemplated by Section 76 (b) of the Systems Act.

7.3.1.6 The municipal manager must, after the Council has held an open session on any of the matters contemplated in this policy or other relevant legislation and after the conclusion of the session concerned:

7.3.2 Formulate a full report thereon together with any advice or recommendations the Council may deem necessary or desirable.

7.3.3 Make copies of the report available to the community in one or more of the following manners -

7.3.3.1 by publication in the local newspaper;

7.3.3.2 leaving a copy at all the libraries in the municipal area

7.3.3.3 posting a copy on the notice board at the council's offices; and

7.3.3.4 providing every councillor of each ward with copies for distribution to communities

7.3.5 The municipal manager must ensure that the report is published according to the council's language policy of the municipality.

7.4 Public participation meetings by the Council

7.4.1. The municipal manager must on appropriate notice and in a manner provided for in this policy notify the community of any public participation meeting.

7.4.2. Any such public participation meeting must take place within 14 (fourteen) days of the municipal manager having notified the community, unless otherwise specified.

7.4.3 Public participation meetings for wards 1 - 21 will be held separately

7.5 Notification of the public

7.5.1 Whenever the Council –

7.5.1.1 Holds a meeting as provided for under this policy;

7.5.1.2 Holds a session about any matter contemplated in this policy or any relevant legislation;

7.5.1.3 Holds a public meeting on any other matter decided by the Council that warrants notification of the community in terms of this policy in a reasonable period.

7.5.2 Copies of all notices as contemplated in this policy must be posted at:

7.5.2.1 The notice board at the Council's offices;

7.5.2.2 All libraries in the municipal area;

7.5.2.3 The local newspaper or newspapers of the municipal area; and

7.5.2.4 Ward information centres or other places as may be determined.

7.6 Notification of councillors

7.6.1 Ward councillors will be notified in writing 14 days in advance of public participation meetings that will be conducted by the municipality in their wards.

7.6.2 Councillors will be required to sign a receipt of notification of such meetings, which will be filed by the IDP Office.

7.6.3 Promotional material in the form of flyers to be distributed in the wards will be handed to ward councillors or anyone designated by the ward councillor.

7.7 Comments via electronic mail

7.7.1 The municipal manager, if it's in the confines of the municipality's resources and capacity, provide the public with a central e-mail address, whereby members of the local community may submit written comment directly to the municipality on any matter referred to in this policy and/or other relevant legislation.

7.7.2 The municipal manager must ensure that the comments are addressed regularly and collated by a member specifically allocated to this task.

8. Venue for public meetings

The municipal manager must ensure that the municipality make use of an appropriate venue for any public meeting as provided for in this policy in terms of –

8.1 The size of the venue after gauging and taking into consideration the approximate number of people who might be attending;

8.2 The location of the venue and access to it via public and private transport;

8.3 The number of staff members of the Council to be made available to ensure the smooth administration of the meeting;

8.4 The provision of security, if designated by the ward councillor, for both the members of the municipality as well as members of the local community attending the meeting.

8.5 The provision of a sound system or public address system to facilitate effective participation by all in attendance;

8.6 The provision of appropriate audio and visual aids such as microphones, screens, data projector and laptops to ensure effective information sharing;

8.7 The provision of at least one roving microphone and a minimum of three microphones in the venue to ensure that all inputs are audible;

8.8 The provision of interpreting services at all venues, when required.

8.9 The arrangement of appropriate transport arrangements for community members to all venues, in close collaboration with ward councillors;

8.10 A mayoral committee member/ward councillor in attendance at a public meeting will be responsible to open the meeting;

8.11 Ward councillors will act as chairperson/co-chairperson and manage public participation meetings in their respective wards;

8.12 Political office bearers present at a public meeting will be required to take up seating in front of the meeting hall next to administration personnel;

8.13 A director or municipal representative will be required to be in attendance at public participation meetings;

8.14 Access to the venue will be carefully controlled at the entrance to deal with unruly individuals;

8.15 Ward councillors will be briefed on the agenda prior to ward engagements and IDP public meetings;

8.16 A community member will be afforded a maximum of three opportunities of no longer than 3 minutes to give inputs at a particular public participation meeting. However, the chairperson of the meeting has the discretion to deviate from this stipulation.

8.17 On request from a councillor, an audio recording of a public participation meeting can be made, which will be filed by the IDP Office within three days of such a recording having been made;

8.18 Ward councillors are required to conduct quarterly feedback sessions to inform ward community of progress made with priority needs identified in the IDP.

8.19 The IDP Office will be responsible for all logistical arrangements at IDP public meetings

9. Communication to local community

9.1 When anything must be notified by the municipality through the media to the local community under this policy or any other applicable legislation, it must be done through one or more of the following –

9.1.1 In the local newspaper or newspapers of the municipal area and in the appropriate language for the area;

9.1.2 By means of the local radio station, Valley FM;

9.1.3 By means of the distribution of flyers and pamphlets at points determined by the ward councillor/ward committee;

9.1.4 By use of loud hailing using a public address (pa) system;

9.1.5 Announcement (s) at public meeting (s);

9.1.6 Pasting posters at all ward information centres.

10. Generic Communications Plan for Public Participation Meetings

ACTION	RESPONSIBLE
<ul style="list-style-type: none"> Advertisement in the Worcester Standard 	IDP/ Communication
<ul style="list-style-type: none"> Interview – local radio station 	Communication
<ul style="list-style-type: none"> Ward Councillor/ Ward Committee interaction 	Ward Councillors

• Loud hailing	IDP/ Traffic Dept.
• Pamphlets	IDP/ Communication
• Webpage	Communication
• Face book	Communication
• Municipal notice boards (buildings/ libraries)	Communication
• Community announcements – local radio station	Communication
• Request to main stakeholders such as Worcester Business Forum etc. to inform their members and employees	Communication
• Internal e-mail system – informing personnel	Communication
• SMS's	Communication

11. Community participation in the integrated development plan

11.1 Once the Council has formulated a process set out in writing to guide the planning, drafting, adoption and review of its integrated development plan, the municipal manager must, through appropriate mechanisms, processes and procedures set out in this policy, consult the local community before adopting the process.

11.2 The notification to the local community may take place in a suitable manner provided for in this policy.

11.3 The notification must inform the community about their rights and duties for input required on the integrated development plan as well as how the community may go about commenting on such a process (MSA Section 18).

11.4 The notice should also include the particulars of the process which the municipality intends to follow.

11.5 The municipal manager must ensure that the publication setting out the process specifies a date, time and/or place or where the input from the community may be submitted;

11.6 Ward priority needs must be identified at a full community meeting and/or ward committee meeting per ward;

11.7 Once the municipality has finalised its integrated development plan under Section 25 of the Systems Act, it must within 14 (fourteen) days after its adoption give notice to the public in a manner provided for in this policy, as well as make available copies of or extracts for public inspection at specified places and publish a summary of the plan in the local newspaper.

5.7 National and Provincial Sector Departments

Municipalities must take cognizance of national and provincial agenda, ensuring that its planning is aligned and relevant to the higher tiers of government. Departments and ensure that community needs that are within the ambit of national and provincial government are timeously communicated for appropriate response.

Chapter 3, Section 41 *h (ii & iii)* guides that different spheres of government must; assist and support one another, inform one another of, and consult one another on matters of common interest. To give effect hereto, sound government strategy must strive towards effectiveness and efficiency, ensuring that all developmental intentions are well coordinated horizontally and vertically within the realm of good governance. Breede Valley municipality partook in the coordinated efforts of the Provincial Government of the Western Cape (PGWC), as lead by the Department Local Government during its bi-annual inter-governmental planning process better known as the provincial IDP Indaba. At the IDP indaba all municipalities within a demarcated region congregates with sector departments in coordinated planning to optimise resource efficiency amidst scarce resources at municipal levels. This process also enhances opportunity for engagement by municipalities and sector departments to communicate identified community needs with the relevant sector departments also allowing municipalities to source resource support.

CHAPTER 6

CHAPTER 6

The purpose of this chapter is to identify the major strengths and weaknesses of the geographical area as well as ascertaining the available information and current development initiatives being undertaken. The projects and programmes identified for the next five years are informed by the current status.

6.1. Financial Performance

The financial performance against the budgets of the municipality during the past IDP period is summarised in the table below:

	2012/2013	2013/14	2014/15 Adjusted Budget
	R'000	R'000	R'000
Revenue	699,550	813,369	845,999
Operating Expenditure	654,635	746,816	815,344
Capital expenditure	107,618	127,825	94,491
Funding of Capital Expenditure			
External loans	24,975	24,422	18,999
Government grants, subsidies and transfers	66,491	76,127	57,109
Public contributions and donations	0	13,859	0
Own funding	16,153	13,417	18,384
Other	0	0	0

Table 42: Revenue and expenditure growth analysis

6.2 Performance against IDP Objectives

The performance against the IDP objectives has been summarised per national key performance area.

National Key Performance Area	IDP Strategic Objectives	Highlights	Challenges
Good Governance and Public	To actively participate in determining the	<input type="checkbox"/> Extension of Audit Committee for next three-year term	<input type="checkbox"/> Inadequate space for Council activities <input type="checkbox"/> Limited financial allocation to ward

National Key Performance Area	IDP Strategic Objectives	Highlights	Challenges
Participation	future of our country	<ul style="list-style-type: none"> ❑ A functional internal audit unit. ❑ Compliance with legislative timeframes in terms of the budget, IDP and SDBIP approval ❑ Implementation of MGRO ❑ Establishments of task teams (SOPs and service delivery, economic and efficiency, strategic planning, good governance) ❑ Functional ward committees and public participation ❑ Establishment of municipal public accounts committee ❑ Achievement of clean audit 2012/2013 and 2013/2014 	<p>committee functionality</p> <ul style="list-style-type: none"> ❑ Undergrading of municipality, which impacts on ability to attract market-related skills to improve productivity ❑ Maintaining of clean audit status
Municipal Transformation and Organisational Development	To ensure a healthy and productive work environment – happy employees supported by a productive accountable leadership team	<ul style="list-style-type: none"> ❑ A functional Local Labour Forum ❑ Approval of organogram ❑ All Section 57 positions filled ❑ Adherence to applicable legislation on human resources management ❑ Implementation of internship and learnership programmes to contribute to employment creation 	<ul style="list-style-type: none"> ❑ Inadequate performance management implementation for all staff levels ❑ Resistance to change management initiatives ❑ Diversity management ❑ Limited career prospects for interns ❑ Inadequate succession planning ❑ Implementation of employment equity plan
Municipal Financial Viability and Management	Assure financial viability and sustainable growth	<ul style="list-style-type: none"> ❑ Debt recovery rate improved to 97.2% ❑ Financial statements submitted on time ❑ Capital expenditure amounts to 90% of adjusted budget ❑ No grants held back over 2014/2015 financial year ❑ The Breede Valley Municipality upheld its Credit Rating status for the past 3 years even under the current economic circumstances. ❑ Credit strengths: <ul style="list-style-type: none"> ⇒ Sound liquidity position 	<ul style="list-style-type: none"> ❑ Credit challenges: <ul style="list-style-type: none"> ⇒ High debt exposure ⇒ Financing requirements for its large capital expenditure budget ❑ Good stable credit rating <ul style="list-style-type: none"> ⇒ Improvement only possible through broadening of the Tax base via Local Economic Development. ⇒ Ensure also decrease in debt exposure. ❑ Constant planning and maintenance of the budget reforms and processes to comply with new requirements ❑ Constant improvement in the control

National Key Performance Area	IDP Strategic Objectives	Highlights	Challenges
		<ul style="list-style-type: none"> ⇒ Adequate, albeit narrow, financial results ⇒ Good administration and governance □ A debt collecting rate of 97,21% achieved. □ SCM policy reviewed annually □ SCM system managed effectively - no successful appeals 	<p>processes to uphold and improve the asset management process through a proper asset register</p> <ul style="list-style-type: none"> □ Daily bank reconciliations that result in accurate monthly bank reconciliations are done □ Limited tax base: <ul style="list-style-type: none"> ⇒ Borrowing to upgrade the bulk services such as the Worcester Waste Water Treatment Plant and corresponding electricity substation. To unblock LED and as a result broaden the Tax base. □ Clean Audit reports <ul style="list-style-type: none"> ⇒ To ensure that the Municipality achieve a clean audit report in according to the requirements in future. ⇒ To adhere to legislative, governance, internal audit, performance management and GRAP requirements. □ Ensure that proper planning, prioritization and control take place as far as budgets are concerned. □ Review the Supply Chain Management +policy and assessment document by Provincial Treasury and implement recommendations and best practices. □ Implementation of an electronic SCM system. □ Enhancement of debt recovery strategy: <ul style="list-style-type: none"> ⇒ Review of the current system and processes will be done and new dimensions will be implemented to enhance the debt recovery rate etc. □ The global economic meltdown had a definite impact on the municipality. It is quite evident in last 6 months where outstanding debt increased. The above can be

National Key Performance Area	IDP Strategic Objectives	Highlights	Challenges
			<p>attributed to:</p> <ul style="list-style-type: none"> ⇒ The general economic decline ⇒ Unaffordable rates and service charges ⇒ The shifting of the tax incident from the disadvantaged to the more affluent areas ⇒ Latest statistics indicates more and more consumers from the so called affluent areas are summonsed for debt. □ Increasing staff costs. Staff costs as a % of expenditure relates to 30,39%. The national norm is 35%. □ Approximately 7,0% of budget is spent on repairs and maintenance; this is below the national standard of 8-12%.
Basic Service Delivery	<p>To ensure a safe, healthy, clean and sustainable external environment for all Breede Valley's people</p> <p>To create a unique and caring valley of service excellence, opportunity and growth</p> <p>To provide an maintain basic</p>	<ul style="list-style-type: none"> □ 87,8% of capital budget spend on capital projects identified in terms of IDP □ 96 % of households in the urban edge have access to a minimum service level for water □ 96% of households in the urban edge have access to a minimum service level of sanitation □ 100% of households in the urban edge with access to a minimum service level of electricity □ 100% of households in the urban edge with access to a minimum service level of solid waste removal (once per week) <p><u>Electricity:</u></p> <ul style="list-style-type: none"> □ 2 113 indigent households in ESKOM areas receive free basic electricity □ 9 208 indigent households receive 50Kwh free electricity per month from the municipality □ 100% of households in formal areas 	<ul style="list-style-type: none"> □ Capacity and training of existing personnel and the availability and retention of skilled personnel □ Budget inadequate to alleviate backlogs □ Accessing alternative funding sources i.e. Department of Water Affairs and Department of Human Settlements. <p>Minimise electrical losses to under 6%</p> <p>Budget inadequate to replace overhead cables to increased underground cables. (Network Capacity to be increased)</p>

National Key Performance Area	IDP Strategic Objectives	Highlights	Challenges
	services and ensure social upliftment of the Breede Valley community	<p>are connected to the national grid</p> <ul style="list-style-type: none"> ❑ 100% of all households have access to basic level of electricity ❑ Electricity losses minimised to 7,23% in 2013/14 (against national norm of 21%) ❑ 24 333 households receives electricity at minimum service level and above <p><u>Refuse removal</u></p> <ul style="list-style-type: none"> ❑ 7 095 of indigent households receive free basic refuse removal ❑ All households have access to a basic level of solid waste removal ❑ 23 780 households receive a refuse removal service that adheres to the minimum service level standard and above (refuse removed at least once a week) <p><u>Water and Sanitation:</u></p> <ul style="list-style-type: none"> ❑ 7 095 indigent households receive free basic water (10kl free water per month) and free sanitation ❑ All households within the urban edge receives a minimum water service level and above ❑ 23 680 households have access to a flush toilet (connected to sewerage) and 100 households have access to a flush toilet (connected to septic tank). ❑ 3 740 households have access to a chemical toilet ❑ Achieved Green Drop Certification of Worcester WWTW of 90,65% in 2013 ❑ Achieved Blue Drop Compliance of 91% in 2014/15 	<p>Minimise unsafe and unauthorised supply cables. (Remove all self-installed networks)</p> <p>Replace old pre-paid meters with new technology (Increase revenue)</p> <ul style="list-style-type: none"> ❑ Upgrading and cleaning of open public spaces ❑ Increase in illegal dumping <ul style="list-style-type: none"> ❑ Management of water losses: 15,63% in 2013/14 ❑ Elaborative administrative requirements for Blue Drop Status – administrative capacity constraints
		<p><u>Roads & Stormwater:</u></p> <p>⇒ R 333 477 536 spent in 2014-2015 financial year on resurfacing of tar roads.</p>	<p><u>Backlog:</u></p> <ul style="list-style-type: none"> ❑ Life expectancy of municipal roads at critical levels

National Key Performance Area	IDP Strategic Objectives	Highlights	Challenges
		<ul style="list-style-type: none"> ⇒ 16 000 metres roads resealed in 2013/2014 financial year ⇒ 6 354 metres existing tar roads retarred in 2013/14 financial year ⇒ 6 500 km of new gravel roads constructed ☐ Improve Storm water infrastructure: ⇒ 90km of storm water infrastructure were maintained <p><u>Housing:</u></p> <ul style="list-style-type: none"> ☐ 84,6% of households in formal settlements ☐ Service 229 sites in terms of the housing implementation plan in 2013/2014 ☐ Construct 486 top structures in terms of the housing implementation plan in 2013/2014 	<p><u>Backlog:</u></p> <ul style="list-style-type: none"> ☐ The number of housing units on the waiting list is currently estimated at 23 194.
Local Economic Development	To create an enabling environment for employment and poverty and poverty eradication through proactive economic development and tourism	<ul style="list-style-type: none"> ☐ 13 611 jobs created through municipality's local EPWP and related initiatives including capital projects ☐ Our tourism marketing strategy is finalized and will assist in guiding our marketing efforts. ☐ BVM is one of the 5 leading Municipalities as per independent Provincial LED maturity assessment which tests our insight in comprehending LED and furthermore our ability to execute LED programmes. ☐ MAYCO in principle endorse a report to dispose the Uitvlugt industrial a land, we are just making the necessary preparation to table this matter before a full Council as per Section 14 of the MFMA as well as the Asset Transfer Regulations of the MFMA. ☐ All catalytic projects as highlighted in our LED strategy are placed on the 	<ul style="list-style-type: none"> ☐ The appointment of LED manager will bring extra implementation capability to the unit. ☐ Hope that investors with the necessary capital strengths submit bids for the Uitvlugt industrial land ☐ To make available operational budget towards city improvement.

National Key Performance Area	IDP Strategic Objectives	Highlights	Challenges
		<p>SDBIP on a sequenced and realistic manner for budget allocation, implementation and reporting.</p> <ul style="list-style-type: none"> ❑ The foundation to build the LED system is reached in the next financial year more emphasis will be on implementation. ❑ There is sufficient leadership for LED in the BVM system 	

Table 43: Performance against 2014/15 objectives

6.3.1 Alignment of IDP Strategic Objectives and Budget (Revenue)

Strategic Objective	Goal	Goal Code	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17
R thousand									
To create a unique and caring valley of service excellence, opportunity and growth	Improve cooperation, integration and effective utilization of resources	1	-	-	-	-	-	-	-
To provide, maintain and assure basic services and social upliftment for the Breede Valley community	Sustainable basic services to communities	2	593,740	584,010	636,602	636,602	663,412	708,377	618,793
To create an enabling environment for employment and poverty eradication through proactive economic development and tourism	Poverty eradication through LED and Tourism	3	3,285	3,600	4,278	4,278	(89)	(94)	(99)
To ensure a safe, healthy, clean and sustainable external environment for all the residents in the Breede Valley	Safe, healthy and clean environment	4	61,480	24,539	61,389	61,389	60,274	63,589	66,959
Provide democratic, accountable government for local communities and encourage involvement of communities and community organisations in the matters of local government	Good governance and public participation	5	1,769	10,047	9,946	9,946	11,978	10,812	(289)
Ensure a healthy and productive workforce and an effective and efficient work environment	Healthy and productive workforce	6	1,159	1,218	1,451	1,451	1,225	1,232	139
Assure a sustainable future through sound financial management, continuous revenue growth corporate governance and risk management practices	Sound financial management, viability and risk management	7	151,936	132,346	132,333	132,333	141,166	149,758	156,531
Total Revenue			813,369	755,760	845,999	845,999	877,966	933,674	842,034

Table 45a: Alignment of IDP Strategic Objectives and Budget (Revenue)

6.3.2 Alignment of IDP Strategic Objectives and Budget (Operating Expenditure)

Strategic Objective	Goal	Goal Code	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
To create a unique and caring valley of service excellence, opportunity and growth	Improve cooperation, integration and effective utilization of resources	1	-	-	-	-	-	-	-
To provide, maintain and assure basic services and social upliftment for the Breede Valley community	Sustainable basic services to communities	2	531,011	532,977	570,289	570,289	569,637	598,690	584,320
To create an enabling environment for employment and poverty eradication through proactive economic development and tourism	Poverty eradication through LED and Tourism	3	5,455	7,902	8,705	8,705	3,964	4,165	4,386
To ensure a safe, healthy, clean and sustainable external environment for all the residents in the Breede Valley	Safe, healthy and clean environment	4	91,494	68,083	97,173	97,173	105,646	111,270	117,170
Provide democratic, accountable government for local communities and encourage involvement of communities and community organisations in the matters of local government	Good governance and public participation	5	62,072	67,351	65,441	65,441	68,934	72,486	74,360
Ensure a healthy and productive workforce and an effective and efficient work environment	Healthy and productive workforce	6	8,365	10,960	9,399	9,399	11,741	12,317	11,812
Assure a sustainable future through sound financial management, continuous revenue growth corporate governance and risk management practices	Sound financial management, viability and risk management	7	48,419	66,530	64,338	64,338	70,574	75,567	76,399
Total Operating Expenditure			746,816	753,804	815,344	815,344	830,496	874,496	868,446

Table 45b: Alignment of IDP Strategic Objectives and Budget (Operating Expenditure)

6.3.3 Alignment of IDP Strategic Objectives and Budget (Capital Expenditure)

Strategic Objective	Goal	Goal Code	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17
R thousand									
To create a unique and caring valley of service excellence, opportunity and growth	Improve cooperation, integration and effective utilization of resources	1	-	-	-	-	-	-	-
To provide, maintain and assure basic services and social upliftment for the Breede Valley community	Sustainable basic services to communities	2	124,258	76,251	87,504	87,532	90,388	82,017	2,073
To create an enabling environment for employment and poverty eradication through proactive economic development and tourism	Poverty eradication through LED and Tourism	3	245	-	163	163	-	-	-
To ensure a safe, healthy, clean and sustainable external environment for all the residents in the Breede Valley	Safe, healthy and clean environment	4	1,541	810	410	410	3,235	-	-
Provide democratic, accountable government for local communities and encourage involvement of communities and community organisations in the matters of local government	Good governance and public participation	5	880	4,158	5,048	5,048	6,151	3,000	-
Ensure a healthy and productive workforce and an effective and efficient work environment	Healthy and productive workforce	6	-	-	197	197	-	-	-
Assure a sustainable future through sound financial management, continuous revenue growth corporate governance and risk management practices	Sound financial management, viability and risk management	7	901	787	1,169	1,169	1,000	800	800
Total Capital Expenditure			127,825	82,006	94,491	94,519	100,774	85,817	2,873

Table 45c: Alignment of IDP Strategic Objectives and Budget (Capital Expenditure)

6.4 Institutional Performance

An institutional performance review provides critical information pertaining to the current status and critical service needs, highlights and challenges. The information can provide value insight for the management team and guidance to engage in a meaningful planning process to improve service delivery within the municipal area.

The highlights of the past IDP period are summarised per directorate, in the tables below.

Directorate:	Office of the Municipal Manager
Sub Directorates:	Internal Audit; Enterprise Risk Management; Office Support & Project Management
IDP Strategic Objective:	<ul style="list-style-type: none"> <input type="checkbox"/> To actively participate in determining the future of our country <input type="checkbox"/> To ensure a healthy and productive work environment – happy employees supported by a productive accountable leadership team <input type="checkbox"/> Assure financial viability and sustainable growth <input type="checkbox"/> To ensure a safe, healthy, clean and sustainable external environment for all Breede Valley's people <input type="checkbox"/> To create a unique and caring valley of service excellence, opportunity and growth <input type="checkbox"/> To provide an maintain basic services and ensure social upliftment of the Breede Valley community
	<ul style="list-style-type: none"> <input type="checkbox"/> Achievement of a Clean Audit status for the second year. <input type="checkbox"/> Effective Internal Control Environment: <ul style="list-style-type: none"> ⇒ Successfully implementation of Municipal Governance Review Outlook system ⇒ Functional Audit and Performance Audit Committee ⇒ Functional Performance Management Evaluation system ⇒ Review of Enterprise Risk Management Methodology within the Organization ✚ Alignment of Risk Indicators with Performance Indicators
	<ul style="list-style-type: none"> <input type="checkbox"/> Appointment of external person to serve on the Risk Management Committee as the Chairperson, to strengthen accountability
	<ul style="list-style-type: none"> <input type="checkbox"/> Implementation of Jobs4U program (Electronic medium on access to information for youth and unemployed people within the Breede Valley municipal area).
	<ul style="list-style-type: none"> <input type="checkbox"/> Filling of critical manager positions (Senior Manager: Electricity Services; Human Resources Manager; Manager: Budgets; Accountants: AFS & Reporting)
	<ul style="list-style-type: none"> <input type="checkbox"/> Functional Municipal Public Accounts Committee <input type="checkbox"/> Establishment of Disciplinary Board <input type="checkbox"/> Implementation of Regional Socio Economic Projects

Table 44: Institutional Performance - Office of the Municipal Manager

Directorate:	Technical Services
Sub Directorates:	<p>Electricity - Water (Bulk & Networks) - Sewerage (Purification and Network) - Municipal Roads</p> <p>- Storm water - Refuse removal (Disposal, Landfill sites, Recycling and Public toilets) - Planning (Building Control, GIS, LED and Town Planning) - Resort, Swimming pools, Commonage, Cemeteries, Building Maintenance, Mechanical Workshop and Recreational Facilities - Environmental Management</p>
IDP Strategic Objective:	<ul style="list-style-type: none"> <input type="checkbox"/> To actively participate in determining the future of our country <input type="checkbox"/> Assure financial viability and sustainable growth <input type="checkbox"/> To ensure a healthy and productive work environment – happy employees supported by a productive accountable leadership team <input type="checkbox"/> To ensure a safe, healthy, clean and sustainable external environment for all Breede Valley's people <input type="checkbox"/> To create a unique and caring valley of service excellence, opportunity and growth <input type="checkbox"/> To provide an maintain basic services and ensure social upliftment of the Breede Valley community <input type="checkbox"/> To create an enabling environment for employment and poverty and poverty eradication through proactive economic development and tourism
<ul style="list-style-type: none"> <input type="checkbox"/> Successes <input type="checkbox"/> Completion of Worcester Bulk Water and Sewage Treatment Facilities <input type="checkbox"/> Upgrading of Rawsonville Bulk Water and Sewage Treatment Facilities. <input type="checkbox"/> Continuous roll out of wheelie bins. <input type="checkbox"/> Complete reorganize and manage Waste Removal. <input type="checkbox"/> Introduction of the OnKey computerized emergency and scheduled maintenance system. <input type="checkbox"/> Providing bulk and internal services for municipal housing projects. <input type="checkbox"/> Completion of organogram staff establishment. <input type="checkbox"/> Introduction of scheduled maintenance programme. <input type="checkbox"/> Expecting the pipe replacement programme and resealing programme. <input type="checkbox"/> Improved Green drop score from 78.3 % to 90.2%. <input type="checkbox"/> Continuous increase in green drop score from 78.3% to 90.2% with Worcester Wastewater Treatment Plant achieving a green drop. <input type="checkbox"/> Implement risk abatement plans that decrease the impact of our wastewater plants on environment from medium to low risk. <input type="checkbox"/> We achieved a record amount of building plan approvals (1439 plans) for 2014. This is the highest number of plans approved since 1989 which amounted to 1502 plans approved. 	

- ❑ We had a major success in the fact that our general valuations is now being made available in GIS format (through our intervention) and this would allow us to do spatial analysis on a much more complex level, thereby increasing the revenue base of Council.
- ❑ Our biggest success in the Planning Section was the fact that the staff has all been placed and that we are in the process of appointing another Town Planner in order to comply to LUPA standards and increase the capacity of the section.

❑ Challenges

- ❑ Shortage of vehicles to do pump station inspections and respond to water quality complaints.
- ❑ Inability to attract qualified process staff due to TASK outcomes.
- ❑ We are experiencing a challenge in follow up on illegal building work due to shortage of staff, but this will to a large extent be addressed by the valuation tender which would allow us to monitor illegal building work through bi-annual aerial photos.
- ❑ We are facing a major challenge in the change of planning legislation, with LUPA and SPLUMA soon to become a reality and the processes, bylaws and staff establishment required by this legislation will need to be fast tracked and addressed timeously.
- ❑ The biggest challenge to our GIS Section relates to the insufficient network capacity to run and publish our base maps, but this is being addressed with IT through the intervention of the Director: Technical Services.

Table 45: Institutional Performance - Technical Services

Directorate:	Financial Services
Sub Directorates:	Financial Planning – Revenue - SCM (logistics, expenditure and procurement) - Valuations
IDP Strategic Objective:	<ul style="list-style-type: none"> ❑ To actively participate in determining the future of our country ❑ Assure financial viability and sustainable growth ❑ To ensure a healthy and productive work environment – happy employees supported by a productive accountable leadership team ❑ To ensure a safe, healthy, clean and sustainable external environment for all Breede Valley’s people ❑ To create a unique and caring valley of service excellence, opportunity and growth ❑ To provide an maintain basic services and ensure social upliftment of the Breede Valley community
	<ul style="list-style-type: none"> ❑ Unqualified audit report for the last 5 years with full GRAP implementation and Clean Audit for the 2013/2014 financial year ❑ Commendable payment rate to 96.8%

- Successful implementation of the Municipal Government Review Process (MGRO)
- Successful drive of Financial Internship Program
- Successful implementation of a Financial Revenue Enhancement Plan

Table 46: Institutional Performance - Financial Services

Directorate:	Community Services
Sub Directorates:	Fire, Rescue and Disaster Management - Library and Information Services - Traffic (Law Enforcement, Admin and Licensing) - Housing – Community Facilities – Community Development (arts, culture, youth, aged, women, sport development)
IDP Strategic Objective:	<ul style="list-style-type: none"> <input type="checkbox"/> To actively participate in determining the future of our country <input type="checkbox"/> Assure financial viability and sustainable growth <input type="checkbox"/> To ensure a healthy and productive work environment – happy employees supported by a productive accountable leadership team <input type="checkbox"/> To ensure a safe, healthy, clean and sustainable external environment for all Breede Valley’s people <input type="checkbox"/> To create a unique and caring valley of service excellence, opportunity and growth <input type="checkbox"/> To provide an maintain basic services and ensure social upliftment of the Breede Valley community <input type="checkbox"/> To create an enabling environment for employment and poverty and poverty eradication through pro-active economic development and tourism
	<ul style="list-style-type: none"> <input type="checkbox"/> Disaster Risk Management Plan and Framework Reviewed for 2014-2015IDP Review Completed <input type="checkbox"/> Fire Services Master Plan reviewed and updated
	<input type="checkbox"/> Qualified Trench and Confined Space Rescue Technicians trained
	<ul style="list-style-type: none"> <input type="checkbox"/> Establish a speed- and red-light offence management system <input type="checkbox"/> Upgrading of security with the installation of CCTV cameras
	<ul style="list-style-type: none"> <input type="checkbox"/> An Anti-Alcohol and Drugs Centre (SHADOW) was established at the Traffic Department in partnership with the Department of Transport and Public Works. <input type="checkbox"/> The establishment of an administrative back office in Rawsonville for the management of speed violations.

Table 47: Institutional Performance - Community Services

Directorate:	Strategic Support Services
Sub Directorates:	Human Resources - Legal Services – Economic Development - ICT – IDP and Performance Management – Communication – Administration and Auxiliary Services
IDP Strategic Objective:	<ul style="list-style-type: none"> ❑ To actively participate in determining the future of our country ❑ Assure financial viability and sustainable growth ❑ To ensure a healthy and productive work environment – happy employees supported by a productive accountable leadership team ❑ To ensure a safe, healthy, clean and sustainable external environment for all Breede Valley’s people ❑ To create a unique and caring valley of service excellence, opportunity and growth ❑ To provide an maintain basic services and ensure social upliftment of the Breede Valley community
	<ul style="list-style-type: none"> ❑ ICT - Disaster Preparedness and Management: <ul style="list-style-type: none"> ⇒ Part of being prepared for disasters has been the virtualising of the servers in our server room. Three HP servers, on which VMWARE has been installed, form the platform of our virtual system. Windows and Linux servers were set up on VMWARE and the data migrated from the physical servers to the “virtual” servers.
	<ul style="list-style-type: none"> ❑ Human Resources <p>The placement process, to place staff in positions on the new organizational structure was completed.</p>
	<ul style="list-style-type: none"> ❑ Legal Services <p>Council adopted a new system of delegation on 3 December 2015.</p> <p>The Municipal Code in compliance with section 15 of the Municipal Systems Act 32 of 200 was completed.</p>
	<ul style="list-style-type: none"> ❑ Economic Development <p>A business retention and expansion strategy was developed</p> <p>Council resolve on a process for the formalization of a new industrial park in Worcester.</p>
	<ul style="list-style-type: none"> ❑ Organizational Performance Management <p>Council achieved a clean audit opinion on its system of organizational performance management.</p>

Table 43: Institutional Performance – Strategic Support Services

6.5 Stakeholder input

6.5.1 Community Engagements and Needs

The public consultation process was successfully rolled-out in all of the 21 wards of Breede Valley municipality, reflecting significant improvement in the turn-out at these meetings. The municipality provided all possible

logistical support in the arrangements of these meetings i.e. Transporting members of the public to and from meetings, providing communities open opportunity to engage council on the prevalent needs existing in Breede Valley. The community consultations conducted in 21 wards across Breede Valley were thus very successful and gave insight to the tremendous challenges which both government and clients are facing.

The consultation process recorded the following list of needs all of which does not necessarily constitute or is within the mandate of local government; such needs outside of our mandate were communicated to the relevant sphere of government and/or institution responsible for the core service. The list of community needs per ward is indicated in the following table as in order of priority.

Ward	Order	Priority per Ward	Department
1	1	Housing	Community Services
1	2	Public Toilets in CBD	Community Services
1	3	Land for graveyards	Strategic Support Services
1	4	Reseal Roads: Topkamp, CBD, Paravlei, Steenvliet	Technical Services
1	5	Tarring of gravel road: Hopland and Topkamp	Technical Services
1	6	Municipal Building Upgrade	Strategic Support Services
1	7	Upgrade Steenvliet and Touwpark sports-grounds	Community Services
1	8	Community Hall Upgrade	Strategic Support Services
1	9	Develop Play parks	Technical Services
1	10	Repair of Houses in Uitsig & Steenvliet	Community Services
1	11	Upgrade sewerage system for housing projects	Technical Services
1	12	Reservoirs for future development and housing projects	Technical Services
1	13	Fire Station	Community Services
1	14	Upgrade of Library	Community Services
1	15	Ambulance Services	Community Services
1	16	Complete Card & Transport of houses	Community Services
1	17	Speed Humps	Community Services
1	18	Street names	Community Services
1	19	Tenders/Contracts for residents of Touws River	
1	20	Small Farmers	Community Services
1	21	Lighting of open spaces	Technical Services
1	22	Sustainable jobs	Strategic Support Services
1	23	Health Services	Community Services
1	24	Lower municipal rates and taxes for low income house holds	
1	25	Youth development programs	Strategic Support Services/Community Services
1	26	Electricity in Zionpark	Technical Services
1	27	Flush toilets in Zionpark	Technical Services/Community Services
1	28	Touws River to be demarcated	
1	29	Maintenance of houses	Community Services
1	30	Lower taxi rates (public transport- between Worcester and Touws River	Community Services

2	1	Day Care Centre for Children	Community Services
2	2	Repair RDP Houses	Community Services
2	3	Street name signs	Community Services
2	4	Employment Opportunities and youth development projects	Strategic Support Services
2	5	Repair and pave roads	Technical Services
2	6	Community projects (cleaning of streets, community gardens)	Technical Services
2	7	Library in Stofland	Community Services
2	8	Available plots to build churches	Technical Services
3	1	Housing	Community Services
3	2	Tarring of streets- De Doorns East	Technical Services
3	3	Upgrading of sports-ground and lockers rooms	Community Services
3	4	Employment Opportunities/Youth development programs	Strategic Support Services
3	5	Stop and street name signs	Community Services
3	6	High Mast Lights – Hassie Square & Ekuphumeleni	Technical Services
3	7	Play parks	Technical Services
3	8	Relocating outside toilets into houses- RDP houses and 157 scheme upgrading	Community Services
	9	Upgrading van storm water canal	Technical Services
3	10	Fire Station	Community Services
3	11	Electricity- Hassie Square	Technical Services
	12	Extension of Clinic/Day Hospital	Community Services
3	13	Speed humps- Selosias and Violet Street	Community Services
3	14	Maintaining of streets and sidewalks	Technical Services
3	15	Replace street lights with high mast lights	Technical Services
3	16	Extension of street lights in Voortrekker Way from SAPD to Bonne Esperance	Technical Services
3	17	Replace water pipes	Technical Services
3	18	Splitting sewerage lines	Technical Services
4	1	Housing: Sunny-Side Orchard	Community Services
4	2	Infrastructure & Maintenance of rental units	Community Services
4	3	Transfer of houses in Sunny-Side Orchard (ownership)	Strategic Support Services/Community Services
4	4	Sports grounds and facilities in Sunny-Side Orchard (Soccer nets)	Community Services
4	5	Ward based money for Ward 4	
4	6	Land for housing (From Ganskraal, between N1 & Railway line to De Doorns entrance)	Community Services
4	7	Land for small Farmers (to cater for life stock)	Community Services
4	8	Tarring of roads (Sunny side Orchard)	Technical Services
4	9	Splitting of sewerage pipes	Technical Services
4	10	High mast light for De Doorns East	Technical Services
4	11	Church plots needs to be put on tender	Strategic Support Services
4	12	Post boxes for residents (like the ones at the post office)	
4	13	Solar geysers	

4	14	Bigger crèche for Sunny Side Orchard	Strategic Support Services
4	15	Speed humps – Chris Hani Street & Sir James Street	Community Services
4	16	Playground / Park for the children in Orchard	Technical Services
4	17	Swimming pool	Community Services
4	18	Fire station	Community Services
4	19	Bursaries for students	Strategic Support Services
Section 5			
5	1	Upgrade of water bore-holes	Technical Services
5	2	Electricity – GG Camp	Technical Services
5	3	Sport field, sport equipment in Silver Camp and De Wet (Upgrade of clubhouse and grounds)	Community Services
5	4	Crèche & Community Hall	Community Services
5	5	Purchasing of land in GG Camp	Strategic Support Services
5	6	Acquisition of building for Soup-kitchen	Strategic Support Services
5	7	Faster response to reported Sewerage blockages	Technical Services
5	8	Transfer Transnet houses and regular maintenance	
5	9	Traffic Official on a regular basis – Safety for school children	Community Services
5	10	Provide basic services to GG Camp (Sandhills), cleaning projects in GG Camp	Technical Services
Section 6			
6	1	Transfer of Houses for ownership to tenants	Community Services
6	2	Develop paly park- Hospitaalheuwel	Technical Services
6	3	Wheelie Bins in ward 6	Technical Services
6	4	Speed humps	Technical Services
6	5	Develop park at Worcester dam towards the mall	Technical Services
6	6	High mast lights (x 2) for Tuindorp- Keyter Street (Worcester dam)	Technical Services
Section 7			
7	1	Circle at Roux, De la Bat and Heyns Street	Technical Services
7	2	Irrigation of parks in Fairy Glenn	Technical Services
7	3	Slipway from De La Bat way into Heyns Street	Technical Services
7	4	Speed humps: Church Street, High Street and Meiring Street	Community Services
7	5	Passage at Hugo Street must be closed	Technical Services
7	6	Upgrade and regular cleaning of sidewalks (De La Bat/ De Jongh Street)	Technical Services
7	7	De La Bat: Speed hump (Spar)	Community Services
7	8	Beautifying areas in ward 7	Technical Services
7	9	Curbs: De La Bat way, Jordaanpark (whole area)	Technical Services
7	10	Pruning of trees on a regular basis (Meiringspark, De Jongh Street)	Technical Services
7	11	Slipway/traffic circle at Louis Lange, Cape Agri/"Worcester Bottelering"	Technical Services
7	12	Traffic sign (green arrow) with indication to turn left at the fire station	Community Services
Section 8			
8	1	Tarring of Busa & Mpinda streets	Technical Services
8	2	Relocate outside toilets into houses	Community Services
8	3	Swimming pool	Community Services
8	4	Second entrance to the grave yard	Technical Services
8	5	Speed humps – Ndamoyi and Swangaza Street	Community Services

8	6	Play park Buza street	Technical services
8	7	Footbridge – linking Zweletemba with Roodewal	Community Services
8	8	Employment opportunities for youth	Strategic Support Services
8	9	Intervention with Gang-violence (Chessies surrounding areas)	Community Services
8	10	Wheeli bins	Technical Services
8	11	Improvement of sanitation	Technical Services
9	1	Improve sanitation services	Technical Services
9	2	Tarring/Upgrade Springveldt Street	Technical Services
9	3	Upgrading of rental units	Community Services
9	4	Sport Facilities – Cricket & Netball facility including play park	Community Services/ Technical Services
9	5	Rezoning of Green-valley for erfs	
9	6	Additional lights for Hartwig Avenue	Technical Services
9	7	Establishing of a neighborhood watch	Community Services
9	8	Improve/Upgrade fencing of Esselen Park sports-field	Community Services
9	9	Road signage boards of the areas in Ward 9, for ex. Esselen Park, Roodewal etc.	Community Services
9	10	Fencing of electrical boxes (investigate alternatives)	Technical Services
9	11	Filling of Potholes	Technical Services
9	12	Address illegal dumping/littering	Technical Services
9	13	Speed humps: Lyner Street and Van Zyl Avenue	Community Services
9	14	High mast lights: Esselen Park and Roodewal	Technical Services
10	1	Multi – Purpose Centre for youth development programmes	Community Services
10	2	Upgrading of sewerage system	Technical Services
10	3	Development of open spaces for recreational purposes	Technical Services
10	4	Upgrading of rental units Roodewal and Hexpark flats	Community Services
10	5	Mobile police station	Community Services
10	6	Repair electricity- Roodewal flats and Hexpark flats	Technical Services
10	7	Employment opportunities	Strategic Support Services
10	8	Housing	Community Services
10	9	Speed humps	Community Services
10	10	Regular cleaning of open spaces for recreational activities, play parks, netball courts etc.	Community Services/ Technical Services
11	1	Act against illegal trade of liquor and drugs/eviction of drug dealer in OVD	Strategic Support Services
11	2	Providing of gravel for OVD especially during winter	Technical Services
11	3	Crime prevention projects	Community Services
11	4	Alternative housing for OVD/develop a retirement village for OVD	Community Services
11	5	Safeguarding and developing of Buitekant, Gordon, Songe Avenue and Grey Street (swimming pool, library, clinic, municipal building, ABET, indoor-sport centre, 925 night club, Maywood and OVD)	Community Services/Strategic Support Services
11	6	Youth sport and recreational programs	Community Services
11	7	Development/demolition of empty plots and dilapidated	Strategic Support Services

		buildings	
11	8	Speed hump in Buitekant Street and other areas in ward where needed (speed calming)	Community Services
11	9	Regular development of roads/tar of Salon Street	Community Services
11	10	Fencing of open space at Riverview café as well as regular cleaning of open spaces in ward	Technical Services
11	11	Cleaning of storm water ditches on a regular basis as well as open spaces where garbage is being dumped	Technical Services
11	12	Anti-drug programs	Community Services
11	13	Computers at Esselen Park library	Community Services
11	14	Development of play park in Carnation Street	Technical Services
11	15	Fencing of electrical boxes in ward	Technical Services
12	1	Park in Albatros Street	Technical Services
12	2	Cycling track on the Nekkie/River road for residents who use bicycles as transportation	Technical Services
12	3	Upgrading and painting of remaining houses in Russelscheme	Community Services
12	4	CCTV in High Street	Strategic Support Services/Community Services
12	5	Recreational and sport facilities of open spaces in Avian Park	Technical Services/ Community Services
12	6	Closing of stairs (gaps)- Block T and U	Technical Services/ Community Services
12	7	Additional washing lanes in Russelscheme	
12	8	High mast lights/stronger lighting in Avian Park	Technical Services
12	9	Upgrading of courtyard in Russelscheme (beautify with grass and trees)	Technical Services
13	1	Fencing of Electrical Boxes/Power Stations	Technical Services
13	2	Satellite police station	Community Services
13	3	Paving of sidewalks – Eden School	Technical Services
13	4	High Mast Lights – Jason Street and Duncan Way	Technical Services
13	5	Pedestrian crossing and Parking- Bergrivier High School	Community Services
13	6	In-house toilets - Riverview	Community Services
13	7	Repair of potholes and route to Cemetery (from Total Garage to Villiersdorp road)	Technical Services
13	8	Upgrade and maintain Grave Yard	Technical Services
13	9	Speed Humps – Duncan Way, Jason Street, Allistar Street, (Safety) Amandel Street – Upgrade Existing Speed humps	Community Services
13	10	Sport & Drug prevention programs for Youth	Community Services
13	11	Job Development Programs	Strategic Support Services
13	12	Cleaning of Open Spaces	Technical Services
13	13	Lighting of open spaces: Ward 13	Technical Services
13	14	Side-walk in Jason Street	Community Services
13	15	Resurface and cleaning of roads – Across ward	Technical Services
14	1	Regular cleaning of area	Technical Services

14	2	Investigate alternative measures of Rubbish removal	Technical Services
14	3	Recreational Facility – Youth and children. Play parks, sport facilities & sport development	Community Services
14	4	Upgrading & Maintenance Riverview Flats	Community Services
14	5	Upgrade of lights in Victoria-park	Technical Services
14	6	Speed Humps –Davids & Pieterse Street	Community Services
14	7	Paving – Durban street to Boland College (between Le Seur street & Rainier street	Technical Services
14	8	Planting of trees – Rainier street	Technical Services
14	9	Safeguard Feeding Scheme project with Barbed Wire - Riverview	Technical Services
14	10	New Housing scheme & Multi-Purpose Centre – Riverview Flats & Victoria park school	Community Services
14	11	Support Feeding Scheme & Vegetable Garden	Community Services
14	12	Ownership transfer to residence of Riverview Flats	Community Services
14	13	Street name Boards	Community Services
14	14	Fencing of electricity boxes	Technical Services
14	15	Computer Facilities/Centre	Community Services
14	16	Fencing Riverview Flats	Community Services
14	17	Cleaning of Area	Technical Services
14	18	Appointment municipal police	Community Services
14	19	Demolish all illegal shacks/structures	Community Services
14	20	Assistance for community gardens – water & equipment	Technical Services
14	21	Reconstruction of Queens street	Technical Services
14	22	Social Infrastructure development – Riverview Flats	Community Services
15	1	Transform servitude area in Somerset Park to play park for youth	Technical Services
15	2	Traffic circle in Rabie Avenue at Governor Street (Drostdy Spar)	Community Services
15	3	Reseal Cilliers Street from Rabie to Hugo Naude Street	Technical Services
	4	Speed humps in Brandwacht way as well as service road between Ceder Street and Ashgrove Street, opposite park	Community Services
15	5	Fence in substation in De Vos Street	Technical Services
15	6	Renovation of SAAME hall in Distillery road	Strategic Support Services
15	7	Traffic circle at Altona way and Brandwacht way, Worcester West	Community Services
15	8	Clean-up of middle-man in Brandwacht way (currently still heaps of stones from previous clean-up)	Technical Services
16	1	Electricity and Toilets in New Mandela	Technical Services
16	2	Housing in New Mandela	Community Services
16	3	Relocating outside toilets into houses – Matsila & Fulang Street	Community Services
16	4	Upgrade Sewerage pipes & Storm water drains	Technical Services
16	5	Tarring of roads: Mayinjana street – New Mandela	Technical Services
16	6	Improve toilets and sanitation, water & electricity	Technical Services
16	7	Plots for churches	Strategic Support Services
16	8	Removal of pig stalls out of area	Community Services

16	9	Crime prevention programs	Community Services
16	10	Employment opportunities	Strategic Support Services
16	11	Extension of urban edge	Community Services
16	12	Numbering of houses - shacks	Community Services
16	13	Klipvlakte development	Community Services
17	1	Complete the building of 81 houses	Community Services
17	2	Transfer ownership of land to those in ward – Title-deeds	Community Services
17	3	Upgrade Sewerage System	Technical Services
17	4	Permanent Cleaning Staff	Strategic Support Services
17	5	Wheeli-bins for the entire Zwelethemba	Technical Services
17	6	Speed humps – entire Zwelethemba	Community Services
17	7	Upgrading of Old-Aged Home	Community Services
17	8	Toilets at graveyard	Technical Services
17	9	Tarring of Streets	Technical Services
17	10	Street Names in Mandela	Community Services
17	11	Heritage Park	Technical Services
17	12	Cleaning of area	Technical Services
17	13	Crime prevention programs	Community Services
17	14	Tarring of Road – Grave Yard	Technical Services
17	15	Upgrading/improvement of grave yard	Technical Services
17	16	Filling of potholes	Technical Services
17	17	Skippy's at corners for the entire Zwelethemba	Technical Services
17	18	Security – Grave Yard	Technical Services
17	19	Toilets at old taxi-rank	Technical Services
17	20	BVM's call centre needs to be customer friendly	Community Services
18	1	Electricity, Water & Toilets	Technical Services
18	2	Ablution Facilities at Zwelethemba graveyard	Community Services
18	3	Upgrade and Tarring of roads: (Tarring Colidiza Street to the graveyard)	Technical Services
18	4	Upgrade of Roads	Technical Services
18	5	Upgrading and maintenance of the sewerage system in Zwelethemba	Technical Services
18	6	Hall – Nonna Sports Ground	Community Services
18	7	Crèches – Zwelethemba and Overhex	Community Services
18	8	Seating on stands – Overhex Sport Stadium	Community Services
18	9	New Doors for Toilets – Details available at Housing department	Community Services
18	10	Relocating Outside toilets into houses	Community Services
18	11	Library & Netball Ground	Community Services
18	12	Community Hall for the Farming Community	Community Services
18	13	Housing	Community Services
18	14	Crèche for farming community	Community Services
18	15	Skippy's at corners for dumping in Mandela Square	Technical Services
18	16	Street names in the ward	Community Services
18	17	High mast lights in Njila Street and Mandela Square	Technical Services

19	1	6 sport days per year	Community Services
19	2	Purchase of land for housing purposes	Strategic Support Services/ Community Services
19	3	Housing scheme for farm workers	Community Services
19	4	Bus rank at Pokkraal road as well as other areas in town	Community Services
19	5	Upgrading of highway at Voorsorg, Roeswater, Merwida and Louwshoek	Technical Services
19	6	Availability of scholarships	Strategic Support Services
19	7	Youth development projects	Strategic Support Services
19	8	Sport facilities	Community Services
19	9	Community should enjoy preference in EPWP projects in Rawsonville	Strategic Support Services
19	10	Regular cleaning of Geelkampie	Technical Services
20	1	Sidewalk at Disa Street	Technical Services
20	2	Land for housing	Technical Services
20	3	Community hall	Community Services
20	4	6 sport days per year	Strategic Support Services
20	5	Job opportunities and youth development programmes	Strategic Support Services
20	6	Ownership of rental units	Community Services
20	7	Sports facilities/upgrading of existing sports facilities	Community Services
20	8	Bus station across Rawsonville Primary	Community Services
20	9	Public toilets should be controlled by BVM officials	Technical Services
20	10	Establishment of play park	Technical Services
20	11	Speed humps/upgrading of speed humps at Rawsonville Primary school	Technical Services
20	12	Electrification of Spokies Town	Technical Services
20	13	Taxi rank	
20	14	Swimming pool/Swimming facilities	Community Services
20	15	Impact study regarding Prima Klipbrekers (soil that are tipped in river)	Strategic Support Services
21	1	Foot bridge at Villiersdorp road	Community Services
21	2	Community Hall / Multi-Purpose Centre	Community Services
21	3	Mobile fire station	Community Services
21	4	Speed humps –(matter of urgency)	Community Services
21	5	Sports-ground development - Lights & Toilets – Avian Park	Community Services
21	6	Youth sport development programme, sport facilities, youth centre	Community Services
21	7	Basic service delivery: Repair sewerage water and install water, sanitation at 708 houses to all households, electricity for all, x10 water taps, 205 toilets in informal settlement	Community Services/Technical Services
21	8	Clinic and job creation opportunities	Community Services
21	9	House structures in Smartie Town	Community Services/ Technical Services
21	10	Mobile-Police Station - Visible policing & better police/community relations – Avian Park	Community Services
21	11	Extension of sidewalks and job creation	Technical Services
21	12	Library in Avian Park and job creation opportunities	Community Services

21	13	Tarring of roads- Avian Park and job creation opportunities	Technical Services
21	14	Street Names and job creation opportunities	Community Services
21	15	Assistance for community gardens – water & equipment	Technical Services
21	16	Planting of trees – Pelikaan Cricket & Albatros Street, Soccer and Cricket field	Technical Services
21	17	Lighting of open (dark) spaces – High school Breërivier, Informal Settlement & Soccer field (Kelkiewyn and Kolgans Street), Sanitation facilities and electricity for Rolihlahla	Technical Services
21	18	Housing and job creation opportunities	Community Services
21	19	Mobile municipal office and job creation opportunities	Strategies Support Services

Table 48: Ward Priority Lists

Capital projects achieved by Breede Valley 2013/2014	Town benefited	Amount/(R)/ Quantity
Stettynskloof Water Supply Worcester	Worcester	96 591 133
Stettynskloof Water Supply Rawsonville	Rawsonville	16 518 665
242 New electricity connections to provide electricity reticulation to new Housing developments	Worcester (Zwelethamba)	166
Construct 18 high mast lights in identified wards	Touws River, De Doorns, Worcester, Rawsonville	19
Replace centre island street lighting and cables (High Street - CBD) by the end of June 2014	Worcester	1
Complete the new 11/66kV electricity substation at Worcester by the end of June 2014	Worcester	1
Complete Phase 1 of the upgrade of Stettynskloof supply pipe line by September 2013	De Doorns, Worcester, Rawsonville	1
Complete Phase 2 of the upgrade of Stettynskloof supply pipe line by June 2014	De Doorns, Worcester, Rawsonville	1
Complete the upgrade of the Stettynskloof Booster Pump Station by the end of March 2015	De Doorns, Worcester, Rawsonville	1
Complete Phase 2 of the upgrade of Stettynskloof supply pipe line by September 2014	De Doorns, Worcester, Rawsonville	1
Complete Rawsonville water supply and 2 ML reservoir by the end of December 2013	Rawsonville	1
Rehabilitate Bokrivier water supply pipe line to Touws River by the end of June 2014	Touws River	1
Reseal roads in terms of the approved budget	Touws River, De Doorns, Worcester, Rawsonville	16

Capital projects achieved by Breede Valley 2013/2014	Town benefited	Amount/(R)/ Quantity
Service 229 sites in terms of the housing implementation plan	De Doorns, Rawsonville	229
Construct 486 top structures in terms of the housing implementation plan	De Doorns Worcester, Rawsonville	486
Rehabilitation of Bok River Pipe line – Phase 5 (MIG152683)	Touws River	4 384 059
De Doorns South of N1 Development	De Doorns	1 412 116
De Nova: Water Reticulation	Rawsonville	1 363 636
Rawsonville : Public Toilets	Rawsonville	160 000
Toilets Female employees	Rawsonville	11 582
De Doorns South of N1 Development	De Doorns	1 866 011
Upgrading Worcester WWTW	Worcester	170 287 181
Store for flammable liquids Worcester WWTW	Worcester	200 000
Replace mechanical grids Worcester WWTW	Worcester	2 758 831
Upgrading Touwsriver WWTW	Touws River	685 000
Aan De Doorns 66/11kV Substation	Worcester	58 930 314
Electrification 439 Lots (DME)	Worcester	17 95 348
Electrification 242 Lots (DME)	Worcester	715 392
Electrification - 242 Lots (Phase 2A) -INEP	Worcester	2 540 000
Transhex INEP 1366613	Worcester	5 000 000
High Mast Lighting- Zion Park	Touws River	293 404
High Mast Lighting- Stof Land (MIG207743)	De Doorns	2 640 636
De Doorns: Sunnyside Orchards: New High Mast Lighting (MIG211786)	De Doorns	293 404
High street lighting & street lighting (MIG 211787)	Worcester	802 968
High street- CBD- Replace centre island Street lighting and cables	Worcester	2 170 000
Avian Park High Mast Lighting (MIG211777)	Worcester	1 173 616
High Mast Lighting (Zwelethemba Phases 2B & 3)- (MIG 211784)	Worcester	586 808
Refuse bins	Worcester	511 049
New 19m cub Refuse Compactor Truck	Worcester Rawsonville De Doorns Touws River	2 400 000
De Doorns (1482) UISP	De Doorns	158 sites
De Doorns (1400) IRDP	De Doorns	578
Rawsonville De Nova (71)	Rawsonville	74 sites
De Doorns: Rehabilitation of Municipal Roads (MIG210857)	De Doorns	1 768 924

Capital projects achieved by Breede Valley 2013/2014	Town benefited	Amount/(R)/ Quantity
Rawsonville: Rehabilitation of Municipal Roads (MIG212168)	Rawsonville	1 235 158
Touwsriver: Rehabilitation of Municipal Roads (MIG212170)	Touws River	3 116 824
Worcester: Rehabilitation of Municipal Roads (MIG212170)	Worcester	3 185 645
Speed Calming – Speed Humps	Worcester	655 992
De Nova Roads	Rawsonville	1 313 952
De Doorns South of N1) :Roads (135 sites)	De Doorns	756 491
De Doorns South of N1: Bus Route (MIG 201624)	De Doorns	5 187 416
Complete the bus route in De Doorns by the end of November 2014	De Doorns	
De Doorns South of N1: Stormwater : New Retention Ponds (MIG202347)	De Doorns	5 379 138
De Doorns South of N1: Stormwater: (135 sites)	De Doorns	1 008 654
De Nova: Stormwater	Rawsonville	853 212
Electrical Fencing (Esselen Park library)	Worcester	44 907
New workroom and toilet facilities (Touws River library)	Touws River	268 000
Alterations to reception area	Worcester	94 799
Shadow centre Phase 2	Worcester	749 940
Non-motorised project: High Street	Worcester	1 000 000
Truck for Technical section	Worcester	432 000
Upgrade Fire Station	Worcester	306 400
Fire S: Off Road Pump: 4 x 4:(ReplaceWM138)	Worcester	427328
BVM Connect project	Worcester Touws River De Doorns Rawsonville	331 836
Security fencing (Boland Park)	Worcester	263 271
Irrigation system (Parks)	Worcester	238 376
De Doorns sport field development	De Doorns	1 007 249
Purchase Touwspark sports-grounds	Touws River	320 000
Zweletemba sport grounds :upgrading - NTDTF	Worcester	500 000
De Doorns East Sports-ground upgrading	De Doorns	78 924
Fence : lovers lane	Worcester	110 000
Square meters of roads resealed in Touwsriver and Worcester in terms of the approved MIG budget by the end of June 2015	Touws River, De Doorns, Worcester, Rawsonville	200 000
Complete the construction of new retention ponds in De Doorns by the end of November 2014	De Doorns	1

Table 49: Capital projects achieved by Breede Valley in 2013/2014 (source: Annual Report 2013/2014)

**Breede Valley Municipality Performance highlights Across All Wards
2013/2014**

Storm-water	The timeous cleaning of the Stormwater system paid off and the early winter rains caused no serious problems in any of the areas, other than those below the flood lines
Refuse collection	The trial pertaining to the collection of refuse by a private contractor by means of skips in Zwelethemba area proved to be very successful. This model will be expanded in the future. Recycling activities are limited, but the present projects in Touwsriver (Waste Transfer Station), Paglande (clear bag system) and the cleaning of street bins by a private recycling company, are most successful
Sewerage	Two new sumps in Neethling Street and Quint Street, Roodewal were constructed and early observations indicate that sumps like these can play a major role in collecting foreign objects from the system. This in turn will reduce the number of sewer blockages, which totalled an average of 466 a month for the year. The total length of sewer pipes that were cleaned with the Vac jet machine that was purchased earlier in the year, came to more than 91.5km
Roads	The resurfacing of tar roads in all towns with MIG funds was a major highlight of the year. A total amount of R10 million was spent on this project. This will relieve the pressure on the maintenance of the roads where potholes form all the time
Electricity service connections	24 333
Water - available within 200 m from dwelling	25 245
Sanitation - Households with at least VIP service	27 520
Waste collection - kerbside collection once a week	23 780
Total actual Capital Expenditure	R 127 825 000
Provide free basic services to indigent consumers	7 095
The percentage of the municipal capital budget actually spent on capital projects identified in terms of the IDP (Actual amount spent on projects as identified for the year in the IDP/Total amount spent on capital projects)X100	87.80%
Create job opportunities through the municipality's local economic development initiatives including capital projects and the EPWP	13 611
Alienate old housing stock by June (Number of units actually transferred/ Total planned)	200
Establish a new wheelie wagon project	1
Upgrade libraries	1
100% of the electricity maintenance approved budget spent (Actual expenditure per the maintenance votes divided by the approved budget)	94.41%
Complete the storm-water assets plan on IMQS by the end of June 2014	1
Complete the upgrade of the inlet works at Worcester Waste Water Treatment Works by the end of September 2013	1

Achieve a 95% waste water discharge compliance with microbial content	98.75%
Achieve a 91% average Blue Drop Compliance assessment by the end of June 2014	91%
Achieve 95% water quality level as measured per SANS 241 criteria	97.88%
Number of informal areas with access to basic services, excluding electricity	12
Number of informal areas with access to electricity, excluding Zionpark, private properties and Eskom jurisdictions	6
Complete the construction of the modular library in Slanghoek by the end of June 2015	1
Complete the first phase of the Avian Park Library by end of June 2015	1
Achieve a 90% waste water discharge compliance with regard to licence at Worcester and De Doorns WWTW	90%
Replace 250 water meters by the end of June 2015	250

Table 50: Summary of Breede Valley performance highlights across all wards

6.5.2 National and Provincial Government's Footprints in Breede Valley Municipal Service Area

Chapter 5 of the Municipal Systems Act, Act 32 of 2000, in particular, provides instruction on co-operative governance, encouraging municipalities to develop their strategies in line with other organs of state so as to give effect to the five-year strategic plan. It goes further to inform that the IDP must link, integrate and co-ordinate development plans for the municipality. Resources and capacity must align with the implementation of the plan, forming the foundation on which the annual budget must be based. The plan must also be compatible with national development plans and planning requirements binding on the municipality in terms of legislation.

The IDP should therefore guide where sector departments allocate their resources at local government level. The municipality should however also take into consideration the sector department's policies and programmes when developing its own policies and strategies. For this reason is it in the interest of the sector departments to participate in municipal IDP planning process to ensure alignment between programmes.

Breede Valley municipality participated in IDP - INDABA 2, Cape Winelands District engagement, hosted by the Provincial Department of Local Government. The objectives of the engagement were:

- To provide municipalities with project and programme information that are implemented by provincial sector departments in the municipal area
- To provide municipalities an opportunity to indicate their priority needs and issues raised at community engagements

- To get a better understanding of the rationale behind investment decisions of sector departments and for municipalities to have indication of funding investments within their areas
- To ensure IDP's incorporate funded sector department projects

The following capital projects are planned by the various provincial sector departments:

a) Department of Environmental Affairs and Development Planning

TOWN/AREA	WARDS	PROJECT DESCRIPTION	SECTOR DEPARTMENTS	BUDGET ALLOCATION
Breede Valley municipality and others along the Breede River	All wards	Water Quality Monitoring: Monitoring 35 river and estuarine sites along the Breede River for compliance with water quality guidelines	DEADP	R826 000
Entire municipality	All wards	Development of the AQMPs at both District and Local Municipal level to ensure sound air quality management in the region	DEADP	2015/2016: R10 000 2016/2017: R15 000
Stellenbosch, Drakenstein, Witzenberg, Breede Valley, and Theewaterskloof	All wards	The on-going operational support of the Cape Winelands Biosphere Reserve	DEADP	R350 000
Entire municipality	All wards	Following the "Whole of Society Approach" practical application to building safe and sustainable neighbourhoods, reducing social, cultural, economic and institutional exclusion of former townships and improving the quality of life in the study areas is provided.	DEADP	R17.5M (capital) R667 000 (operational)

Table 51: DEADP projects and programmes

b) Department of Health

TOWN/AREA	WARDS	PROJECT DESCRIPTION	SECTOR DEPARTMENTS	BUDGET ALLOCATION
Rawsonville	Wards 19 & 20	Rawsonville Clinic	Health	R16 150 000
Worcester		Dental Suite and alterations at Worcester CDC	Health	R5 850 000

Worcester	Wards 12 & 21	Avian Park Clinic	Health	R16 000 000
De Doorns	Ward 3	Upgrade of Clinic	Health	R16 400 000
Worcester	Ward 14	Building and renovation of nurses' accommodation at Boland College	Health	R11 885 000
Worcester	Ward 7	Upgrade of Worcester Hospital	Health	R35 350 000
Worcester	Ward 7	Psychiatric evaluation Unit at Worcester Hospital	Health	R2 000 000
Worcester	Ward 7	Preventative maintenance at Worcester Ambulance Services	Health	R281 000
Worcester	5-18,21	Preventative maintenance at Worcester CDC	Health	R380 000
Worcester	5-18,21	Preventative maintenance at Worcester FPL	Health	R450 000
Worcester	Ward 7	Preventative maintenance at Worcester Hospital	Health	R3 080 000

Table 52: Department of Health - projects

c) Department of Social Development

TOWN/AREA	WARDS	PROJECT DESCRIPTION	SECTOR DEPARTMENTS	Duration of project
Worcester	All wards	Integrated Youth development Program (Roodewal, Riverview, Zwelethemba and Avian Park).	Social Development	-Roll out of Diversion program to prevent re-offending of youth (target 30 youth) -Integrated programmes to address gangsterism through: * Diversion Programmes (Safety and Security measures). * LDAC Program to address substance abuse. * Promote Chrysalis program in cooperation with the municipality (target 30 youth)
Entire municipality	All wards	Improve the quality of ECD services	Social Development	Meet norms and standards in terms of Partial Care registration compliance (Environmental health certificate, rezoning certificate and Fire and Safety certificate); Institutional capacity building.

				Establishment of ECD services in informal settlement in De Doorns.
Worcester	10,11,12,14	Services to Elderly Roodewal , Zwelethemba, Riverview and Avian Park	Social Development	Promote Active Ageing Programmes/interventions to prevent abuse and neglect of elderly in community and promote community participation.

Table 53: Department of Social Development - projects & programmes

d) Department of Education

TOWN/AREA	WARDS	PROJECT DESCRIPTION	BUDGET
Worcester	5 - 18	New Secondary school, Zwelethemba SSS	R37,5 million
De Doorns	2	Inappropriate structures - Primary School	R40 million
Worcester	5-18	New High School	R37,5 million

Table 54: Department of Education - projects

e) Department of Economic Affairs and Tourism

TOWN/AREA	WARDS	PROJECT DESCRIPTION	BUDGET
Entire Province	All wards	Regional Programme of Excellence for LED	R1,05 million
		LED Growth Fund	R4 million
		Govt Engagements on BBBEE and the revised Procurement Reg's, awareness	R500,000
		Procurement Promotion: Provincial Tender site awareness	R500,000
		Competitive Supplier Development	R1 million
		LED: Legacy Mentorship Programme	R1 million
		Enterprise Development Fund	R6 million
		Small Business Partnership Network	R6 million
		Business Competitiveness Programme	R1,9 million
		Co-operatives Support Programme	R1 million
		Municipal Red Tape Reduction Programme	R500,000
		Culture and Heritage product audit	R48,000
		City to Wine lands to Central Karoo Route Development	R1 million
		Tourism Enterprise development initiatives	R400,000
		<ul style="list-style-type: none"> ⇒ Tourism Intermediate ⇒ Tourism Advanced ⇒ Tourism Mentorship ⇒ Networking sessions 	
Tourism Human Resource Development	R1 million		
<i>Specific Projects include:</i> <ul style="list-style-type: none"> ⇒ Tourism Collective Bursary Programme ⇒ Internship Placement Programme ⇒ Tourism FET Skills programme ⇒ Tourism Service Excellence programme 			

Work and Skills Programme

R1,070 million

Table 55: DEAT projects and programmes

f) Department of Local Government

TOWN/AREA	WARDS	PROJECT DESCRIPTION	BUDGET
Rawsonville	19	Worcester: Stetteynskloof: Upgrade Bulk water supply line	R 9 752 874
Rawsonville	Wards 19 & 20	Rawsonville: Upgrade WWTW	R 2 447 848
Worcester	Wards 10 & 18	Trans Hex Housing Development: External water supply	R 2 181 818
Worcester	Wards 10 & 18	Trans Hex Housing Development: Sewer Pump station	R 8 000 000
Rawsonville	Wards 19 & 20	Rawsonville: Rehabilitate Roads	R 100 350
Touws River	Ward 1	Touws River: Rehabilitate Roads	R 1 250 162
Worcester	All wards	Worcester: Rehabilitate Roads	R 717 503
Worcester	Wards 10 & 18	Trans Hex Housing Development: Stormwater	R 3 144 410
Worcester	Ward 7	Boland Park: New street lighting	R 1 000
Worcester	Wards 10 & 18	Trans Hex : Electrical reticulation & High mast lighting	R 1 000
Worcester	Ward 7	Worcester: Boland Park: New High Mast Lighting	R 1 000
Worcester	Ward 9	Worcester: Esselen Park :New High Mast Lighting	R 1 000
Worcester	Ward 10	Worcester: Hex Park :New High Mast Lighting	R 1 000
Worcester	Ward 13	Worcester: Johnson Park: New High Mast Lighting	R 1 000
Worcester	Wards 10 & 18	Worcester: Klipvlakte :New High Mast Lighting	R 1 000 000

Worcester	Ward 5	Worcester: Sand Hills :New High Mast Lighting	R 1 000
Worcester	Wards 10 & 18	Worcester: Trans Hex :New High Mast Lighting	R 1 000
Worcester	All wards	Worcester: Zweletemba :New High Mast Lighting	R 1 000
De Doorns	Ward 5	De Doorns West: New Cricket Pitch	R 300 000
Touws River	Ward 1	Touws River: Upgrade sports facilities	R 150 000
Touws River	Ward 1	Touws River: Steenvliet: Upgrade Cricket Field	R 600 000
Worcester	Ward 7	Worcester: De La Bat, Grey Swimming Pools: Fencing	R 200 000
Worcester	Ward 9	Worcester: Esselen Park: Upgrade Netball courts	R 500 000
Worcester/De Doorns	Wards 7 & 9	Esselen Park, Boland Park & De Doorns: cricket nets	R 500 000
Worcester	All wards	Worcester: Zweletemba: New swimming pool	R 1 332 050
Worcester	All wards	Worcester: Zweletemba: Upgrade sports facilities	R 800 000
Worcester	Ward 9	Worcester: Esselen Park : New high mast lighting	R 1 000
De Doorns	All wards	De Doorns: New Fire station	R 1 000

Table 56: DLG projects

g) Department of Transport and Public Works

TOWN/AREA	WARDS	PROJECT DESCRIPTION	SECTOR DEPARTMENTS	BUDGET ALLOCATION
Worcester		Refurbishments: Worcester- Bainskloof Road	DTPW	R33 850 000
Worcester	Ward 12	Upgrade: Worcester (Nekkies) Road	DTPW	R74 095 000

Worcester	All wards	Flood damage repairs in Worcester area	DTPW	R 870 000
Worcester	All wards	Storm damage: Worcester	DTPW	R931 000
Worcester	All wards	Resealing of roads: Worcester	DTPW	R 2 447 000
Worcester	All wards	Regravelling of roads: Worcester	DTPW	R 1 000 000

Table 57: DTPW projects

6.6 MTAS

The 'Municipal Turnaround Strategy' is an initiative by the Department of Co-operative Governance and Traditional Affairs (COGTA) and was approved by the Cabinet on the 2nd of December 2009. The overall aim of the strategy was to identify the drivers of distress in local government and mechanisms needed to effectively and efficiently address them. A provincial-wide assessment of each of the 293 municipalities was conducted by COGTA together with their provincial counterparts. The table below provides information pertaining to Breede Valley Bay Municipality's overall performance in the assessment.

Municipality	Category	Socio-economic vulnerability (Class 1-4)	Audit Outcomes
Breede Valley	B2 (Local Municipalities with a large town as a core)	4 (Low vulnerability in terms of spatial, social, municipal capacity and economic indicators)	Unqualified opinion with emphasis of matter 2008/09 and 2009/10) 2012/2013 Clean Audit

Table 58: MTAS Classification

The national department (COGTA) devised a methodology to determine the critical intervention areas in municipalities that should be reflected in the assessments of municipalities. The areas are governance, financial management, service delivery and infrastructure, labour matters, spatial conditions and local economic development. Municipalities were requested to develop their own individual Turnaround Strategy and incorporate the priority focal area in the IDP and budget planning processes. Breede Valley Municipality approved their turnaround strategy in July 2010.

Breede Valley Municipality identified the following short-term priorities in the approved municipal turnaround strategy and will include these in the operational activities of departments:

- Address financial administration problems

- Regulate indiscriminate hiring and firing processes
- Implement transparent municipal supply chain management processes
- Strengthen the capacity of ward committees
- Commitment to IDP (National and Provincial)
- Funding and capacity strategy for infrastructure development
- IGR agreements
- Review and re-arrange capacity grants and programmes
- Upscale community works programs
- Strengthen and implement new revenue enhancement strategies
- Launch a 'Good Citizen Campaign' within the municipal service area

6.7 Back-to-Basics

The Back-to-Basics approach is designed by COGTA to ensure that all municipalities perform their basic responsibilities and functions, building on five pillars:

- ✚ Putting people and their concerns first
- ✚ Demonstrating good governance and administration
- ✚ Delivering municipal services
- ✚ Sound financial management and accounting
- ✚ Sound institutional and administrative capabilities

The Back-to-Basics approach has as its main aim the institutionalization of good performance in municipalities and integrates information to ensure that current challenges in the local government sphere is adequately addressed.

Breede Valley municipality currently updates Back-to Basics information on a monthly basis.

6.8 Regional Socio-Economic Programme (RSEP)

The Regional Socio-Economic Programme (RSEP) is a project from Western Cape Government to partner with the citizenry of Breede Valley Municipality to promote neighbourhood upgrading, urban restructuring, social cohesion and inclusion and social clustering. RSEP projects will be targeted at addressing public safety concerns through soft- and hard infrastructure, upgrading and development of public facilities, support of community driven projects and creating opportunities in poor communities subject to high crime levels. A

meeting was held on 6 May 2014 at Breede Valley municipality to confirm the local RSEP Steering Committee members; to share the broad conceptual pillars and objectives of RSEP; and to engage the local RSEP Steering Committee on RSEP Project Selection Framework. The RSEP programme has a budget for an amount of R1 million, but other capital projects already identified will also qualify for these projects, pending approval.

Possible RSEP Projects on Budget				
Detail	2013/14	2014/15	2015/16	2016/17
<u>Operational</u>				
RSEP Unidentified		1 000 000		
Maintenance Housing units	1 810 360	3 101 860	3 350 050	3 618 130
<u>Capital</u>				
<u>Sport</u>				
Upgrading of Cricket nets - Boland park		150 000		
Upgrading of Cricket nets - Esselen Park		175 000		
Upgrading of Netball Courts - Esselen Park		500 000		
Upgrading of Cricket nets - De Doorns		175 000		
Upgrading Zwelethemba Sport ground			800 000	
Upgrading Touwsrivier Sport ground			750 000	
Purchase Touwspark Sport Grounds	320 000			
Upgrading De Doorns Sport ground	1 007 249		300 000	
Zwelethemba new swimming pool (1st phase)				4 000 000
Zwelethemba Sport Grounds : Upgrading	335 739			
<u>Open spaces/Parks</u>				
Develop Parks		1 250 000		
<u>High mast lighting</u>				
Zion Park	293 404			
Stof Land	2 640 636			
De Doorns : Sunnyside Orchards	293 404			
Avianpark	1 173 616			
Zweletemba	586 808			
Rawsonville	802 968			
	9 264 184	5 351 860	5 200 050	6 618 130

Table 59: RSEP Programmes

The following Regional Socio-Economic Programme (RSEP) process plan will be followed to implement the programme in the Breede Valley:

Background and objective

The BVM was chosen by the Western Cape Provincial Government (WCPG) as one of three municipalities to participate in the Regional Socio-Economic Projects (RSEP) Programme.

In terms of the *Western Cape RSEP/VPUU Programme Implementation and Governance Framework* (attached as Annexure A), BVM is required to set up a Municipal Steering Committee (MSC) and Representative Community Committees (RCC). The MSC has already been established and has representatives from the various line departments. The purpose of this Process Plan is to guide the process of setting up the RCC for each of the four suburbs (Avian Park, Riverview, Roodewal and Zwelethemba) forming part of the focus area identified in the RSEP Spatial Analysis (attached as Annexure B). It will also guide the process of engaging with the RCC's in order to determine a Community Action Plan (CAP).

Legislative Instruments

The Constitution of the Republic of South Africa, 1996 (Act 108 of 1996);

Municipal Systems Act, 2000 (Act 32 of 2000)

Municipal Finance Management Act, 2003 (Act 56 of 2003);

Breede Valley Municipality Integrated Development Plan;

Western Cape RSEP/VPUU Programme Implementation and Governance Framework.

DOVETAILING WITH IDP

The public participation process for the 2014/15 IDP review was concluded in November 2014. The outcomes of this process for the wards included in the focus area (being 8, 9, 10, 11, 12, 13, 14, 16, 17, 18 and 21) have been combined per suburb and will be used as a baseline for the further public participation described below.

IDENTIFICATION OF STAKEHOLDERS AND ESTABLISHMENT OF REPRESENTATIVE COMMUNITY COMMITTEES

The *Western Cape RSEP/VPUU Programme Implementation and Governance Framework* describes an RCC as follows:

“These committees will be made up of leaders of local neighbourhood scale organisations. It is the representative steering committee within the area of intervention and the community partner around the implementation of the Community Action Plan.”

The CAP is like an IDP on neighbourhood level with social, economic, institutional, safety & security, infrastructure and M&E needs arranged in a matrix on the short-, medium- and long term. Projects linked to spatial planning and a budget strategy are then identified to address the needs. This is the ultimate outcome to be achieved through implementation of this process plan.

Each RCC will comprise of the ward councillors in the particular suburb and the ward committees as well as leaders of local neighbourhood scale organisations. The ward councillors together with their ward committees will compile a list of local neighbourhood scale organisations active in the suburb. These will include inter alia schools, faith-based organisations, NGO's, sports bodies, community policing forums/neighbourhood watch organisations, taxi associations, civic organisations, business forums and businesses. It is imperative that the net be cast as wide as possible to ensure that everyone is represented and involved in compiling the CAP. This in turn will aid in ensuring community buy-in and ownership in the projects that will be implemented after approval of the CAP and will improve sustainability of RSEP interventions.

Representatives of all the organisations identified on the list compiled by ward councillors and their ward committees will be invited to attend a meeting with the ward councillors, ward committees and representatives of the MSC. The purpose of this meeting will be to inform everyone of the philosophy and aim of the RSEP Programme and to elect members to serve on the RCC with the ward councillors, members of their ward committees and representatives of the MSC. This election/selection process is necessary to streamline the RCC and prevent duplication.

It might for instance happen that there are more than one body representing a certain sport in a suburb and that these will therefore share interests. Instead of having representatives of each of these sport bodies on the RCC; they can elect someone to represent their collective interests. This will force them to workshop said interests outside the RCC and allow the RCC to focus on the interests of the community without being disturbed by infighting in any particular segment of representation.

IDENTIFICATION AND PRIORITIZING OF NEEDS AND COMPILATION OF COMMUNITY ACTION PLAN

As mentioned earlier, the outcome of the public participation of the IDP review process will serve as baseline for the identification of community needs. Particular needs which could potentially be addressed within the frame of reference of the RSEP Programme will already have been identified. These will be presented to the RCC to verify for being representative of the suburb and expanded on if incomplete/not fully representative.

The list of needs arrived at will then be workshopped by the RCC in order to prioritize the needs into a matrix of categories and time frames (realistic short-, medium- and long term goals). This matrix will form the basis for a CAP in which projects will be identified to address the needs in the matrix and linked to spatial planning

and a budget strategy. The spatial planning framework will be aligned with the objectives of the IDP and SDF and will also aim at promoting spatial and social cohesion by linking projects into a framework across suburb boundaries in the focus area and with suburbs/areas (like the CBD and industrial area) outside the focus area.

In order to expedite the finalization of the CAP, it is suggested that a maximum of two meetings per suburb be held as follows:

First meeting: Information session, election of RCC, confirmation of baseline (IDP) needs and any additions/changes to baseline

Second meeting: Workshop to prioritize needs into matrix and compile CAP to address needs

COUNCIL APPROVAL OF CAP

When the CAP for a suburb has been finalized by the RCC it will be presented to Council for approval prior to implementation of the projects contained in it. It will then also serve as basis for securing co-funding from the WCPG.

CHAPTER 7

CHAPTER 7

7.1 Introduction

Breede Valley municipality is situated in the Western Cape Province, 120km north-east of Cape Town. Included in the boundaries are towns of Worcester, De Doorns, Rawsonville, Touwsriver and surrounding rural areas. It covers 3833 square km and is home to approximately 166,825 people.

The regional economy is dominated by agriculture and feature a growing manufacturing industry linked to grape farming. Breede Valley is one of the largest wine-producing areas in the country, with some grapes and wines destined for international markets. Other agricultural activities include the cultivation of citrus fruit and dried fruit. Olive farming is becoming more popular, diversifying the region's agricultural base.

Municipal resources or budgets are sensitive to economic cycles due to the nature of their own revenue sources that include primarily property taxes and service charges for; electricity, water, refuse and sewerage.

The following diagram indicates the investment map for the Breede Valley municipality in 2014/2015. This constitutes a total investment portfolio of R178,575 million for the upgrade of roads, human settlements and health infrastructure by national and provincial departments. This investment will enable Breede Valley municipality to accelerate its growth trajectory by luring businesses to the area as a result of improved infrastructure.

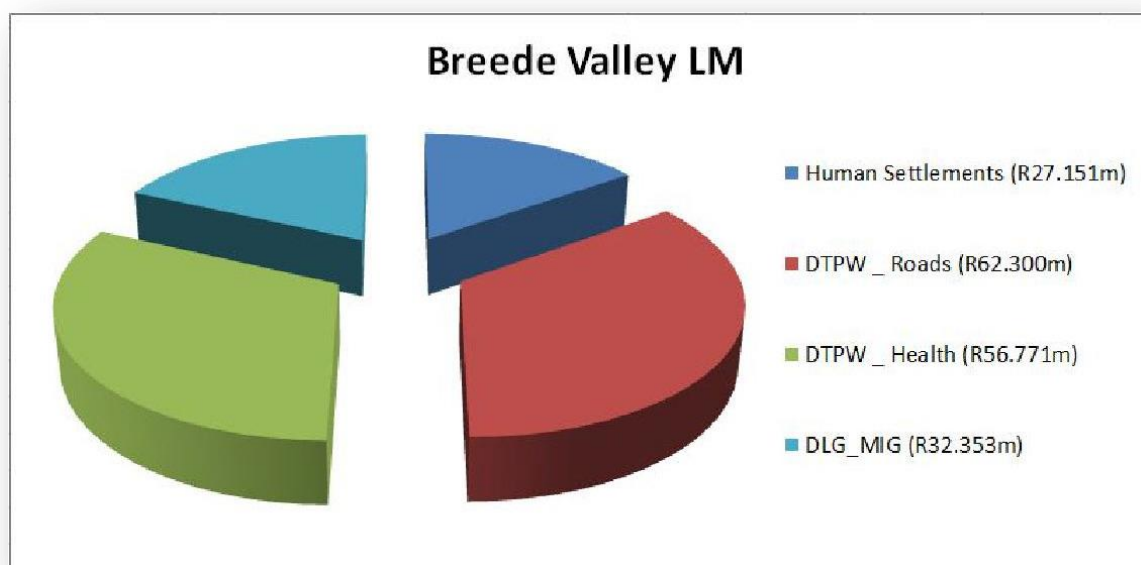


Figure 21: Breede Valley LM

7.2 Legislative framework

- Constitution section 152 (Objects of local government) (IMPORTANT, section 152(2) "A municipality must strive within its financial and administrative capacity to achieve its objects.
- Structures Act 117 of 1998;
- Systems Act 32 of 2000;
- Municipal Finance Management Act 56 of 2003;
- Municipal Property Rates Act 6 of 2004;
- Municipal Fiscal Powers and Functions Act 12 of 2007;
- Public Audit Act, 2004;
- National Treasury MFMA circulars and guidelines; and
- Accounting Standards.

7.3 Financial Strategy

The overall strategy of the Breede Valley regarding its finances is, to stay financially sound & healthy in a sustainable manner. The Breede Valley municipality conducts and plans its business on the basis of a going concern. The municipality's strategic intention is to broaden its tax base through proper economic development. The municipality also aspires to align its resources in the most effective, efficient and economical way in order to enhance basic service delivery.

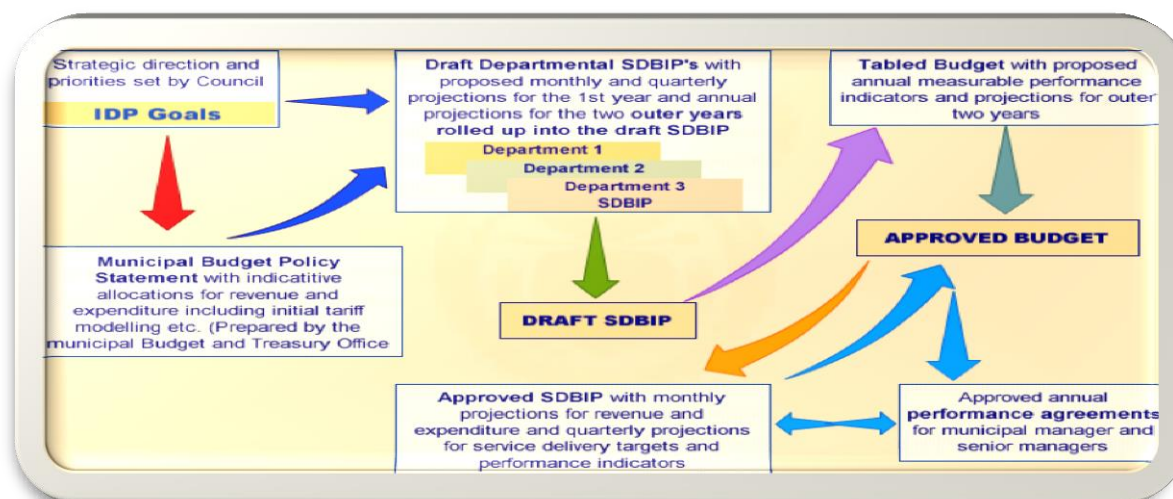


Figure 22: Financial Perspective

Through the above intentions the Breede Valley intends to accomplish the following Budget/ Resource criteria:

■ **Credible Budget:**

- Activities consistent with the IDP and vice versa, ensuring that the IDP is realistically achievable given the financial constraints of the Municipality
- Financial viability of municipality not jeopardised – ensure that the financial position is maintained/ improved within generally accepted prudential limits and that obligations in short term and long term can be met.
- Capacity to spend the budget- Institutional capacity (Staff; Infrastructure; Institutional functioning; PMS operational/ PDO/ KPI's) & Budget assumptions applied

■ **Sustainable Budget:**

- Financial sustainability/overall financial health of Municipality and to what extent is it sustained?
- Revenue budgeted realistic / realisable? (Both Operating and Capital)
- The intention of this is to determine whether the Municipality has sufficient revenue and adequate financial stability to fund and deliver on its proposed budget.

■ **Responsive Budget:**

- To the needs of the community / public.
- Alignment of IDP – LED Strategies – Budget, and to what extent does it give effect to provincial and national priorities?
- Is the Budget appropriately responsive to economic growth objectives and the socio- economic needs of the community
- Process followed to identify strategic priorities/priority interventions in the IDP

■ **Affordability / Tariffs:**

- Tariffs must not be increased unreasonably, and consumers must be able to afford to pay. There should be a balance between affordability and level of service.

■ **Funding of Budget:**

Budget to include Cash-flow budget to ensure that expenses are funded from realistically anticipated revenue or cash backed accumulated funds from previous years surpluses' not committed for other purposes, or borrowed funds, but only for the capital budget.

- Budget Summary
- Five Year Financial Plan
- Five Year Capital Investment Programme

The micro organisational structure for the directorate finance focus resources on accomplishing the strategic objective; *to assure a sustainable future through sound financial management, continuous revenue growth, corporate governance and risk management practises*, reflect as below:

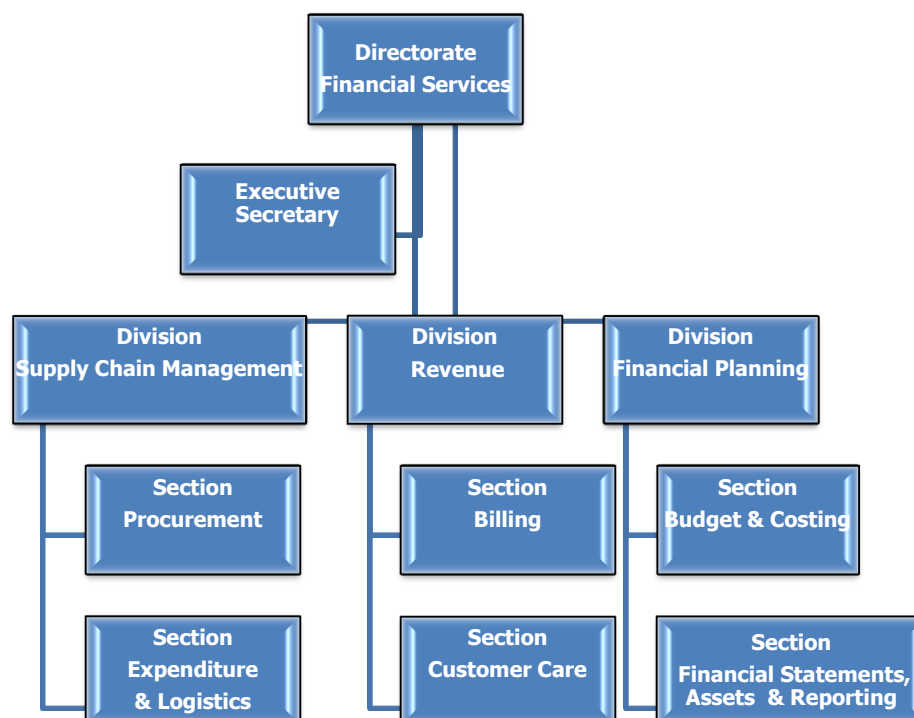


Figure 23: Micro organisational structure for the directorate finance

Important factors investors consider on options to relocate to a different area are the ability of the municipality to demonstrate; adequate provision of services, financial discipline, affordable tariffs, adherence to statutory requirements, timely preparation and production of financial statements, adherence to generally accepted accounting practices and unqualified audit reports.

7.4 Rating Information

The Breede Valley Municipality baseline credit assessment reflects a rating of Ba1 that are strongly influenced by the South Africa's sovereign rating. The rating of Breede Valley as done by Moody's reflects the following credit strengths and challenges:

7.4.1 CREDIT STRENGTHS

- Good liquidity position; and
- Strong administrative capacity to maintain high revenue collection levels.

7.4.2 CREDIT CHALLENGES

- High debt exposure;
- Financing requirements for its large capital expenditure budget; and
- Narrow and concentrated economic base.

7.5 Accountability Framework

The financial management and oversight processes of the Breede Valley are subjected to the Accountability Framework as prescribed by National Treasury as reflected beneath:

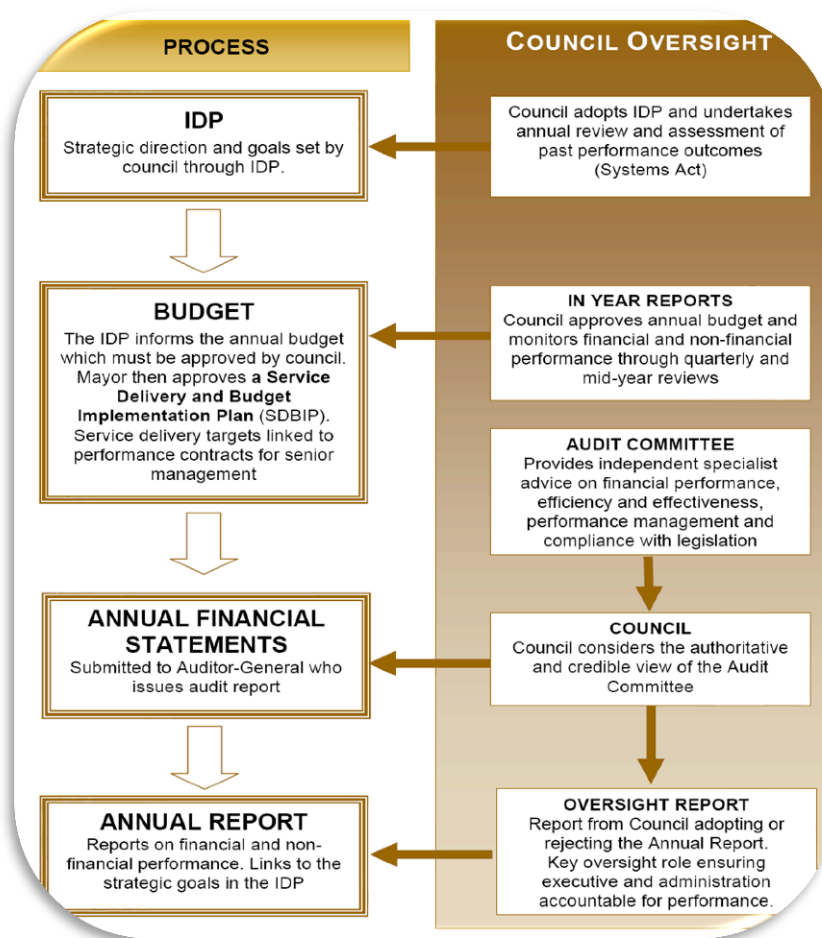


Figure 24: Accountability Framework

7.6 Strategic Financial Planning

The Breede Valley municipality fully subscribes to a process of proper planning and strategy of resources that should be fully considered in the context of effectiveness, efficiency and economy.

The funding and reserves framework of the Breede Valley aimed at;

- Ensuring that the municipality has sufficient and cost-effective cash funding;
- Ensuring that provisions and reserves are maintained at the required level to avoid future year unfunded liabilities;
- Ensure the achievement of the Municipal objectives through the implementation of its operating and capital budgets.

The main purpose of the framework as align with the financial management strategy is as follows:

- This policy sets out the assumptions and methodology for estimating the following:-
 - Projected billings, collections and all direct revenues;
 - The provision for revenue that will not be collected based on past trends and payment rates;
 - The funds the municipality can expect to receive from investments;
 - The proceeds the municipality can expect to receive from the transfer or disposal of assets;
 - The municipality's borrowing requirements; and
 - The funds to be set aside in reserves.

7.7 Budget

An annual budget may only be funded from:-

- Realistically anticipated revenues to be collected;
- Cash backed accumulated funds from previous years surpluses and reserves not committed for any other purpose;
- Borrowed funds but only for purposes of the capital budget; and
- Grant Funding Gazetted.

The Breede Valley Municipality through the budget steering committee set the following priorities as important within its framework of service delivery, bearing in mind the limited resources:

- Budget should focus on essential services
- All attempts should be to implement MFMA budget circulars
- Limit tariff increases

- Focus on cost cutting and reprioritisation of funding
- Do more with less
- Focus and stay within National Treasury and Provincial Treasury norms as far possible
- Consult with all stakeholders
- Prioritize expenditure in accordance with strategic objectives & IDP needs
- Limit debt exposure
- Explain the type of services that BVM (community) will receive
- LED important

It is indeed clear that the Budget Steering Committee priorities are aligned with the long term financial intentions and strategic objectives of the Breede Valley.

Breede Valley Municipality's Total Budget for the Medium Term Expenditure Framework will be as follows:

TOTAL CAPITAL AND OPERATING BUDGETS

	Adjusted Budget 2014/2015	%	Draft Budget 2015/2016	%	Draft Budget 2016/2017	%	Draft Budget 2017/2018	%
Capital Budget	94,491,249	10%	100,773,815	11%	85,816,700	9%	2,873,100	0%
Operating Budget	815,343,790	90%	830,496,257	89%	874,495,801	91%	868,446,146	100%
Total Budget	909,835,039	100%	931,270,072	100%	960,312,501	100%	871,319,246	100%

Table 60: Medium-term Expenditure Framework

7.7.1 CAPITAL BUDGET

Spending on a capital project may only occur if:-

- The money for the project, excluding the cost of feasibility studies, has been appropriated in the budget;
- The project, including the total cost, has been approved by Council;
- The sources of funding have been considered, are available and have not been committed for other purposes;
- Council has considered:-
 - The projected cost covering all financial years until the project is operational; and
 - The future operations costs and revenue on the project, including municipal tax and tariff implications
- The capital budget provides funding for the Municipality's capital programme based on the needs and objectives as identified by the community through the Integrated Development Plan and provides for the eradication of infrastructural backlogs, renewal and upgrading of existing infrastructure, new developments and enlargement of bulk infrastructure.
- Provisions on the capital budget will be limited to availability of sources of funding and affordability. The main sources of funding for capital expenditure are:-
 - Cash backed accumulated surpluses;
 - Borrowings;
 - Government grants and subsidies;
 - Public donations and contributions; and
 - Operating revenue.
- The following guiding principles apply when considering sources of funding for the capital budget:-
- Government Grants and Subsidies:-
 - Only gazette allocations or transfers as reflected in the Division of Revenue Act or allocations as per Provincial Gazettes may be used to fund projects;
 - The conditions of the specific grant must be taken into consideration when allocated to a specific project; and
 - Government grants and subsidies allocated to specific capital projects are provided for on the relevant department's operating budget to the extent that the conditions will be met during the financial year.
- In the case of public contributions, donations and/or other grants, such capital projects may only be included in the annual budget if the funding is guaranteed by means of:-
 - A signed service level agreement;
 - A contract or written confirmation; and/or
 - Any other legally binding document.

- Public donations, contributions and other grants are provided for on the relevant department's operating budget to the extent that the conditions will be met during the financial year.
- The borrowing requirements are used as a basis to determine the affordability of external loans over the Medium Term Revenue and Expenditure Framework. The ratios to be considered to take up new borrowings include:-
 - Long-term credit rating of at least BBB;
 - Interest cost to total expenditure not to exceed 9%;
 - Long-term debt to revenue (excluding grants) not to exceed 50%;
 - Payment rate of above 95%;
 - Percentage of capital charges to operating expenditure less than 15%.
- Allocations to capital projects from Cash Backed Accumulated Surpluses (subject to the provisions of paragraph 9 below) will be based on the available funding for each ring-fenced reserve according to the conditions of each reserve as follows:-
 - Capital projects of a smaller nature such as office equipment, furniture, plant and equipment etc. must be funded from own generated revenue from the operating budget for that specific year;
 - Infrastructure projects to service new developments and the revenue received through the sale of erven must be allocated to the Capital Reserve for Services;
 - Capital projects to replace and/or upgrade existing assets will be allocated to the Capital Replacement Reserve; and
 - Capital projects to upgrade bulk services will be allocated to the Capital Bulk Contributions Reserve for each service.
- In accordance with Section 19 of the MFMA, the Municipality may spend money on a capital project only if:-
 - The money for the project has been budgeted (excluding feasibility study cost).
 - The project, including the total cost, has been approved by Council.
 - Compliance with section 33 (contracts with future budgetary implications) to the extent that the section may be applicable to the project.
 - The sources of funding have been considered, are available and have not been committed for other purposes.
- Before approving a capital project the Council must consider:-
 - The projected cost covering all financial years until the project is operational;
 - The future operational costs and revenue on the project, including municipal tax and tariff implications.
- All capital projects have an effect on future operating budgets. The following cost factors must therefore be considered before approval:-

- Additional personnel cost to staff new facilities once operational;
- Additional contracted services, such as security, cleaning etc.
- Additional general expenditure, such as services cost, stationery, telephones, material etc.
- Additional other capital requirements to operate the facility, such as vehicles, plant and equipment, furniture and office equipment etc.
- Additional costs to maintain the assets;
- Additional interest and redemption in the case of borrowings;
- Additional depreciation charges;
- Additional revenue generation. The impact of expenditure items must be offset by additional revenue generated to determine the real impact on tariffs.

RESERVES

- To ensure that funding is readily available for future development and the timeous replacement of Infrastructure responsible for service delivery it will be prudent for the Municipality to create dedicated reserves that are cash backed at all times.
- All Reserves are “ring fenced” as internal reserves within the accumulated surplus, except for provisions as allowed by the General Recognized Accounting Practices (GRAP).
- The following ring fenced reserves should be established and cash backed over a period of time:-
 - Capital Reserve for New Developments

This reserve will be used to fund capital expenditure to service new developments. Each development is ring fenced within this reserve. The valuer determines the price for the erven to be sold and the revenue generated through the sale of erven is then allocated to the specific development. This reserve must be cash backed at all times to ensure the availability of cash to fund the capital expenditure required to service the erven.
 - Capital Replacement Reserve

Funding for capital budgets of future financial years are generated through contributions from the operating budget. Once the Municipality has reached its maximum gearing ability no further borrowings can be taken up. This necessitates that the Municipality also invests in a capital replacement reserve. However, it must be cash backed. This reserve once fully established will enable the Municipality to provide internal funding for its capital replacement and renewal programme.

Other contributions to the capital replacement reserve through the operating budget may include:

 - interest received on investments;

BULK CAPITAL CONTRIBUTION RESERVES

This reserve is intended to supplement capital expenditure for the necessary expansions and upgrading of bulk infrastructure due to new developments. Revenue generated through bulk services contributions are allocated to this reserve for each applicable service. This reserve must also be cash backed at all times.

7.7.2 OPERATING BUDGET

- The operating budget provides funding to departments for their medium term expenditure as planned. The Municipality categorizes services rendered to the community according to its revenue generating capabilities as follows:-
 - Trading services (services that generate predetermined surpluses that can be used to fund other services rendered by the Municipality);
 - Economic services (services that should at least break-even, but do not necessarily generate any surpluses to fund other services rendered by the Municipality);
 - Rates and General (services that are funded by property rates, government grants or surpluses generated by the trading services).
- In accordance with Section 18 of the MFMA, the operating budget can only be funded from realistically anticipated revenue. Amounts for the provision of Bad Debt and Depreciation, although non-cash items are not to be used to “balance” operating shortfalls.
- The operating budget is funded from the following main sources of revenue:-
 - Property rates;
 - Service charges;
 - Government grants and subsidies;
 - Other sundry revenue, such as fines, interest received etc.; and
- Cash backed accumulated surpluses from previous years not committed for any other purposes.
- The following guiding principles apply when compiling the operating budget:-
 - The annual budget must be cash backed. This implicates that apart from expenditure being budgeted it must always be cash funded (provision for bad debt must therefore be equal to actual payment levels);
 - Growth parameters must be realistic, taking into account the current economic conditions;
 - Tariff adjustments must be realistic, taking into consideration affordability, bulk increases and future projected growth according to the approved Integrated Development Plan (IDP);
 - Revenue from government grants and subsidies must be in line with allocations gazetted in the Division of Revenue Act and Provincial Gazettes;
- Revenue from public contributions, donations or any other grants may only be included in the budget if there is acceptable documentation that guarantees the funds such as:-
 - A signed service level agreement;
 - A contract or written confirmation; or
 - Any other legally binding document.

- Property rates are levied according to the Municipal Property Rates Act and Property Rates Policy based on the market values. The budget is compiled using the latest approved Valuation Roll and any Supplementary Roll, consistent with current and past trends. Property rates tariffs and rebates are determined annually as part of the tariff setting process;
- Property rates rebates, exemptions and reductions are budgeted either as revenue foregone or as a grant as per MFMA Budget Circular 51 depending on the conditions thereof;
- Projected revenue from service charges must be realistic based on current and past trends with expected growth considering the current economic conditions. The following factors must be considered for each service:-
- Metered services comprising of electricity and water:-
 - the consumption trends for the previous financial years;
 - envisaged water restrictions or load shedding when applicable; and
 - actual revenue collected in previous financial years.
- Refuse removal services:-
 - the actual number of erven receiving the service per category; and
 - actual revenue collected in previous financial years.
- Sewerage services:-
 - the actual number of erven receiving the service per category and the consumption trends per category; and
 - actual revenue collected in previous financial years.
- Rebates, exemptions or reductions for service charges are budgeted either as revenue foregone or as a grant as per MFMA Budget Circular 51 depending on the conditions thereof;
- Other projected revenue is charged in terms of the approved sundry tariffs and fines considering the past trends and expected growth for each category.
- Provision for revenue that will not be collected is made against the expenditure item working capital/debt impairment and is based on actual collection levels for the previous financial year and the latest projected annual non-payment rate.
- Transfers from the accumulated surplus to fund only Capital expenditure will only be allowed for specific once-off projects and with no recurring operating expenditure resulting thereof.
- Interest received from actual long-term and or short-term investments are based on the amount reasonably expected to be earned on cash amounts available during the year according to the expected interest rate trends.
- Depreciation charges are fully budgeted for according to the asset register and to limit the impact of the implementation of GRAP 17 a transfer is made from the accumulated surplus. However this is limited to the deemed fair value of assets previously funded from grants and donations. In addition

the annual cash flow requirement for the repayment of borrowings must be fully taken into consideration with the setting of tariffs.

- A detailed salary budget is compiled on an annual basis. All funded positions are budgeted for in total and new and/ or funded vacant positions are budgeted for nine (7) months only of the total package considering the time for the recruitment process. As a guiding principle the salary budget should not constitute more than 35% of annual operating expenditure.
- To ensure the health of the municipal asset base, sufficient provision must be made for the maintenance of existing and infrastructure assets based on affordable levels as maintenance budgets are normally lower than the recommended levels. As a guiding principle repair and maintenance should constitute at least between 5% and 10% of total operating expenditure and should annually be increased incrementally until the required targets are achieved.
- Individual expenditure line items are to be revised each year when compiling the budget to ensure proper control over operating expenditure. Increases for these line items must be linked to the average inflation rate and macro-economic indicators unless a signed agreement or contract stipulates otherwise.

PROVISIONS

- A provision is recognized when the Municipality has a present obligation as a result of a past event and it is probable, more likely than not, that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
- Provisions are revised annually and those estimates to be settled within the next twelve (12) months are treated as current liabilities.
- The Municipality should have the following provisions:-
 - Leave Provision
 - Liabilities for annual leave are recognized as they accrue to employees. An annual provision is made from the operating budget to the leave provision. Due to the fact that not all leave balances are to be redeemed for cash at once, only 20% of the leave provision is cash backed.
 - Landfill Rehabilitation Provision
 - The landfill site rehabilitation provision is created for the current operational site at the future estimated time of closure. The value of the provision is based on the expected future cost to rehabilitate the landfill site. This provision must be cash backed to ensure availability of cash for rehabilitation on closure.
 - Long Services Awards

- Municipal employees are awarded leave days according to years in service at year end. Due to the fact that not all long service leave balances are redeemed for cash at once, only 20% of the long service leave provision is cash backed.
- Post-Employment Medical Care Benefits
- The Municipality provides post-retirement medical care benefits by subsidizing the medical aid contributions to retired employees and their legitimate spouses. The entitlement to post-retirement medical benefits is based on employees remaining in service up to retirement age and the completion of a minimum service period. The expected cost of these benefits is accrued over a period of employment. This provision must be cash backed to ensure the availability of cash for the payment of medical aid payments.

OTHER ITEMS TO BE CASH BACKED

- Donations, Public Contributions, Unspent Conditional Grants

Revenue received from conditional grants, donations and funding is recognized as revenue to the extent that the Municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. Unspent amounts in relation to donations, public contributions and unspent grant funding are therefore retained in cash and are not available to fund any other items on the operating or capital budget other than that for which it was intended for.

- Consumer Deposits

Consumer deposits are partial security for a future payment of an account. Deposits are considered a liability as the deposit is utilized on the account once the service is terminated. Therefore the funds are owed to consumers and can therefore not be utilized to fund the operating or capital budget. Consumer deposits should be retained in cash. Due to the fact that it is not likely that all of the consumer deposits will be redeemed at once, only 50% is cash backed.

- Operational financing

Breede Valley's policy is to fund operating expenses from normal revenue streams with short term borrowing being used as a last resort. It is expected that strong financial management including accurate cash forecasting will obviate the need to resort to short-term borrowings.

- Working Capital

It is Breede Valley's intention to create sufficient cash reserves by way of good financial management including the setting aside of adequate provisions for working capital.

7.8 Revenue Management Strategies

The Breede Valley Municipality has the following revenue enhancement and improvement strategies in mind:

- Improvement in the payment ratio of the area that can be found in the credit control and debt collection policy. This policy highlights the procedures to be followed in the collection of all money owed to the Municipality;
- To ensure through Local Economic Development employment opportunities, this will enable families to start paying for services and also to broaden the tax base;
- To create a climate for investment in the area which will in turn also generate employment opportunities;
- To ensure that the information in respect of families that qualify in terms of the indigent policy, are correct so as to qualify for an increased amount from National Government;
- To introduce a system through which services payment by employed people is guaranteed by having such payments deducted by their employers before salaries are paid out;
- The installation of prepaid meters is essential in securing future payment for services by residents;
- To enlarge the revenue base of the municipality, by ensuring that all properties are correctly zoned. (The property rates tariffs are based on the zoning); and
- To enlarge the revenue base of the municipality, by negotiating with Eskom, to take over the electricity supply in areas currently under Eskom's control. This will also improve the credit control capabilities of the municipality.

7.9 Expenditure Management Strategies

The Breede Valley Municipality has the following expenditure management strategies in mind:

- To reduce expenditure on non-core functions, by considering more economical, effective and efficient ways of resource management even to the extent of considering Public Private Partnerships;

- To adopt the principles subscribe by National and Provincial Treasury regarding the cost containment items;
- To limit operating and capital expenditure to essential items through a proper process of prioritisation and reprioritisation;
- To investigate and limit water and electricity losses in order to either illuminate or decrease the losses to the utmost minimum;
- To limit employee related expenditure and improve the effective usage of the human resource capacity by introducing a finger print time and attendance system;
- To introduce a fleet management system to reduce fuel and other operating vehicle related cost and ensure the effective use of available fleet for cost benefit purposes; and
- To reduce interest and redemption expenditure, by exploring alternative ways (possible grant funding), to pay off the long term liabilities regarding infrastructure.

7.10 Debt Management

- Debt is managed in terms of the Council's Credit Control Policy.
- The provision for revenue that will not be collected is adequately budgeted as an expense (bad debt provision) and must be based on the projected annual non-payment for services.

7.11 Cash Management

- The availability of cash is one of the most important requirements for financial sustainability and must be closely monitored to ensure a minimum cash days on hand of ninety (90) days for daily operations.
- Changes in the municipal environment that may have an impact on the municipal cash position include:-
 - Changes in revenue levels as a result of changes in consumption patterns (water restrictions, load shedding etc.);
 - Reduced growth as a result of economic conditions;
 - Increase in non-payment rate due to economic conditions or political reasons;
 - Implementation of electricity industry pricing policy (inclining block tariffs and time of use tariffs); and
- Surplus cash not immediately required for operation purposes is invested in terms of the Council's Investment Policy so as to maximise the returns on the investments.

7.12 Internal Control Framework

The main focus of the finance directorate is to ensure that the Breede Valley accomplishes clean audit outcomes that mean that we need to do the following:

- That the financial statements are free from material misstatements
- There are no material findings on the annual performance report
- There are no material findings with regards to laws and regulations, such as the MFMA (Municipal Finance Management Act), Municipal Systems Act, Municipal Structures Act, etc.

The outcome of the municipality's audit performance for the past years reflects the following:

BVM AUDIT OUTCOME STATUS FOR THE PAST FIVE FINANCIAL YEARS				
2013-14	2012-13	2011-12	2010-11	2009-10
Clean Audit	Clean Audit	Unqualified with Findings No: 8	Unqualified with Findings No: 10	Unqualified with Findings No: 15

Table 61: Audit Outcome Status

Breede Valley Municipality Implemented the MGRO (Municipal Governance Review Outlook) process initiated by Provincial Treasury with the main focus to work towards a clean audit process that was accomplished in the 2012/ 13 and 2013/14 financial year.

MGRO (Municipal Governance Review & Outlook) and the approach towards it are contextualized in the already institutionalized processes that have outcomes in mind, such as:

- Maintain clean Audit in 2015
- Improvement on FGRO (Financial Governance Review; Outlook) outcome to a minimum level 3 assessment;
- A 360° approach to improve Financial Management & Internal Control/ Governance

7.13 Breede Valley Municipality Investment Plan

The Breede Valley municipality does not have a financial plan or an investment plan. The municipality will ensure that the available cash in the bank account are invested in such a way that maximum interest are received without putting the municipality at risk to fulfil its obligated liabilities. The municipality will focus its attention in the next 3-years on the following five critical financial issues:

- Development of a Financial Viability Plan and an Investment Plan
- Revenue management
- Collecting of outstanding debt
- Underpricing of services
- Under spending of repairs and maintenance
- Spending on non-priorities

7.14 Financial Information

- **Revenue:** Breede Valley's main source of income is electricity revenue (41% of Total Operating Revenue). The graph below gives a breakdown of revenue sources:

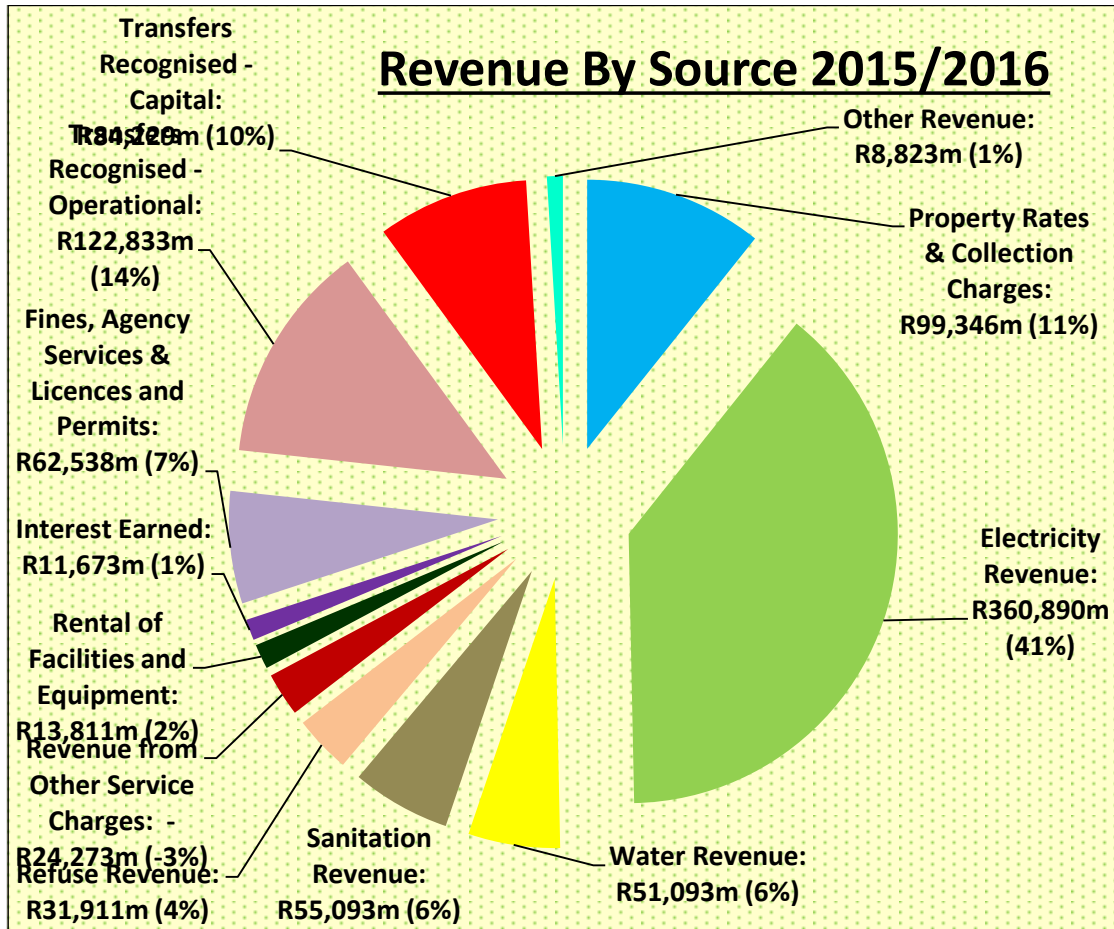


Figure 25: Revenue by Source 2015/2016

The municipality has in total 12 pay points in the four major towns of the municipal area, 6 in Worcester. Touws River, De Doorns and Rawsonville each have two pay points. In total the municipality has 16 493 water meters and 23 707 electricity meters distributed within its municipal service area as indicated in the map.

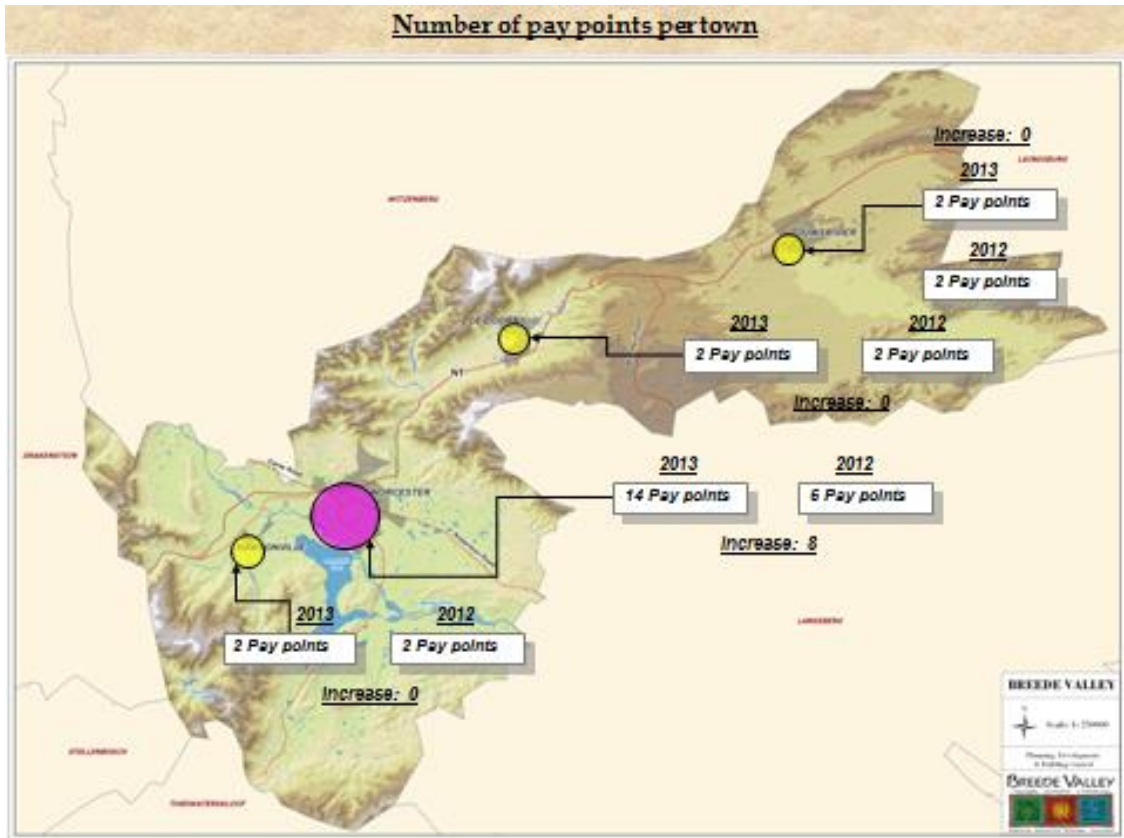


Figure 26: Municipal Pay points

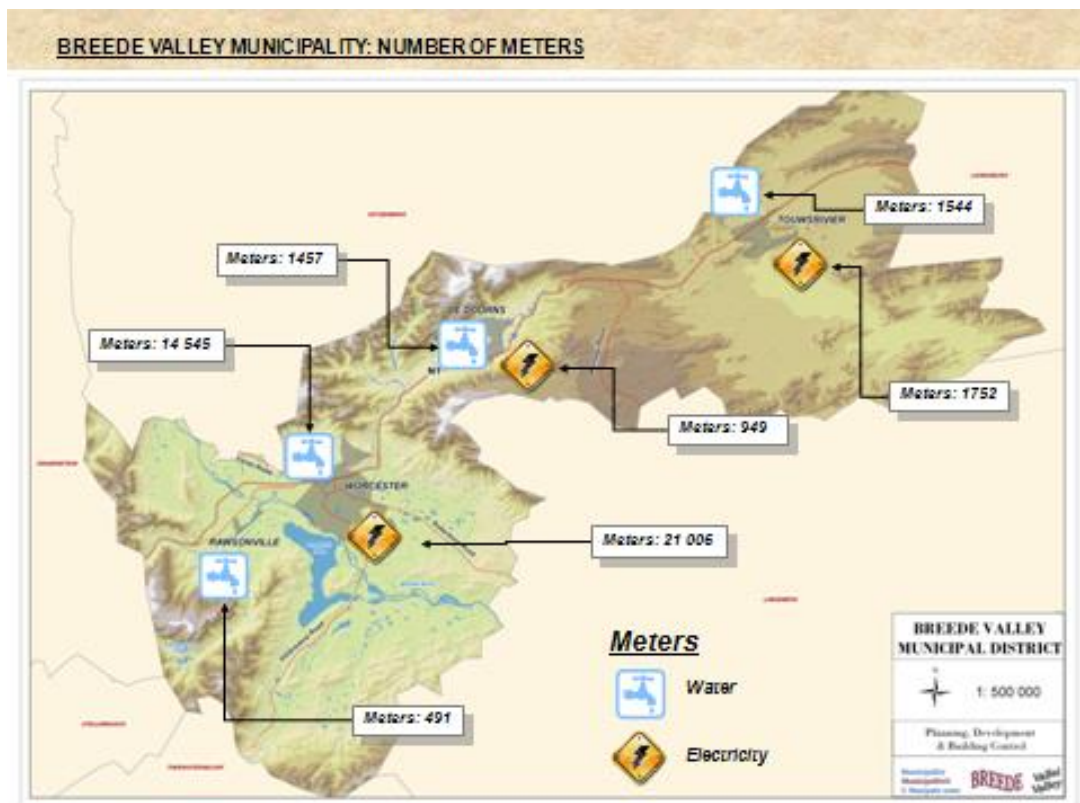


Figure 27: Water & Electricity meters

- **Expenditure:** Breede Valley's will spend 31% of the budget on bulk purchases and 30% on employee related costs. The graph below gives a breakdown of expenditure:

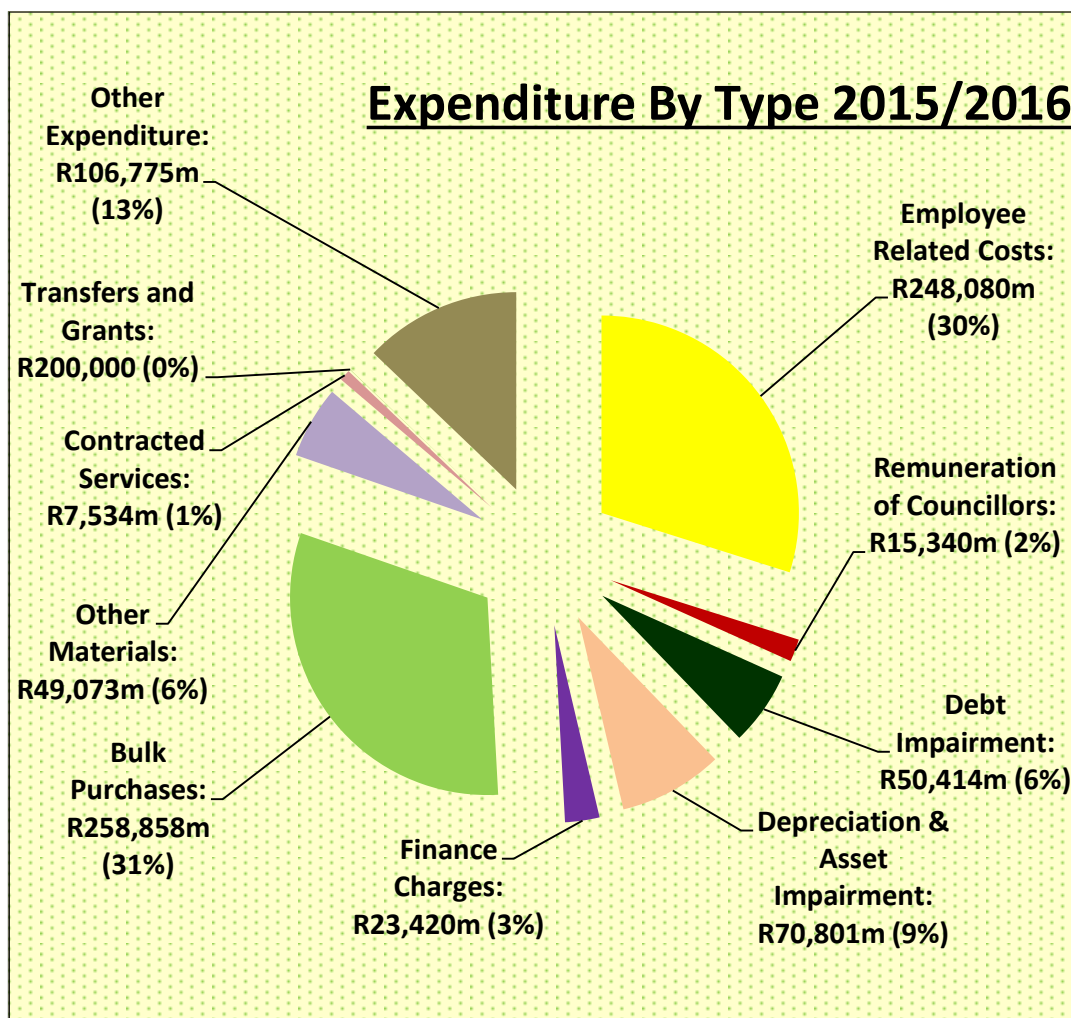


Figure 28: Expenditure by type 2015/2016

- **Capital Expenditure:** Breede Valley has R100 774 million available for capital projects in the 2015/2016 budget. Capital transfers from national and provincial government amounts to R84 229 million and R16 545 million are internally generated funds.

- The table below gives a breakdown of funding sources and expenditure by service:

Description	2013/14	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework			
			R thousand	Audited Outcome	Adjusted Budget	Budget Year 2015/16
Capital Expenditure - Standard						
Executive and Council	93	346	-	-	-	-
Budget and Treasury Office	901	771	700	800	800	
Corporate Services	8,353	5,228	7,083	-	-	
Community and Social Services	10,136	4,990	5,027	3,000	-	
Sport and Recreation	1,550	2,923	5,383	5,813	-	
Public Safety	9,203	380	3,972	8,595	-	
Housing	-	-	-	-	-	
Health	-	-	-	-	-	
Planning and Development	-	-	-	-	-	
Road Transport	17,198	25,158	9,075	3,273	-	
Environmental Protection	143	-	-	-	-	
Electricity	8,641	11,305	21,537	35,550	1,727	
Water	57,655	30,186	29,720	10,655	215	
Waste Water Management	13,430	11,186	15,517	18,131	132	
Waste Management	513	2,018	2,760	-	-	
Other	9	-	-	-	-	
Total Capital Expenditure - Standard	127,825	94,491	100,774	85,817	2,873	
Funded by:						
National Government	67,096	49,455	54,677	62,061	-	
Provincial Government	9,031	7,653	29,552	21,000	-	
District Municipality	-	-	-	-	-	
Other Transfers and Grants	(0)	-	-	-	-	
Transfers Recognised - Capital	76,127	57,109	84,229	83,061	-	
Public Contributions & Donations	13,859	-	-	-	-	
Borrowing	24,422	18,999	-	-	-	
Internally Generated Funds	13,417	18,384	16,545	2,756	2,873	
Total Capital Funding	127,825	94,491	100,774	85,817	2,873	

Table 62: Capital funding and expenditure by service 2015/2016

- The figure below reflects the Capital Expenditure for the 2015/ 2016 financial year:

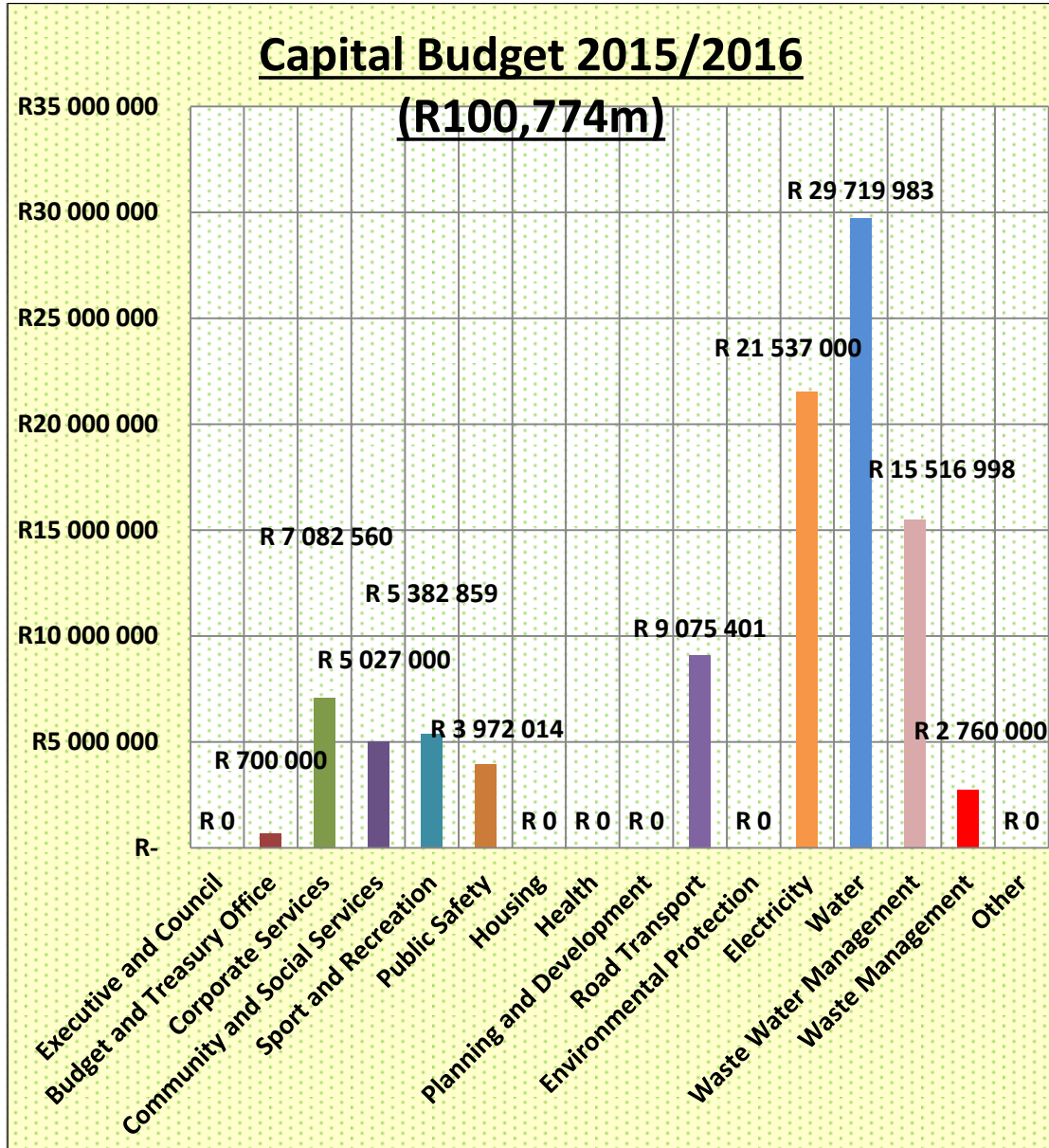


Figure 29: Capital Expenditure 2015/2016

- Major and Special Projects budgeted for in 2015/16:

The following capital projects have been identified as critical projects and specified special projects were also prioritised for 2015/16.

Major Capital Projects	Amount	Special Projects	Amount
Technical Services		Youth Development Program	R200,000
Worcester WwTW		Grants in Aid	R200,000
Beltpresses (3 of plus 1 standby)	R 3,000,000	Special Events: Disaster	R40,000
Stettynskloof Water Supply (Worcester/ Rawsonville)		Special Events: Imbizo week	R5,310
Replacement of Existing 2 Hydro Generator (160kVA)	R 6,000,000	Special Events: Old Aged	R100,000
Rawsonville WwTW		Special Events: Heritage	R20,000
Extension of WwTW (0,24 MI/day)	R 1,000,000	Special Events: National Women's Day	R100,000
Klipvlakte/ Transhex Residential Development (13 000 Erven)		Special Events: Other	R488,000
Water Reticulation - Phase 1 (645 erven)	R 7,036,363	Bursaries	R212,400
Sewer Reticulation - Phase 1 (654 erven)	R 7,036,363	Housing Top Structures	R30,709,185
Roads - Phase 1 (645 erven)	R 3,272,727	Access to Basic Services	R2,700,000
Stormwater - Phase 1 (645 erven)	R 1,636,363	RSEP	R1,000,000
Electrical Reticulation	R 20,000,000	Maintenance of Rental Units	R3,426,090
Touwsriver Developments (Affordable Housing/ Private)			
Water Reticulation - Phase 1 (200 erven)	R 2,181,818		
Sewer Reticulation - Phase 1 (200 erven)	R 2,181,818		
Roads - Phase 1 (200 erven)	R 1,090,909		
Stormwater - Phase 1 (200 erven)	R 545,454		
Reservoirs			
Langerug	R 6,595,650		
Pre-loads	R 1,765,152		
Surfacing of Roads			
De Doorns: Rehabilitation of Municipal Roads (MIG 210857)	R 181,950		
Rawsonville: Rehabilitation of Municipal Roads	R 746,115		
Worcester: Rehabilitation of Municipal Roads (MIG 212170)	R 1,811,708		
Vehicles			
Digger Loader	R 950,000		
Light Delivery Vehicle (0,5 Ton LDV) 1600 Petrol and canopy	R 171,300		
Major Capital Projects	Amount		
Refuce Compactor Truck (19m ³) x 6	R 2,500,000		
1 Ton LDV 2000 Petrol, Replacement of BVM 264	R 225,000		
1 Ton, LDV, 2000 Petrol with canopy	R 225,000		

and accessories			
1 Ton LDV, 4WD 2500 diesel, Replacement of BVM 253	R 352,260		
<u>Ward 1</u>			
Power supply to Bokrivier(Solar System)	R 1,000,000		
Touws River: Rehabilitation of Municipal Roads (MIG 212170)	R 1,971,992		
<u>Ward 2</u>			
De Doorns : Transfer Station	R 2,760,000		
<u>Ward 3</u>			
De Doorns water purification Works: DAF Unit	R 3,400,000		
<u>Ward 7</u>			
Boland Park - New High Mast lighting	R 1,852,859		
<u>Ward 9</u>			
Esselen Park - New High Mast Lighting	R 762,014		
<u>Ward 20</u>			
Smalblaar River Extension Pipeline	R 550,000		
<u>Service Connections (Depending on Public Contribution)</u>			
Sewer Connections	R 117,000		
Electricity Connections	R 265,000		
Water Connections	R 191,000		
<u>Electricity Network Extensions (Depending on Public Contribution)</u>			
Electricity Network Extensions (Depending on Public Contribution)	R 1,272,000		
<u>Water Demand Management</u>			
Replacement of water meters	R 1,000,000		
<u>Community Services</u>			
<u>Admin</u>			
Furniture & Equipment	R 25,000		
<u>Indoor Sport Centre</u>			
Fencing	R 80,000		
<u>Steenvliet Community Hall</u>			
Fencing	R 30,000		
Furniture & Equipment	R 50,000		
<u>Municipal Office Touwsriver</u>			
Fencing	R 70,000		
<u>Swimming Bath: De La Bat</u>			
Fencing Swimming Baths - De la Bat	R 50,000		
<u>Major Capital Projects</u>	<u>Amount</u>		
<u>Swimming Bath: Grey Street</u>			
Fencing Swimming Baths - Grey Street	R 50,000		

Upgrade Filters & Pump	R 300,000		
<u>Sport: Boland Park</u>			
Upgrade Tennis court	R 350,000		
Upgrade Netbal court	R 300,000		
Equipment	R 80,000		
Vehicle for Sport department	R 280,000		
<u>Sport: Rawsonville</u>			
Upgrade Soccer field	R 200,000		
<u>Sport: Zweletemba</u>			
Upgrading	R 800,000		
<u>Sport: Touwsriver</u>			
Upgrading	R 200,000		
Upgrade Cricket Field	R 300,000		
<u>Sport: Steenvliet</u>			
Upgrade Cricket Field	R 600,000		
<u>Sport: De Doorns West</u>			
New cricket pitch	R 300,000		
<u>Resorts</u>			
Tractor	R 250,000		
<u>Esselen Park Library</u>			
Flooring	R 40,000		
<u>Waterloo Library</u>			
New study/ computer facility 2012/2013	R 2,000,000		
Furniture & Equipment	R 20,000		
Local and best seller books	R 10,000		
<u>Zweletemba Library</u>			
Flooring	R 40,000		
Fencing	R 130,000		
Educational Toys	R 2,000		
<u>Touwsriver Library</u>			
Book Detection System	R 160,000		
Fencing	R 30,000		
<u>Steenvliet Library</u>			
Book Detection System	R 160,000		
<u>Avainpark Library</u>			
New Library	R 2,250,000		
<u>Equipment</u>			
Patrol vehicles	R 450,000		
<u>Projects</u>			
<u>Major Capital Projects</u>	<u>Amount</u>		
Speed Humps	R 300,000		

Fire Department			
Worcester			
Computer Equipment	R 250,000		
Upgrade Emergency Management Centre	R 60,000		
Digital Radio Project	R 1,000,000		
Jaws of Life	R 400,000		
De Doorns			
Upgrade Building for Fire Station	R 1,200,000		
Financial Services			
Revenue			
Kombi for meter readers	R 300,000		
Financial Planning			
Safeguarding of Assets	R 300,000		
Insurance claims	R 400,000		
Strategic Support Services			
Information Technology			
Equipment VOIP phones	R 650,000		
Computer Equipment	R 659,000		

Table 63: Capital Projects and special projects identified for 2015/2016

- Ratio analysis for the past years:**The Ratio analysis of Breede Valley for the past financial 5 years are reflected in the table beneath

Financial Year	2010 Audited	2011 Audited	2012 Audited	2013 Audited	2014 Audited	Norm
FINANCIAL POSITION						
ASSET MANAGEMENT						
Capital expenditure to Total expenditure	26.49%	24.56%	11.29%	14.14%	14.63%	10% -20%
Impairment of PPE , Investment properties & intangibles (carrying value)	0%	0%	0%	0%	0%	0%
Depreciation /Operating Revenue	14.18%	12.20%	11.70%	9.95%	8.68%	20%
Repairs & Maintenance / PPE & Investment Property (carrying	2.37%	2.00%	2.11%	2.49%	2.50%	8%

value)						
DEBTORS MANAGEMENT						
Net debtors days	38 days	42 days	47 days	54 days	60 days	30 days
LIQUIDITY MANAGEMENT						
Cash/ Cost Coverage Ratio (Excluding Unspent Conditional Grants)	3 months	3 months	2 months	3 months	3 months	1-3 months
Current Ratio	1.38	1.53	1.52	1.71	1.53	1.5 – 2 :1
LIABILITY MANAGEMENT						
Debt (Total Borrowings)/ Total Operating Revenue	51.24%	55.75%	45.63%	43.44%	35.05%	45 %
Capital Cost (Interest Paid and Redemption) as a % / Total Operating Expenditure	7.00%	8.00%	9.00%	7.87%	7.57%	6%-8%
FINANCIAL PERFORMANCE						
DISTRIBUTION LOSSES						
Electricity Distribution Losses (Percentage)	10.41 %	6.61%	5.45%	7.39%	7.23%	7%-10%
Water Distribution Losses (Percentage)	30.43 %	32.65%	21.56 %	15.63 %	9.52%	15%-30%
EXPENDITURE MANAGEMENT						
Irregular, Fruitless and Wasteful and Unauthorised Expenditure/ Total Operating Expenditure	6.63 %	9.02%	6.37%	0.01 %	0.01 %	0%
Remuneration (Employee Related Costs and Councillors Remuneration) as % of Total Operating Expenditure)	33.61 %	31.14 %	30.87 %	30.68 %	28.49%	25%-40%
Contracted Services % of Total Operating Expenditure	0.90%	0.66%	0.94%	1.11%	1.03%	2%-5%

Table 64: Ratio analysis of Breede Valley Municipality

7.15 Asset Management Policy

- The municipality has an asset management policy that are fully implemented and reflect the following:
 - OBJECTIVES
 - Specifying Council's practice regarding accounting for assets.
 - Ensure consistency in accounting treatment.
 - To assist officials in understanding their legal and managerial responsibilities with regard to key asset functions such as:
 - safeguarding of assets,
 - maintaining assets,
 - establishing and maintaining a management, accounting and information system
 - that accounts for the assets of the municipality.
 - asset valuation principles in accordance with GRAP.
 - establishing and maintaining systems of internal controls over assets.
 - establishing and maintaining asset registers.
 - clarifying responsibilities and accountabilities for the asset management process.
 - ASSET CATEGORIES
 - Infrastructure Assets –
 - are any assets that are part of a network or system.
 - They are specialized in nature and do not have alternative uses.
 - They are immovable and they may be subject to constraints on disposal.
 - Example: - roads, sewerage purification plants, water reticulation schemes and electricity.
 - Heritage Assets –
 - are culturally, environmentally and historically significant resources, i.e. works of art, historical buildings and monuments, archaeological sites, conservation areas and nature reserves and meets the criteria of GRAP103
 - Investment Properties –
 - are properties that are acquired for economical and capital gains i.e. office, parks and underdeveloped land acquired for the purpose of resale in future years.
 - Other Assets –

- are assets utilized in normal operations, i.e. plant and equipment, motor vehicles and furniture and fittings.
 - Intangible assets –
 - are identifiable non-monetary assets without physical substance and will meet the criteria of GRAP 31.
- ASSET MANAGER SHOULD
- ensure that employees in their departments adhere to the approved Asset Management Policy;
 - ensure that all assets are procured in terms of the SCM Policy;
 - ensure that council are properly informed about any contributed(donated) assets and that approval from council is obtained timeously;
 - ensure that the contributed asset is recorded on the NARC form and communicated with the Asset Management Department;
 - ensure that employees with delegated authority have been nominated to implement and maintain physical control over assets in their departments. Although authority has been delegated, responsibility remains with the respective Directors of the departments and overall accountability with the Executive Directors of relevant directorates;
 - ensure that the termination of service asset verification form for staff, is duly completed and submitted to the Human Resource Management Directorate;
 - ensure that assets are properly maintained in accordance with their respective asset maintenance policy;
 - ensure that, where applicable, all their movable assets as reflected on the Fixed Asset Register are barcoded to exercise control;
 - ensure that the Asset Control Department is notified via the AT form within 10 working days of any changes in the status of assets under the department's control;
 - ensure that transfers between departments within directorates are administered internally;
 - ensure that a complete asset verification of all inventory and asset items is performed annually;
 - ensure that all obsolete, damaged and unused assets, supported by relevant asset and condemnation forms, are handed in at the Asset Management Department without delay;
 - be responsible for maintaining and managing their own DIR;
 - ensure that all assets are safeguarded against loss/theft and that they are adequately insured; and
 - ensure that location changes are made timeously and location/room information are updated and reported on the relevant form to the Asset Control Department regularly.

- ASSET CHAMPIONS SHOULD
 - Assist the Asset Manager in performing his/her functions and duties.
 - Ensure that all new assets (purchased or donated) are recorded on the New Asset Receipt Capture (NARC) form.
 - Ensure that the NARC forms are completed in full and send with copies of the relevant documentation to the asset control department within 7 working days after receipt of the assets.
 - Ensures that all their movable assets, where applicable, are barcoded.
 - Ensure that asset listings are verified and kept up to date in collaboration with the Finance Department.
 - Assist the Finance Department with the annual verification of movable assets by making sure that the assets, as per asset listing, are at the correct locations, that these locations are accessible when the verification of assets takes place and provides a full report on any missing assets to the Asset Manager.
 - Notify the Finance Department when he/she identifies obsolete and redundant assets so that these assets can be moved to the Write-off Store.
 - Report all changes affecting asset listing sheets to the Director: Finance and the Finance Department: Asset Management Division within 7 days of occurrence.

Proper systems are in place for the implementation of the asset management policy and as a result improve the durability of assets and improve the standards of services.

7.16 Embarking on a Long-Term Financial Strategy

1 Introduction and background to the LTFP

The Municipal Finance Management Act No 56 of 2003 (hereafter referred to as the MFMA) has identified various financial management practices that are regarded as fundamental to the long-term sustainability of municipalities in South Africa and made these legislative requirements. Although not explicitly mentioned in the MFMA itself, the supporting Municipal Budget and Reporting Regulations of 2009 that support the MFMA refer to a 'long term financial plan'¹. Breede Valley Local Municipality (BVLM) has accordingly prepared a Long Term Financial Plan (LTFP) for the period 2015 to 2024.

¹ In Section 7(1) footnote (1) (g).

A LTFP here has been defined as a high level plan that determines the overall financial boundaries within which BVLM will operate over next 10 years. The LTFP will be supported by detailed plans and strategies addressing individual elements of financial management.

The LTFP is aligned with and takes consideration of the existing Policies of the municipality.

Guiding principles

The LTFP is guided by the following principles:

1. Continuous improvement and expansion in the service delivery framework.
2. Future financial sustainability.
3. Optimal collection of revenue, taking into consideration the socio-economic environment.
4. Efficient, effective and economic expenditure.
5. Optimal utilisation of grant funding and other public donations.

Goal

The over-arching goal of the LTFP is to achieve the equitable and sustainable provision of services within a constrained financial environment.

This is interpreted to mean four things specifically:

1. BVLM will strive to balance social and economic goals, providing infrastructure and services to meet the needs of poor households, while also ensuring that the economic base of the municipality is protected through the provision of infrastructure and services for non-poor households and non-residential consumers.
2. BVLM will operate in such a way that revenues exceed operating expenditure on a medium term basis.
3. BVLM will raise borrowing to finance the capital expenditure required, but only as long as this is sustainable from a cash flow perspective.
4. BVLM will strive to function within the financial norms prescribed by National Treasury.

Approach adopted

The approach adopted in preparing the LTFP has focussed on establishing a long-term capital funding plan for the municipality. This is in response to the first guiding principle of the review: in order to

continuously improve and expand the service delivery framework, the municipality must be able to invest in infrastructure, both new and existing.

This is also in accordance with the National Development Plan, which notes:

“Infrastructure is not just essential for faster economic growth and higher employment. It also promotes inclusive growth, providing citizens with the means to improve their own lives and boost their incomes. Infrastructure is essential to development.” (National Planning Commission (2012), *Our future – make it work. National Development Plan 2013*, p.44)

A capital funding plan addresses two questions:

1. How much does the municipality plan to spend on infrastructure over the next 10 years in order to provide services to those that do not currently have access, allow for growth and renew infrastructure that already exists?
2. How will the municipality raise the capital funding required for this infrastructure?

Ability to raise finance is dependent on sound cash flow, which in turn is dependent on enhancing revenue and managing expenditure. In other words, while the focus of the LTFP approach is on capital funding, establishing a capital funding framework requires the evaluation of the full operating and cash performance of the municipality.

Background and context

This section provides background information on BVLM in order to provide context to the Long Term Financial Plan.

Spatial overview

BVLM covers an area of approximately 3 833km² and includes the towns of Worcester, De Doorns, Touwsrivier, and Rawsonville as well as the rural areas adjacent to and between these towns and the Matroosberg rural area. There are currently informal settlements associated with each town.

Table 66: Informal settlements in BVLM

Town	Associated informal settlements
Worcester	Aspad Avian Park Mandela Square

The Spatial Development Framework (SDF) divides the municipality into three distinct regions namely the Breede River Valley, the Hex River Valley, and the Touwsrivier Valley.

De Doorns	Sandhills Stofland Ekuphumleni Hasie Square
Touwsrivier	Zion Park
Rawsonville	Geel KampieHammat Square (Spokiesdorp)

Table 65: Informal settlements in BVL M

Socio-economic context

Population and households

BVL M had a population of 166 826 people in 2011, according to StatsSA Census 2011, living in 42 526 households. The average household size was 3.92 people, a decline from 4.17 people in 2001.

About 10 921 of the households in 2011 (26% of the total) were located in areas outside of the urban areas. It is important to note that these households are largely not serviced by BVL M. The municipality provides water services, electricity², refuse removal and public services in the urban areas only.

Census 2011 indicates that 2 524³ households in 2011 were located in informal settlements, with a further 4 936 households living in informal dwellings in formal urban areas, and 2 470 households living in informal dwellings in rural areas. The total households in informal dwellings in 2011, according to Census was 9 743, 23% of all households.

54% of the households in BVL M in 2011 earned less than R3 500 a month and can be considered to be low income. The low income share is higher in rural areas than in the urban areas where BVL M currently provides services (69% in rural areas compared to 36% in urban).

Economy

BVL M has a fairly diversified economy, with agriculture and wholesale and retail trade the largest sectors.

² Eskom provides electricity in the urban areas, as well as in Rawsonville, Touwsrivier and some parts of De Doorns.

³ Note that the municipality estimates this number to be much higher, at least 5 500 households and possibly as high as 8 500.

A diverse secondary and tertiary economy has developed around the agricultural sector, including industrial activities associated with the fruit industry exist in Worcester and Rawsonville and extensive wine production activity. Tourism activities related to agriculture and the wine industry are growing.

Household and economic growth

Household growth and economic growth are the underlying growth rates in the municipality. How will the number of households that must be provided with services grow? How will the number of businesses or industries that must be provided with services grow (this is related to economic growth)? What is the interplay between these growth rates: in other words, will economic growth exceed household growth, resulting in a wealthier customer base that is better able to pay for the services that they receive, or will the reverse be true?

A comparison of Census 2001 and Census 2011 suggests that the number of households in BVLM has grown by 7 500 over the period, with average growth of 1.97% per annum. The inter-census growth has primarily been in urban areas, with the number of households living in rural areas shrinking at an average rate of 0.23% per annum and the number of households living in urban areas growing at 3.48% per annum on average. BVLM provides services largely in urban areas, and so this latter growth rate is particularly relevant.

Sound data on economic growth rates in individual municipalities are typically not available. The Municipal Economic Review Outlook prepared by Western Cape Provincial Treasury indicates that GDP growth in BVLM has been 2.4% on average over the past 10 years.

Infrastructure plans and priorities

Key plans and priorities related to infrastructure are summarised below.

Housing

As noted above, Census 2011 suggests that the housing backlog in the municipality is in the region of 10 000 households. The housing backlog list is currently approximately 23 500 people. The rate of new housing provision is important for BVLM because engineered infrastructure (water, sanitation, electricity and roads) must be provided along with houses and the municipality must plan for this expenditure in coordination with the delivery of housing.

BVLM provided 546 housing units in 2013/14, and is planning to provide 751 and 606 in 2014/15 and 2015/16 respectively. The rate of delivery is very dependent on the allocation of housing subsidies.

A significant housing project is planned for the TransHex area on the eastern outskirts of Worcester. This includes approximately 7 300 low-income subsidy houses, 1 000 subsidy units aimed at the Gap Market, and 300 market related units.

Water

A water and sanitation Masterplan was approved in 2013.

The availability of water in Worcester and Rawsonville is secure up until 2030. New pump/booster stations and/or the upgrading of existing assets in these areas is required to accommodate population growth. In particular, the SDF notes that the Stettynskloof pipeline must be doubled in size to accommodate Worcester's water supply over the forecast period.

A new arrangement with the Hex River Irrigation Board is needed to address the water source at De Doorns. The WTW needs to be upgraded.

Touwsrivier may require larger water storage facilities, depending on population growth in the area.

Sanitation

The WWTW in Worcester has been upgraded and extended and should handle sewer flow up until 2025. Rawsonville WWTW needs to be upgraded/refurbished. The Touwsrivier WWTW is overloaded with respect to both volume of flow and organic load, and must be expanded and renewed.

Electricity

The electricity network is adequate and stable in all towns except in the Zwelethemba and Rohlilala/Avian Park areas of Worcester, where there is limited capacity of bulk supply cables.

Although the other networks are adequate, the equipment is generally old and needs to be renewed.

Solid waste

BVLM has a licensed landfill site of 8 hectares in Worcester which is adequate for the next 5 years or so. Studies for a regional land fill site adjacent to the existing site are far advanced and will serve the whole of the Cape Winelands Region.

There is an unlicensed landfill site at De Doorns which must be closed; a closure permit for this site still must be applied for. A new transfer station will be required after closure.

Roads and stormwater

A R90 million municipal wide roads project has been approved, but only the most critical roads and streets will be addressed by this project. The remainder of the roads still need considerable upgrading and maintenance.

Certain areas in Worcester and Touwsrivier are prone to flooding and a floodline study is needed to determine the extent and to plan rectification of the problem.

Asset management

BVLM does not have a complete asset register indicating the Current Replacement Cost of existing assets and the condition of those assets. This makes estimation of the need for expenditure on asset renewal difficult.

An integrated infrastructure asset management plan is required.

Major infrastructure issues requiring attention

The 'Infrastructure Growth Plan' (2014) prepared by Western Cape Government for BVLM indicates the following as the major infrastructure issues requiring attention in the municipality.

Table 66: Major infrastructure issues according to Infrastructure Growth Plan

Water	A study on the augmentation of water supply in De Doorns is required.
Sanitation	An extension to the Rawsonville WWTW is required, and will require an accompanying EIA. An extension to the Touwsrivier WWTW is required, and will require an accompanying EIA and Water User Licence application.
Electricity	An Electricity Master Plan is required.
Roads and stormwater	Floodline studies are required with respect to Avian Park and Transhex housing developments, as well as Touwsrivier. A Stormwater Master Plan is required. A Traffic Flow study is required.
General	An EIA is required for the Transhex development. Numerous technical studies, reports and plans must be prepared for the Sandhills area.

Table 67 Infrastructure growth plan

Historical financial performance

BVLM has historically been a strong performer, as shown in the long-term financial trends presented below.

Financial performance

With regard to financial performance, the municipality has generated *surpluses* on the operating account in most years, with small deficits in 2005, 2010 and 2012.

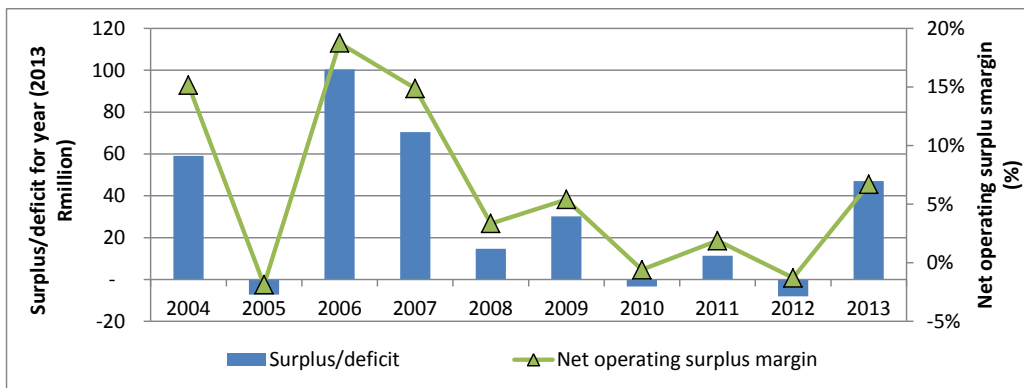


Figure 30: Long term historic trend in operating surplus/deficit and net operating surplus margin

Liquidity

With regard to financial position, the *current ratio* has remained comfortably above 1.0, indicating sound liquidity and ability to pay off obligations as they come due.

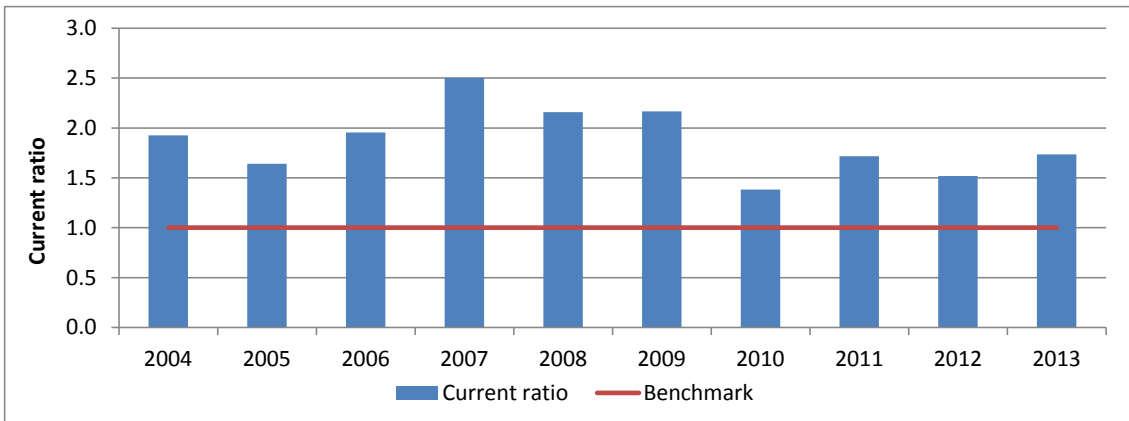


Figure 31: Long term historic trend in current ratio

Cash coverage is comfortably within the 1 to 3 months range recommended by National Treasury. The municipality has decreased short-term investments in favour of cash over the past four years.

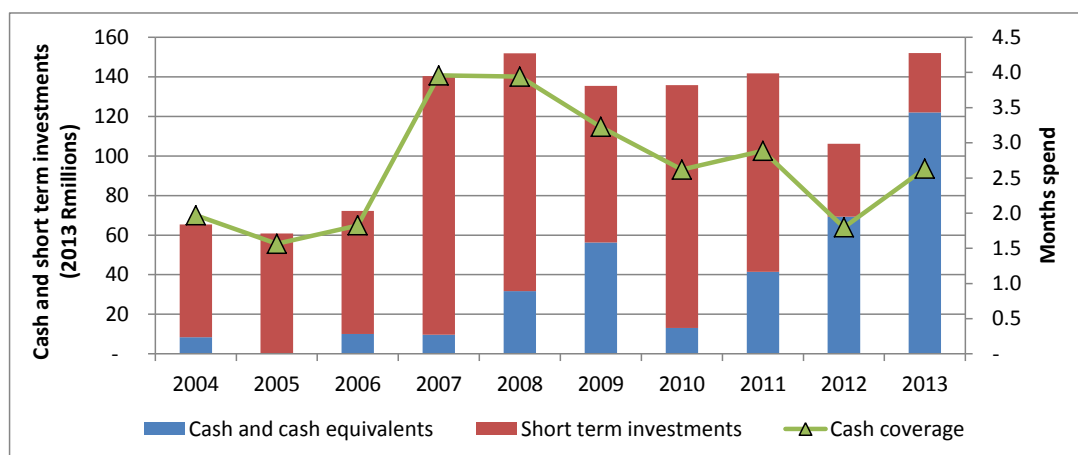


Figure 32: Long term historic trend in cash and short term investments, and in cash coverage ratio

Debtors management

Collection rates have historically been strong, meeting or exceeding the National Treasury norm of 95%.

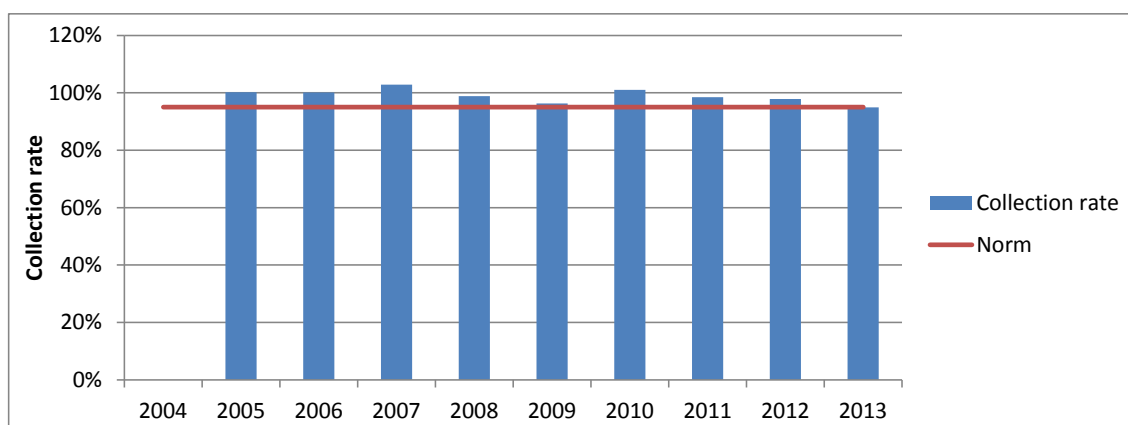


Figure 33: Long term historic trend in collection rate

Net debtor days are currently considerably higher than the National Treasury norm of 30 days. This is largely due to a change in the management of debt write-offs: since 2009, debt has been written off only once it is considered irrecoverable. Once net debtors days have stabilised, write-offs will commence in line with provisions in order to bring net debtors days down to 30 days.

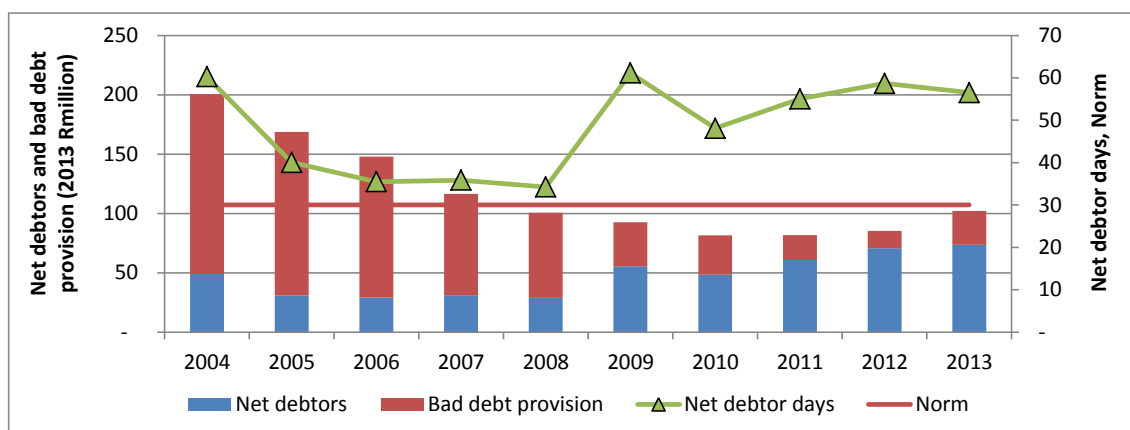


Figure 34: Long term historic trend in debtors and net debtor days

Asset management

High levels of *capital expenditure* were incurred during 2010 and 2011 due to the installation of the new WWTW in Worcester. Capital expenditure in recent years has been within the National Treasury norm of 10 to 20% of total expenditure.

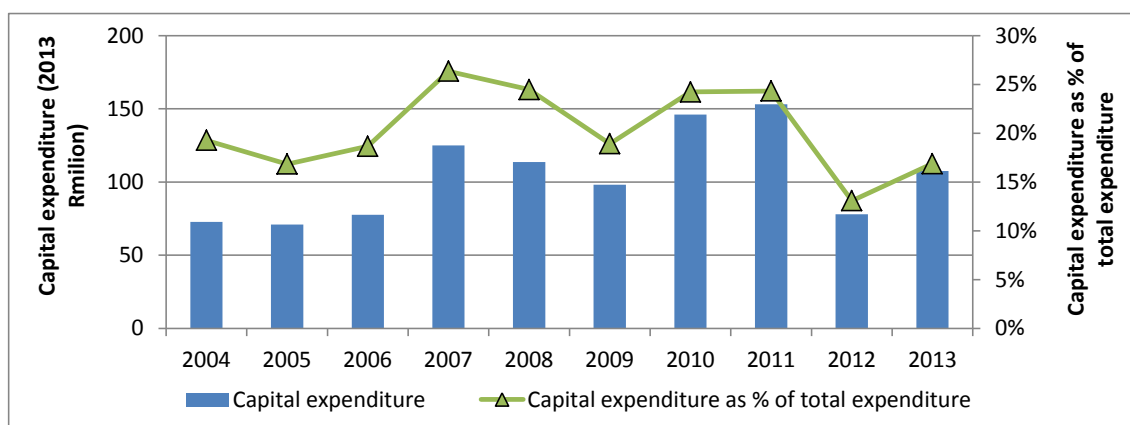


Figure 35: Long-term historical trend in capital expenditure

There is a strong drive to promote spending on *repairs and maintenance* in municipalities in South Africa. There is ample data that assets are not being properly operated and maintained, and this is resulting in assets not functioning at their full capacity. National Treasury is promoting a norm of repairs and maintenance expenditure at 8% of the value of Property, Plant and Equipment (PPE). Most municipalities are currently well below the norm: the nine largest South African cities as a group, for example, spent 3% of the value of their property, plant and equipment on repairs and maintenance in 2011/12⁴.

⁴ The nine cities include the eight metros plus Msunduzi LM.

Repairs and maintenance expenditure in BVLM was on a declining trend from 2008 to 2012, but turned around in 2013. Repairs and maintenance as a percentage of the value of PPE was 2.5% in 2013, compared to the National Treasury norm of 8%.

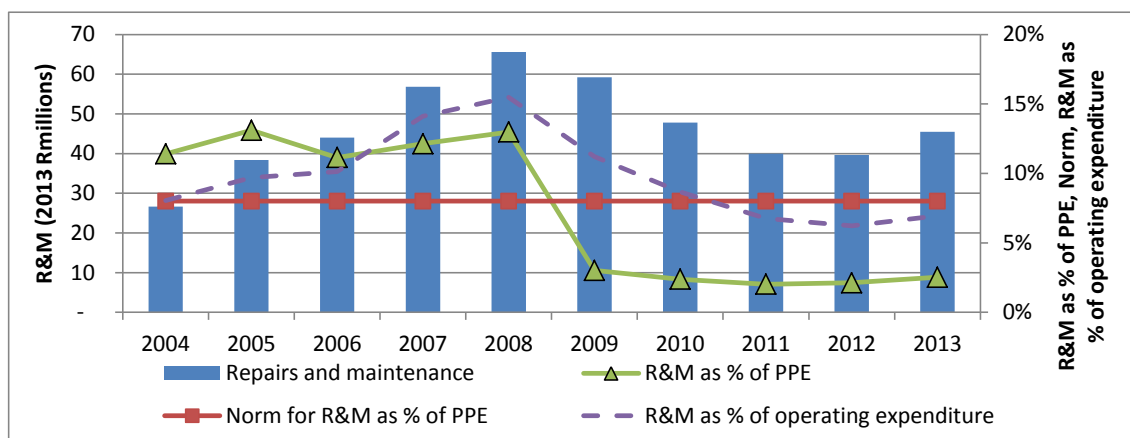


Figure 36: Long term historic trends in repairs and maintenance expenditure

Underlying assumptions

A large number of assumptions must be made when making a long-term plan. The most significant of these are discussed below.

Municipal growth rates

The rates of household and economic growth have been very close. The economy is growing just enough to accommodate the growth in households at the moment, but the extent to which this will remain true is uncertain.

The base assumptions for the financial plan have been household growth of 2.0% per annum on average going forward, with economic growth also at 2.0% per annum. Different combinations of household and economic growth at between 1% and 3% per annum on average have been tested.

Electricity bulk price increases

Increases in the bulk electricity price levied by Eskom on municipalities over the past five years have been a strong driver of rises in operating expenditure. The extent to which these prices will continue to rise is highly uncertain. The modelling has assumed 5% increases above inflation in 2015, with increases of 2% above inflation each year thereafter. Eskom bulk price increases are fully passed on to the customer through increases in the electricity tariff.

Growth in unit operating expenditure

Growth in operating expenditure is driven by two factors: underlying municipal growth, and growth in unit operating expenditures. Operating expenditure must rise to accommodate underlying municipal growth. The efficiency of that rise in expenditure can be measured using a 'unit operating expenditure', which is the operating expenditure per household or customer served. Above zero percentage increases in unit operating expenditure indicate that costs per customer served have risen.

To some extent, growth in unit operating expenditure is outside of the control of the municipality: nationally negotiated wage agreements are an example of external drivers of rises in unit operating costs.

BVLM aims to offset these external drivers of operating expenditure increase by achieving greater efficiencies in expenditure. Strategies to do this include:

- Cutting unnecessary expenditure.
- Investigating the consolidation of borrowing in order to reduce finance costs.
- Do comparisons of cost structure with similar municipalities in order to identify areas for efficiency gains.
- Cut non-core activities.

Excluding bulk purchases, operating expenditure per urban household in BVLM has risen by about 1.2% per annum above inflation on average over the past 10 years. The LTFP assumes that that rise will be constrained to 0.5% per annum above inflation in 2015; that there will unit operating expenditure will be reduced by 1% per annum in 2016 and 2017; and that it will be maintained at 0% per annum thereafter.

Increases in tariffs above inflation

The extent to which BVLM will be able to increase tariffs at a rate that exceeds inflation is probably the most important factor in determining the viability of the municipality in future. As discussed above, there are a number of factors driving expenditure in BVLM upwards. BVLM will strive to limit these through the achievement of expenditure efficiencies. It will also investigate revenue enhancement strategies prior to introducing any tariff increases.

As a base position, the LTFP assumes that there will be no tariff increases above inflation⁵.

BVLM will conduct a comparison between its tariffs and those of similar municipalities in the Western Cape.

Growth in government grants and subsidies

Government grants and subsidies have grown strongly historically; at rates often well above inflation. However, recent statements by the Minister of Finance indicate that this growth is going to be constrained going forward due to the constrained fiscal environment, and that grants and subsidies will be increased by rates below the inflation rate in the medium term at least. As a base position, the LTFP has assumed a growth of 0% per annum in 2014/15, rising back to the point where growth in government grants and subsidies matches the inflation rate by 2020.

Debtor management

The target for net debtor days set by National Treasury is 30 days. BVLM will bring net debtor days down to the target level by 2018. This will be achieved by maintaining a collection rate of 97% and by appropriate debt write-off.

Repairs and maintenance

BVLM will bring repairs and maintenance expenditure up to 8% of the value of property, plant and equipment by 2023.

Other assumptions

Other assumptions made in the projections are summarised below.

<i>Inflation</i>	6% per annum
<i>Interest rate earned on investments</i>	1% above inflation per annum
<i>Interest rate paid on external loans</i>	4% above inflation per annum
<i>Term of future external loans</i>	20 years
<i>Collection rate</i>	95%

⁵ Note that this is aside from those required to accommodate increases in the Eskom bulk electricity price. The LTFP has assumed that BVLM will continue to pass these increases on to customers through the tariff.

Liquidity reserve	25% of cash expenditure
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Table 68: Capital Expenditure need

It is estimated that **R2.77 billion (in 2014 Rands) is needed in BVLM over the next 10 years** to eliminate backlogs, allow for growth and renew the existing asset base. This is approximately R277 million p.a. on average.

The need varies between about R2.6billion and R3.1billion depending on growth assumptions.

Given that the highest level of capital expenditure incurred in an individual year over the past 10 years is about R150 million, and that capital budgets for the next three years are approximately R80 million p.a., the capital need is significantly higher than previous and planned expenditure.

Classification of the capital expenditure need

Capital expenditure can be classified by service (on which infrastructure service is it to be incurred?), by customer type (is the expenditure for the poor or for non-poor households and non-household consumers?) or by expenditure type (is the expenditure for new infrastructure or for the renewal of the existing infrastructure base?).

Capital expenditure need by service

The **most significant need for capital expenditure is on electricity**, with roads, water supply and sanitation also requiring significant expenditure.

Note that BVLM has recently invested in additional capacity in its water treatment and wastewater treatment plants. No expansion in capacity at these plants is required over the next 10 years and this reduces the need for capital expenditure on water supply and sanitation.

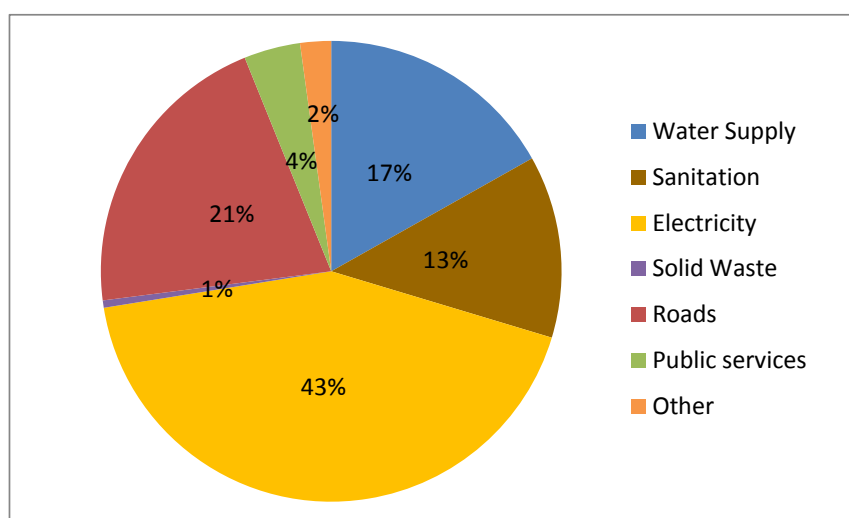


Figure 37: Breakdown of capital expenditure need by service

Capital expenditure need by customer type

Approximately **48% of the capital expenditure need is for infrastructure that will be used by poor households** (defined here as households earning less than R3 500 a month). The remaining 52% of expenditure is for non-poor households and non-household consumers.

Capital expenditure need by expenditure type

Only 32% of the capital expenditure need is for new infrastructure, in other words infrastructure to provide services to those currently without access and to allow for growth. The remaining **68% is for the renewal (rehabilitation, refurbishment and replacement) of the existing infrastructure base**, which is estimated to be worth approximately R5 billion.

Financial performance

The performance of BVLM on the operating account over the next 10 years will determine cash flow generated and thus ability to raise capital finance.

BVLM aims to comply with the financial norms and standards established by National Treasury, and these have been guiding factors in projecting performance on the operating account.

The operating surplus margin is the key financial indicator in terms of operating performance. The operating surplus margin measures the extent to which BVLM generates revenue that is greater than its operating expenditure. This is a key measure of financial sustainability.

Based on the assumptions outlined in Section 0, **operating surplus margins will remain above 0% over the next 10 years**, with the exception of one year (2021).

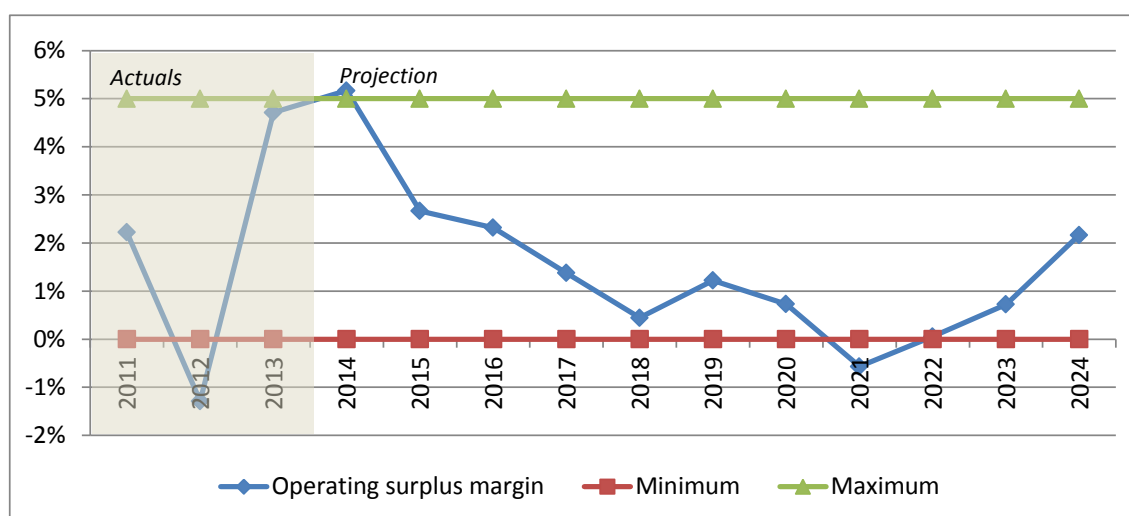


Figure 38: Projected operating surplus margin

Cash flow

In many respects, 'cash is king' for municipalities. The extent to which a municipality has a strong cash position is an important indicator of its financial strength. Cash flow is also a key determinant of ability to raise finance via borrowing.

BVLM will continue to generate strong cash surpluses over the next 10 years, with cash at the end of the year increasing in excess of inflation year on year. The cash coverage ratio is a key indicator of the strength of a municipality's cash position. It is a measure of the number of months of cash expenditure that can be covered by the cash that the municipality has on hand at the end of the year. The cash coverage ratio will be high for a period between 2016 and 2020, and will sit comfortably within the 1 to 3 month range recommended by National Treasury for the remainder of the next 10 years.

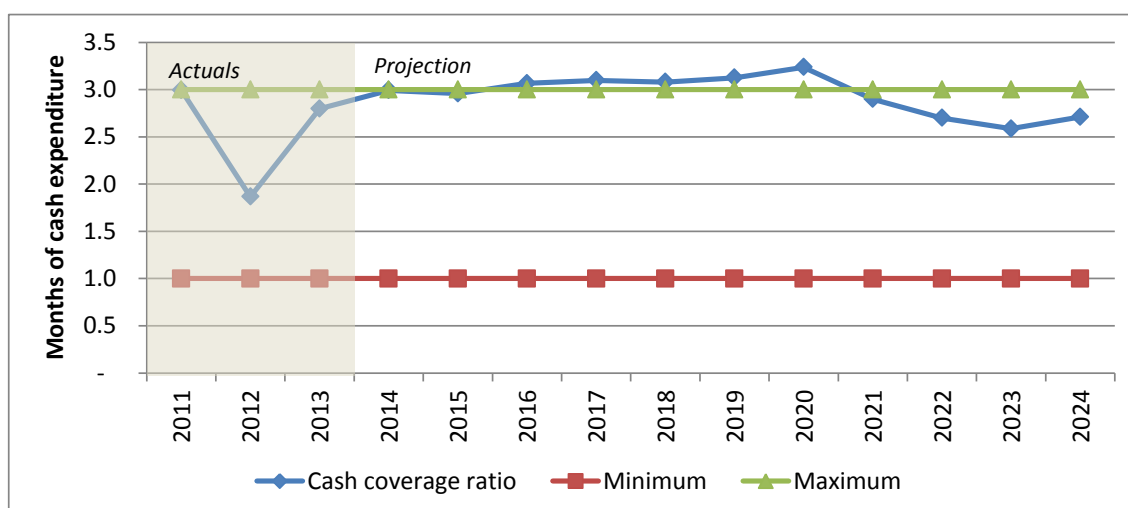


Figure 39: Cash coverage ratio

Sustainable capital programme

Municipalities fund their capital programmes through a mix of grants received from national or provincial government; development charges; cash surpluses generated on the operating account; or borrowing. The extent to which a municipality is able to borrow depends to a large extent on its cash flow position: banks will only lend to municipalities that can demonstrate that they will have adequate cash available to repay a loan.

A projection of 'free cash flow'⁶ indicates that BVLM can **sustainably finance a capital programme of R1.0 billion over the next 10 years**. This is 36% of the estimated capital need of R2.77 billion.

⁶ 'Free cash flow' is the cash flow generated by the municipality that is not already committed for other purposes. Municipalities must set cash aside for a number of purposes (one example is as a liquidity

The figure below shows the sustainable capital programme relative to the capital expenditure need determined in the modelling (see Section 0 earlier in this report).

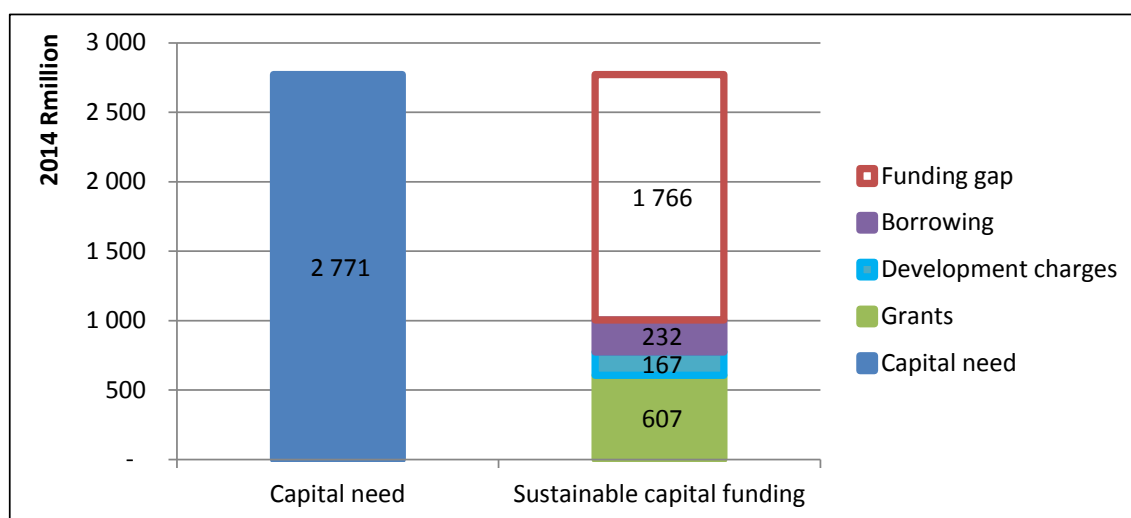


Figure 40: Sustainable capital programme & funding GAP

With capital grants expected to grow at below inflation in the medium term, BVLM can expect to receive about R607 million in capital grants over the next 10 years.

If BVLM fully recovers the cost of all bulk and connector infrastructure for non-poor households and non-residential customers through development charges, then the municipality can raise about R167 million through this finance source over the next 10 years. This is the maximum that will be possible from this finance source.

Finally, the 'free cash flow' projection indicates that BVLM can borrow about R232 million (2014 Rands) over the next 10 years.

The sustainable capital programme per annum, together with funding mix, is shown in the figure below. BVLM has historically adopted a pattern of a 'big push' on capital expenditure every five years or so. The municipality intends to continue this pattern for the medium term.

reserve to cover cash expenditure). 'Free cash flow' refers to the cash generated during the year that is not committed for other purposes, and is thus available to service new borrowing.

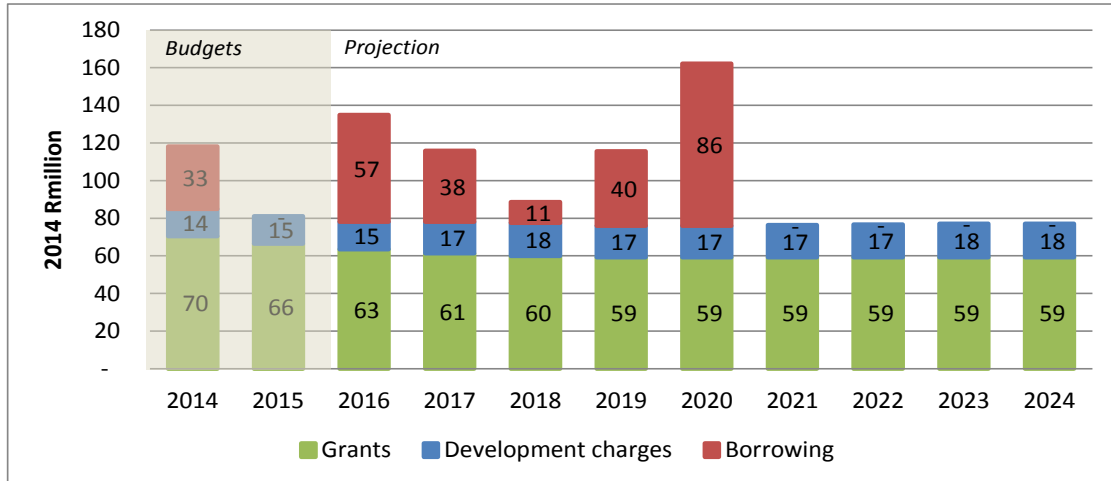


Figure 41: Sustainable capital programme per annum

Financial position

The financial position of BVLM will remain sound over the next 10 years under the plan proposed in this document.

Capital expenditure incurred will average 10% of total expenditure for the period.

Net debtor days will be reduced to 30 by 2018 and maintained at that level thereafter.

The current ratio will dip to 1.48 in 2023, but remain within the norm of 1.5 to 2 for the remainder of the 10 years.

Debt as a percentage of revenue will be slightly below the norm of 45% as recommended by National Treasury for most of the period, and will decline towards the end of the period. This is because cash flow needs time to recover after the borrowing taken up between 2016 and 2020.

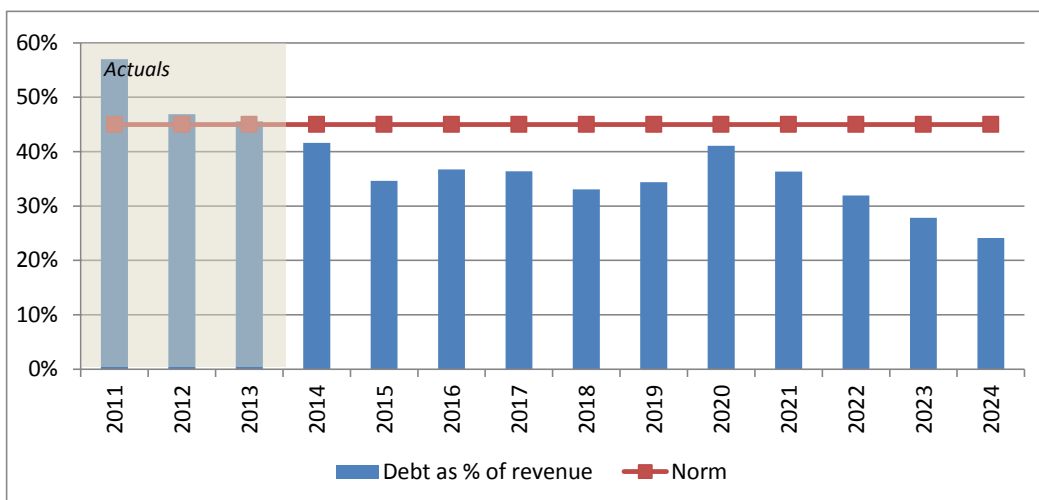


Figure 42: Projected debt as % of revenue

Risk assessment

Critical risks for the financial sustainability of BVLM are identified and discussed below.

Unsustainable municipal growth patterns

BVLM has a strong underlying economy, and has seen moderate household growth in recent years. This means that the economy has growth rapidly enough to support the growth in households. If economic growth in the municipality collapses, or household growth increases at a rate significantly above economic growth, then household income will decline and ability to pay for municipal services will decrease over time. The burden of providing free services becomes higher, and there are fewer high-income households and businesses able to cross-subsidise the cost of providing services to low income households.

This has been tested in the modelling conducted in preparing the LTFP: if economic growth is only 1.0% p.a. over the next 10 years, but household growth remains at current levels (2.0% p.a. for the municipality as a whole), BVLM can continue to operate sustainably, but operating surpluses will come under pressure and the sustainable capital programme will be reduced.

Table 70: Impact of reduced economic growth

Change	Sustainable capital programme (2014 Rbillion)	Operating surplus margin in 2024	Total debt as % of total revenue (average over period)
Base scenario	1.0	2.2%	33%
2.0% hh growth and 1.0% economic growth	0.89	0.2%	31%

Table 69: Impact of reduced economic growth

The LTFP has assumed that BVLM can introduce expenditure efficiencies in order to contain growth in unit operating expenditure. If this is not possible, and unit operating expenditure continues to grow at current rates (approximately 1.2% in excess of inflation each year) the operating position of the municipality worsens and deficits are incurred from 2020 onwards.

Change	Sustainable capital programme (2014 Rbillion)	Operating surplus margin in 2024	Total debt as % of total revenue (average over period)
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Base scenario	1.0	2.2%	33%
Continued growth in unit operating expenditure and no tariff increases above inflation	0.67	-3.9%	17%

Table 70: Impact of failure to constrain unit operating expenditure increases

Debtor management

BVLM has historically been able to maintain high collection levels, and the LTFP has assumed that these will continue into the future. However, consumers in South Africa are under increasing pressure from rising prices, particularly rising electricity prices. There is a risk that the ability of consumers to pay for municipal services declines over time, and BVLM is not able to maintain collection rates of 95% or higher.

If collection rates decline by 1% per annum until they reach 90%, and remain at that level, BVLM will come under pressure on the operating account. The modelling shows that the municipality will cease to generate operating surpluses from 2018 onwards, and the affordable capital programme will be considerably reduced.

Change	Sustainable capital programme (2014 Rbillion)	Operating surplus margin in 2024	Total debt as % of total revenue (average over period)
Base scenario	1.0	2.2%	33%
Collection rate declines to 90%	0.77	-0.5%	17%

Table 71: Impact of declining collection rates

Implications for BVLM

BVLM can remain financially sustainable and in a sound financial position over the next 10 years, even with no tariff increases above inflation⁷, and while substantially increasing its expenditure on repairs and maintenance in order to reach the levels required by National Treasury. This will require BVLM to

⁷ Aside from those required to accommodate increases in the Eskom bulk electricity price.

put measures in place to limit growth in operating expenditure on areas other than repairs and maintenance.

BVLM will not be able to raise sufficient capital finance to fully meet the identified need for capital expenditure and will face a capital funding gap. This means that capital expenditure will have to be prioritised. BVLM will do this on the basis of a prioritisation model that will ensure that capital expenditure incurred is balanced between services (balancing expenditure on water, sanitation, electricity and so on), customer type (balancing expenditure on the poor with that on non-poor households and non-household consumers) and expenditure type (balancing expenditure on new infrastructure with that on renewal). The goal of this prioritisation will be to ensure that social and economic needs are balanced and that infrastructure remains sustainable.

Implementation of the LTFP

It is proposed that the Long Term Financial Plan be approved by Council.

A number of further studies are required to implement the intentions outlined in the LTFP. These include:

1. The identification of opportunities for expenditure efficiency.
2. A tariff comparison between BVLM and similar municipalities in the Western Cape, with a particular focus on the affordability and structure of tariffs.
3. A revenue enhancement study.
4. Preparation of asset registers, including Current Replacement Cost of assets, in order to better estimate need for capital expenditure on renewal of assets.
5. Comparison of levels of development charges currently levied with those proposed by Western Cape Provincial Government in order to identify opportunities to maximise development charges finance.

Appendix 1: Projected financial ratios

	Norm	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
FINANCIAL POSITION															
Asset management															
Capital expenditure to total expenditure	10% - 20%	21%	10%	14%	13%	8%	13%	11%	8%	11%	14%	6%	6%	6%	6%
Repairs and Maintenance as a % of PPE	8%	2.1%	2.1%	2.6%	3.0%	3.5%	4.0%	4.5%	5.0%	5.6%	6.2%	6.8%	7.4%	8.0%	8.0%
Debtors management															
Collection rate	95%	98%	98%	95%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%	97%
Net Debtors Days	30	49	53	54	49	44	40	35	30	30	30	30	30	30	30
Liquidity management															
Cash / Cost Coverage Ratio	1 - 3 months	3.0	1.9	2.8	3.0	3.0	3.1	3.1	3.1	3.1	3.2	2.9	2.7	2.6	2.7
Current ratio	1.5 – 2	1.78	1.52	1.73	1.77	1.73	1.74	1.75	1.74	1.73	1.74	1.61	1.53	1.48	1.51

	Norm	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Liability management															
Capital cost as % of total operating expenditure	6 - 8%	4%	5%	8%	8%	7%	6%	6%	5%	4%	4%	5%	4%	4%	4%
Total debt / Revenue	45%	57%	47%	46%	42%	35%	37%	36%	33%	34%	41%	36%	32%	28%	24%
Sustainability															
Level of cash backed reserves	100%				126%	123%	123%	124%	124%	125%	129%	117%	119%	121%	130%
FINANCIAL PERFORMANCE															
Efficiency															
Net operating surplus margin	>=0%	2.2%	-1.3%	4.7%	5.2%	2.7%	2.3%	1.4%	0.4%	1.2%	0.7%	-0.6%	0.1%	0.7%	2.2%
Revenue management															
Revenue growth %		16%	10%	15%	11%	8%	8%	8%	8%	9%	9%	9%	9%	9%	9%

	Norm	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenditure management															
Remuneration as % of total operating expenditure	25 - 40%	33%	31%	31%	31%	30%	30%	29%	29%	29%	28%	27%	27%	27%	27%
Grant dependency															
Own funded capital expenditure to total capital expenditure		73%	0%	48%	32%	0%	47%	38%	15%	40%	59%	0%	0%	0%	0%
Own source revenue to total operating revenue		81%	83%	83%	84%	85%	86%	87%	88%	88%	89%	89%	89%	90%	90%

Table 72: Projected financial ratios

Appendix 2: Further detail on capital need analysis

The capital needs analysis was conducted using the Municipal Services Financial Model (MSFM), an Infrastructure Investment Planning tool originally developed for the DBSA and then-Department of Provincial and Local Government, and applied to date in 38 municipalities in South Africa.

1.1 Background on the MSFM

The MSFM projects the full operating and capital accounts associated with infrastructure provision in a municipal area over 10 years.

The model is based on a user-defined service delivery programme. This is used to project the numbers of consumers with different levels of service in each year of the model run, as well as the numbers of consumers that are provided with different levels of service in each year. The approach is illustrated in the figure below.

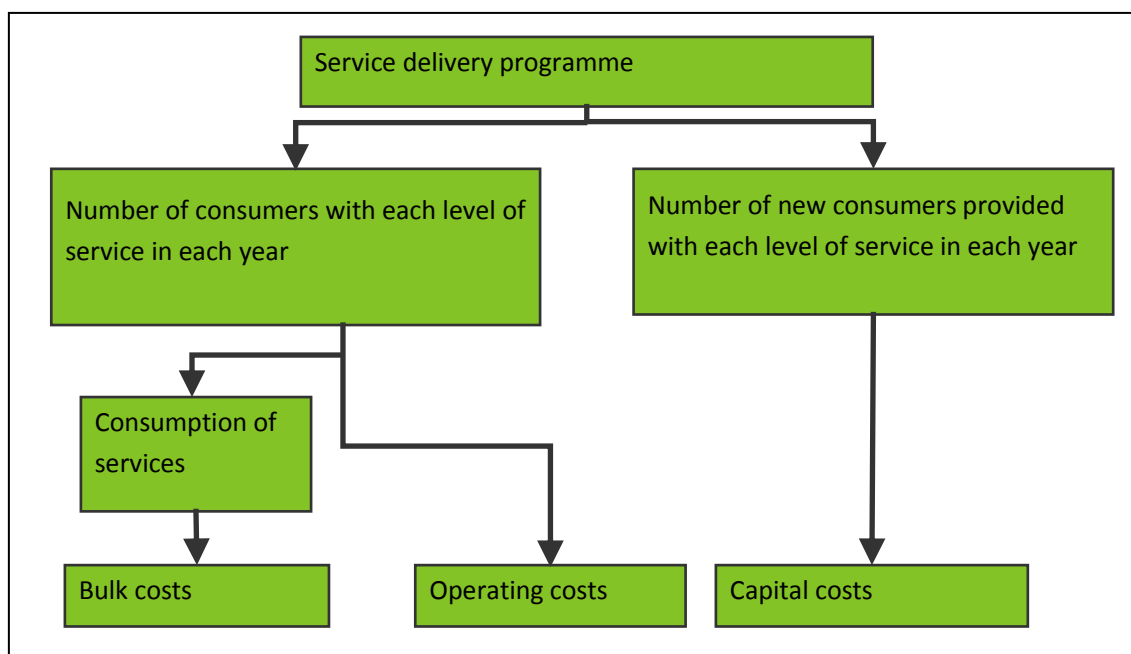


Figure 43: Municipal Services financial Model approach

Once the service delivery programme is known, the model estimates bulk costs, operating costs and capital costs using unit consumptions, operating costs per consumer and capital costs per new consumer unit connected for each level of service.

There are three 'settlement types' that are looked at in the model. These are urban formal, urban informal and rural.

The model considers infrastructure services delivered along with housing separately from services delivered independently from the housing process.

Services modelled

The model looks at seven functional groupings, namely: governance, administration, planning and development facilitation (GAPD); public services; housing; water services; electricity; roads and solid waste.

Modelling capital expenditure

In the case of capital expenditure, the model considers expenditure on new infrastructure (bulk and connector as well as internal infrastructure financed through housing subsidies) and on the rehabilitation of existing infrastructure. It allows for the inclusion of capital required for 'special' infrastructure projects (such as major public transport infrastructure), but does not model this. Rather, the user must estimate the value of this expenditure in each year of the model run.

Modelling capital finance

In the case of capital expenditure, the model considers expenditure on new infrastructure (bulk and connector as well as internal infrastructure financed through housing subsidies); on the renewal of existing infrastructure and on demand management programs. It allows for the inclusion of capital required for 'special' infrastructure projects

New infrastructure

'New' refers to expansions to infrastructure in order to increase capacity.

Renewal of existing infrastructure

Renewal in the model refers to all capital expenditure to extend the useful life of infrastructure by refurbishment or replacement of components.

Demand management programmes

Expenditure on demand management programmes would include items such as retro-fitting or expenditure on new metering systems.

'Special' infrastructure projects

This includes items such as major public transport infrastructure. The MSFM does not model this. Rather, the user must estimate the value of this expenditure in each year of the model run.

Modelling operating expenditure

Operating expenditure is modelled using unit costs. These costs include both operating and maintenance costs as well as bulk purchase costs.

Modelling operating revenue

The revenue side of the model considers Equitable Share allocations and other operating grants, user revenue and other sources of rates and general revenue. User revenue is calculated based on affordability assumptions, and not based on tariffs.

A note on inflation

This report uses the term 'real' figures to mean figures expressed in constant Rand values at 2013/14 prices. The term 'nominal' is used to refer to figures that include changes in price that occur due to inflation. In an inflationary environment, the nominal expenditure required in future will be higher than the real expenditure required. For example, if inflation during 2014/15 is 5%, then real capital expenditure of R1million in 2015/16 is equivalent to nominal capital expenditure of R1.05 million (R1 million x 1.05).

1.2 Sources of data

The data used in the model was obtained from a variety of sources. Wherever possible, data specific to the municipality was used, based on direct engagements with municipal officials. Where data was unavailable, estimates have been used based on national datasets and experience in applying the model to other municipal contexts.

1.3 Key parameters underlying the model

Key parameters underlying the model are presented in this section.

Service provision arrangements

The MSFM was run for service provision by BVLM only. All service provision by external or local municipal service providers was excluded from the model results. BVLM provides water services, refuse removal and public services in the urban areas only. Electricity is provided in all urban areas excluding Rawsonville, Touwsrivier and some parts of De Doorns

Model base year

The base year (year for which data is entered) for the model run was 2014/15.

Population, households, non-residential consumers and household growth

Current population and households

The current population and households were calculated based on Census 2011, escalated to the base year using the inter-census growth rate from 2001 to 2011.

	Population	Households	Consumer units
Urban formal	94 104	24 873	22 873
Urban informal	23 426	8 633	8 633
Rural	49 021	11 578	11 578
TOTAL	166 551	45 084	43 084

Table 73: Distribution of population between settlement types

A comment on households and consumer units

While most socio-economic research focuses on the household as the key demographic unit, the MSFM works in 'consumer units'. A consumer unit is the unit provided with services by the municipality. In urban areas this is typically a plot, where the consumer unit is the unit which is provided with a tap, toilet or electricity supply point.

The number of households in a municipality may differ from the number of consumer units for several reasons (most notably the prevalence of backyard shacks and over-crowding, which result in consumer units that comprise several households). The relationship between consumer units and households may change over time, due in part to the provision of state housing.

There is no good data on the relationship between consumer units and households in BVLM at present. The number of consumer units was determined by the correlation of the number of account holders to the households which were surveyed during the Census 2011 process.

Non-residential consumers

The water and electricity accounts were reconciled to determine the number of non-residential consumers in BVLM. These numbers are shown in the table below.

	Number
Industrial	145
Commercial	1 115
Other non-residential	540
TOTAL	1 800

Table 74: Non- residential consumers in BVML

Household growth

Household growth between Census 2001 and Census 2011 was 1.97% p.a. for BVLM as a whole. The number of households in rural areas declined over the period.

For the projections, the overall rate of growth of 1.97% was assumed to continue. Rural areas were assumed to remain stagnant. This implies that urban areas will grow at about 2.6% p.a. on average over the period.

Income distribution

Income distribution is a key parameter in the modelling due to the way in which user charge revenue is calculated⁸. The income distribution used in the model was based on Census 2011 with adjustments being to account for inflation between 2011 and the base year of the model run.

Household income per month	Up to R800	R801 to R1 600	R1 601 to R3 500	R3 500 to R6 400	R6 401 to R12 800	More
% of households	17%	18%	26%	16%	11%	14%

Table 75: Total households income distribution used in the modeling

'Low income' is defined in the model as household income of R3500 per month or less. The model thus assumes that 61% of households are low income.

Economic growth

The Municipal Economic Review Outlook (by Provincial Treasury) indicates that GDP growth over the past 10 years has been 2.4% on average. BVLM officials consulted indicated that they believe that this is an overestimate and that an economic growth rate of 2% per annum is more accurate.

The modelling has assumed that economic growth will continue at current rates throughout the model run.

Current access to services

Information on current access to services was obtained from Census 2011, and modified based on municipal data and consultation with municipal officials.

⁸ User charge revenue is calculated based on affordability assumptions. Indigent households (defined in the model as households earning up to R 1 600 per month) are assumed to pay nothing for services; low income households (defined as those earning between R 1 601 per month and R3 500 per household per month) are assumed to pay the lesser of the cost of providing services or an affordability limit; and high income households are assumed to pay in excess of cost.

Housing

Census 2011 suggests that the housing backlog in the municipality is 23% of households. This translates to a backlog of about 11 000 households. This figure was discussed with the Housing Department and is regarded as acceptable, although their housing backlog list is approximately 23 500 people.

The rate of new housing provision is important in the model because engineered infrastructure (water, sanitation, electricity and roads) must be provided along with houses. The municipality must thus plan for this expenditure in coordination with the delivery of housing. BVLM provided 546 in 2013/14, and is planning to provide 751 and 606 in 2014/15 and 2015/16 respectively. Note that this provision of housing is not adequate to fully eradicate the housing backlog over the 10 year model run.

Water supply

According to the BVLM IDP document, there are no households in the urban areas of BVLM that do not have access to a basic level of service for water. However, Census 2011 suggests that there is a backlog of approximately 700 households in informal settlements.

Sanitation

According to the IDP, 94.3% of households have access to basic levels of sanitation, therefore the backlog is approximately 3 000 households. Again, due to definitional differences between the basic level of service characterisation, the backlog is higher at 7 500 households. (Breede Valley Municipality defines a chemical toilet shared between three households as a basic level of service, but the model uses RDP standards, where this is defined as an inadequate level of service).

Electricity

According to the Breede Valley Municipality IDP, there are no houses that do not have access to electricity, however, according to Census 2011, there were almost 6 000 houses that did not have an adequate level of service in 2011. It is not possible that in the three years between 2011 and 2014 that the backlog was completely eradicated, in particular because of the growth in households within the urban areas. The current backlog is estimated in the region of 5 000 households. There may be another definitional problem in this case, as the municipality will not provide electricity to any informal settlements which are outside the urban edge, thus it is possible that all of the settlements which are outside the town, are excluded from the backlog calculation in the IDP.

Solid waste

From Census 2011 and discussions with the relevant line department within the municipality, it was determined that 5% of consumers do not have access to an adequate solid waste removal service. In urban formal areas, the vast majority of households have weekly kerbside waste removal. However, in

informal settlements about 50% of households make use of either on-site waste disposal or communal dumping. The model assumes that these levels of service will be maintained.

Roads

According to data obtained from the Roads Department, the municipality is currently responsible for about 348 km of tarred roads and 40km of gravel roads.

Resource balances

Resource are important entries in the model, as they allow us to ‘tune’ the model to ensure that the unit consumption levels used to project resource use going forward are realistic and appropriate for the municipality being modelled.

Water

A water balance was estimated based on the Water Services Audit and data on water sales statistics.

	Volume (MI pa)	Comments
Water sold	11 041	Water services Audit Report (2012/13) adjusted based on sales figures and growth.
<i>Residential consumers</i>	4 996	Residential share from 2012/13 water sales statistics
<i>Non-residential consumers</i>	6 045	Non-residential share from 2012/13 water sales statistics
Non-Revenue Water	3 525	22% NRW in total from Water Services Audit.
<i>Non-technical losses</i>	1 322	Water services Audit Report (2012/13)
<i>Technical losses</i>	2 203	Water services Audit Report (2012/13)
Total water demand	14 566	

Table 76: Water balance used in the model

Electricity

An electricity balance was estimated based on data provided on sales for July 2013 to March 2014.

	Volume (MWh pa)	Comments
Electricity sold	288	Sales for July 2013 to March 2014 adjusted based on discussion with BVLM Electricity Department.
<i>Residential consumers</i>	122	Residential share from July 2013 to March 2014 sales statistics
<i>Non-residential consumers</i>	178	Non-residential share from July 2013 to March 2014 sales statistics adjusted based on discussion with BVLM Electricity Department.
Non-Revenue Electricity	19	Electricity department indicates 10% total losses.
<i>Non-technical losses</i>	9	
<i>Technical losses</i>	9	Assume 5%.
Total electricity demand	318	

Table 77: Electricity balance used in the model

Current Replacement Costs of assets

Capital expenditure on new infrastructure in the model is calculated using 'unit capital cost' data, that is, average cost to provide a service at a specified level of service in Rands per additional household served. Default unit costs were developed for the DBSA by civil engineering consultants and are available in the MSFM. Costs can vary significantly across South Africa and so if good data on the Current Replacement Cost (CRC) of the existing assets in the municipality is available, then this is used to adjust the unit costs so that they more accurately reflect local costs.

BVLM does not have data on the CRC of its asset base and so the default unit costs were used. The CRC of the existing asset base, using the default unit costs, is summarised in the table below.

	CRC (Rmillion)	% of total CRC
Water	1 131	23%
Sanitation	699	14%
Electricity	1 469	30%

Roads and stormwater	1 271	26%
Public services	175	4%
Other infrastructure	224	5%
TOTAL	4 969	

Table 78: Current replacement costs of assets used in the model

1.4 Model results

Key model results are summarised below.

Growth in consumers

Relative rates of household and economic growth in the model result in changes in the household income distribution over time: very simplistically, if household growth exceeds economic growth, then the income distribution will become worse; and vice versa if economic growth exceeds household growth.

Recall that the base model scenario assumed overall household growth of 1.97% p.a. in BVLM, but urban growth of 2.63%; and economic growth of 2%. It is the urban growth that is most relevant, as BVLM provides services almost exclusively in urban areas. Urban household growth exceeds economic growth and so the number of low income consumer units grows more rapidly than the number of high income consumer units. This is shown in the figure below.

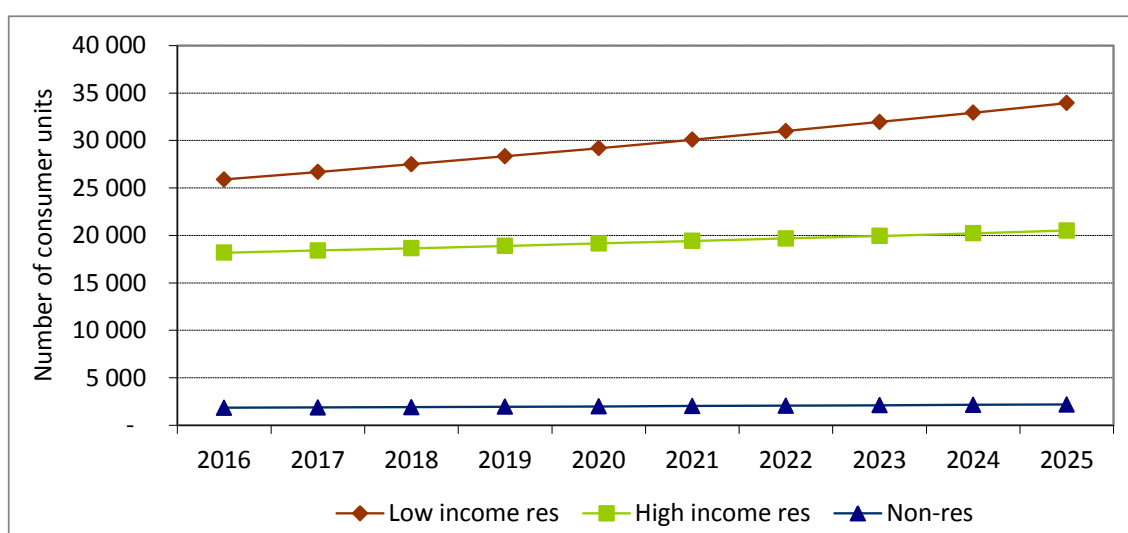


Figure 44: Projection of consumer units

Overall there will be 10 505 new consumer units over the 10 year model run.

Demand for resources

Demand is projected over time based on growth in number of consumers and unit levels of consumption.

Water consumption is expected to grow at about 2.6% p.a. on average in the base scenario.

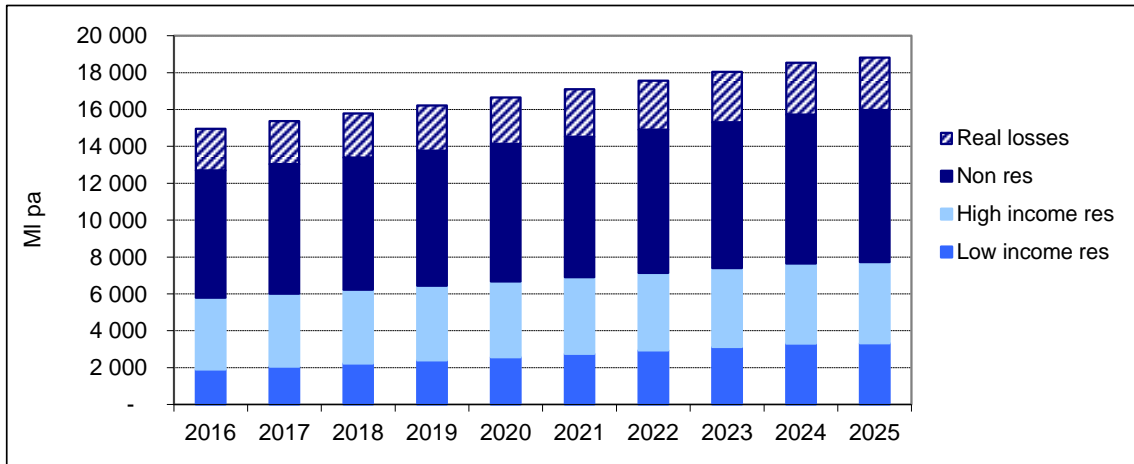


Figure 45: Water consumption projection

Electricity consumption is projected to grow at about 2.40% p.a. on average.

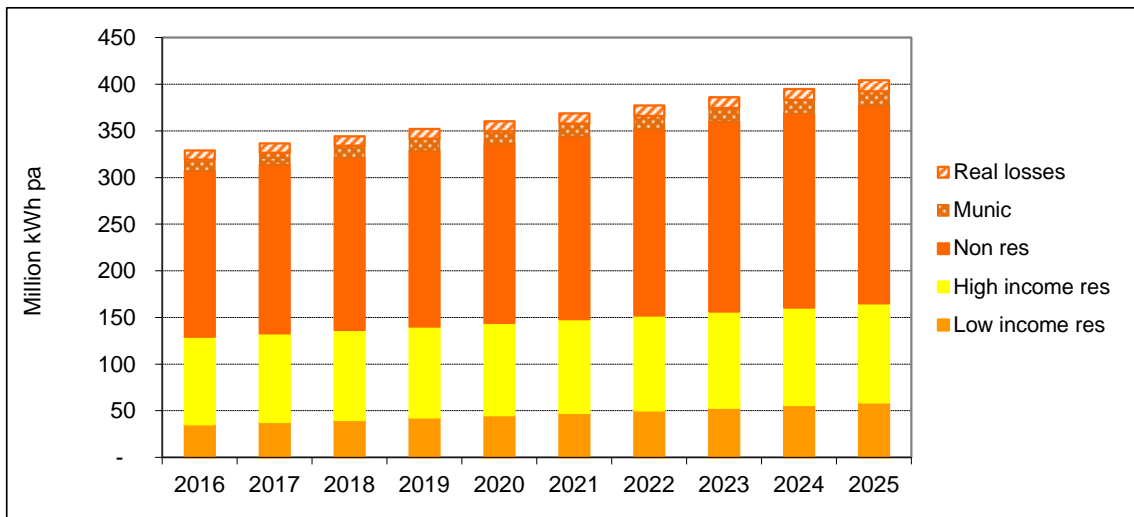


Figure 46: Consumption of electricity projection

Capital expenditure required

The model base run suggests that R2.77 billion in capital expenditure is required in DLM over the next 10 years to eliminate backlogs, allow for growth and renew the existing infrastructure base.

Note that model projections in fact begin in 2016, and the 2015 figures used were directly from the budget.

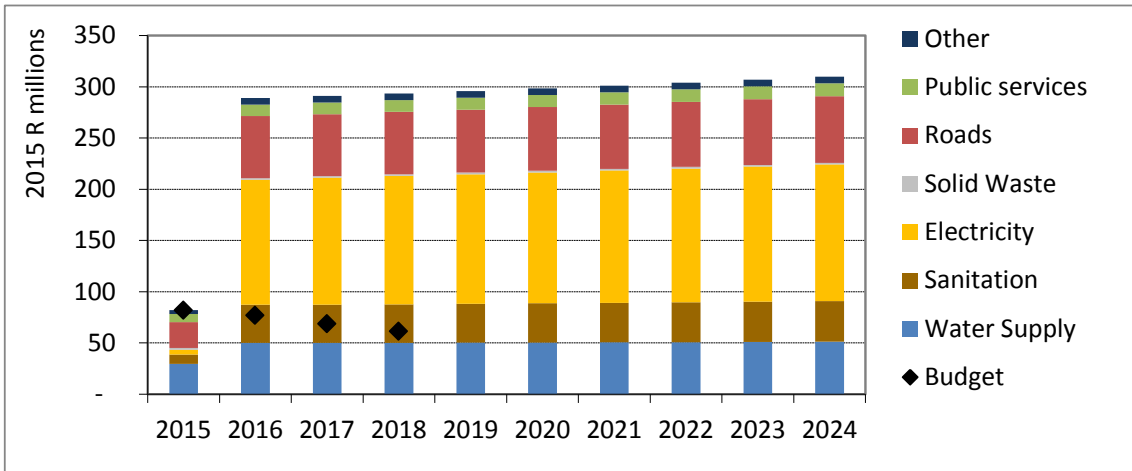


Figure 47: Capital expenditure required by service

The very significant difference between the figures that the model calculates as the 'need' for capital expenditure and the current capital budgets is immediately apparent.

The most significant need for capital expenditure is on electricity, with roads, water supply and sanitation also requiring significant expenditure.

Note that BVLM has recently invested in additional capacity in its water treatment and wastewater treatment plants. No expansion in capacity at these plants is required over the next 10 years and this reduces the need for capital expenditure on water supply and sanitation.

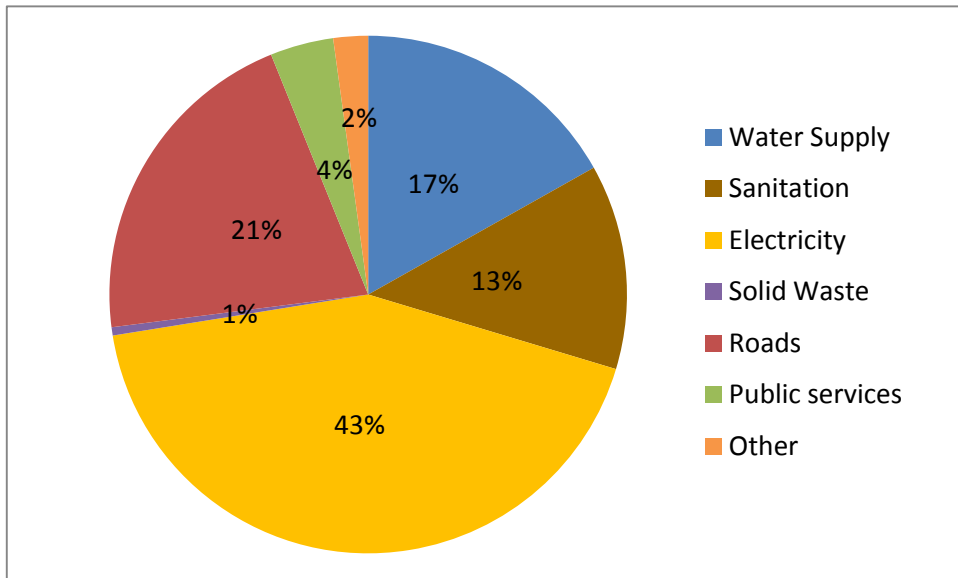


Figure 48: Breakdown of capital expenditure need by services

Capital expenditure need by customer type

Approximately 48% of the capital expenditure need is for infrastructure that will be used by poor households (defined here as households earning less than R3 500 a month). The remaining 52% of expenditure is for non-poor households and non-household consumers.

Capital expenditure need by expenditure type

Only 32% of the capital expenditure need is for new infrastructure, in other words infrastructure to provide services to those currently without access and to allow for growth. The remaining 68% is for the renewal (rehabilitation, refurbishment and replacement) of the existing infrastructure base.

Appendix 3: Further detail on borrowing capacity analysis

A proprietary debt model developed by AfCap Consulting was used to assess the scale of capital funding that BVLM is able to service. This model projects the annual financial statements (AFS) of the municipality forwards in order to conduct a 'free cash flow' analysis. The model is designed to predict and indicate the maximum capital programme that can be implemented by the municipality. The model has been used in South Africa by organisations such as the DBSA, the World Bank and INCA. It is a useful tool in developing Shadow Credit Ratings and has been used in a number of different countries including Senegal, Kenya, Burkina Faso, Tunisia and the DRC.

The model is capable of predicting, over a ten year period, the income statement, the balance sheet and the cash flow statements coupled with a ratio analysis. This is illustrated in the accompanying abridged model. The model is primarily aimed at predicting and indicating the maximum capital programme that can be executed and implemented without additional external support. The model however also has a secondary purpose in assisting the council and officials to understand the scale of the negative implications of relaxing management efficiency, failing to apply credit policies and failing to control increases in operational costs. The converse is however also true as it can serve to illustrate the benefits of initiating and implementing an appropriate programme of performance enhancements and the impact that this could have in terms of allowing for the expansion of a capital programme.

The model is based on the following steps:

- Analysis of the Annual Financial Statements to identify trends and anomalies,
- Clarification of any inconsistent data or lack of clarity by engaging with key officials,
- Discussion of realistic assumptions with key officials, and
- The preparation of different scenarios on a cash flow basis.

The model is based on a cash flow approach by adjusting the income statement for non-cash items. The 2013/14 Annual Financial Statements were still being prepared at the time that the modelling was conducted, and so the 2012/13 Annual Financial statements were used as the base for the modelling.

The model is based on a number of variable assumptions. In this model, these assumptions can be categorised as lower order base variables and higher order strategic variables.

The lower order base assumptions made in the model were aligned with those made for the capital needs analysis conducted using the MSFM. These include assumptions regarding population growth, consumption growth, electricity distribution losses, non-revenue water etc. These assumptions are used to develop the base of the model and although it is possible to vary these parameters, they are generally held fixed in the model.

The model also incorporates higher order, strategic assumptions that can be varied to test different scenarios. The base assumptions made are discussed in the main body of the report.

Higher level assumptions can be easily varied in the model, and a user-friendly version of the model has been made available to BVLM in order to allow officials to test scenarios themselves.

CHAPTER 8

CHAPTER 8

Breede Valley municipality is responsible for the delivering of municipal functions as specified in Schedule 4B and 5B of the Constitution. All the strategic planning processes to address these functions should be aligned and fully integrated to ensure sustainable growth and development. It is therefore required that all the sector plans are considered as these plans should guide the departments on specific issues to be addressed during planning and implementation of the IDP.

Breede Valley municipality is responsible for delivering the following services:

Municipal Function	Municipal Responsibility
Constitution Schedule 4, Part B functions:	
Air pollution	Technical Services
Building regulations	Technical Services
Electricity reticulation	Technical Services
Firefighting services	Community Services
Local tourism	Strategic Support Services
Municipal planning	Technical Services
Municipal public transport	Community Services
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	Technical Services
Stormwater management systems in built-up areas	Technical Services
Trading regulations	Community Services
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Technical Services
Constitution Schedule 5, Part B functions:	
Beaches and amusement facilities	Technical Services
Billboards and the display of advertisements in public places	Technical Services
Cemeteries, funeral parlours and crematoria	Technical Services
Cleansing	Technical Services
Control of public nuisances	Community Services
Local amenities	Technical Services
Local sport facilities	Community Services
Municipal abattoirs	Strategic Support Services
Municipal parks and recreation	Technical Services
Municipal roads	Technical Services
Noise pollution	Community Services
Public places	Community Services
Refuse removal, refuse dumps and solid waste disposal	Technical Services
Street trading	Community Services
Street lighting	Technical Services
Traffic and parking	Community Services

Table 79: Municipal functions

The sector plans available at the municipality focuses on specific sectors within the context of local government. The alignment of sector plans between all spheres of government is important in ensuring integration of programmes and maximum utilization of available resources. It should be noted that information provided in this chapter originates from existing sector plans and/or operational plans.

The following table highlights the status of the sector plans where after each of the sector plans are discussed in more detail:

Sector Plan	Status of Plan
Long Term Financial Plan	In process
Spatial Development Framework	Approved
Land Use Management Plan	Reviewed with SDF
Urban Revitalisation Plan	Still needs to be drafted
Local Economic Development Strategy	Approved
Disaster Management Plan	Approved and reviewed
Electricity Master Plan	Plans available for all towns except Rawsonville that is served by Eskom. All plans to be reviewed to include low voltage.
Integrated Infrastructure Maintenance Plan	The plan will be prepared during the NDGS
Integrated Infrastructure Investment Plan	The plan will be prepared during the NDGS
Water and Sanitation Master Plan	Approved
Water Services Development Plan	Approved
Integrated Waste Management Plan	Approved
Pavement Management System	Approved
Integrated Transport Management Plan	Approved
Integrated Human Settlement Plan	Approved
Performance Management Policy Framework	Approved
Risk Management Plan & Strategy	Approved
Air Quality Management Plan	Plan to be drafted

Sector Plan	Status of Plan
Organization structure and organogram	Currently under review and re-design to be approved not later than December 2013

Table 80: Sector plan

8.1 Spatial Development Framework

The Breede Valley Municipality, through the Built Environment Support Program (BESP) of the Department of Human Settlement (DoHS); and Department of Environmental Affairs and Development Planning (DEA&DP) of the Provincial Government: Western Cape (PGWC), has launched the review of its Spatial Development Framework (SDF) and the Human Settlement Plan (HSP). CNdV Africa Planning and Design CC, was appointed by the aforementioned Departments to review the BVM: SDF that was approved in 2006. The BVM: SDF was approved by Council in terms of the Municipal Systems Act, Act 32 of 2000 as a sectoral plan.

8.1.1 LEGISLATIVE BACKGROUND

Due to rapid urbanisation rates and the subsequent impact on resources, spatial management of growth in urban and rural environments was previously done through the Guide Plans and Structure plans. These took the form of rather inflexible master plans which were underpinned by the principles of discrimination and separate development. The new democratic government, post 1994, adopted a new system of spatial planning described in principle in the Development Facilitation Act and Municipal Systems Act.

This new system had two components to it, namely the Spatial Development Framework (SDF) and the Land Use Management System (LUMS). The intent of the SDF is to show desired patterns of land use, directions for future growth, indicate the alignment of Urban Edges, and depict other special development areas. The impact of SDFs is limited to providing policy to guide and informing land development and management. They do not change or confer real rights on land.

The second component is the Land Use Management System (LUMS). This is similar to a town planning or zoning scheme. In contrast to SDF's LUMS have a binding effect on the development rights attributed to land and confer real rights on properties. SDF's therefore play an important role in guiding appropriate future change and helping to guide motivations as to the need and desirability, or not, of proposed land use changes.

There are a number of National and Provincial Acts, policies and guidelines to be considered in the preparation of the SDF. Legislation giving direction to SDF's is:

- National Spatial Development Perspective (NSDP)
- Development Facilitation Act (DFA)(Act 108 of 1996)
- Local Government: Municipal Planning and Performance Regulations
- White paper on Spatial Planning and Land Use Management
- Draft Spatial Planning and Land Use Management Bill
- National Environmental Management Framework (NEMA)(Act 107 of 1998)
- Municipal Systems Act (MSA)(Act 31 of 2000)
- Provincial Spatial Development Framework (PSDF)
- Land Use Planning Ordinance, Ordinance 15 of 1985
- Western Cape Planning and Development Act
- Provincial Growth and Development Strategy (PGDS)

(Source: Guidelines for the preparation of credible spatial development Frameworks, PGWC: DEADP)

8.1.2 THE PURPOSE OF THE SPATIAL DEVELOPMENT FRAMEWORK

In addition to guiding land use management, the Breede Valley Spatial Development Framework also has the following important roles:

- Giving effect to the principles contained in the Development Facilitation Act Chapter 1.
- Setting out objectives that reflect the desired spatial form;
- Defining strategies and policies to achieve these objectives which must indicate, amongst others the desired pattern of land use and how spatial reconstruction will be addressed as well as providing strategic guidance in respect of the location and nature of development.
- Set out a capital investment framework for development programs; (this will mainly inform public sector investment priorities);
- Include a Strategic Environmental Assessment (SEA) in the compilation of the SDF;
- Identify programs and projects for development of land;
- Be aligned with neighbouring Municipal SDF's; and,
- Provide a visual representation of the designed spatial form with the Municipality in the form of a map which must indicate the following:
 - public and private land development and infrastructure investment;
 - desired and undesired use of land;
 - may delineate the Urban Edge;

- identify areas for strategic investment;
- where policy intervention is needed; and,
- indicate where authority spending is required.

The Breede Valley Municipal Spatial Development Framework indicates the spatial development framework for the municipality as a whole and comprises various elements:

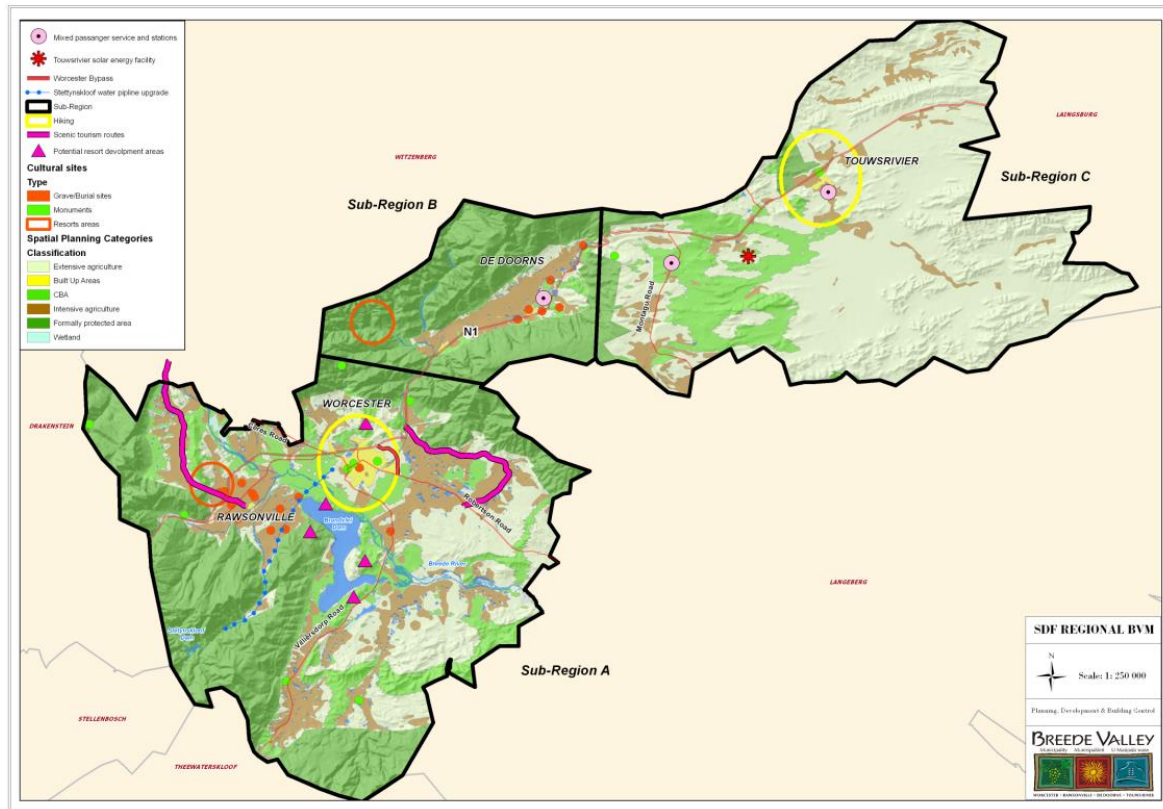


Figure 49: BVM Regional Spatial Development Framework 2013

(a) Bio-regions

The Status Quo report identified 3 bio- regions that can be distinguished, namely the Breede River Valley Hex River Valley Touws River Valley. The differences between these regions in terms of altitude, renewable energy potential, agriculture, tourism, population distribution, etc provides the basis for the sub-regions different treatment in terms of the spatial planning categories.

(b) Spatial Planning Categories

The Spatial Planning Categories (SPC's) provide the basis for managing rural land uses. The general conditions guiding what activities may occur within each category are set out in the Provincial Spatial Development Framework

(c) The Economy

The Breede Valley economy is largely reliant on the Agricultural sector although other sectors such as Finance, Insurance, Real Estate and Business Services and Community, Social and Personal services are increasingly important. Breede Valley Municipality is relatively isolated from the country's main centres which mean that the demand for services provided by the larger towns will grow. In this regard, Worcester will continue to grow and at a more rapid rate than the other towns in the municipality. To ensure that the economy of the Breede Valley Municipality is sustained it is important to protect the agricultural resources, maintain the existing infrastructure and manage the existing urban quality of the towns.

(d) Major Infrastructure Projects

The four major infrastructure projects in the BVM: SDF are the Stettynskloof Pipe line, the Worcester Eastern By-pass, the Touws River Solar Energy Facility and the investigation of the feasibility of reviving a mixed passenger, rail service between Touws River and De Doorns.

(e) Major Tourism Destinations

The following main tourism destinations with major related attractions are identified and should be promoted and further developed.

- Heritage sites (Bainskloof Pass, Drostdy and Merings Memorials);
- Holiday resorts, Goudini Spa and Conradie Hut.
- Hexpass Express;
- La Rochelle Goats Milk Cheese factory;
- Wineries;
- Hex Valley Golf Club;
- Hexpas Ecotrek 4X4 trails;
- Agama Atra, a boulder site for rock climbers.
- Ochre Trail, a hiking trail with San rock art, fauna and flora.

(f) Land Reform

Land to be acquired or reserved for land reform activities or for proactive acquisition. I All land in rural areas outside the Urban Edges of settlements should be subject to the Land Reform Program target, not just "agricultural" land. Commonages in

towns should be used as agricultural incubators for stock and crop farming as a first step in the land reform program. The commonages should have development plans drawn up that indicate which land should be conserved, e.g. wetlands, and where agriculture can occur.

(g) Resort Development

Potential resort development areas are identified mainly around the Brandvlei Dam area and north of Worcester.

These areas and any additional areas which might be identified in future are subject to the Western Cape Guidelines for Resort Developments, December 2005.

(h) Tourism Scenic Routes

The Scenic Tourism Routes identified should be managed and preserved. Additional tourism scenic routes should be identified and Tourism Scenic Routes Management Study compiled to ensure appropriate management guidelines for these routes.

(i) Housing and Land Need

The housing and land need in the municipality for the four main settlements and the rural areas is derived from the waiting list databases of the municipality and Department of Human Settlement. It is proposed that 50% of the rural housing demand indicated on the municipality's waiting list ($\pm 9529/2$) is shared between Worcester (50%) to De Doorns (40%) and Touws River (10%). No housing units are allocated to Rawsonville. The other 50% should be accommodated in the rural areas, either on farms or, if necessary, in the rural hamlets, i.e. Orchards, possibly Sandhills if its status is resolved, De Wet, Nuy, Kwaggaskloof, Goudini and Slanghoek. If this strategy is implemented it is very important that attention is given to the aesthetic appearance of such schemes, so as not to diminish the tourism appeal of these areas.

A housing toolkit was developed to understand the development potential of the various pieces of available land in the main settlements. This toolkit should be used for promoting a number of urban settlement restructuring objectives such as compaction, inclusion, improvement of business, community and public transport thresholds, increasing the number of people within convenient distance of urban opportunities; and reduce their travelling burden. This comprises a simple mix of housing typologies defined by density, configuration and income group.

8.1.3 SPATIAL PROPOSALS FOR THE URBAN SETTLEMENTS

The spatial proposals for each of the four urban settlements are set out in detail in the BVM: SDF and provides strategic guidance in respect of the future spatial development.

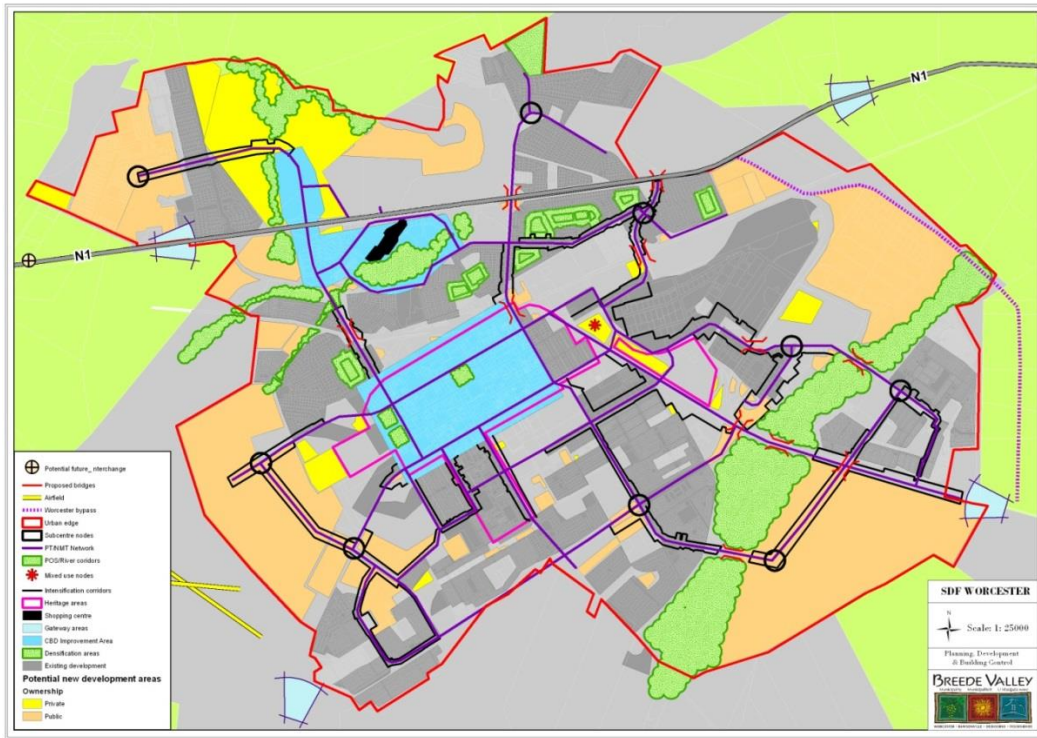


Figure 50: Worcester Spatial Proposal

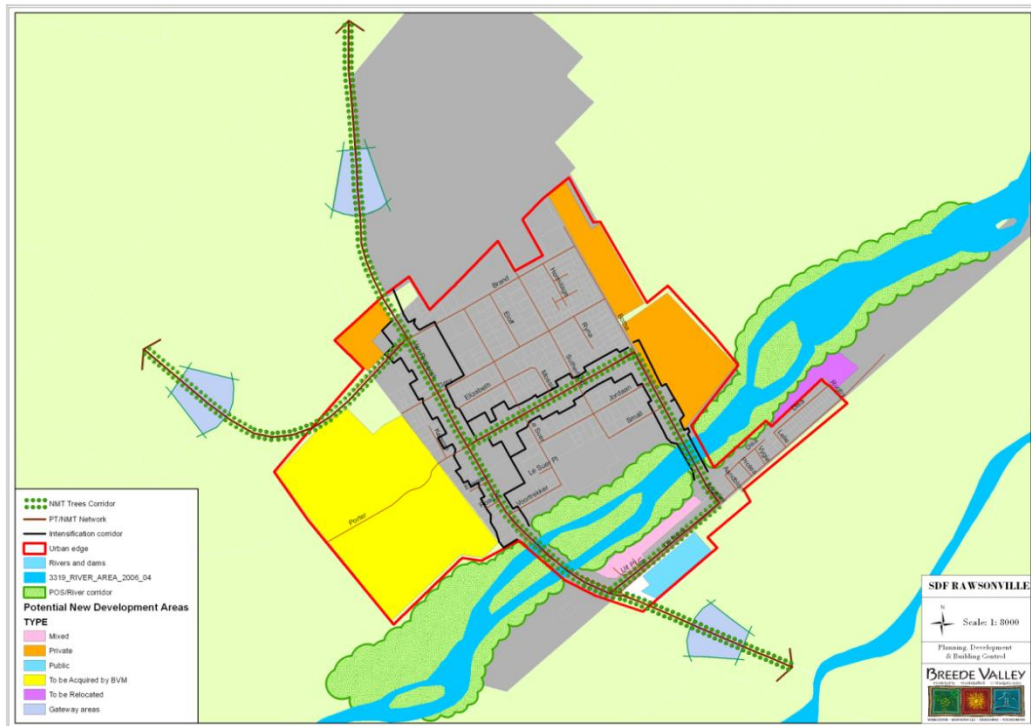


Figure 51: Rawsonville Spatial Development proposals

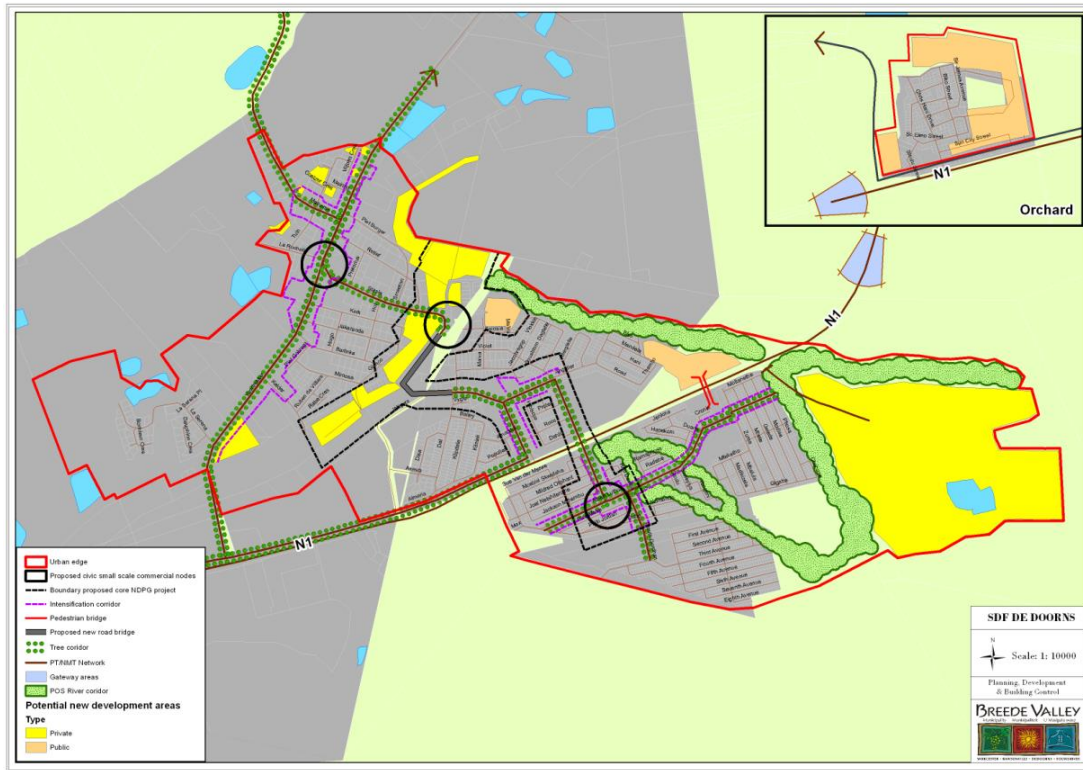


Figure 52: De Doorns Spatial Development proposal

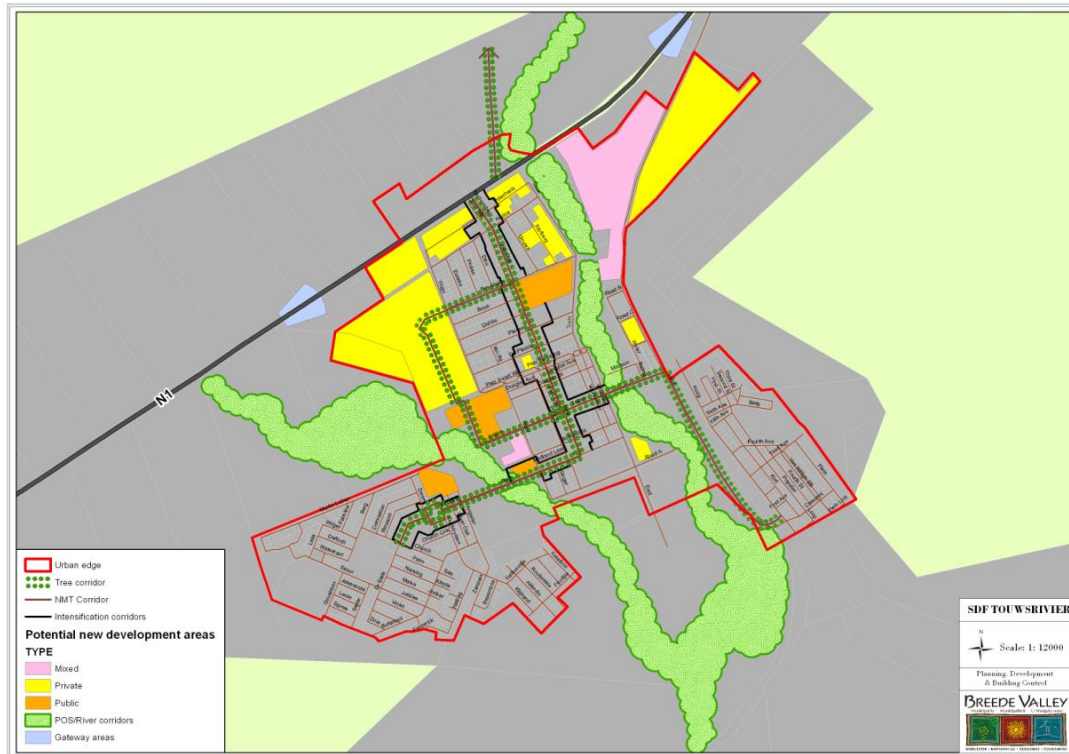


Figure 53: Touwsriver Spatial Development proposal

8.1.4 RELATIONSHIP AND ALIGNMENT WITH OTHER PLANS

The Breede Valley Municipality SDF is linked to other spatial planning policies and guidelines at different levels of detail and depending on their level of jurisdiction. The National Spatial Development Perspective (NSDP) provides the broad national development goals, objectives and strategies. This informs the Western Cape Provincial SDF (WC-PSDF). The WC-PSDF in turn informs the Cape Winelands District Municipal SDF. The Cape Winelands District Municipal SDF then informs the preparation of the Breede Valley Municipal SDF.

The main proposals that are affected by the abutting municipal SDF's and overarching policy instruments are as follows:

- concentrate urban development and associated activities in areas within the existing urban settlements, namely Worcester, De Doorns and Touws River;
- further utilise the immense tourism potential of the Municipality;
- upgrading and improving the current transport and rail linkages to the area;
- retaining the agricultural character and function of the area.

The spatial proposals in the BVM: SDF clearly sets out the spatial intentions of the municipality and are aligned with the NSDP; WCPSDF and PGDS as well as the Cape Winelands District SDF and abutting municipal SDF's. These proposals are discussed in detail in the BVM: SDF.

8.2 Local Economic Development

Breede Valley municipality has an approved LED Strategy. The municipality also utilises the Genesis approach in LED strategy formulation, a pilot initiative with the support of SALGA and the Department of Economic Development and Tourism. Every year we take on additional project as highlighted during our strategy phase. At the last year of implementation of our strategy we are still developing project concept in the same context that we done so in the beginning of the current political term as some of the initiatives were completed, other are still under implementation and those that follow will be implemented consistently as agreed during our strategy workshop at the beginning of the current political term.

- **Building & Strengthening Institutional & Social Capital including Leadership:** The catalytic projects involve developing leadership capacity in LED, forming functional partnerships between the public and private sector in order to develop the town of Worcester and bolstering the LED monitoring function of key stakeholders.
- **Enabling Infrastructure and Inclusive, Integrated Urban Development/ Renewal:** The projects range from planning initiatives, Neighbourhood Development Grant applications, to water pipeline extension and renewable energy initiatives.

- **Building Sector Competitiveness & Upgrading:** The projects range from business retention and expansion and development of the N1 Adventure route.

Programme	Examples of Potential Catalytic Projects (Short & Medium/ Long Term)
1. Building & Strengthening Institutional & Social Capital including Leadership	<p>Short Term (2012-2015 meaningful impacts):</p> <p>Develop, Finalise, and Monitor BV Development Charter outlining key principles, priorities, and stakeholder roles to facilitate alignment</p> <ol style="list-style-type: none"> 1. Form BV Economic Development Leadership Committee to Monitor 2030 BV LTEDSF and Catalytic Initiatives, evaluate impact and provide Leadership Direction/ Support. 2. Review BVM LED Capacity requirements and secure resources to facilitate implementation of BVLTEDS 3. Worcester CBD PPP/ Business Improvement District and improved enforcement of safety and by-laws <p>Medium/ Long Term (Meaningful impacts from 2015 onwards)</p> <ol style="list-style-type: none"> 1. Youth Development Strategy incl. School Alumni Mentoring Initiative 2. Adult Literacy Programmed
2. Enabling Infrastructure and Inclusive, Integrated Urban Development/ Renewal	<p>Short Term (2012-2015 meaningful impacts):</p> <ol style="list-style-type: none"> 1. BV Spatial Development Framework (currently underway) to priorities nodes and corridors for urban integration and priority development 2. Identify land for gap housing and mixed use node development 3. Fast-track N1 Eastern bypass around Worcester (linked to N1 Toll Road Plans by SANRAL) 4. Worcester-Stettynskloof Water Supply Pipeline 5. Electricity Distribution capital investment plan and budget 6. Services investment plan to unlock industrial areas for investment 7. Renewable Energy incl. Solar and Waste projects. 8. Initiate Neighborhood Development Partnership grant application for township commercial development in Zwelethemba 9. Promotion and Management of Worcester CBD incl. Maintenance and Heritage Plan 10. Public parks management policy incl. Community management options 11. Expand alien vegetation expanded public works programme funding and link to entrepreneurship support programme, renewable energy etc. <p>Medium/ Long Term (Meaningful impacts from 2015 onwards):</p> <ol style="list-style-type: none"> 1. Public and private investment in priority integration corridors and nodes such as Victoria Park, Avian Park etc. 2. Agriculture Water Demand Management Strategy (linked to Catchment Management Strategy)
3. Sector	<p>Short Term (2012-2015 meaningful impacts):</p>

Competitiveness & Development Strategies	<ol style="list-style-type: none"> 1. BV Tourism N1 Adventure Route, Product Development (incl. Klein Plasië) and Public-Private Marketing Plan 2. Clarify KP governance structures, development concept/ plan and funding 3. Develop Major Events Strategy & Policy incl. Niche focus on unique cultural and adventure events <p>Medium/ Long Term (Meaningful impacts from 2015 onwards):</p> <ol style="list-style-type: none"> 1. Attracting/ Growing Business Investment, Destination Branding and Investment Strategy incl. Business Retention and Expansion Programme and Incentives Policy/ Package 2. Package investment opportunities and projects including 80HA Uitvlugt Industrial Park, Agro-industrial processing park etc. 3. Develop agriculture land-use management system & coordinate implementation with Catchment Management Strategy to optimise water allocation 4. Agriculture Diversification, Agri-processing and Skills Development strategy
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Table 81: Potential catalytic projects

Implementation plan for the 2015/16 financial years

The selection of projects is in commensurate and consistent of broad goal or lyst of catalytic initiatives as captured in our LED strategy which was developed at the beginning of the current political term of office. Please be informed that the responsibility of implementing these projects is over the entire organisation, especially in the technical department which responsible for the creation of new infrastructure and the maintenance of existing infrastructure. The matrix below is illustrative of the selection of project and programmes for the financial to follow under the management of Local Economic Development.

Activity	Outcome
LED	
a) Security cameras in industrial areas.	Need Identified in Business Retention and Expansion Research.
b) Entrepreneur of the year (the awarding of award to the best big company, emerging company, agri-business and women owned company.	Encourage more completion to become trend setter in local economy in various categories of business.
c) Support and expand City improvement initiatives in surrounding towns.	Neighbouring towns to buy into the concept of the Worcester town of taking responsibility for town regeneration.
d) Study to suggest the optimal usage of industrial affluent to make a make for a green economy initiative.	Develop a model for green economy solutions.
e) Contribute financially to increase the funding toward emerging entrepreneur in BVM.	Make financial contribution to assist more emerging

<p>f) Support the attraction of commercial investors and facilitate such discussions in Zwelethemba.</p> <p>g) Organize a business exhibition aimed at bringing support to emerging entrepreneurs.</p>	<p>entrepreneurs which compete for an annual fund which assist emerging entrepreneurs to expand their business operations.</p> <p>Commercial development will assist Zwelethemba to become a business zone</p>
Tourism	
<p>Tourism</p> <ul style="list-style-type: none"> • Implement marketing strategy in various provincial newspapers and magazines. • Print new hardcopy as well as electronic brochure of our destination • Annual contributions to the various Local Tourism Associations In Worcester, Touwsrivier ,Rawsonville and De Doorns 	<p>Continuous marketing to keep our tourism brand in various magazines.</p> <p>Brochures to market and advertise the key offerings of our destination</p> <p>Compliment the work and fund the work of the local tourism association which is actually a municipal function as per the Western Cape Tourism Act and the Constitution</p>
EPWP	
<p>Initiate and implement internal EPWP in the following sections</p> <ol style="list-style-type: none"> 1) Cleansing 2) Electricity 3) General Sector <p>Develop new business plan for new EPWP initiatives.</p>	<p>Continue to capture and report on job opportunities created in the BVM</p> <p>To be negotiated in new business plan with the National and Provincial department responsible for funding EPWP</p>
CWP	
<p>Above mentioned programme is assigned and we are only responsible for the Reference committee that authorise useful work and play and oversight role for the project implanting agent</p> <p>The creation of 800 survivalist employment opportunities in BVM to do various forms of useful work such as cleansing, sport caching, welfare and community based health in :</p> <ul style="list-style-type: none"> • Worcester • Touwsriver • De Doorns • Rawsonville 	<p>More work opportunism to families that lives in poverty to expose and prepare them for the formal labour market</p>

Table 82: Operational Plan 2015/2016

8.3 Integrated Human Settlements

The planning of projects marked shift in policy at all levels of government with regard to housing provision. This policy shift entails a move from housing construction to the creation of “sustainable human settlements”; a shift to sustainable resource use; and a shift to housing resulting in real empowerment. The new policies are conceptualised in the National Housing Policy (*Breaking New Ground*) and in the Western Cape Integrated Human Settlements Policy (Isidima) as well as the new strategies formulated by Provincial Department of Housing as listed below (Strategic Objective 6. January 2010):

- Prioritising secure access to basic services
- Acquiring well-located land for well-planned Integrated Human Settlements
- Increasing densities of new housing developments
- Closing the Gap in the Property Market
- Inculcating a sense of ownership
- Improving Property Management
- A fairer allocation of housing opportunities (50-50 allocation between backyard dwellers and informal settlements)
- Reducing our carbon footprint
- A co-ordinated and integrated approach

The Human Settlement Plan (HSP) for the Breede Valley aims to translate these policies into plans for implementation. The main purpose of the Breede Valley Housing Pipeline is to provide a road map and guidance to the municipality to not only plan for housing in terms of the number of structures built, but to plan for integrated human settlements that restore the dignity of the people of the Breede Valley. In particular the aim of the document is to guide the identification and implementation of human settlements projects. In this regard it should be noted that it also includes housing projects with approved funding.

The housing demand list and informal structures provides an indication of the demand for housing in the municipal area:

	Worcester	Rawsonville	De Doorns	Touwsriver	Total
BNG - housing	17 235	941	4 112	1 070	22 358
GAP - housing	874	11	112	120	1117
INFORMAL housing	2630	166	3562	78	6436
Rental Housing	6093	90	592	758	7 533

Table 83: Housing demand list and informal structures

In terms of the settlement hierarchy Worcester is the important town in the BVM and regarded as a regional settlement in the Cape Winelands. De Doorns and Rawsonville are denoted as local towns, providing economic opportunities and local administrative services and Touwsriver as a rural town, focused on providing in daily needs of the agricultural sector mainly. The focus in the HSP is on all the areas of the Breede Valley, with Worcester, the greater due to opportunities that exists.

Project Information						PPC Information		Planned Project Totals		
Municipality	Project Name	Planned Total Sites	Planned Total Units	Planned Total Others	Technical Readiness Assessment	PPC recommended readiness year	Planned Total Sites	Planned Total Units	Planned Total Others	
Breede Valley	2027(6) : De Doorns (1400 units) IRDP	0	1400	0	Yes	2014/15	0	1400	0	
Breede Valley	2027/1056 : De Doorns (1482 units) UISP	0	1482	0	Yes	2014/15	0	1482	0	
Breede Valley	2027/1056 : De Doorns (1482 services) UISP	1482	0	0	Yes	2014/15	1482	0	0	
Breede Valley	2104(12) : Worcester Zwelethemb a Phase 2A (242 units) IRDP	0	242	0	Yes	2014/15	0	242	0	
Breede Valley	2104(14) : Worcester Old Mandela Square (331 units) PHP	0	331	0	Yes	2014/15	0	331	0	
Breede Valley	3168.01 : Rawsonville De Nova (74 services) IRDP	74	0	0	Yes	2014/15	74	0	0	
Breede Valley	3168.02 : Rawsonville De Nova (74	0	74	0	Yes	2014/15	0	74	0	

		units) IRDP								
Breede Valley	3242.01 : De Doorns Sunnyside Orchards (109 services) IRDP	109	0	0	Yes	2014/15	109	0	0	
Breede Valley	3242.02 : De Doorns Sunnyside Orchards (109 units) IRDP	0	109	0	Yes	2014/15	0	109	0	
Breede Valley	3243 : Touws River (Land Acquisition) & (200 services & 200 units) IRDP	-	-	-	Yes	2014/15	-	-	-	
Breede Valley	3243.xx : Touws River (200 services) IRDP	200	0	0	No	2016/17	200	0	0	
Breede Valley	3243.xx : Touws River (200 units) IRDP	0	200	0	No	2016/17	0	200	0	
Breede Valley	3252 : Worcester Avian Park Erf 11810 (200 services) IRDP & (200 units) FLISP	-	-	-	No	2016/17	-	-	-	
Breede Valley	3252.xx : Worcester Avian Park Erf 11810 (200 services) IRDP	200	0	0	No	2016/17	200	0	0	
Breede Valley	3252.xx : Worcester Avian Park	0	200	0	No	2016/17	0	200	0	

		Erf 11810 (200 units) FLISP								
Breede Valley		3253 : Worcester De la Bat Portion Erf 1 (200 services & 200 units) IRDP	-	-	-	No	2017/18	-	-	-
Breede Valley		3253.xx : Worcester De la Bat Portion Erf 1 (200 services) IRDP	200	0	0	No	2017/18	200	0	0
Breede Valley		3253.xx : Worcester De la Bat Portion Erf 1 (200 units) IRDP	0	200	0	No	2017/18	0	200	0
Breede Valley		3254 : Worcester Transhex (8280 services & 7020 units) IRDP	-	-	-	No	2015/16	-	-	-
Breede Valley		3254.xx : Worcester Transhex (7020 units) IRDP	0	7020	0	No	2015/16	0	7020	0
Breede Valley		3254.xx : Worcester Transhex (8280 services) IRDP	8280	0	0	No	2015/16	8280	0	0
Breede Valley		3255 : Worcester New Mandela Park (1800 services & 1800 units) IRDP	-	-	-	Yes	2015/16	-	-	-

Breede Valley	3255.xx : Worcester New Mandela Park (1800 units) IRDP	1800	0	0	Yes	2015/16	1800	0	0
Breede Valley	3255.xx : Worcester New Mandela Park (1800 units) IRDP	0	1800	0	Yes	2015/16	0	1800	0
Breede Valley	3451 : Worcester Avian Park (708 units) IRDP	-	-	-	Yes	2015/16	-	-	-
Breede Valley	3451.xx : Worcester Avian Park (708 units) IRDP	0	708	0	Yes	2015/16	0	708	0
Breede Valley	3452 : Worcester Dirkie Uys St Portion Erf 1/23478 (141 services) IRDP & (141 units) FLISP	-	-	-	No	2018/19	-	-	-
Breede Valley	3452.xx : Worcester Dirkie Uys St Portion Erf 1/23478 (141 services) IRDP	141	0	0	No	2018/19	141	0	0
Breede Valley	3452.xx : Worcester Dirkie Uys St Portion Erf 1/23478 (141 units) FLISP	0	141	0	No	2018/19	0	141	0
Breede Valley	3453 : Worcester Fisher St Portion Erf	-	-	-	No	2019/20	-	-	-

		1/10253 (307 services & 307 units) IRDP								
Breede Valley		3453.xx : Worcester Fisher St Portion Erf 1/10253 (307 services) IRDP	307	0	0	No	2019/20	307	0	0
Breede Valley		3453.xx : Worcester Fisher St Portion Erf 1/10253 (307 units) IRDP	0	307	0	No	2019/20	0	307	0
Breede Valley		3454 : Worcester Social Housing (unknown services) IRDP & (unknown units) SH	-	-	-	No	2019/20	-	-	-
Breede Valley		3454.xx : Worcester Social Housing (unknown services) IRDP	0	0	0	No	2019/20	0	0	0
Breede Valley		3454.xx : Worcester Social Housing (unknown units) SH	0	0	0	No	2019/20	0	0	0

Table 84: Human Settlement Pipeline

Human Settlement Development Grant: Allocated Funding and Agreement of Delivery Targets.

The allocation and targets per municipality have been amended according to the pipeline information as discussed and outlined above. The department has allocated the following funding to Breede Valley Municipality for the implementation of Human Settlement projects over the MTEF:

2015/16	R 43,662.000	
2016/17	R 60,240,000	(Indicative amount subject to approval of projects)
2017/18	R 94.000,000	(Indicative amount subject to approval of projects)

The attached annexure list the proposed projects for 2015/16 financial year.

BREEDE VALLEY	PLANNED 2015/16		
De Doorns (1482) UISP			R 500
De Doorns (1400) IRDP			R 1 000
De Doorns Sunnyside Orchards	109		R 6 322
Old Mandela Square (331) PHP		30	R 3 600
New Mandela Square (1800) PHP		80	R 9 600
Avian Park (708)		105	R 12 600
Worcester Transhex (7300)			R 10 000
SUB TOTAL	109	215	R 43 622

Table 85: Human Settlement Develop Grant: Allocated funding and agreements of Deliver targets

In the final analysis, it is evident that there is potential for the settlements in the Breede Valley Municipality of become more integrated and sustainable, and thus improving access to opportunities and the quality of lives of its residents in the medium term. It is intended that this plan should ultimately be incorporated into the IDP, and be approved annually.

The following map provides information of informal settlements within the municipal area:

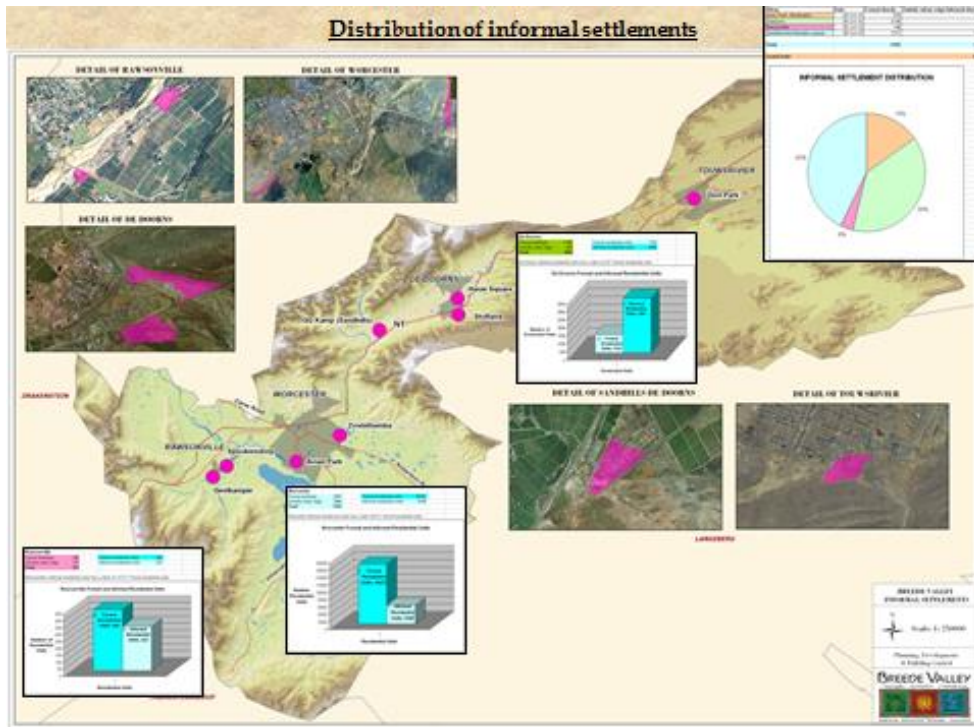


Figure 54: Informal Settlement

The following maps provide a macro and micro analysis of housing developments within Breede Valley municipal service area:

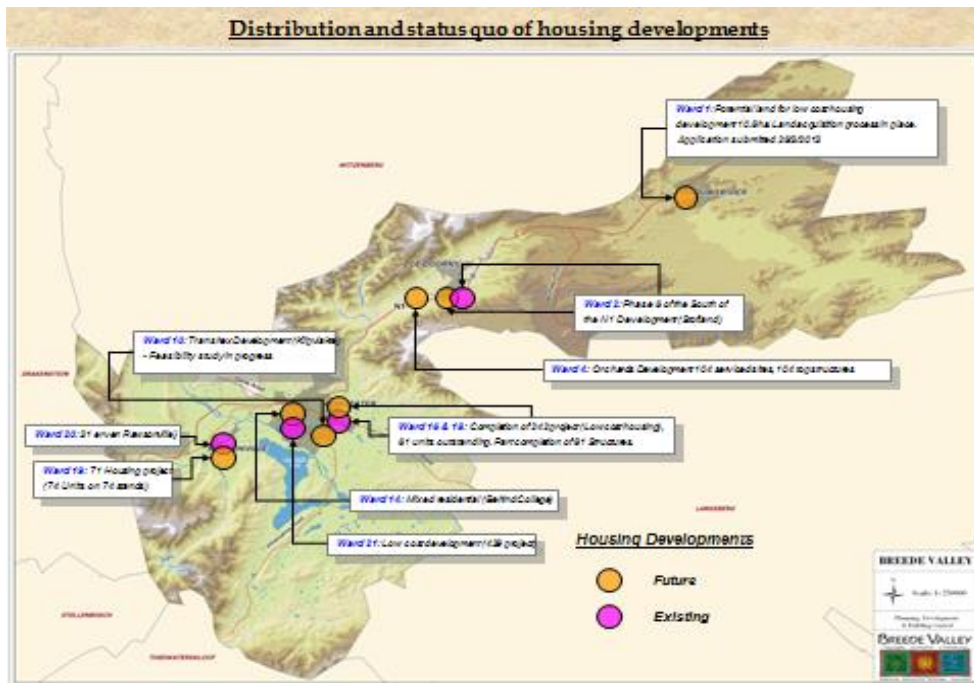


Figure 55: Housing development area

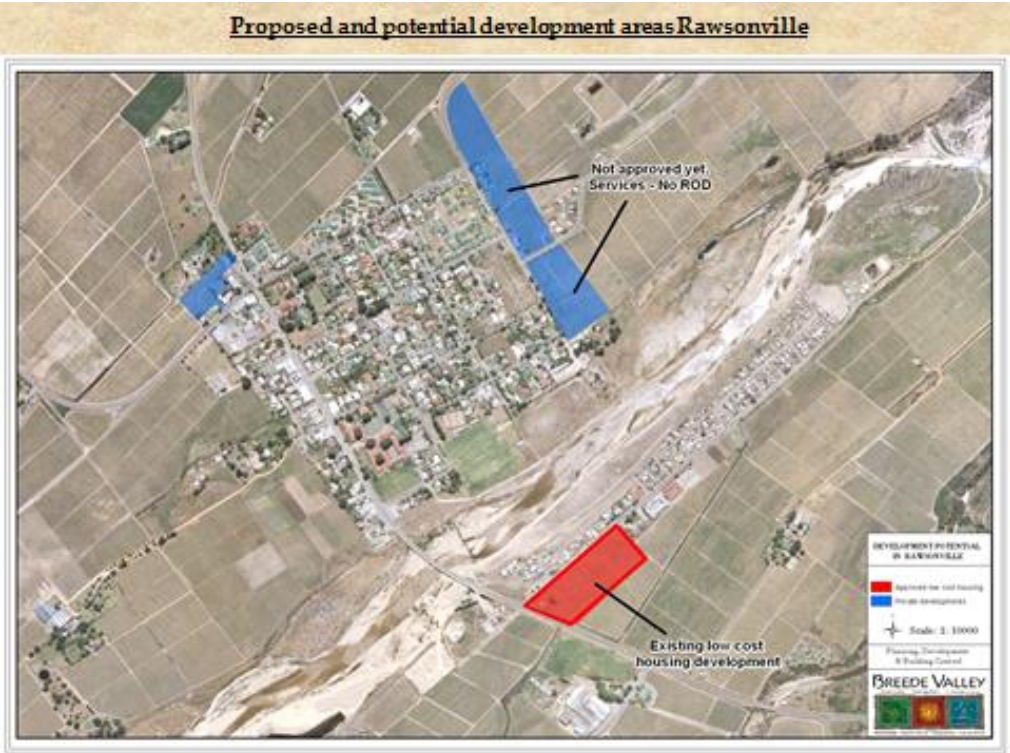


Figure 56: Proposed Rawsonville development (SDF, 2013)

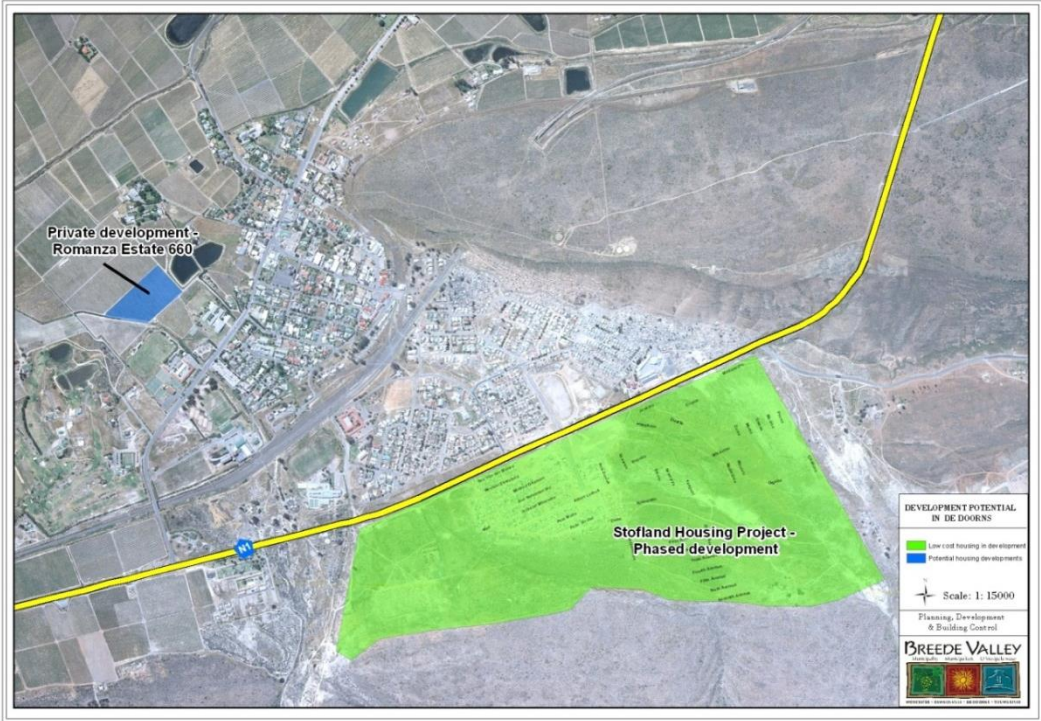


Figure 57: Stofland Housing project-Phased development, ward 2 (SDF, 2013)

8.4 Electricity

Breede Valley Municipality is responsible for electricity distribution and reticulation in the following areas: Worcester, De Doorns and Touws River. Rawsonville and all the farms within the Municipal area are supplied directly by Eskom. Electricity and street lighting are provided to all formal areas and electricity and street or high mast lights to most informal areas in the Municipal services area.

The Municipality has four 66kV substations in Worcester and two 11kV electrical substations in De Doorns and Touws River each. The network is adequate and stable in all towns except in Worcester, specific Zwelethemba and Rohlilala/Avian Park areas where there is limited capacity of bulk supply cables. There is a regular overload of the network due to increases in the population. It is a high electricity theft area and the electrical infrastructure is under very high strain.

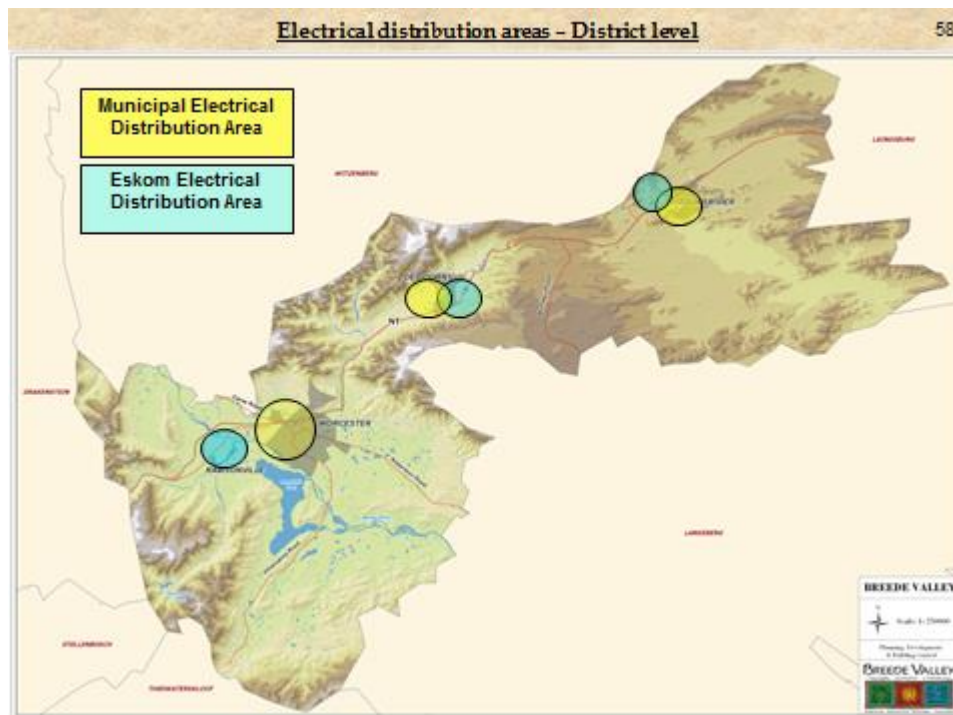


Figure 58: Electrical Distribution areas

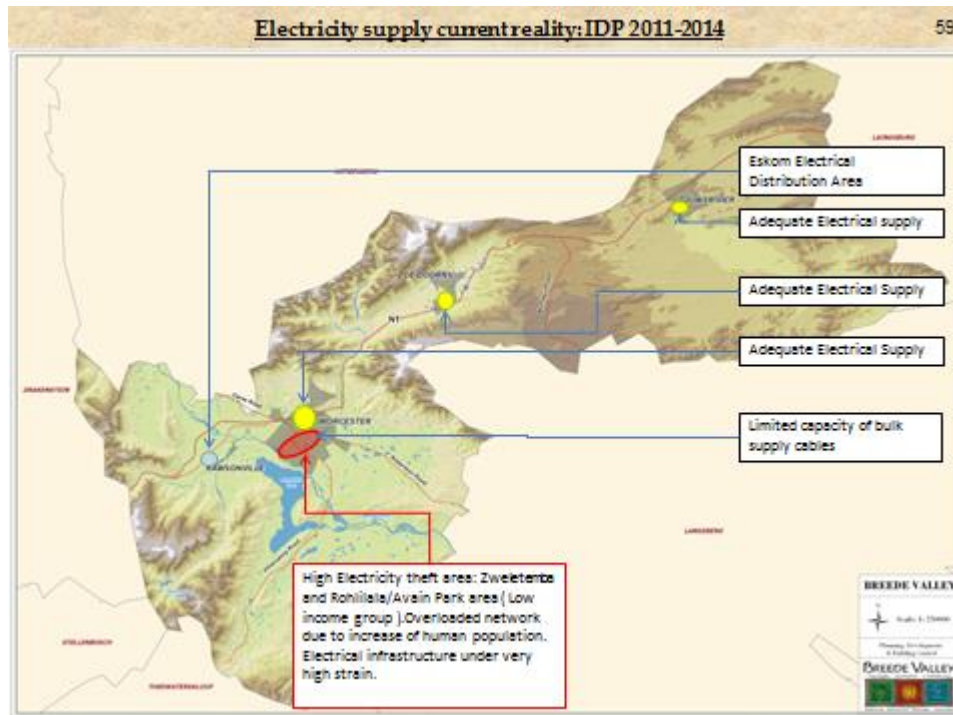


Figure 59: Electrical current supply

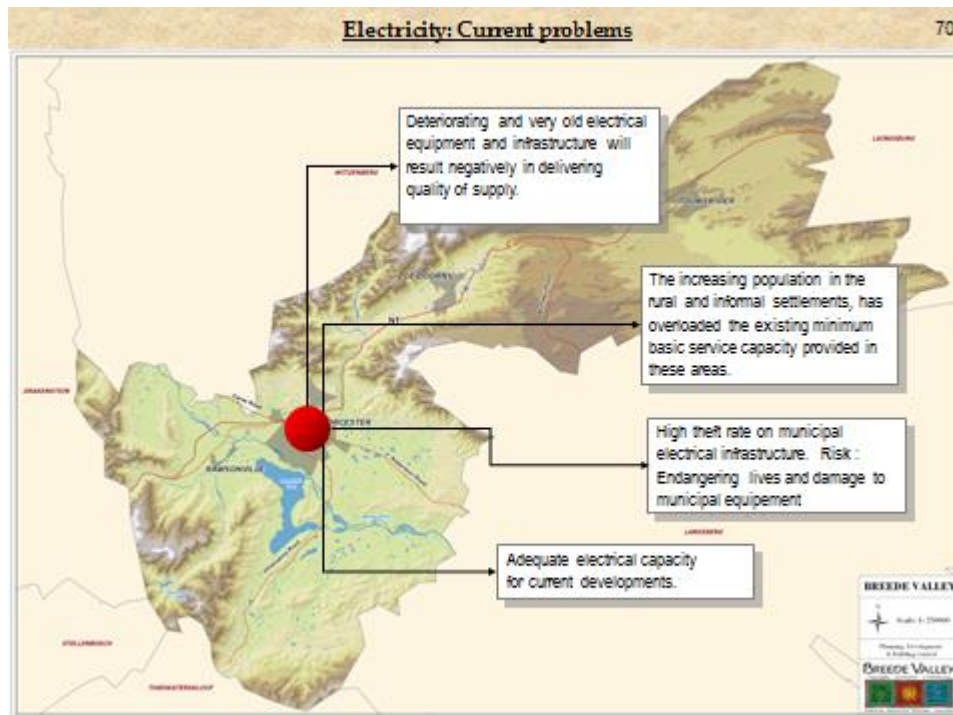


Figure 60: Electricity: current problems

8.5 Waste Management

STATUS QUO IN BREEDE VALLEY MUNICIPALITY

TOUWS RIVER

Touws River is serviced by a 4 ton compactor truck, collecting solid waste daily from businesses and households. Collected waste gets disposed at the Material Recovery Facility (MRF), diverted and reclaimed, with a conveyer belt and 4 laborers. Non-recyclable waste gets disposed into 30m³ containers on site and hauled weekly by the Municipality to Worcester landfill site. Currently black refuse bags are distributed amongst residents and placed weekly on pavements for collection.

MRF / TRANSFERSTATION

The MRF / Transfer station is managed by a private local company, BEIROWPLAS, after a tender process was followed. The value of the contract is R22 464 per month. An average of 9021kg recyclable material is diverted every month.

1. DE DOORNS

Black refuse bags are distributed amongst residents, or collected by them at the Municipal offices in town. Collections from residential homes and businesses are done once per week and disposed at the nearby unlicensed landfill site. Wheelie bins are currently rolled out to all collection points in De Doorns.

DE DOORNS, UNLICENSED LANDFILL SITE

The landfill site near De Doorns, is not permitted (licensed) and for all practical reasons operating illegally. The Department of Environmental Affairs and Planning (DEAD&P) have however commenced a process to issue operating permits for all unlicensed landfill sites in the Western Cape, including De Doorns.

Waste disposed on site is regularly set alight by illegal informal pickers from the nearby informal settlements. This way of operating a landfill site is illegal and against all operational permit requirements for landfill sites. The presence of informal pickers on site also poses a very high risk to Mayco.

2. RAWSONVILLE

Vehicles from the Solid Waste depot in Worcester weekly collect waste from businesses and residents. This is transported to and disposed of at Worcester Landfill Site.

Black refuse bags are distributed to residential and commercial properties and placed on pavements for a weekly collection.

3. WORCESTER

Businesses and some suburbs in Worcester have been issued with 240ℓ and 770ℓ wheelie bins which are serviced regularly. The balance of residents receives 25 black refuse bags quarterly from the municipality.

INFORMAL SETTLEMENTS

Skips have been placed at strategic places within informal settlements and these are serviced weekly or as soon as the skip is full. A private company, Mr. Skip Hire, is providing and collecting the 3m³ skips. There are also 5m³ skips which are serviced by Municipal trucks and a tractor. This is unfortunately not a very reliable service.

RECYCLING AT SOURCE

The Paglande neighborhood in Worcester is the only suburb within the Breede Valley Municipal boundaries that receives a clear bag (recycling) service. The service is done weekly by a local company, Beirowplas, at a monthly cost of R5 568.00. Approximately 699kg recyclable material is collected monthly.

LANDFILL SITE

The current landfill site has a lifespan of approximately 8 years left. After a survey was done, during March 2011 by Jan Palm Consulting Engineering, it was established that Worcester Landfill site, receives approximately 18 500 tons of solid waste per annum. Should the current disposal trend continue, without any waste minimization practices, the landfill site should reach its capacity during May 2022.

The site is a daily work place for approximately 60 informal pickers who savage for valuable items to be reclaimed and sold to dealers. All incoming waste is disposed of at one area, then compacted and covered by filling material, but not with sufficient material to comply with acceptable practices. No monitoring (samples from boreholes) is currently taking place as is required by the permit. No disposal tariffs are currently charged to users of the site.

The annual expenses for Mayco to operate the landfill site is approximately R1 1 616 585.

STREET CLEANING

Street cleaning in the CBD is done six days a week. Small contractors are paid R14 500 per three (3) weeks for delivering a cleaning service within the Worcester CBD area.

ILLEGAL DUMPING

The department makes use of trucks with a crane mechanism to collect and remove illegally dumped material as and when required.

CONCRETE TRIANGLE REFUSE BINS

Approval was granted on 12 October 2012, to Combo signs (Pty) Ltd. to be appointed as service provider for the “supply and placement of street refuse bins” within the Breede Valley Municipal boundaries. The contract ends on 12 October 2015. The contract document stated a monthly re-payment to Mayco, but could not be confirmed.

A. FUTURE PLANNING FOR SOLID WASTE MANAGEMENT: IMPLEMENTING AN INTEGRATED SOLID WASTE MANAGEMENT STRATEGY WITHIN THE BREEDE VALLEY MUNICIPAL AREA

During 2008, a new Solid Waste Management Act (Waste Act 59 of 2008) was promulgated and amended during 2012, which resulted in a total new Integrated Solid Waste Management approach towards waste management in South Africa.

It is therefore imperative for Breede Valley Municipality, to implement the following recommendations with regards to solid waste management, should the municipality want to comply with the new Waste Act (59 of 2008) and to take part in the Provincial and National Greenest Town annual competitions:

FUTURE PLANNING AND RECOMMENDATIONS

1. TOUWS RIVER TRANSFER STATION / MRF

The status quo can be maintained until the contract for managing the MRF by Beirowplas, expires at the end of June 2015. Collection services at all properties are delivered by the municipality as well as the haulage of 30m³ containers. The haulage of 30m³ containers from Touws River, De Doorns and Rawsonville in future could be outsourced to a private company to ensure a more cost effective and haulage service.

2. REFUSE COLLECTION IN DE DOORNS

De Doorns will soon be provided with 2400 wheelie bins, which were purchased from the capital budget for the 2014/15 financial year.

A 19m³ refuse compactor that was purchased in the previous financial year will soon be transferred on a permanent basis to De Doorns. Waste that is collected will then be transported daily from De Doorns to the Worcester landfill site.

3. LANDFILL SITE DE DOORNS

The landfill site should only be used for the disposal of garden / green waste and building rubble. In time the site should be closed and rehabilitated. A small transfer station / MRF, similar to the one at Touws River, should be constructed and managed by existing municipal staff in De Doorns. Collection services and the distribution of recycling bags should remain a municipal function. A private contractor should be contracted in future to chip green waste and crush building rubble at the

proposed transfer station.

4. SOLID WASTE COLLECTION SERVICES IN WORCESTER

The status quo should remain where municipal vehicles are currently collecting all business and residential solid waste. Collection vehicles should urgently be upgraded to reduce maintenance cost and overtime.

5. RECYCLING AT SOURCE IN BREEDE VALLEY

The existing contract between Beirowplas and Breede Valley Municipality expires on 31 January 2015. As of 1 February 2015 the department will with existing staff and equipment distribute, collect and transport recycle bags from residential properties. New clear recycle bags will be issued for each full bag of recyclable material. Full bags will be placed on the pavements on collection day next to black refuse bag or wheelie bins and will be collected by a dedicated municipal truck.

Recycle bags obtained from households will be delivered free of charge to local recycling businesses within Worcester town. Local companies receiving these bags will be requested to provide monthly statistics on quantities recycled and additional jobs created by the project to the municipality.

It is the intention of the department, after marketing and public awareness campaigns were done, to proceed early 2015 with the recycling at source project in Paglande, as well as the following neighborhoods:

- Johnson Park 1, 2
- Worcester Wes
- Panorama
- Fairway Heights
- Bloekombos
- Van Riebeeck Park
- Hex Park and
- Langerug

During the awareness campaign each residents will each receive a clear bag, a pen, fridge magnet and an information pamphlet on what could be recycled or not.

New clear recycle bags will be printed with a "Recycling Hotline" telephone number and the name of Breede Valley Municipality.

On collection day a new clear bag will be tied around the entrance gate or mail box in exchange for a bag full of recyclable

material. Should a resident not place a full bag of recyclable material for collection no new clear bag will be provided to the resident. Bags will also be available at the department's offices.

After a few months, the project will be reviewed and extended to other suburbs and neighboring towns. It is very important to take small steps to ensure a successful and sustainable implementation process, instead of accommodating all suburbs and fail service delivery.

6. EDUCATION WITHIN DISADVANTAGE AREAS

Breede Valley Municipality needs to establish with the co-operation of NGO's, Governmental departments and local businesses educational programs within schools on Waste Management. The department is also busy obtaining quotations for a mascot (Bin-Bin) to be used for educational purposes at schools.

7. SWOP SHOPS PROJECT WITHIN DISADVANTAGE AREAS

A very simple education project on recycling, the so called SWOP SHOP, could be established in the different neighborhoods. This project entails the collection of recyclable material by children and or woman who then "sold" the collected waste to a NGO within the neighborhoods. Recyclable material such as tins, cans, bottles, plastic and carton have a certain value and bags filled with these materials are awarded a certain number of points. The children collect bags with material suitable for recycling and deliver it to the NGO. As soon as the child has obtained a certain number of points he/she could claim some prize such as toothpaste, a washing cloth, sanitary towels, school stationary and or clothes, depending on the number of points.

This project could also be extended to include food coupons as prizes. This is where private companies and "sop kombuise" could become involved.

The aforesaid project is a very good "education" tool to encourage communities to clean their own environment.

8. MUN WASTE DROP OFF FACILITIES / SKIPS

The only Solid Waste Management Services rendered within informal settlements are the provision and servicing of 3 to 10m³ skips (containers) which are placed at strategic points. Residents are then expected to dispose of their waste and unwanted material in the skip bins.

The average height of a skip bin is about 1.5m. Normally it is the wives or children who dispose of waste at skips. Due to the height of the skip, 60% of waste gets disposed of next to the skip, instead of within the skip. The solution for the aforesaid challenge is to build mini drop off facilities within the different informal settlements and townships where residents could dispose of their solid waste on a ground level surface.

The drop off facilities will make provision for a skip to be placed within a built structure which will provide steps for users to dispose all waste within the skip and is constructed of cement. The department, in conjunction with Mr. C Smal from the MM⁵ office, is currently investigating the possibility to build 4 facilities within Zwelethemba. The estimate construction cost per facility is R46 000-00 per unit. These facilities should be managed with the assistance of Area Cleaning Block System Contractors.

9. SOLID WASTE AND CLEANING “BLOCK SYSTEM” WITHIN INFORMAL SETTLEMENTS

Most of the informal settlements within the Breede Valley Municipality are only provided with skips at certain positions for the dispose of solid waste.

It is recommended to implement in phases a new system. This “Solid Waste and Area Cleaning Block System” will ensure a weekly collection service of solid waste within the aforesaid communities.

The project entails the following:

Informal settlements will be divided into different blocks. Each block will consist of approximately 400 - 600 houses.

A person (resident) within that specific block will be appointed, via a formal quotation process or tender, to fulfill the following functions:

- Appoint 6 workers from the same “block” to assist contractor
- Provide to each house within the block, once a week, one new black refuse bag
- Collect once a week a bag full of waste from each house from the settlement
- Sweep and clean streets where applicable
- Clean mini drop of facilities within informal settlements
- Place all collected refuse bags at mini drop off facilities to be collected and transported by the Municipality to the landfill site
- Contractor to plant new trees (to be provided by Municipality) where requested.
- The contractor will only be paid for services delivered to the satisfaction of the Municipality. If the area is not clean, the contractor will only be paid 50% of agreed amount. Only if the area is cleaned the full amount will be paid to the contractor.

The 6 workers per block are not working for the Municipality and is the responsibility of the contractors who has to pay them the minimum wage per day and must provide protective clothing to them.

This system will ensure a cleaner informal settlement, which leads to a safer and healthier environment.

10. CBD CLEANING SERVICES

A tender was advertised for suitable and qualified contractors, to deliver a cleaning service within the Worcester CBD area.

The CBD area consists of the following streets:

- Durban Street
- Tulbagh Street
- High Street
- Drostdy High School – Somerset Street
- Van Riebeeck Street
- Trappe Street to the N1 (once a week)
- Van Riebeeck Street to the N1 (once a week)
- Robertson Road until the bridge at Roodewal Flats (once a week)
- High Street, pass Cape Agri to N1 (once a week)

The successful contractor has to sweep the road, pavement, gutters, and storm water channels and empty all street refuse bins. Waste will be divided into recyclable and non-recyclable waste.

Each street will have at least one worker, with a street trolley (to be provided by the Municipality). The Chamber of Commerce for Worcester has donated 20 street refuse trollies, with brooms, rakes and street refuse bins.

The operating hours of the contractor will be as follows:

Mon-Fri:	07:00 – 18:00
Saturdays:	08:00 – 18:00
Sundays:	08:00 – 11:00 – 16:00 – 18:00

The department would also like to appoint a contractor for Rawsonville, De Doorns and Touws River CBD. This will be subject to the availability of funding.

11. EPWP (EXTENDED PUBLIC WORKS PROGRAMME) AREA CLEANING

One of the short comings within the suburbs of Breede Valley Municipality is the lack of proper area cleaning (street sweeping and litter picking) within all neighborhoods. The department has commenced, with the assistance of the EPWP department, appointing people from the Municipal Database for jobless people, in different suburbs such as

Zwelethemba	20
Avian Park	10
Florian Park	6
Rapid Response Truck	6

Johnsons Park	6
Esselen Park	6
Roodewal	1
Riverview	1

Table 86: Database for jobless people

The main functions for these workers are to sweep the streets, pavements, do litter picking and removal of alien vegetation.

12. RAPID RESPONSE TRUCK

A Rapid Response Unit has been established within the department consisting of approximately 6 EPWP workers. The purpose of the unit will be to react quickly on any complains and or requests for the removal of litter and refuse.

13. WORCESTER LANDFILL SITE

Currently the Worcester landfill site is managed by the Municipality. The Breede Valley Municipality is currently the only municipality making use of the landfill site. The landfill site is managed well but drastic changes on the management of the site need to be implemented to ensure a compliant site. This is not only to ensure permit compliance but also to bring the facility in line with the new proposed Integrated Solid Waste Management Systems. Proposed changes are:

- Adapting revised operational hours on site so as to reduce spending on overtime
- Renting a bulldozer and back hoe loader after the rental contract for the BOMAG expires on 31 December 2014 (Saves ± R300 per hour per day).
- The construction of a “boom gate” at the entrance to ensure access control
- The diversion of waste on the site into separate areas for:
 - Garden / green waste
 - Building rubble
 - Mixed waste
 - Recyclable material

(Information letters were already handed to users of the site during September 2014 to inform them of the new Integrated Waste Management approach and new operating hours.

- Manage the ± 60 informal pickers on site by:
 - Providing them with reflective jackets to be more visible on site
 - Providing them with rubber gloves

- Not allow children younger than 18 on site
- Not allowing dogs / alcohol etc. on site
- Enforcing them to sign a register in the morning
- All the above mentioned management plans were implemented after several meetings with informal pickers was held during the month of September.

Although the pickers on site are illegal according to permit conditions, it is advised not to prohibit the pickers on site due to possible violence and incendiarism, but rather to manage them.

Some of the informal pickers could in future be accommodated within the Integrated Solid Waste Management program of the Municipality. Workers will then work for themselves but under municipal management.

These workers will reclaim all recyclable materials from waste delivered to the proposed new transfer station / MRF and sell it to local buy-back centers on site. The workers will not be in the employment of the municipality and will not be paid by the municipality. The more recyclable material they collect, the more they will be able to sell to local buy-back centers to ensure a daily income.

14. TRANSFER STATIONS AND MRF'S AND REGIONAL LANDFILL SITE

Worcester has been identified as the preferred location for the construction of a Regional Landfill Site for the eastern part of Cape Winelands District Mayco area after a survey has been done by Jan Palm Consulting Engineering on behalf of CWDM for possible future regional disposal sites. According to the consulting Engineer the license application process has commenced and was already submitted to DEAD&P (2014).

Therefore, within the following five (years), a new Regional Landfill Site will be constructed next to the existing Worcester Landfill Site. Due to the fact that the regional site will be financed and managed by CWDM, Breede Valley Municipality will have to make use of the regional site for disposal purpose.

Disposal tariffs will be implemented at the new site which means that the municipality will have to pay to dispose of waste. On the other hand there will not be expenses to manage the own landfill site. This can have a significant effect on solid waste management tariffs for BVM.

It is recommended that Breede Valley Municipality implement during the 2015/16 financial year a "Pay as you throw" tariff system at the local Landfill Site. The "Pay as you throw" system will entail the following:

- Introduction of disposal tariffs at Worcester Landfill Site (which is in existence, but is not implemented)

- Grass, leaves and clean building rubble which could be used on site could be disposed free of charge
- Enforce strict control over number of wheelie bins/bags collected at households and other service points
- Only municipal refuse bins with the official BVM indication number on will be collected and emptied. No other private refuse bins will be collected or emptied.
- Waste from private companies disposed of at the Touws River transfer station should also be charged for.

15. FREE DISPOSAL FOR HOUSEHOLDS

Ratepayers should be allowed to dispose of ONE LDV LOAD OF WASTE per month free of charge at the transfer station and/or landfill site. Proper record should be kept via a coupon system.

16. PROVIDING TRANSFER STATIONS AND MRF'S

Global trends are to rather move towards Regional Landfill Sites instead of individual sites which are then used by several municipalities from the surrounding areas. See paragraph 14 above.

Due to the fact that Breede Valley Municipality will soon have to deliver all waste to the Regional landfill Site it will become essential to provide appropriate drop off and recycling facilities in the different towns.

It is therefore recommended that Mayco takes in principle a decision to provide transfer stations and MRF's⁵ at the following locations:

- De Doorns – similar to the one in Touws River (Cost ± R6m)
- Next to the Worcester Landfill Site (Cost ± R16m)
- Drop off facility in Rawsonville (Cost ± R2m)

Due to the fact that De Doorns landfill site is illegal and currently without a valid permit the site was closed during September 2014. No household refuse may be disposed of at the site and only builders' rubble and green waste are accepted. In future provision should be made for the public to safely dispose of waste within a transfer station and a MRF where recycled & material could be collected. Unfortunately, farmers are still disposing of solid waste on the site and an alternative solution will have to be provided before they can be stopped.

Worcester Landfill Site should also have a transfer station and MRF where the public could safely dispose waste into 30m³ containers. The public should be allowed to drive with their sedan vehicle into a building then off load their waste and recyclable material and drive off. The public should not be allowed onto the landfill site at all. Only the contractors managing the landfill site should be allowed to empty the 30m³ containers on the landfill site.

17. MANAGING THE LANDFILL SITE AND TRANSFER STATIONS / MRF'S

It is the view of the department that the Worcester Landfill Site should be managed by a specialist service provider instead of the Municipality itself. The operating cost should not exceed R250 000.00 pm including management fees, the chipping of vegetation and wood and the crushing of building rubble. This also means that BVM will not need to purchase or hire any equipment to fulfill their functions.

The municipality should however manage the transfer station / MRF with existing staff members.

It is the view of the department that the proposed new Transfer Station and MRF in De Doorns as well as the existing one in Touws River should be managed by municipal staff.

18. HAULAGE OF 30m³ CONTAINERS FROM TRANSFER STATIONS TO WORCESTER LANDFILL SITE

The truck consists of a "horse and trailer" and is used to haul waste from Touws River to the Worcester Landfill Site. As soon as the Transfer Stations in De Doorns and Rawsonville are constructed and operating the same truck can be used to collect and transport waste in 30m³ containers to the landfill site. Depending on the quantities waste disposed it might become necessary in future to purchase a second "horse and trailer".

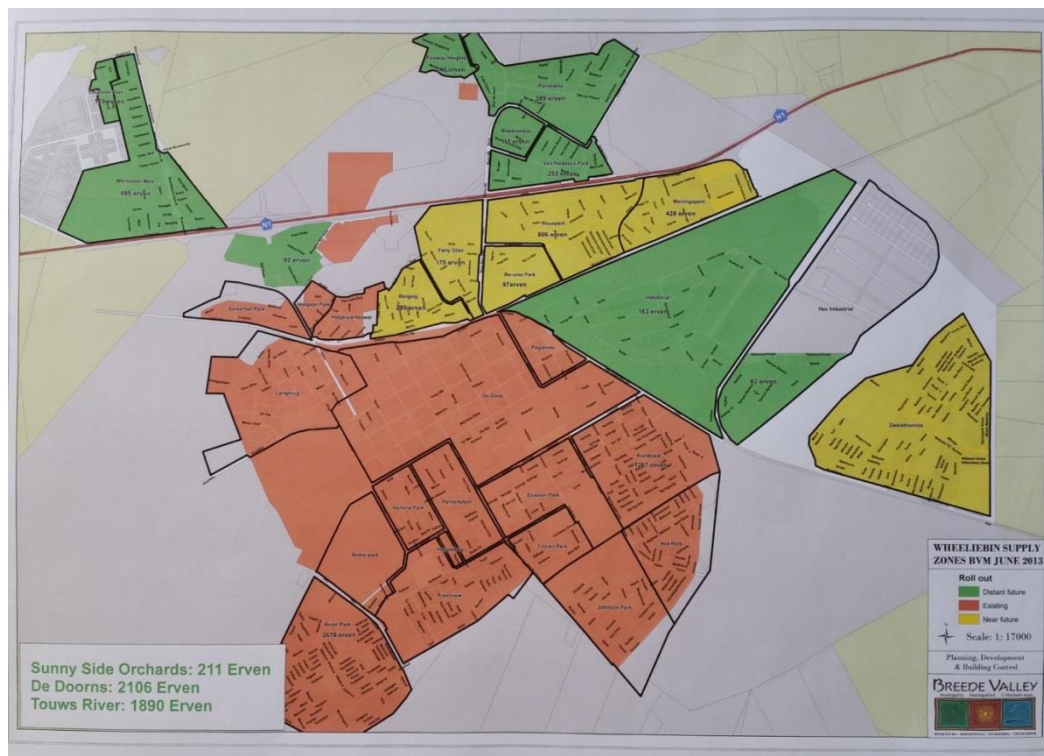


Figure 61: Wheelie - bins- roll-out status (BVM Technical Services Dept. 2014)

The following table provides a breakdown of the Wheelie-bins to be rolled out:

TOWN	NO. OF WHEELIE BINS	ESTIMATED COSTS
Worcester	5 242	R 2 358 900
De Doorns	3 926	R 1 766 700
Touws River	1 500	R 675 000
Total	10 668	R 4 800 600

Table 87: Implementation and cost of wheelie bins (BVM Technical Services dept. 2014)

MACRO SPATIAL ANALYSIS – LANDFILL SITES: WASTE MANAGEMENT

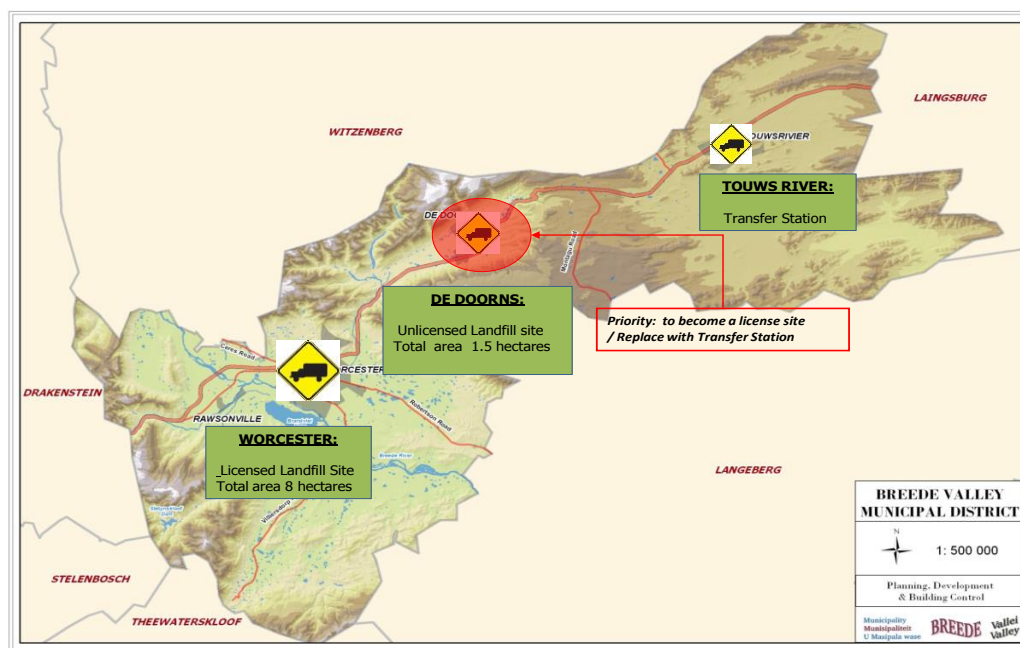


Figure 62: Status of landfill sites

The Integrated Waste Management Plan will be reviewed in conjunction with the review process currently under way at Cape Winelands District municipality. The process is due for completion by June 2015.

8.6 Water Supply & Networks

Worcester and Rawsonville are supplied with water from the Stettynskloofdam and the Fairy Glen dam, with a total estimated yield of 26 000 ML/a. The current and future demands do not surpass the available yield.

De Doorns is supplied with water from Grootkloof and Hex River Irrigation Board, with a total estimated yield of 850 ML/a. The current and future demand do surpass the available yield by 420ML/a.

Touws River is supplied with water from Waterkloof, Donkerkloof, Witklip borehole and springs, with a total estimated yield of 1 008 ML/a. The current and future demand do surpass the available yield by 192 ML/a.

Rawsonville		
Existing Pipelines		Existing Reservoirs & Towers
Bulk pipes	6 000	Rawsonville reservoir
Network pipes	10 905	
Total (m)	16 905	
Worcester		
Existing Pipelines		Existing Reservoirs & Towers
Bulk pipes	27 825	De Koppen
Network pipes	301 585	Langerug
Total (m)	329 410	Preloads Worcester West Sump Worcester West Upper
De Doorns		
Existing Pipelines		Existing Reservoirs & Towers
Bulk pipes	8 880	De Doorns Lower
Network pipes	26 565	De Doorns Upper 1
Total (m)	35 445	De Doorns Upper 2 Orchard N1 Reservoir 1 N1 Reservoir 1 Stofland Reservoir
Touws River		
Existing Pipelines		Existing Reservoirs & Towers
Bulk pipes	56 585	Crescent Lower
Network pipes	32 610	Crescent Lower
Total (m)	89 195	Steenvliet

Table 88: Existing pipeline, reservoirs and towers

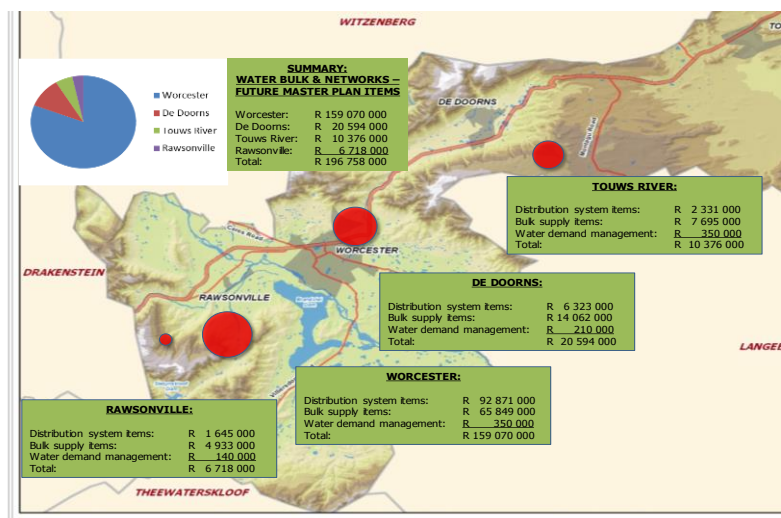


Figure 63: Costing of bulk water and networks

8.7 Sewerage Network & Purification

The majority of erven in the municipal service area connected to a waterborne sanitation system while the remaining households make use of septic tanks. The sewer system is in a fair condition. A phased replacement program has been initiated and is rolled out in accordance with the dictates of the budget.

Breede Valley municipality has waste water treatment plants in each of the four towns with the following capacity.

Existing's Waste Water Treatments Plants (WWTP's) Capacity		Existing Pipelines (gravity and rising mains)
Rawsonville	420 kl/d	10.1km
Worcester	30 000 kl/d	261.9km
De Doorns	2345 kl/d	27.7km
Touws River	840 kl/d	22.7km
Total	33 665 kl/d	322.4km

Table 89: capacity of WWTP's and existing pipelines (BVM Technical Services Dept. 2015)

SEWER (BULK & NETWORKS) – FUTURE MASTER PLAN ITEMS

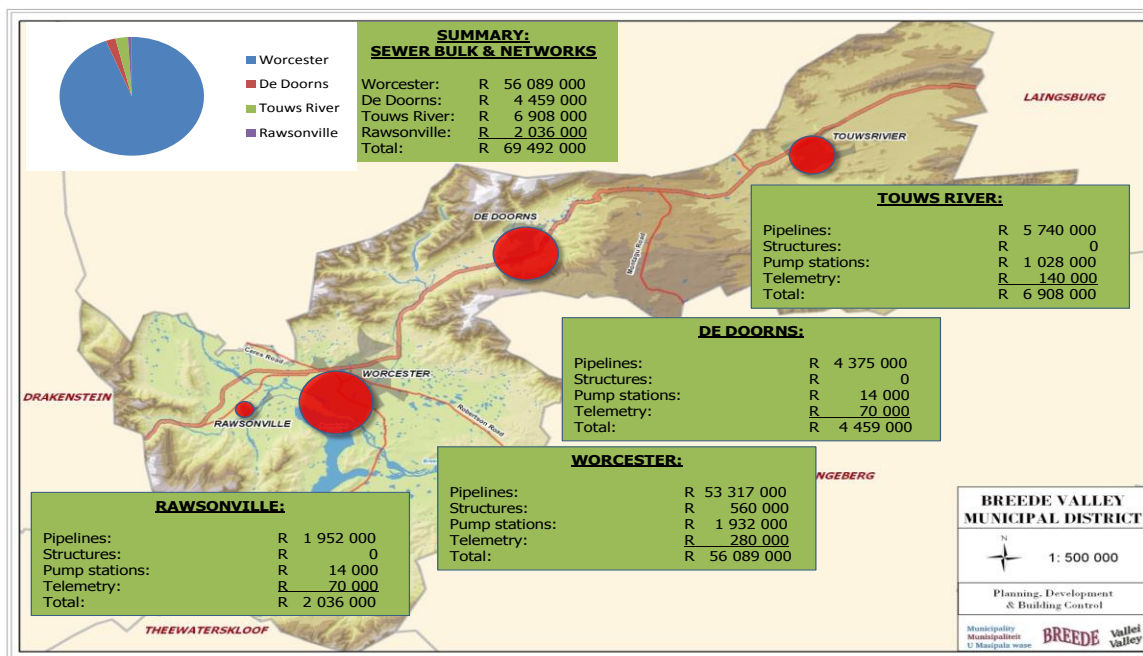


Figure 64: Costing of sewer bulk and networks

8.8 Municipal Roads

Breede Valley Municipality is responsible for the roads and storm water reticulation within the towns of the established municipal area. Roads outside the town area are the responsibility of the Cape Winelands District municipality. The municipality also has a national road, namely the N1, running past Rawsonville and through Worcester, De Doorns and Touws River and it has a significant impact on traffic and the maintenance of the roads in these towns.

The tables following provide an overview of the total kilometres of roads maintained and constructed:

Tarred Roads				
Financial year	Total km tarred roads	Km of new tar roads constructed	Km existing tar roads resurfaced	Km tar roads maintained
2013/14	323.10	0.53	6.354	323.10
2014/15	323.63	0.87	14.99	323.63
Gravel Roads				

Financial year	Total km gravel roads	Km new gravel roads constructed	Km gravel roads upgraded to tar	Km gravel roads graded/maintained Km tar roads maintained
2013/14	40.3	1.2	0.53	40.3
2014/15	40.97	0	0.87	40.97

Table 90: Tarred and gravel roads 2013/2014

The budget for the rehabilitation (resurfacing) of roads for 2013/14 (R 9, 306, 551 million), and 2014-2015 (R 20, 404, 986 million) financial year respectively. The priority list of rehabilitation and maintenance of roads is available on the pavement management system and is specifically spend in the area of high level indigently.

8.9 Parks & Sport Fields

The municipality maintain public parks in all four towns within its service area, the total square meters maintained totals 633 000m², the equivalent of 126 rugby fields.

Town	Area to be maintained m ²	Future developments / extensions	New Estimated costs
Rawsonville	50 000m ²	20 000m ²	R 1,000,000
Worcester	473 000m ²	60 000m ²	R 3,000,000
De Doorns	50 000m ²	20 000m ²	R 1,000,000
Touws River	60 000m ²	10 000m ²	R500,000
Total	633 000m ²	110 000m ²	R5,500,000

Table 91: m² of park maintained, future developments and cost (remain the same as 2013/2014)

The municipality maintain sport fields in all four towns (except De Doorns) within its service area, the total square meters maintained totals 469 000m². The current sport fields in De Doorns are not operational and the infrastructure depleted.

Town	Area to be maintained m ²	Future developments / extensions	New Estimated costs
Rawsonville	30 000m ²	10 000m ²	R 1,000,000
Worcester	369 000m ²	20 000m ²	R 2,000,000
De Doorns	0m ²	20 000m ²	R 2,000,000
Touws River	70 000m ²	20 000m ²	R2,000,000
Total	469 000m ²	70 000m ²	R7,000,000

Table 92: m² of sport fields maintained, future developments and cost

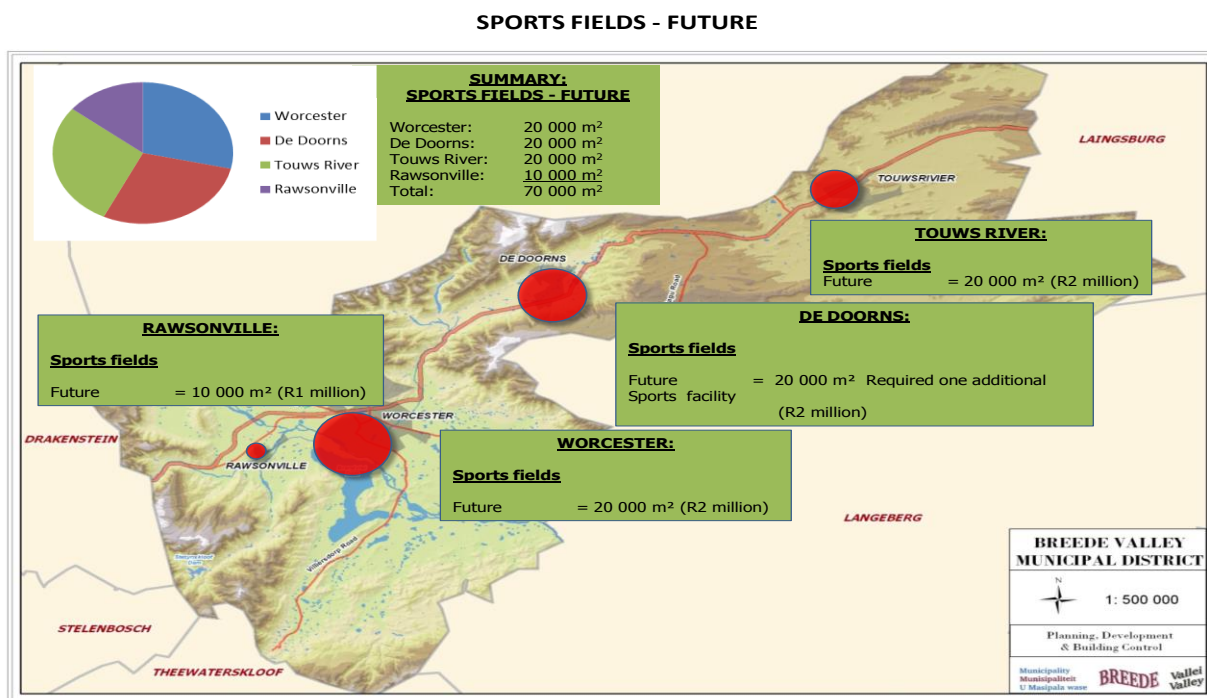


Figure 65: Sport fields - future needs

8.10 Cemeteries

The municipality maintain in total twelve cemeteries in all four towns within its service area. The table below provides information pertaining to the status and future needs:

Town	No of Cemeteries	Capacity Status	Cost
Rawsonville	3	2 reached capacity	R 5,000,000
Worcester	5	1 reached capacity	-
De Doorns	2	1 reached capacity	R 5,000,000
Touws River	2	1 reached capacity	R 5,000,000
Total	12	5	R 15,000,000

Table 93: no of cemeteries, capacity status and cost (remain the same as 2013/2014)

8.11 Traffic and Libraries

The municipality is performing motor registration and licensing on an agency basis for the Provincial Administration. Stringent legislative requirements (time limitations) have to be followed. These time constrains do sometimes have a negative impact on service delivery. Driving licenses are also performed on an agency basis. Driving licenses are also performed on an agency basis. Driving license testing consists of a yard test (parking) and a road test (practical driving). Stringent legislative

requirements (time limitations) also impedes negatively on service delivery. Renewal of driver's license cards also have an impact on service delivery as the public has to wait in queues for an eye test. Law enforcement strategies were increase to address all type of offences. We have experience a decrease in the number fatality's due to increased law enforcement on moving violations. Speed over distance was also introduced on the N1 between Touwsrivier and Laingsburg.

The table below indicates the number of libraries and community libraries within the municipal service area. A community library is a project developed to render a library/information service in the more rural areas/communities or even communities within the boundaries of a town but far from the nearest library. Needs for community library projects are identified by rural communities and then become a joint venture between the Provincial Library Service, local municipalities and members of the rural community. A community library was opened in Overhex community hall (June 2014). A library is planned for Avian Park and completion date is June 2016. A modular library will be established on the Slanghoek Primary School grounds by end of June 2015 and will replace the current Wheelie Wagon project. The upgrading of ablution facilities at Touwsrivier Library will also be completed by the end of June 2015.

Town	Libraries	Community Libraries (Rural Areas)
Rawsonville	1	2
Worcester	3	1(June 2014)
De Doorns	1	2
Touws River	2	0
Total	7	5

Table 94: Library services

Regular meetings are held with officials from DCAS Library Services to discuss needs and give feedback on requests with regards to conditional grant funding. A draft business plan for conditional grant funding for 2015/2016 was submitted to the Provincial Library Service in October 2014. The requests on the business plan were incorporated in the submission for the municipal budget process for 2015/2016. Final allocations from the Provincial Library Services were submitted to the Breede Valley Municipality during January 2015.

The amount of R 11 376 000 will be paid over to the Municipality on 1 July 2015.

The amount is structured as follows:

- R2 000 000 is allocated for the new library project in Avian Park. This is the second phase funding.

- R 2 000 000 as the initial funding for the upgrading of the Worcester Library.
- R320 000 is allocated for two book detection systems.
- R 6 806 000 is to contribute to the municipality's library staffing cost.
- R 250 000 is for small capital projects as prioritised by the library manager.

8.12 Unobuntu Thusong Service Centre Breede Valley Municipality

1. Background

Many South Africans are faced with the challenge of eradicating poverty. It is not only a poverty of a materialistic nature concerned with daily survival, but a poverty of information to develop them.

The information people need to improve themselves and their lives, irrespective of where they are, is often kept in offices of executives and are written in publications in languages foreign to the people it intends to serve.

It is in this circumstance where our people are referred from pillar to post, often at great expense and across long distances, for services they rightly deserve.

So in 1997, the Unobuntu Thusong Service Centre was launched in the community of Zwelethemba to service the Breede Valley to a certain extent with the Objectives to: Identify community information and social needs, facilitate access to government services, provide useful information to communities, provide a platform for two way dialogue between government and people, enhance decentralisation of services, ensure proper management of government resources(financial and human) and ensure a responsive government.

It is with these objectives that our Thusong Centre has tried for almost 19 years to not only give our community members access to information but to try and address the issue of poverty by empowering our youth, woman, disabled and other venerable groups in our community.

The Thusong Centre started on a new page in 2014, new management, new ideas and fresh initiatives was at the top of the order and small changes started to happen.

The building is currently undergoing maintenance for the 1st time, access control is implemented on a daily basis, an events calendar was drawn up and three events have taken place already.

We are complying with all guidelines from the Provincial office in an attempt to get our administration in order and keep it up to date. Since implementing the access control system we have seen an increase in the number of visits per day and per month from a mere 460 in September 2014 to total of 1205 in December and a total of 1681 visits during January 2015, figures that speaks hugely to the success of the systems put in place at the centre.

General and routine cleaning is taking place per schedule and members of the public extended that gratitude towards the staff at the centre for the extra effort they've put in.

It is clear, that getting the Centre prim and proper is a high priority but more so, is the responsibility to get proper plans and programmes running at the centre hence we have now drafted an events calendar to help us ensure that we create a buzz at the centre again.

The number of visits to centre has increased but our focus is not to see more people at the centre, but to deliver a better and higher standard of services to our people.

Our focus is therefore not on the number of visits to the Centre, but rather on the number of satisfied customers after their visit to the Centre.

For this reason it is absolutely critical that all tenants or services providers understands, that it is crucially important that the quality of services they provide to the community must be above standard if we are to achieve this objective.

2. The Purpose of the Thusong Service Centre

The Thusong Service Centre is better known as the MPCC, Multi-Purpose Community Centre which in itself is indicates that the centre was designed and built to serve more than one purpose at the same time.

The Thusong Service Centre was built to become the one stop shop for our community.

So at the Unobuntu Thusong Service Centre we are committed to become this one stop shop desired by our community.

3. How do we contribute to this purpose?

We intend to contribute to this purpose by going back to the basics, and that is to ensure that we create an environment where the public can come and get the services they need at little to no expense.

To guide us with this, certain changes had to be made at the centre and these small adjustments are currently allowing us to achieve somewhat better results in most areas of the Thusong Centre.

The newly appointed Coordinator is ensuring that the new systems and procedures we have put into place are functional and monitored on a daily basis and by doing so we hope to ensure that constant delivery of good results takes place.

The purpose of the Centre can therefore easily be seen as the community members has suddenly started to complement our staff members for the good job they are doing.

Furthermore we believe that systems and structures and procedures won't always guarantee the results required, but rather committed people to execute those plans and programmes.

The Thusong Centre has a certain role and responsibility towards the community and although it's not easy to fulfil that role and execute the task and responsibilities, it is absolutely vital that we continue to constantly strive to achieve the best results we possibly can.

For we can only serve our purpose if we deliver on the centre's objectives and ensure that we maintain good and healthy relationships with the stakeholders involved with our Thusong Centre.

So based on the monthly reports submitted by the newly appointed Thusong Centre Coordinator, we can see a significant change in the daily operation at the centre. Not only do we have more feet walking in and out of the centre, but we also have more departments becoming interested in setting up an office and become part of this new journey we are embarking on.

3.1 The services we are offering at the centre includes

- Cape Access E-centre
- Department of Local Government (CDW programme)
- Department of Communications (GCIS)
- Department of Social Development
- Postal Office
- BVM offices
- Hernell Funerals Services
- Zwelethemba Arts and Culture
- Sinethemba Support Group
- SASSA
- Community GYM

4. Departments that indicated that they are interested in renting a space the centre includes:

- Home affairs
- Department of Cultural Affairs and Sport
- Department of Labour

This is a clear indication that we are moving in the right direction in terms of bringing the services closer to the people.

We also host a bunch of community based organizations on a daily basis using the facility for free with the authorization from the office of the Executive Mayor.

This adds to the long list of things we do at the centre to ensure that we give everyone access to our facility.

We provide our facility to numerous groups and companies to do their training at the centre and this helps us to market the centre and attract even more movement to the centre on a daily basis.

We must report that, no incidents occurred over the last 5 months, our security services are better as we've requested for more security officers and the fact that we are now keeping them accountable for what happens at the centre.

We have created the image at the centre that no unauthorized persons are allowed to use the centre during the evening without permission from the coordinator.

- Our Action Plan

Activity	Action taken	Progress	Comments
<ul style="list-style-type: none"> • Competent dedicated person in charge 	<ol style="list-style-type: none"> 1. Community Development Officer appointed 01 Oct 2014 – to head the Department of Community Development. 2. Thusong Centre Coordinator appointed 01 Nov 2014 – To manage the TSC on a daily basis 	100 %	Appointments done as Scheduled
<ul style="list-style-type: none"> • Budget allocation 	1. Operational Grant Funding –	100%	R 132 578.22 Available

	R222000,00 received from Provincial Department		38.34 % Spend at the end January
• Maintenance responsibility	1. TSC Coordinator assigned to oversee and implement maintenance at the Centre •	100 %	Cleaning schedule in place
• Access control / security	1. Daily Access Control sheets are being signed at the security. 2. Wendy house for security office at the gate procurement in progress 3. New fence installed around the Centre		Access control Sheets ensures that we are aware of the amount of clients that visits the centre.
• Vandalism	1. Since new security measures were put in place no incidents reported	100 %	Security officers were instructed to patrol the entire building.
• Detailed annual activities programme	1. Annual Events Calendar designed and submitted to Director and Province	100 %	
• Management oversight (community)	1. Advisory Board was established in January 2015. 2. Minutes and Attendance Register submitted	100%	Advisory board will assist with the marketing and other aspects of the TSC in conjunction with the Coordinator
• Improvement of the reporting (monitoring and evaluation)	1. Monthly Reports submitted to CDO 2. Quarterly Report Submitted to Province	100 %	Monthly reports for Nov, Dec, Jan submitted 3 rd Quarterly Report submitted 18 December 2014
• Maintenance programme	1. Maintenance programme was drawn up. 2. Scheduled to be concluded by end of February	100 %	65 % progress on implementing

<ul style="list-style-type: none"> • Lease register (expiry dates of contracts) 	<ol style="list-style-type: none"> 1. Lease register maintained 2. Current list of all tenants and their status submitted on monthly basis in monthly reports 	100 %	<p>List is up to date</p> <p>Constant communication with Finance and Legal department with regards to the status of all accounts of the tenants.</p>
<ul style="list-style-type: none"> • New business plan / business model 	<ol style="list-style-type: none"> 1. Business plan under review <ul style="list-style-type: none"> • 		<p>New business plan to be concluded before the planned re-launch on 27 March 2015</p>

Table 95: Action Plan

4.1 Programme for the short to medium term includes:

1. Thusong Centre Re – Launch – 27 March 2015
2. Start with a mobile Thusong outreach programme
3. Host municipal outreach days
4. Formulation of partnerships with relevant stakeholders

5. How do we integrate service delivery?

At the Unobuntu Thusong Service Centre we believe that the service we offer at the centre must be of such a nature that any person who enters the facility will walk out of the facility assisted and fully satisfied with the service rendered.

The Thusong Centre has become over the years in most cases the first reporting office for community members. Some of the complaints and issues include, blocked drains, burst water pipes, shack fires and every other issue that arises in the community. We deal with most government departmental queries as well as municipal issues pertaining to the basic services in the community.

We play a key role in relaying these matters to the relevant departments and also assist community members on a big scale when it comes to feedback or issues reported.

It is equally important that we continue to provide this point of contact for the community, and also ensure that we continuously educate the public on certain matters and if we are not in a position to assist, we make sure that the clients gets referred to the relevant department or official to assist them.

So I believe that we really have created a one stop shop for the community.

6. Assistance from the Department of Local Government, Directorate: Service Delivery Integration

The Thusong Centre received an operation Grant of R222000 in November 2014. This money has enabled us to perform many operational and maintenance task over the last four months.

We are accountable towards to Provincial department in terms of the spending of this grant.

We are also required to attend all provincial engagements relating to the Thusong programme.

We submit quarterly reports to province and monthly reports to the Director Community Services at the Municipality.

7. Roll out of Thusong Service Centre programme

At this point in time the focus and all attention is being spent on getting the facility and the services we offer at the centre ready and to a standard high enough that will be relatively easy to achieve and maintain.

Discussions between the Centre and other partners have taken place on a few occasions to explore the possibility of getting the centre to become more mobile.

The Provincial department currently has a Mobile Thusong unit and is rolling out the mobile outreach programme in various other municipalities.

We've decided that once we have the centre fully functional and ready, we would like to start with our own outreach programme for the Breede Valley.

This will include services being extended to as far as Touwsriver and all the farms surrounding the valley.

Due to the vast area of the Breede Valley, it is almost impossible for all communities access the Thusong Service various reasons, but we hope that with a mobile outreach programme we might begin to close the gap and start services those individuals.

8. In Conclusion

The Unobuntu Thusong Service Centre and all of the staff members have adopted a new attitude a new look and mechanisms that will enable us to perform our duties better, to deliver a service of high quality to the public and make sure that we serve the people of Breede Valley.

With proper planning and better financial support, we can take this Thusong Centre to greater heights.

With the formulation of partnership, IGR and the commitment towards continues empowerment of the service providers we can achieve a lot more over a shorter period of time.

We therefor plea to all stakeholders and role players to come to the table and join hands with us, so that we may take OUR Thusong Centre from strength to strength.

8.13 Records Management

Good governance depends on government's ability to function efficiently and effectively. All governmental bodies need to have ready access to the information they require to perform their services to the public in an accountable manner.

Records that are correctly arranged and stored are easily accessible and facilitate transparency and accountability that are the cornerstones of democracy.

The implementation of an effective disposal programme enables a body to dispose of its records regularly either by transferring the archival records to an archives repository or by disposing of the non-archival records when they are no longer required for administrative, legal or other functional purposes.

Records require storage conditions and handling processes that take into account their specific physical and chemical properties. Storage conditions and handling processes should be designed to protect records from unauthorised access, loss, damage, destruction, theft and disaster.

The records management programme should be staffed by personnel with appropriate skills and knowledge to ensure that it is effective, efficient, transparent and accountable. The records management programme should be regularly monitored to ensure that it is effective and that it meets the requirements of the National Archives and Records Service of South Africa Act.

Purpose

Western Cape Archives and Record Service requires Breede Valley Municipality to manage its records in a well-structured record keeping system, and to put the necessary policies and procedures in place to ensure that its record keeping and records

management practices comply with the requirements of the Provincial Archives and Records Service of the Western Cape Act 2005 (Act No. 3 of 2005).

Information is a resource of the same importance to good management as other standard resources like people, money and facilities. The information resources of Breede Valley Municipality must therefore be managed as a valuable asset. Appropriate records management is a vital aspect of maintaining and enhancing the value of this asset. Breede Valley Municipality considers its records to be a valuable asset to:

- enable Breede Valley Municipality to find the right information easily and comprehensively;
- enable Breede Valley Municipality to perform its functions successfully and efficiently and in an accountable manner;
- support the business, legal and accountability requirements of Breede Valley Municipality;
- ensure the conduct of business in an orderly, efficient and accountable manner;
- ensure the consistent delivery of services;
- support and document policy formation and administrative decision-making;
- provide continuity in the event of a disaster;
- protect the interests of Breede Valley Municipality and the rights of employees, clients and present and future stakeholders;
- support and document the Breede Valley Municipality's activities, development and achievements;
- provide evidence of business in the context of cultural activity and contribute to the cultural identity and collective memory.

Records management, through the proper control of the content, storage and volume of records, reduces vulnerability to legal challenge or financial loss and promotes best value in terms of human and space resources through greater co-ordination of information and storage systems.

Policy Statement

All records created and received by Breede Valley Municipality shall be managed in accordance with the records management principles of Western Cape Archives and Record Service.

The following broad principles apply to the record keeping and records management practices of Breede Valley Municipality:

- The Breede Valley Municipality follows sound procedures for the creation, maintenance, retention and disposal of all records, including electronic records.

- The records management procedures of Breede Valley Municipality comply with legal requirements, including those for the provision of evidence.
- The Breede Valley Municipality follows sound procedures for the security, privacy and confidentiality of its records.
- Electronic records in the Breede Valley Municipality are managed according to the principles promoted by Western Cape Archives and Record Service.
- The Breede Valley Municipality must implement performance measures for all records management functions so that compliance with these measures can be reviewed.

Relationship with other policies

The Breede Valley Municipality's Records Management Policy is supported by and supports other policies (e.g. ICT Policy, Supply Chain Policy) that cover the unique nature of the broad spectrum of records generated by Breede Valley Municipality. The policy will be managed by the Records Manager in consultation with other role-players (e.g. the Manager: ICT; the Manager: Supply Chain Unit). Where policies which relate / may relate to Records Management do not exist, they should be formulated, approved and implemented.

Scope and Intended Audience

This policy impacts upon Breede Valley Municipality's work practices for all those who:

- create records including electronic records;
- have access to records;
- have any other responsibilities for records, for example storage and maintenance responsibilities;
- have management responsibility for staff engaged in any these activities; or manage, or have design input into, information technology infrastructure.

The policy therefore applies to all Office-bearers/Staff, Councillors, Staff members of the Breede Valley Municipality and covers all records regardless of format, medium or age.

Regulatory Framework

By managing its paper-based records effectively and efficiently Breede Valley Municipality strives to give effect to the accountability, transparency and service delivery values contained in the legal framework established by:

- The Constitution (Act 108 of 1996);
- The National Archives and Records Service of South Africa Act (Act No 43 of 1996);
- The Promotion of Access to Information Act (Act No 2 of 2000);
- The Promotion of Administrative Justice Act (Act No 3 of 2000);
- The Electronic Communications and Transactions Act (Act No 25 of 2002);
- The National Archives and Records Service of South Africa Regulations (R158 of 20 Nov. 2002);
- The Local Authority: Municipal Finance Management Act (Act 56 of 2003);
- Provincial Archives and Records Service of the Western Cape Act 2005 (Act No. 3 of 2005);
- Regulations Relating to the Provincial Archives and Records Service of Western Cape (P.N. 122/2006);
- The e-Government Framework and the National e-Strategy; and
- any other current or future legislation pertaining to or referring to Records Management.

Roles and Responsibilities

Head of Breede Valley Municipality Administration

The Municipal Manager is ultimately accountable for the record keeping and records management practices of Breede Valley Municipality.

The Municipal Manager is committed to enhancing accountability, transparency and improvement of service delivery by ensuring that sound records management practices are implemented and maintained.

The Municipal Manager supports the implementation of this policy and requires each office-bearer/staff, councillor, staff-member to support the values underlying in this policy.

The Municipal Manager shall designate a Senior Manager to be the Records Manager of the Breede Valley Municipality and shall mandate the Records Manager to perform such duties as are necessary to enhance the record keeping and records management practices of Breede Valley Municipality to enable compliance with legislative and regulatory requirements.

Section 56 Managers (Directors) and Senior Managers

Directors and Senior Managers are responsible for the implementation of this policy in their respective Directorates / Departments.

Directors and Senior Managers shall lead by example and shall themselves maintain good record keeping and records management practices.

Directors and Senior Managers shall ensure that all staff is made aware of their record keeping and records management responsibilities and obligations.

Directors and Senior Managers shall ensure that the management of all records is a key responsibility in the performance agreements of all the staff in their units.

Records Manager

The Records Manager is responsible for:

- the implementation of this policy;
- staff awareness regarding this policy;
- the management of all records according to the records management principles of Western Cape Archives and Record Service.
- The determination of retention periods in consultation with the users and taking into account the functional, legal and historical need of the body to maintain records of transactions.

The specific duties of the Records Manager are contained in the Records Manager's job description.

The Records Manager is mandated to make such training and other interventions as are necessary available to ensure that the Breede Valley Municipality's record keeping and records management practices comply with the records management principles of Western Cape Archives and Record Service.

The Records Manager may from time to time issue circulars and instructions regarding the record keeping and records management practices of Breede Valley Municipality.

The Records Manager shall ensure that all records created and received by Breede Valley Municipality are classified according to the approved file plan and that a written disposal authority is obtained for them from the Western Cape Archives and Record Service.

The Administrative Assistant: Registry is the designated Records Manager for the whole Breede Valley Municipality.

Chief Information Officer

The Chief Information Officer is responsible for approval of requests for information in terms of the Promotion of Access to Information Act.

The Chief Information Officer shall inform the Records Manager if a request for information necessitates a disposal hold to be placed on records that are due for disposal.

Manager: ICT

The Manager: ICT is responsible for the day-to-day maintenance of electronic systems that stores records.

The Manager: ICT shall work in conjunction with the Records Manager to ensure that public records are properly managed, protected and appropriately preserved for as long as they are required for business, legal and long-term preservation purposes.

The Manager: ICT shall ensure that appropriate *systems procedures manuals* are designed for each electronic system that manages and stores records.

The Manager: ICT shall ensure that all electronic systems capture appropriate systems generated metadata and audit trail data for all electronic records to ensure that authentic and reliable records are created.

The Manager: ICT shall ensure that electronic records in all electronic systems remain accessible by migrating them to new hardware and software platforms when there is a danger of technology obsolescence including media and format obsolescence.

The Manager: ICT shall ensure that all data, metadata, audit trail data, operating systems and application software are backed up on a daily, weekly and monthly basis to enable the recovery of authentic, reliable and accessible records should a disaster occur.

The Manager: ICT shall ensure that back-ups are stored in a secure off-site environment.

The Manager: ICT shall ensure that systems that manage and store records are virus free.

Comprehensive details regarding specific responsibilities of the Manager: ICT are contained in this policy and the ICT Policy

Security Manager

The Security Manager is responsible for the physical security of all records.

Details regarding the specific responsibilities of the Security Manager are contained in the information security policy.

Manager: Legal Services

The Manager: Legal Services is responsible for keeping the Records Manager updated about developments in the legal and statutory environment that may impact on the record keeping and records management practices of Breede Valley Municipality.

Registry Staff

The Registry Staff are responsible for the physical management of the records in their care.

Office-bearers/Staff, Councillors

Every Office-bearer/staff or councilor shall create records of transactions while conducting official business.

Every Office-bearer /staff or councilor shall manage those records efficiently and effectively by:

- allocating reference numbers and subjects to paper-based and electronic records according to the file plan;
- sending paper-based records to the Registry for filing.

Records management responsibilities shall be written into the performance agreements of all Councillors, Office-bearers and staff to ensure that they are evaluated on their records management responsibilities.

Records Classification Systems and Related Storage Areas

The Breede Valley Municipality has the following systems that organise and store records:

Correspondence systems

File plan

The Record Management System for Breede Valley Municipality (Reference X10/3/4/2/14B of 2000-11-23) approved and implemented by the National Archivist on 5 December 2000 shall be used for the classification of correspondence records. The file plan shall be used for the classification of paper-based and electronic (including e-mail) records.

Each Office-bearer / Staff, Councillor, Staff-member shall allocate file reference numbers to all correspondence (paper, electronic, e-mail) according to the approved subjects in the file plan.

When correspondence is created / received for which no subject exists in the file plan, the Records Manager should be contacted to assist with additions to the file plan. Under no circumstances may subjects be added to the file plan if they have not been approved by the Records Manager. Specific procedures regarding the addition and approval of a subject in the system are contained in the Records Management Schedule A of the approved File Plan (X10/3/4/2/14B of 2000-11-23).

Storage areas

Paper-based correspondence files are kept in the custody of-

The Central Registry

All paper-based correspondence system records and all Human Resources related records are housed in the Central Registry. Breede Valley Municipality maintains a set of paper-based case files for each staff-member. These files are confidential in nature and are housed in a secure storage area in the Central Registry.

All these records are under the management of the Records Manager who is mandated to ensure that they are managed properly.

The Central Registry is a secure storage area and only Registry Staff are allowed in the records storage area.

Office-bearers / Staff, Councillors and Staff members that need access to files in the Central Registry shall place a request for the files at the counter or telephonically to the Records Manager / Registry Staff.

The Registry shall be locked when Registry is not in operation.

Electronic correspondence records are stored in an electronic repository that is maintained by the ICT Department.

Access to storage areas where electronic records are stored is limited to ICT Staff who have specific duties regarding the maintenance of the hardware, software and media.

Schedule for records other than correspondence systems

The Records Manager maintains a schedule of all records other than the correspondence system. The schedule contains a description of each set of records other than the correspondence system and indicates the storage location and retention periods of these records regardless of format.

Should records be created/received that are not listed in the schedule, the Records Manager should be contacted to add the records to the schedule.

Storage areas

Paper-based

The Breede Valley Municipality has the following sets of paper-based records other than the correspondence systems that are in the custody of the various officials that use them on a daily basis:

Encroachment Agreements

Lease Agreements;

Miscellaneous Agreements;

Title Deeds;

Council Minutes;

Old Tender documents.

These records are under the control of the Records Manager who is mandated to ensure that they are managed properly.

Micrographic records

The Breede Valley Municipality does not have micrographic records.

Audio records

The Breede Valley Municipality has the following audio records that are stored in the network file server:

- Sound files of Committees of Council, Mayoral Committee and Council meetings.

These records are under the control of the Municipal Manager, the Directors and authorised Senior Managers / Administrative officials.

Electronic systems other than the correspondence systems

Breede Valley Municipality has a number of electronic records systems in operation which are not part of the correspondence system and that generate and store public records;

SAMRAS;

On Key;

CapMan;

Ignite4U;

Lexis Nexis;

WinDeed; and

any other future electronic record systems that may be introduced.

The Manager: ICT is responsible for the day-to-day maintenance of these systems.

The records maintained in these systems are managed by the Manager: ICT as authorised by the Municipal Manager and Directors who are mandated to ensure that they are managed properly.

Additional guidance regarding the management of these systems is contained in the ICT Policy.

Disposal of Records

No public records (including electronic records) shall be destroyed, erased or otherwise disposed of without prior written authorisation of Western Cape Archives and Record Service.

The Western Cape Archives and Record Service issues Standing Disposal Authorities for the disposal of records classified against the file plan. The Records Manager manages the disposal schedule.

The Western Cape Archives and Record Service issues Standing Disposal Authorities on the schedule of records other than correspondence systems. The Records Manager manages the disposal schedule.

Retention periods indicated on the file plan and schedule were determined by taking Breede Valley Municipality's legal obligations and functional needs into account. Should an Office-bearer / Staff, Councillor, Staff-member disagree with the allocated retention periods, the Records Manager should be contacted to discuss a more appropriate retention period.

Disposal in terms of these disposal authorities will be executed at least annually.

All disposal actions should be authorised by the Records Manager prior to their execution to ensure that archival records are not destroyed inadvertently.

Non-archival records that are needed for litigation, Promotion of Access to Information requests or Promotion of Administrative Justice actions may not be destroyed until such time that the Manager: Legal Services has indicated that the destruction hold can be lifted.

Paper-based archival records shall be safely kept in the archiving rooms in the basement until they are due for transfer to the Western Cape Archives and Record Service. Transfer procedures shall be as prescribed by Western Cape Archives and Record Service

Storage and Custody

All records shall be kept in storage areas that are appropriate for the type of medium. The Western Cape Archives and Record Services' guidelines shall be applied.

Access and Security

Records shall at all times be protected against unauthorised access and tampering to protect their authenticity and reliability as evidence of the business of Breede Valley Municipality.

Security classified records shall be managed in terms of the Information Security Policy which is available from the Security Manager.

No Office-bearer / Staff, Councillor, Staff-member shall remove records that are not available in the public domain from the premises of Breede Valley Municipality without the explicit permission of the Records Manager in consultation with the Security Manager.

No Office-bearer / Staff, Councillor, Staff-member shall provide information and records that are not in the public domain to the public without consulting the Chief Information Officer. Specific guidelines regarding requests for information will be contained in the Promotion of Access to Information Policy, which is maintained by the Chief Information Officer.

Personal information is to be managed in terms of the Promotion of Access to Information Act until such time that specific protection of privacy legislation is enacted.

No Office-bearer / Staff, Councillor, Staff-member shall disclose personal information of any Office-bearer / Staff, Councillor, Staff-member or client of Breede Valley Municipality to any member of the public without consulting the Chief Information Officer first.

An audit trail shall be logged of all alterations to / editing of electronic records and their metadata.

Records storage areas shall at all times be protected against unauthorised access. The following shall apply:

Registry and other records storage areas shall be locked when not in use.

Access to server rooms and storage areas for electronic records media shall be managed by ICT Staff in terms of the ICT Policy.

Legal Admissibility and Evidential Weight

The records of Breede Valley Municipality shall at all times contain reliable evidence of business operations. The following shall apply:

Paper-based records

No records shall be removed from paper-based files without the explicit permission of the Records Manager.

Records that were placed on files shall not be altered in any way.

No alterations of any kind shall be made to records other than correspondence files without the explicit permission of the Records Manager.

Should evidence be obtained of tampering with records, the Office-bearer / Staff, Councillor, Staff member involved shall be subject to disciplinary action.

Electronic records

The Breede Valley Municipality shall use systems which ensure that its electronic records are:

- authentic;
- not altered or tampered with;
- auditable; and
- produced in systems which utilise security measures to ensure their integrity.

The Records Management Policy contains information regarding the metadata and audit trail information that should be captured to ensure that records are authentic.

Training

The Records Manager shall successfully complete the Western Cape Archives and Record Service's Records Management Course, as well as any other records management training that would equip him / her for his / her duties.

The Records Manager shall identify such training courses that are relevant to the duties of the Registry Staff and shall ensure that the Registry Staff are trained appropriately.

The Records Manager shall ensure that all Office-bearers / Staff, Councillors and Staff-members are aware of the records management policy and shall conduct or arrange such training as is necessary for Office-bearers / Staff, Councillors and Staff members to equip them for their records management duties.

Records management is a shared responsibility between users, Records Managers and managers. All creators of records should be equipped with the necessary skills to capture and manage reliable and authentic records. Programmes for training should encompass all members of management, records and Registry staff as well as all users creating and using records while performing their functions. The Municipal Manager should ensure that an ongoing programme of records management training is established.

The training programme should ensure that the benefits of managing records are widely understood in the organization. Records Managers, trainers, work study officials and Registry heads should attend the Western Cape Archives and Records Service Records Management Course as well as any other training that might be offered from time to time to equip them for their specific responsibilities in terms of the Act.

The Records Manager is responsible to implement and manage a suitable training programme for managers, employees, contractors and records management staff. He/she should supervise the training of staff regarding records management matters and regularly evaluate the success of the training programme against the effectiveness of the records management programme.

The Records Manager is responsible for ensuring that the Registry Head is trained and has attended the Western Cape Archives and Records Service Records Management Course. He/should also ensure that the Registry head and Registry staff are aware of and adhere to the standards, procedures and methods of records management promulgated in the Provincial Archives and Records Service of the Western Cape Act, 2005. The Records Manager is responsible to ensure that all staff members are made aware of their joint responsibility in maintaining sound records management practices. He/she should conduct awareness campaigns in this regard.

Monitor and Review

The Records Manager shall review the record keeping and records management practices of Breede Valley Municipality on a regular basis and shall adapt them appropriately to ensure that they meet the business and service delivery requirements of Breede Valley Municipality.

This policy shall be reviewed on a regular basis and shall be adapted appropriately to ensure that it meets the business and service delivery requirements of Breede Valley Municipality.

The Records Management Programme should be regularly monitored to ensure that it is effective and that it meets the requirements of the Provincial Archives and Records Service of the Western Cape Act, 2005.

The Municipal Manager should ensure that compliance monitoring is regularly undertaken to ensure that the records systems, policies, procedures and processes are properly implemented.

8.14 Disaster Management

The Breede Valley Municipal Council resolution **EX 8/2012** gives effect to the Breede Valley Integrated Disaster Risk Management Framework and Disaster Risk Management Plan for the period 2012 to 2017.

(a) INTEGRATED DISASTER RISK MANAGEMENT FRAMEWORK

The Breede Valley Integrated Municipal Disaster Risk Management Framework provides the institutional scope of how the municipality will organize itself to deal with disaster risk preparedness planning, risk reduction and response and relief responsibilities with clearly defined elements and is considered as the 'parent' document.

(b) Disaster Risk Management Plan

Section 53(1) (a) of the Disaster Management Act, 2002 (Act 57 of 2002 – hereafter referred to as “the Act”) requires the Municipality to prepare a disaster management plan for its area according to the circumstances prevailing in the area and within the ambit of its municipal disaster management framework.

Section 53(2) (a) of the Act specifies that the disaster management plan for a municipality must form an integral part of the municipality's integrated development plan (IDP). Section 26(g) of the Local Government: Municipal Systems Act, 2000 lists “applicable disaster management plans” as core components of an IDP.

The Disaster Risk Management Plan is reviewed annually to ascertain progress made against approved Action Items and to determine whether any material and substantial changes need to be made to the original or reviewed plan.

It is hereby confirmed that as a consequence of the 2012/2013 review, no material or significant changes to the approved plan need to be made.

8.14.1 GLOSSARY OF TERMS

BVM – refers to the Breede Valley Municipality, its' Council and includes any Municipal Entity or contracted External Agent acting on behalf of the Municipality.

Damage Assessment - An appraisal or determination of the effects of a disaster on human, physical, economic and natural resources.

Emergency – A sudden state of danger affecting the functioning of the Municipality and the safety and integrity of its communities that requires immediate action and response.

Enabling Authority – The Head of the Emergency Operations and Disaster Management Centre

EOC – refers to the Emergency Operations Centre which is a standing facility in the Fire Department that is designated for the managing and coordination of major incidents and disaster emergencies as well as major events. It provides for the centralized locating of the five functional sections of the Incident Management Team: Command, Operations, Planning, Logistics and Finance.

ESF –refers to Emergency Support Functions that are allocated in recognition that resources needed to manage an emergency are likely to be complicated and cross-cut across departments or agencies.

Impact Analysis – A management level analysis that identifies the impacts of losing resources that are integral to the BVM functioning and purpose. The analysis measures the effects of resource loss and escalating losses over time in order to provide the BVM with reliable data upon which informed decisions can be made on hazard mitigation and continuity planning.

Incident Management System – The combination of facilities, equipment, personnel, procedures, and communications operating within a common organizational structure with the responsibility for the management of assigned resources to effectively accomplish stated objectives pertaining to an incident

Integrated Disaster Risk Management Framework – a programme that implements the mission, vision and strategic goals and objectives as well as the management framework for the Municipality

Mitigation – Activities taken to eliminate or reduce the degree of risk to life, property, or health from hazards, either prior, during or after a defined emergency.

Mutual Aid Agreement – A pre-arranged agreement developed between other institutions, agencies or organizations that will enable easier facilitation of incidents by ensuring readily accessible assistance and support.

"Statutory functionary" means a person performing a function assigned to that person by national, provincial or municipal legislation; (Act 57 of 2002)

8.14.2 DISASTER RISK MANAGEMENT PLAN – ACTION ITEMS FOR 2012-2017

The Council Approved Disaster Risk Management Plan (EX 8/2012) makes reference to 13 Action Items that will be focused on in the next five (5) Years. These are reflected in the table below.

ITEM	ACTION
1.	The Disaster Emergency Management Centre of the Breede Valley Municipality will circulate forms on an annual basis requesting role-players to indicate their nodal points for disaster management. The forms shall provide space for indicating the department, position and full contact details (also after hours) of the nodal point and at least one alternate contact person.
2.	BVFD will maintain a list of hazards that may affect the municipality with associated primary role-players indicated for risk reduction as well as preparedness for each specific hazard.
3.	The risk profile of the Breede Valley Municipality will be considered and primary and supporting role-players will be identified for each identified risk. Such allocation of primary and supporting roles will be done in consultation with all

	relevant role-players, will be informed by existing legal frameworks, and assignment will be done on a consensus basis.
4.	The Breede Valley Municipality will establish and maintain a fully staffed and resourced Disaster/Emergency Management Centre.
5.	The DEMC will consider the establishment of a Local Disaster Management Advisory Forum and act upon its decision in this regard.
6.	Nodal points will be empowered and supported by their departments to establish, manage, and participate in departmental planning groups.
7.	The primary role-players for specific hazards or disaster risks, in collaboration with DEMC, will establish and manage risk-reduction project teams as required or when requested. This will be done by utilizing existing structures as far as possible in order to prevent duplication and reduce the meeting burden on role-players.
8.	The primary role-players for specific hazards or disaster risks, in collaboration with DEMC, will establish and manage preparedness planning groups as required or when requested. This will be done by utilizing existing structures as far as possible in order to prevent duplication and reduce the meeting burden on role-players.
9.	The preparedness planning group for each hazard will detail how the activation of a joint response and relief management team for that specific hazard will be managed, and who will form part of the team.
10.	The preparedness planning group for each hazard will detail how the activation of recovery and rehabilitation project teams for that specific hazard will be managed, and who will form part of the teams.
11.	BVFD will continue to maintain a fully staffed and resourced ECC which must be continually improved in order to keep abreast of changing ICT technology.
12.	BVFD will establish and maintain a fully staffed and resourced Emergency Operations Centre for activation as required and will identify fall-back or alternative facilities for the same purpose.
13.	BVFD will establish and maintain a fully staffed and resourced Emergency Management Support Centre for activation as required which will also serve as an alternative EOC.

Table 96: Action items

HAZARD, RISK AND VULNERABILITY ASSESSMENTS

A Hazard, Risk and Vulnerability Assessment (HRAVA) has been performed for the Municipality in 2008 through the Cape Winelands District Municipality. The top eight Comprehensive Risk and Vulnerability Assessment Priorities that were identified with ongoing risk reduction and mitigation measures are listed and informed upon in the table below.

Comprehensive Risk and Vulnerability Assessment (CRVA) Priorities	• Actions Taken or Ongoing Actions in Place to prevent/mitigate or reduce risk and vulnerability and/or to increase preparedness : 2013/2014
① Wildland Fires:	<ul style="list-style-type: none"> a. Annual budgeted programme of clearing of firebreaks on municipal land b. Annual pre-summer written Fire Safety Bylaw notification served on identified private and state landowners as it applies to the clearing and maintenance of firebreaks. c. Processing of prescribed burning permits for vegetation d. Maintenance of Fire Service Mutual Aid Agreement with the District

<p>2 Urban Sprawl</p>	<p>a. Prevention of illegal occupation of land through monitoring and intervention by municipal anti-land invasion unit.</p> <p>b. Town planning regulations enforced.</p>
<p>3 Severe Storms</p>	<p>a. <i>Completion of Ward Based Risk Assessments on four (4) identified vulnerable wards and incorporation of mitigation and risk reduction recommendations into winter season operational risk planning measures</i></p> <p>b. <i>Annual programme by Civil Works Department on clearing of stormwater drainage systems prior to the rainy season in partnership with EPWP</i></p> <p>c. <i>Listing previous reported stormwater problems and budgeting for Stormwater Improvements in the next financial year</i></p> <p>d. <i>Working for water programme in place</i></p>
<p>4 Transport and Dangerous Goods</p>	<p>a. <i>Strict enforcement of the Fire Safety Bylaws as it applies to the Transport and storage of dangerous goods in the municipal area.</i></p> <p>b. <i>Regular enforcement of Traffic Safety laws by the Local and Provincial Traffic authorities that prioritises the carriage of dangerous goods</i></p> <p>c. <i>Established partnership between Fire Service Authority and Traffic Services as it relates to the enforcement of the carriage of dangerous goods</i></p>
<p>5 Animal Disease Outbreak</p>	<p>a. <i>Land Use planning regulations being enforced</i></p> <p>b. <i>Regular updates through the District and Provincial Disaster Management Advisory Forums</i></p>
<p>5 Critical Infrastructure Contingency Planning (CICP)</p>	<p>a. <i>Conducted Risk assessment of Worcester Water Supply Pipeline in 2013</i></p> <p>b. <i>Engineering Departments compiling and updating CICPs</i></p> <p>c. <i>ICT have approved DRP in place.</i></p> <p>d. <i>Comprehensive BCP being rolled out for 2014/2015</i></p>

Table 97: Risk & Vulnerability priority table

Projects identified in the IDP that have been Risk Rated as Medium Risk or High Risk are risk managed by the respective project owner.

RISK REDUCTION

Projects identified in the IDP have detailed risk reduction plans in place put in place and managed by the respective project owner. (Refer DRM IDP Table 3).

BUSINESS CONTINUITY PLANNING [LINKED WITH ACTION ITEMS 2; 6; 7; 8; 9; &10 OF THE DISASTER MANAGEMENT PLAN]

A comprehensive Business Continuity Planning (BCP) exercise has commenced in the 2013/2014 year with the objective of rolling it out in the 2014/2015 year as a measureable indicator. This comprehensive exercise will involve thorough Business

Impact Analyses (BIA) and BCP planning by Departments where the objectives of risk reduction; response and recovery, information management and communication. Capacity shortfalls and funding needs for sustainability will be better understood and planned for and which will eventually result in better harmonization of collective risk reduction and planning objectives.

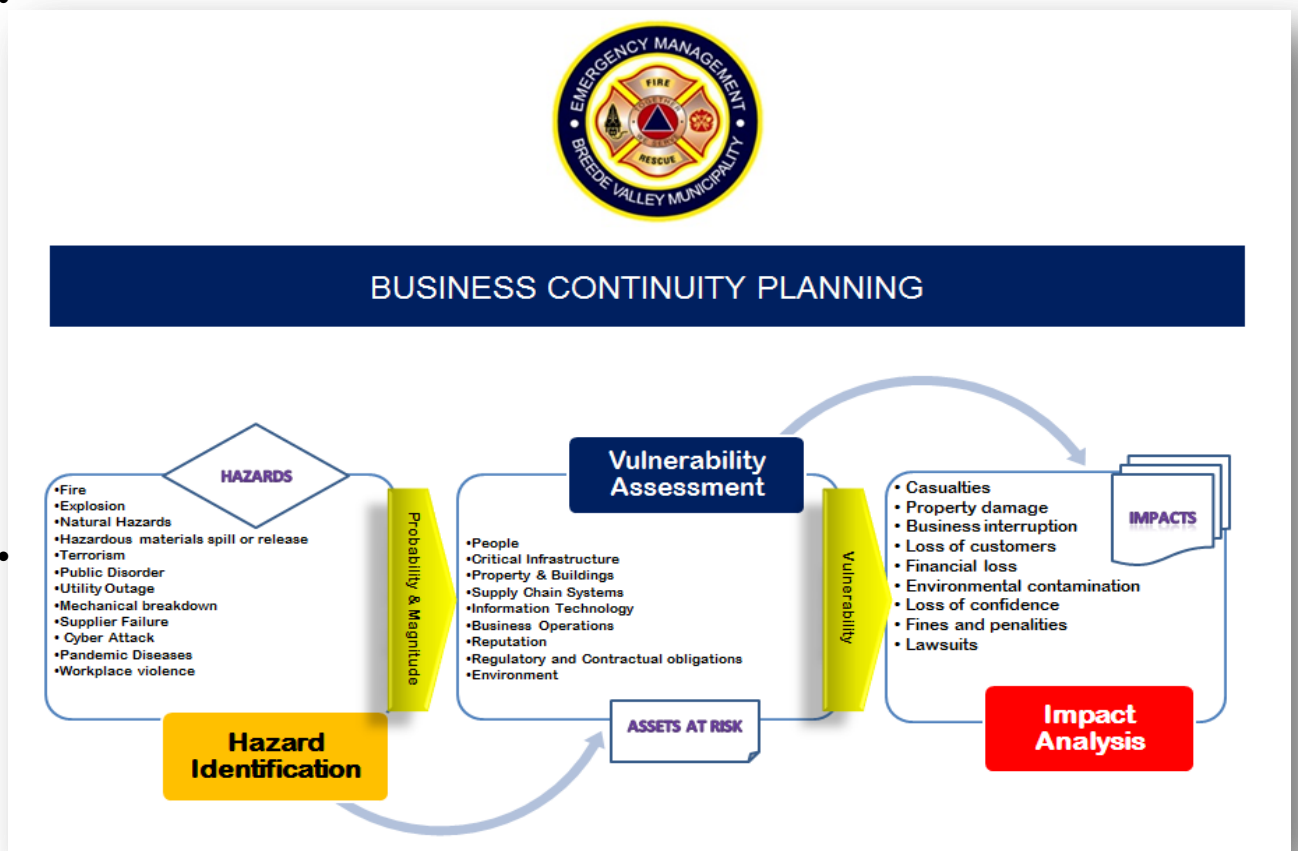


Figure 66: Front Cover of BVM BCP Workbook

CRITICAL INFRASTRUCTURE CONTINGENCY PLANNING

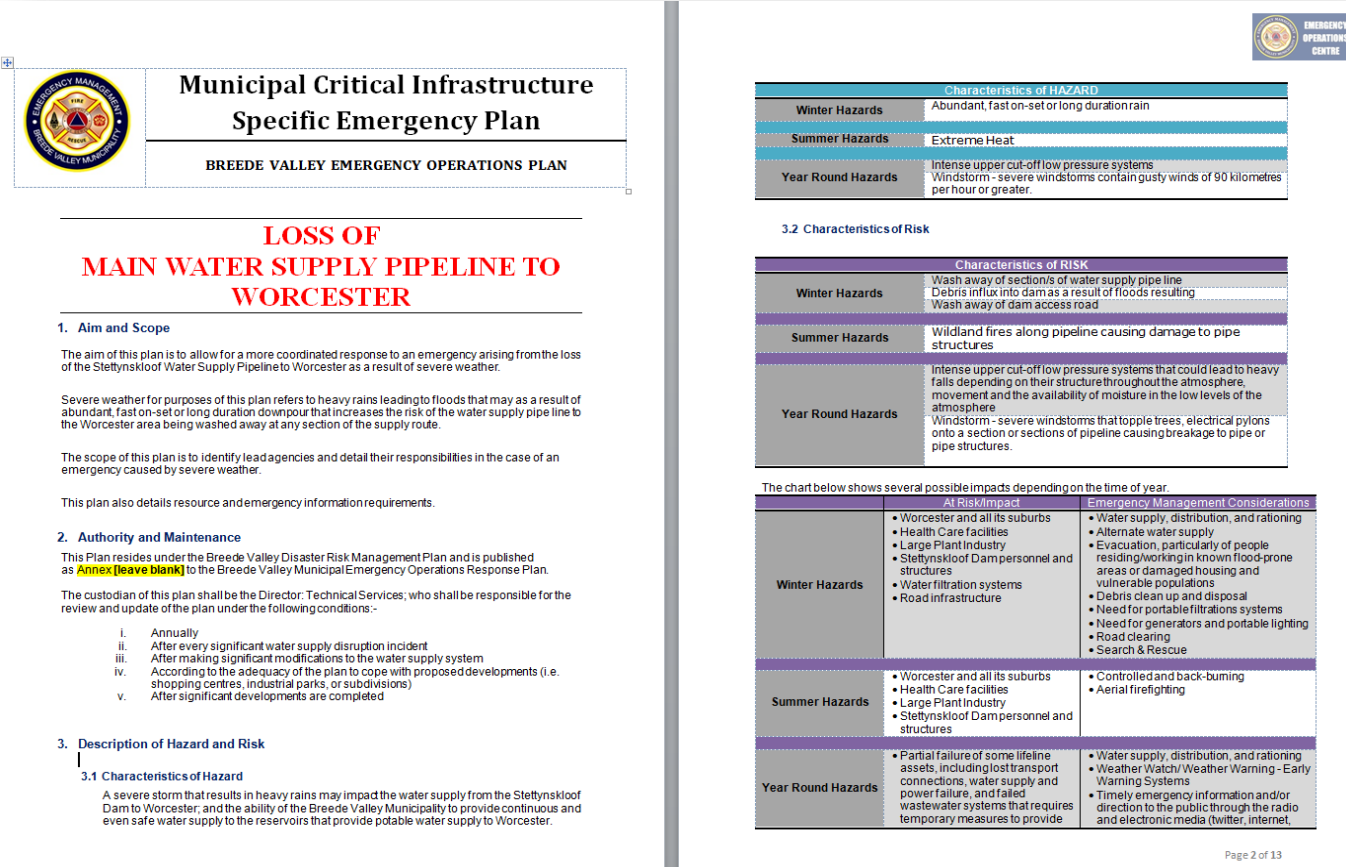


Figure 67: CICIP - Specific Emergency Plan

The table below outlines the prioritized Critical Infrastructure Planning required and the Municipal Departments that are required to lead such CICIP and/or ensure CICIP plans cater for such risks.

Table 98: Prioritized CICIP areas RISK	Bulk Water Services	Electrical Services	Roads, Stormwater and Sewage	ICT
Severe Storms	● ★	● ★	● ★	● ★
Power Supply	● ★	● ★	● ★	● ★
Access routes	●	●	● ★	●
Wildland Fires	● ★	● ★	●	●

Table 99: Prioritised CICIP areas

Despite stated risk reduction efforts; projects identified in the IDP have been assessed in terms of contingency planning and where necessary; project owners have been requested to draft such plans.

BUSINESS CONTINUITY PLANNING

To date the Breede Valley Municipality has instituted the following disaster management requirements:

Approved the 2012-2017 Integrated Disaster Management Framework and approved the 2012 -2017 Disaster Risk Management Plan with relevant Sectoral Plans annexed to it. [Resolution EX 8/2012]

Established a Disaster and Emergency Management Centre with the Chief: Fire Services & Disaster Management as the Head of Centre both in terms of job function and DRM Framework.

Continued active membership with the District Disaster Management Advisory Forum since its inception.

Initiated Emergency Support Functions as part of its DRM Plan since 2012.

Reviewed the Disaster Risk Management Plan in 2014 as per KPI.

Initiated Ward Based Risk Assessments for four (4) identified vulnerable wards in 2014 with plans to extend similar assessments to more wards.

Facilitated disaster risk management and CICIP workshops and capacity building sessions for Technical Services managers in 2013/2014

DISASTER RISK MANAGEMENT FUNCTIONAL SYSTEMS IN PLACE

Currently, the Breede Valley Municipality has the following functional systems in place:

GIS based disaster management planning

Risk reduction planning teams for critical infrastructure, events and identified projects

Early Warning Systems through Weather SA EWS and FireWeb Bulk SMS System as well through the Municipal Revenue Billing Bulk SMS System and utilizes a Municipal and Department twitter feed (@bvmun and @bvfdoc) as well the Municipal Web and Facebook Pages to distribute early warnings.

Emergency Operations Preparedness, Response and Recovery Plans for generic risks and Emergency Management Response Plans for fires, floods and specialist risks including the Hex Tunnel; hospitals and identified designated risks. These plans are linked to other line functions in the municipality as well as to affected sector provincial and state departments.

1.	2.	3.	4.	5.	6.
PROJECT REFERENCE	PROJECT DESCRIPTION 2014/2015	PRIMARY & SECONDARY STAKEHOLDERS	RISK RATING (High/ Medium)	RISK REDUCTION [Prevention/Mitigation/Preparedness Actions identified and/or taken]	DRM Comments
• Rawsonville 72	31168: Rawsonville De Nova (72 services & 72 units) IRDP	<ul style="list-style-type: none"> BVM Department of Human Settlements <ul style="list-style-type: none"> BVM Civil Engineering Department WCG DHS Ward Councillor and Committee 	H	<ul style="list-style-type: none"> Regular Updates through Ward Committee Waiting list submitted to Province Regular updating with BVFD on Social Conflict status in Area/ Ward. 	Indicative RR actions deemed to be sufficient for planning phases. Continuous M&E by DRM and Project Owner of RR to be in place during actual project
• Touws River	3244: Touws River Hopland (269 units) RP	<ul style="list-style-type: none"> BVM Department of Human Settlements <ul style="list-style-type: none"> BVM Civil Engineering Department WCG DHS Ward Councillor and Committee 	M	<ul style="list-style-type: none"> Regular Updates through Ward Committee. Steering committee meetings Regular updating with BVFD on Social Conflict status in Area/ Ward 	Indicative RR actions deemed to be sufficient for planning phases. Continuous M&E by DRM and Project Owner of RR to be in place during actual project
Touws River	3243: Touws River (Land Acquisition) & (200 services & 200 units) IRDP	<ul style="list-style-type: none"> BVM Department of Human Settlements <ul style="list-style-type: none"> BVM Civil Engineering Department WCG DHS Ward Councillor and Committee 	M	<ul style="list-style-type: none"> Regular updates through ward committee & Housing meetings. Regular updating with BVFD on social conflict status in Area/Ward 	Indicative RR actions deemed to be sufficient for planning phases. Continuous M&E by DRM and Project Owner of RR to be in place during actual project

Worcester	3255: Worcester New Mandela Park (1800 services & 1800 units) IRDP	<ul style="list-style-type: none"> BVM Department of Human Settlements <ul style="list-style-type: none"> BVM Civil Engineering Department WCG DHS Ward Councillor and Committee 	M	<ul style="list-style-type: none"> Regular Updates through Ward Committee. Steering committee meetings Regular updating with BVFD on Social Conflict status in Area/ Ward 	Indicative RR actions deemed to be sufficient for planning phases. Continuous M&E by DRM and Project Owner of RR to be in place during actual project
Worcester	2104: Worcester Old Mandela Square (331 units) PHP	<ul style="list-style-type: none"> BVM Department of Human Settlements <ul style="list-style-type: none"> BVM Civil Engineering Department WCG DHS Ward Councillor and Committee 	H	<ul style="list-style-type: none"> Regular Updates through Ward Committee. Steering committee meetings Regular updating with BVFD on Social Conflict status in Area/ Ward 	Indicative RR actions deemed to be sufficient for planning phases. Continuous M&E by DRM and Project Owner of RR to be in place during actual project
Worcester	3252: Worcester Avian Park erf 11810 (200 services) IRDP	<ul style="list-style-type: none"> BVM Department of Human Settlements <ul style="list-style-type: none"> BVM Civil Engineering Department WCG DHS Ward Councillor and Committee 	M	<ul style="list-style-type: none"> Regular updates through ward committee Steering committee meetings Regular updating with BVFD on Social Conflict status in Area/ Ward 	Indicative RR actions deemed to be sufficient for planning phases. Continuous M&E by DRM and Project Owner of RR to be in place during actual project
Worcester	3253: Worcester De La Bat Portion erf 1 (200 services) IRDP/FLISP	<ul style="list-style-type: none"> BVM Department of Human Settlements <ul style="list-style-type: none"> BVM Civil Engineering Department WCG DHS Ward Councillor and Committee 	M	<ul style="list-style-type: none"> Regular updates through ward committee Steering committee meetings Regular updating with BVFD on Social Conflict status in Area/ Ward 	Indicative RR actions deemed to be sufficient for planning phases. Continuous M&E by DRM and Project Owner of RR to be in place during actual project
Worcester	3254: Worcester Transhex (400 services & 400 units)	<ul style="list-style-type: none"> BVM Department of Human Settlements <ul style="list-style-type: none"> BVM Civil 	M	<ul style="list-style-type: none"> Regular updates through ward committee 	Indicative RR actions deemed to be sufficient for planning phases.

	IRDP	Engineering Department • WCG DHS Ward Councillor and Committee		<ul style="list-style-type: none"> Steering committee meetings Regular updating with BVFD on Social Conflict status in Area/ Ward committee. 	Continuous M&E by DRM and Project Owner of RR to be in place during actual project
De Doorns	3242: De Doorns Sunnyside Orchards (104 services & 104 units) IRDP	<ul style="list-style-type: none"> BVM Department of Human Settlements BVM Civil Engineering Department WCG DHS Ward Councillor and Committee 	M	<ul style="list-style-type: none"> Regular updates through ward committee Steering committee meetings Regular updating with BVFD on Social Conflict status in Area/ Ward committee 	Indicative RR actions deemed to be sufficient for planning phases. Continuous M&E by DRM and Project Owner of RR to be in place during actual project
De Doorns	2027: De Doorns (1400 services & 1400 units) IRDP	<ul style="list-style-type: none"> BVM Department of Human Settlements BVM Civil Engineering Department WCG DHS Ward Councillor and Committee 	M	<ul style="list-style-type: none"> Regular updates through ward committee Steering committee meetings Regular updating with BVFD on Social Conflict status in Area/ Ward committee 	Indicative RR actions deemed to be sufficient for planning phases. Continuous M&E by DRM and Project Owner of RR to be in place during actual project
De Doorns	1056: De Doorns (1482 services & 1482 Units) UISP	<ul style="list-style-type: none"> BVM Department of Human Settlements BVM Civil Engineering Department WCG DHS Ward Councillor and Committee 	M	<ul style="list-style-type: none"> Regular updates through ward committee Steering committee meetings Regular updating with BVFD on Social Conflict status in Area/ Ward committee 	Indicative RR actions deemed to be sufficient for planning phases. Continuous M&E by DRM and Project Owner of RR to be in place during actual project

Table 100: List of Developmental projects that have been identified in the IDP as Medium or High Risk

8.15 Air Quality Management Plan

The Air Quality Management Plan is a statutory requirement in the National Environmental Management Air Quality Act 39 Of 2004 section 15 (1). The objective of the plan is to investigate the state of air quality within the region with respect to the relevant knowledge and capacity.

With the promulgation of the National Environmental Management: Air Quality Act 17 the focus of air quality management shifted from source control to management of pollutants in the ambient environment through air quality management planning. Exposure to ambient air pollutants can cause a range of significant effects on quality of life such as offensive odors, irritation of eyes, the upper respiratory system and skin, and acute and long-term toxic effects.

The municipality does not have the required resources available to draft and implement an Air Quality Management Plan. However, Achmad Kafaar has been identified as the Air Quality Officer, who will be tasked to compile a comprehensive Air Quality Management Plan, in close collaboration with the Manager: Bulk Services, integrating other environmental developmental challenges as well. Environmental health awareness programmes such as hand washing and diarrhoea awareness campaigns are run under the auspices of the Cape Winelands District Municipality.

8.16 Integrated Transport Management Plan

The provision of public transport services is irregular and the service ineffective. Problems that are experienced relate mainly to the smaller towns where there are neither taxis nor other forms of public transport. There is a need for some form of public transportation, even if it is at fixed times with an adequate weekly frequency. This service is of critical importance if higher order services are to be accessible to remote towns with insufficient thresholds. The District Municipality will review the Public Transport Plan for the Municipal area during 2015.

Challenges:

- The lack of an affordable road based public transport system between different towns in the municipal area.
- Maximise accessibility rather than to increase mobility.
- Employment opportunities and residential areas are located far apart.
- There is a very small variety in public transport opportunities in the municipal area.
- Wide, unused road reserves in urban areas sterilises land for development.

CHAPTER 9

CHAPTER 9

This Chapter deals with the implementation and monitoring of the IDP projects and programmes aimed at achieving the vision and objectives of Breede Valley municipality as set out in this document. The IDP and Budget are implemented through a Service Delivery and Budget Implementation Plan (SDBIP). The Top Layer SDBIP is used as a scorecard to measure, monitor, evaluate and report on institutional performance (monthly, quarterly, bi-annual and annual basis). The Departmental SDBIP measures the performance of the departments and performance agreements and plans are used to measure the performance of employees.

9.1 Performance Management

The Performance Management System implemented at Breede Valley Municipality is intended to provide a comprehensive, step by step planning system that helps the municipality to manage the process of performance planning and measurement effectively. The PM System serves as primary mechanism to monitor, review and improve the implementation of the municipality IDP and eventually the budget.

The performance management policy framework was approved by Council which provided for performance implementation, monitoring and evaluation at organisational as well as individual levels. The Performance Management Framework of the Municipality is reflected in the diagram below:

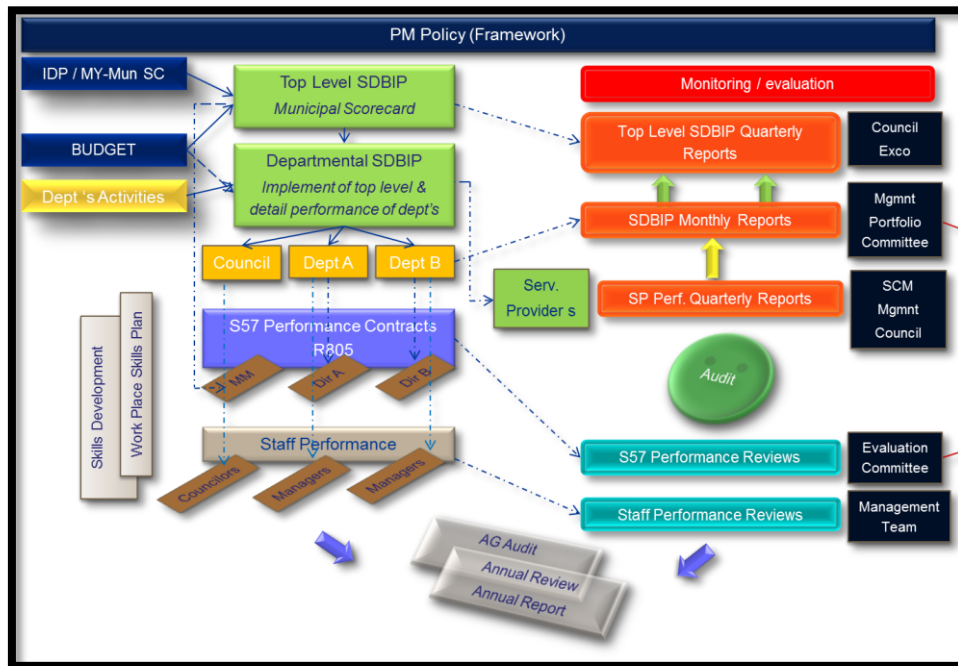


Figure 68: PM Policy Framework

9.2 Organisational Level

The organisational performance of the municipality is evaluated by means of a municipal scorecard (Top Layer SDBIP) at organisational level and through the service delivery budget implementation plan (SDBIP) at directorate and departmental levels. The Top Layer SDBIP set out consolidated service delivery targets and provides an overall picture of performance for the municipality as a whole, reflecting performance on its strategic priorities.

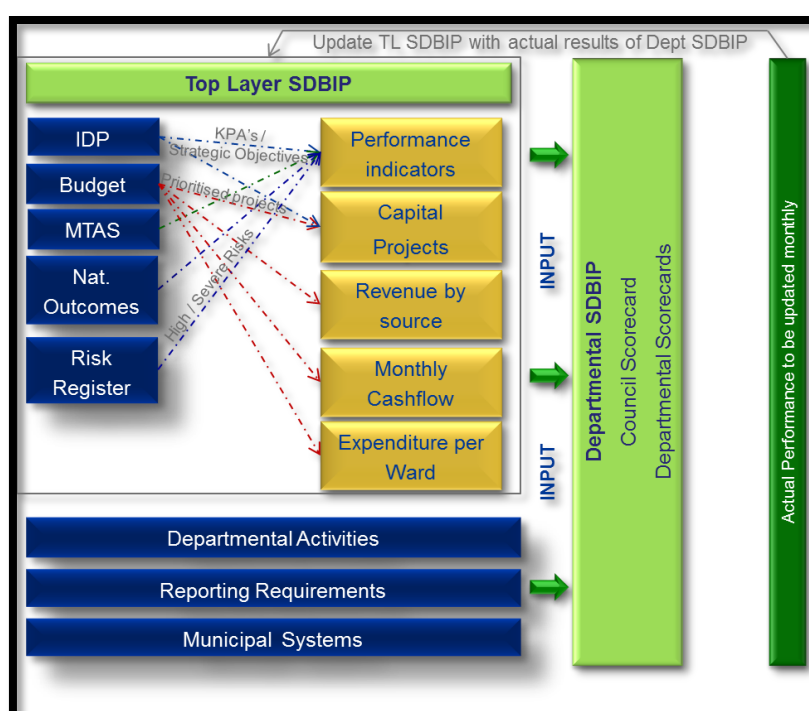


Figure 69: Organisational Performance

The departmental SDBIP capture the performance of each defined department which reflects on the strategic priorities of the municipality. The SDBIP provides detail of each outcome for which the senior management is responsible for, in other words a comprehensive picture of the performance of that directorate/sub-directorate.

9.3 Individual Level

The municipality is in process of implementing a performance management system for all its senior managers.

This has led to a specific focus on service delivery and means that:

Each manager has to develop a scorecard which is based on the balanced scorecard model.

At the beginning of each financial year all the senior managers (Section 57 employees) sign Performance Agreements. The Performance Management System is currently being cascaded down to non-section 57 managers.

9.4 Key Performance Indicators (KPIs)

Section 38 (a) of the Systems Act requires Municipalities to set appropriate key performance indicators as a yardstick for measuring performance, including outcomes and impact, with regard to the community development priorities and objectives set out in its Integrated Development Plan. Section 9 (1) of the Regulations to this Act maintains in this regard, that a Municipality must set key performance indicators, including input indicators, output indicators and outcome indicators in respect of each of the development priorities and objectives.

Every year, as required by Section 12 (1) of the Regulations to the Systems Act, the Municipality also set performance targets for each of the key performance indicators. The IDP process and the performance management process are therefore seamlessly integrated.

9.5 Performance Reporting

Performance is reported on a regular basis and it includes the evaluation of performance, the identification of poor performance and corrective actions to improve performance.

9.5.1 QUARTERLY REPORTS

Reports on the performance in terms of the Top Level SDBIP are generated from the system and submitted to Council. This report is published on the municipal website on a quarterly basis.

9.5.2 MID-YEAR ASSESSMENT

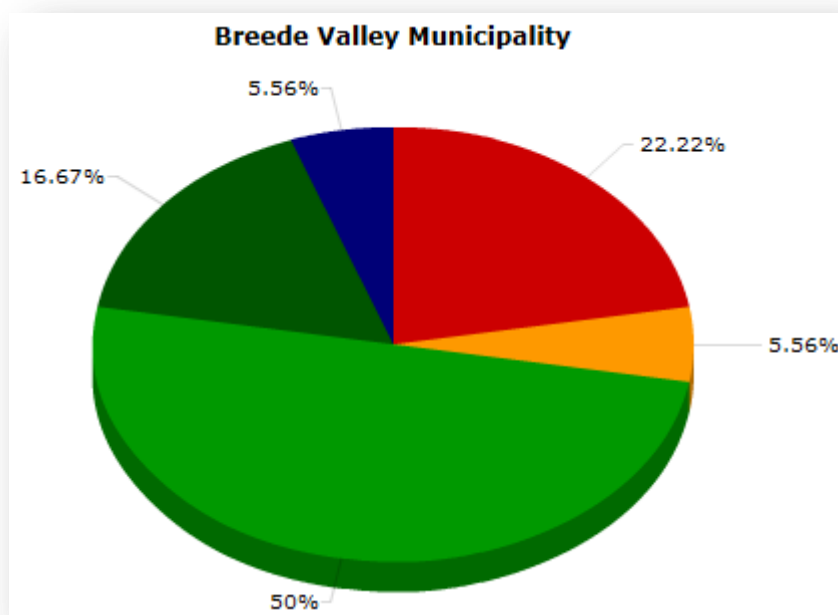
The performance of the first 6 months of the financial year should be assessed and reported on in terms of section 72 of the MFMA. This assessment must include the measurement of performance, the identification of corrective actions and recommendations for the adjustments of KPI's, if necessary.

The format of the report must comply with the section 72 requirements. This report is submitted to Council for approval before 25 January of each year and published on the municipal website.

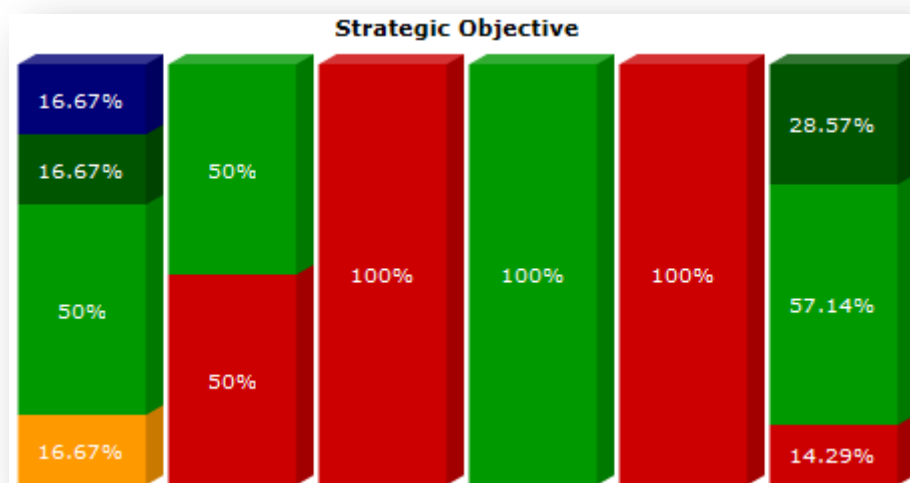
MID-YEAR MUNICIPAL PERFORMANCE ASSESSMENT AGAINST THE PERFORMANCE INDICATORS SET IN THE APPROVED TOP LAYER SDBIP FOR 2014/2015

In terms of the Municipal Systems Act, Act 32 of 2000, Section 34, a Municipal Council must review its integrated development plan annually in accordance with an assessment of its performance measurements in terms of Section 41, and to the extent that changing circumstances demand, and may amend its integrated development plan in accordance with a prescribed process.

9.6 Overall actual performance of indicators for the mid-year ending 31 December 2014



	Breede Valley Municipality
■ KPI Not Met	4 (22.2%)
■ KPI Almost Met	1 (5.6%)
■ KPI Met	9 (50%)
■ KPI Well Met	3 (16.7%)
■ KPI Extremely Well Met	1 (5.6%)
Total:	18



	Strategic Objective					
	<i>Assure a sustainable future through sound financial management, continuous revenue growth corporate governance and risk management practices</i>	<i>Ensure a healthy and productive workforce and an effective and efficient work environment</i>	<i>To create a unique and caring valley of service excellence, opportunity and growth</i>	<i>To create an enabling environment for employment and poverty eradication through proactive economic development and tourism</i>	<i>To ensure a safe, healthy, clean and sustainable external environment for all Breede Valley's people</i>	<i>To provide an maintain basic services and ensure social upliftment of the Breede Valley community</i>
KPI Not Met	-	1 (50%)	1 (100%)	-	1 (100%)	1 (14.3%)
KPI Almost Met	1 (16.7%)	-	-	-	-	-
KPI Met	3 (50%)	1 (50%)	-	1 (100%)	-	4 (57.1%)
KPI Well Met	1 (16.7%)	-	-	-	-	2 (28.6%)
KPI Extremely Well Met	1 (16.7%)	-	-	-	-	-
Total:	6	2	1	1	1	7

Category	Colour	Explanation
KPI's Not Met	Red	0% >= Actual/Target < 75%
KPI's Almost Met	Orange	75% >= Actual/Target < 100%
KPI's Met	Green	Actual/Target = 100%
KPI's Well Met	Dark Green	100% > Actual/Target < 150%
KPI's Extremely Well Met	Blue	Actual/Target >= 150%

9.7 Actual performance per strategic objective of indicators for the mid-year ending 31 December 2014

Detailed below is the unaudited Top Layer SDBIP for the first half of the financial year ending 31 December 2014 which measures the municipality's overall performance per strategic objective. The tables, furthermore, includes the corrective measures indicated for targets not achieved.

The municipality met **72%** (13 of 18) of the applicable 18 KPI's for the period as at **31 December 2014**. The remainder of the KPI's (37) on the Top Layer SDBIP out of the total number of 55 KPI's do not have targets for this period and will be reported on in future quarters when they are due. Only **28%** (5 of 18) kpi targets were not achieved as at **31 December 2014** of which the details are included in the tables below.

A) ASSURE A SUSTAINABLE FUTURE THROUGH SOUND FINANCIAL MANAGEMENT, CONTINUOUS REVENUE GROWTH CORPORATE GOVERNANCE AND RISK MANAGEMENT PRACTICES

Ref	KPI	Unit of Measurement	Quarter 1		Quarter 2		Overall Performance for the mid-year ending 31 December 2014			
			Target	Comments	Target	Comments	Target	Actual	R	Corrective measures
TL1 2	Develop an action plan to implement long term financial sustainability and viability and submit to the MM for approval by end September	Action plan submitted to MM by end September	1	[D144] CFO: Plan was an agenda item on the Mayco meeting - asked for a workshop with them. (September 2014)	0		1	1		
TL1 8	Submit the approved financial statements to the Auditor-General by 31 August	Approved financial statements submitted to the AG by 31 August	1	[D150] CFO : AFS submitted on Friday the 29th of November 2014 (August 2014)	0		1	1		

Ref	KPI	Unit of Measurement	Quarter 1		Quarter 2		Overall Performance for the mid-year ending 31 December 2014			
			Target	Comments	Target	Comments	Target	Actual	R	Corrective measures
TL19	Achieve a payment percentage of above 95% as per new NT norm {(Gross Debtors Closing Balance + Billed Revenue-Gross Debtors Opening Balance - Bad Debts Written Off) divided by Billed Revenue) x 100}	Payment % achieved	95%	<p>[D151] CFO: Ratio as at 30 June. Figures still preliminary (July 2014)</p> <p>[D151] CFO : Ratio above the norm of 95%, gives an indication of how effectively council is enforcing its credit control and debt collection procedures (August 2014)</p> <p>[D151] CFO : the ratio slightly decreased from the previous month but is however still more than the norm of 95% (September 2014)</p>	95%	<p>[D151] CFO: Ratio gives an indication of how effectively management collect revenue due to them. The ratio improved from the previous month and is above the national norm of 95% (October 2014)</p> <p>[D151] CFO : Ratio indicates council's ability to collect the revenue due to them. Although the ratio is slightly under the norm of 95% it is still good despite current economic conditions. (November 2014)</p> <p>[D151] CFO: Ratio above the norm of 95%, gives an indication of how effectively council is enforcing its credit control and debt collection procedures. Ratio increased from 103.96 in November to 107.21 in December (December 2014)</p>	95%	104.51%		
TL21	Review the revenue enhancement plan by the end of December and submit to the MM	Revenue enhancement plan submitted to the MM by end	0		1	<p>[D153] CFO: Revenue Enhancement Plan was reviewed on 27</p>	1	1		

Ref	KPI	Unit of Measurement	Quarter 1		Quarter 2		Overall Performance for the mid-year ending 31 December 2014			
			Target	Comments	Target	Comments	Target	Actual	R	Corrective measures
		December				November 2014. (December 2014)				
TL5 2	Achieve a 90% progress relative to the Procurement Plan on a monthly basis	% progress achieved	90%	<p>[D616] Director: Technical Services: See Procurement plan included in Monthly report (July 2014)</p> <p>[D616] Director: Technical Services: Just one item from Elec outstanding (August 2014)</p>	90%	<p>[D616] Director: Technical Services: Achieve an 83.89% progress relative to the Procurement Plan on a monthly basis. (October 2014)</p> <p>[D616] Director: Technical Services: Achieve an 88.32% progress relative to the Procurement Plan on a monthly basis. (November 2014)</p> <p>[D616] Director: Technical Services: Achieve a 93.65% progress relative to the Procurement Plan on a monthly basis. (December 2014)</p>	90%	73.81%		<p>[D616] Director: Technical Services: None (July 2014)</p> <p>[D616] Director: Technical Services: Discussed at weekly Managers meeting (August 2014)</p> <p>[D616] Director: Technical Services: Procurement of services will be fast tracked. (October 2014)</p> <p>[D616] Director: Technical Services: Procurement of services will be fast tracked. (November 2014)</p>

Ref	KPI	Unit of Measurement	Quarter 1		Quarter 2		Overall Performance for the mid-year ending 31 December 2014			
			Target	Comments	Target	Comments	Target	Actual	R	Corrective measures
TL54	90% of the approved capital budget spent (Actual expenditure divided by the total approved capital budget)	% of capital budget spent	10%	<p>[D618] Director: Technical Services: Work in progress. (July 2014)</p> <p>[D618] Director: Technical Services: Actual expenditure to date R 13 614 043 = (18%) of total approved capital budget. (August 2014)</p> <p>[D618] Director: Technical Services: Actual expenditure to date R 19 511 171.03 = (25%) of total approved capital budget. (September 2014)</p>	30%	<p>[D618] Director: Technical Services: Actual expenditure to date R 23 800 911 = (38%) of total approved capital budget. (October 2014)</p> <p>[D618] Director: Technical Services: Actual expenditure to date R 33 962 235 = (55%) of total approved capital budget. (November 2014)</p> <p>[D618] Director: Technical Services: Actual expenditure to date R 34 579 810 = (56%) of total approved capital budget. (December 2014)</p>	30%	56%		

B) ENSURE A HEALTHY AND PRODUCTIVE WORKFORCE AND AN EFFECTIVE AND EFFICIENT WORK ENVIRONMENT

Ref	KPI	Unit of Measurement	Quarter 1		Quarter 2		Overall Performance for the mid-year ending 31 December 2014			
			Target	Comments	Target	Comments	Target	Actual	R	Corrective measures
TL38	Submit bi-annual progress reports tot council on the transfer of low cost housing	Number of reports submitted to council	0		1	[D283] Director: Strategic Support Services: Bi annual progress report was tabled before council.	1	1		

Ref	KPI	Unit of Measurement	Quarter 1		Quarter 2		Overall Performance for the mid-year ending 31 December 2014				
			Target	Comments	Target	Comments	Target	Actual	R	Corrective measures	
						(December 2014)					
TL53	90% of management (?T12) posts filled in the Directorate {(actual positions filled divided by budgeted positions)x100}	% of filled posts	90%	<p>[D617] Director: Technical Services: Filled Manager Solid waste but Engineer Technical resigned. 10 out of 14 positions. (July 2014)</p> <p>[D617] Director: Technical Services: Same as last month. Awaiting restructuring (August 2014)</p> <p>[D617] Director: Technical Services: Awaiting restructuring to be completed (September 2014)</p>	90%	<p>[D617] Director: Technical Services: Awaiting restructuring to be completed (October 2014)</p> <p>[D617] Director: Technical Services: Awaiting restructuring (December 2014)</p>	90%	60.03 %		<p>[D617] Director: Technical Services: Reallocate responsibilities, change JD's and advertise (July 2014)</p> <p>[D617] Director: Technical Services: Wrote an Agenda item for LLF (August 2014)</p> <p>[D617] Director: Technical Services: Followed up with Director Strategic Services (R. Esau) and HR Manager (September 2014)</p> <p>[D617] Director: Technical Services: Followed up with RE and HR Manager (October 2014)</p> <p>[D617] Director: Technical Services: Raising at Exco meeting (December 2014)</p>	

C) TO CREATE A UNIQUE AND CARING VALLEY OF SERVICE EXCELLENCE, OPPORTUNITY AND GROWTH

Ref	KPI	Unit of Measurement	Quarter 1		Quarter 2		Overall Performance for the mid-year ending 31 December 2014			
			Target	Comments	Target	Comments	Target	Actual	R	Corrective measures
TL29	Compile a prioritised project list for the Regional Socio Economic Project and submit to council by end December	Prioritised project list submitted to council by end December	0		1		1	0		<p>A decision was taken to compile a RSEP process plan before compiling a project list and to change the KPI to RSEP process plan. RSEP process plan was compiled and submitted to Council in December 2014 and approved. Meeting will be scheduled to discuss the list of projects for the</p>

Ref	KPI	Unit of Measurement	Quarter 1		Quarter 2		Overall Performance for the mid-year ending 31 December 2014			
			Target	Comments	Target	Comments	Target	Actual	R	Corrective measures
TL3	Develop a by-law for the management control of rental units by the end of December 2014	By-law developed by the end of December	0		1	[D477] Director: Community Services: By-Law has been developed and will be submitted to council soon (December 2014)	1	1		
TL4	Appoint a service provider to implement the approved Human Settlement Plan by the end of October 2014	Service Provider appointed by the end of October 2014	0		1	[D478] Director: Community Services: Tender documents submitted to SCM, Bid Committee to be appointed before the Tender is advertised, SCM will schedule the dates. (October 2014) [D478] Director: Community Services: Bid Evaluation committee appointed and meeting is scheduled for 12 January 2014. (November 2014)	1	0		[D478] Director: Community Services: SCM will advertise the Tender before 30 November 2014. (October 2014) [D478] Director: Community Services: Bid Evaluation committee appointed and meeting is scheduled for 12 January 2014. (November 2014)
TL43	Achieve a 90% waste water discharge compliance with regard to licence at Worcester and De Doorns WWTW	% waste water discharge that comply with microbial content	90%	[D607] Director: Technical Services: See attached laboratory report (September 2014)	90%	[D607] Director: Technical Services: Worcester 97.9% and De Doorns 98.3% (December 2014)	90%	99%		

Ref	KPI	Unit of Measurement	Quarter 1		Quarter 2		Overall Performance for the mid-year ending 31 December 2014			
			Target	Comments	Target	Comments	Target	Actual	R	Corrective measures
TL44	Complete Phase 2 of the upgrade of Steynskloof supply pipe line by September 2014	Phase 2 completed	1	<p>[D608] Director: Technical Services: Work in progress. (July 2014)</p> <p>[D608] Director: Technical Services: Work in progress. (August 2014)</p> <p>[D608] Director: Technical Services: To be investigate what the requirements entail. (September 2014)</p>	0	<p>[D608] Director: Technical Services: Certificate of Completion issued on 13 October 2014 (October 2014)</p> <p>[D608] Director: Technical Services: Certificate of Completion issued on 13 October 2014 (November 2014)</p> <p>[D608] Director: Technical Services: Certificate of Completion issued on 13 October 2014 (December 2014)</p>	1	1		
TL48	Complete the construction of new retention ponds in De Doorns by the end of November 2014	Construction completed	0	<p>[D612] Director: Technical Services: Work in progress. (July 2014)</p> <p>[D612] Director: Technical Services: Work in progress (August 2014)</p> <p>[D612] Director: Technical Services: Certificate of Completion issued 3 September 2014 (September 2014)</p>	1	KPI achieved in September	1	1		

Ref	KPI	Unit of Measurement	Quarter 1		Quarter 2		Overall Performance for the mid-year ending 31 December 2014			
			Target	Comments	Target	Comments	Target	Actual	R	Corrective measures
TL49	Complete the bus route in De Doorns by the end of November 2014	Bus route completed	0	<p>[D613] Director: Technical Services: Work in progress. (July 2014)</p> <p>[D613] Director: Technical Services: Work in progress (August 2014)</p> <p>[D613] Director: Technical Services: Certificate of Completion issued 3 September 2014 (September 2014)</p>	1	KPI achieved in September	1	1		
TL50	Achieve 95% average water quality level as measured per SANS 241 criteria	% water quality level	95%	<p>[D614] Director: Technical Services: see attached report (September 2014)</p>	95%	<p>[D614] Director: Technical Services: See attached lab report (December 2014)</p>	95%	97.78 %		

The Top Layer SDBIP was revised and submitted with the Adjustments Budget to Council on 24 February 2015 with the necessary motivation where key performance indicator targets required amendment as a result of the Adjustments Budget and corrections as a result of the audit outcomes of 2013/14. In order to address the challenges in informal settlements the Council has approved the following TL KPIs, as part of the adjustment to the TL SDBIP:

Ref	Directorate	Strategic Objective	Municipal KPA	KPI	Unit of measurement	Wards	KPI owner	Annual target	Target June 2015
TL56	Community Services	To provide and maintain basic services and ensure social upliftment of the Breede Valley community	Opportunity	Number of informal households/dwellings that have access to minimum service level for water	Number of informal households/dwellings that have access to minimum service level for water	All	Director: Community Services	4,065	4,065

TL57	Community Services	To provide and maintain basic services and ensure social upliftment of the Breede Valley community	Opportunity	Number of informal households/ dwellings that have access to minimum service level for waste water sanitation/ sewerage network for sewerage service	Number of informal households/ dwellings that have access to minimum service level for waste water sanitation/ sewerage network for sewerage service	All	Director: Community Services	4,447	0
TL58	Community Services	To provide and maintain basic services and ensure social upliftment of the Breede Valley community	Opportunity	Number of informal households/ dwellings for which refuse is removed once per week	Number of informal households/ dwellings for which refuse is removed once per week	All	Director: Community Services	6,632	6,632

The draft Top Layer SDBIP for 2015/2016, showing an alignment between the IDP, SDBIP and budget, will be included in the final IDP 2015/2016 document, following extensive consultation with executive management, commencing on 14 April 2015.