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1. **Introduction**

The key objective of this report is to maintain a central source of information centred on the municipalities’ operations across directorates and to make that information readily accessible on an on-going basis. In addition it should be used as a tool to encourage, facilitate and structure interactions between Directorates on qualitative issues that are related to the municipality.

2. **Departmental Diagnostic Report**

This section contains the review of the overall municipal governance performance of the Municipality from the Department of Local Governments perspective. Each directorate has provided context to their identified indicators followed by findings and appropriate support or recommendations.

3. **Municipal Governance**

The political composition of the Municipal Council is distributed as follows: ANC – 6, DA – 6 and COPE – 1. Two parties hold an equal number of seats and require the remaining political party to form a coalition government. The coalition has been stable since the election on 18 May 2011 but because of the narrow governing coalition the risk of political instability can never be discounted. There were no vacancies within the composition of the Council during the period April to June 2012.

The Municipality held two (2) Council meetings for the quarter under review which is in line with the requirement of at least one Council meeting that must be held each quarter. The Municipality is in the process of adopting a new system of Delegations and will be work-shopped with the Municipal Council. The Municipality does not have a Roles and Responsibility document. Section 53 of the Systems Act requires that a municipality must have a Roles and Responsibility document that sets out the roles of office bearers and structures of council. The Municipality is not in compliance with this requirement and must address same while considering the delegations as the two documents are inter related. No councillors were fined for non-attendance or failing to remain in attendance at council meetings.

Municipalities were again asked whether all councillors completed a declaration of interest because even though it needs to be completed within 60 days of assuming the position there were councillors in the Western Cape that were yet to complete the form. The Municipality indicated that as yet no councillors submitted the declaration of interest form. The Municipality is obliged to put processes in place to enable the councillors to comply with this requirement. It appears that all councillors are in breach of the code of conduct and this must be remedied on an urgent basis. Three councillors at the Municipality are in arrears with rates and service charges for longer than three months. In respect of two councillors repayment agreements are in place.

The Municipality must not only ensure that all outstanding monies are collected but that councillors should be disciplined in accordance with the code of conduct. No breaches of the Code occurred during this period. One allegation of fraud and corruption were reported to the SAPS during the period under review.
The Municipality reported no new litigation matters for the period under review.

**Key Challenges / Additional relevant Information**

During the period of April to June 2012 interviews took place to fill the position of Municipal Manager. No appointment has been made and it appears that the post will be re-advertised. The current Acting Municipal Manager has resigned, the administrative leadership within the Municipality has not stabilised since the local government election.

**Support Initiatives**

During the period under review the Department provided assistance to the Municipality in respect of the recruitment and selection of the Municipal Manager and attended the interview process.

4. **Public Participation**

4.1 **Performance Management**

Public participation is not a key performance area for the municipality yet but they are in the process of including it in the performance agreement of the Senior Officials (Municipal Manager and Directors).

The municipality does not have dedicated officials dealing with public participation but it will be included in the organogram as they are in the process of restructuring.

4.2 **Ward Committee Budget and Expenditure**

R420 000.00 has been budgeted for the ward committees, and it will also benefit from the newly introduced special funding for ward committees and the municipality did not mention whether they receive MSIG or not.

4.3 **Status of Ward Committee and Public Policies**

The Ward Committee and Out-of-Pocket Expense Policy has been developed and amended/reviewed in June 2012. The municipality does not have a Public Participation Policy. The out-of-pocket expense will be R500.00 per month per ward committee member.

4.4 **Functionality of ward committees**

The municipality has not yet established ward committees, it is envisaged that they will establish in July/August 2012.

The Accountability and Communication Model is not implemented yet, once the ward committees have been established the issues raised will be forwarded to Councillor and feedback will be provide to ward committees. Representation by senior officials in ward committees will also ensure open communication channels.

The municipality will provide administrative support and logistical arrangements e.g. stationary, venues and arrange transport to the meetings etc.

**Key Challenges/Additional relevant information**

The municipality has not established ward committees due to their internal processes.
Support initiatives
During April – June 2012, the department held engagements with Bitou regarding the ward committee establishment and provided the municipality with information to develop their Ward Committee and Out-of-Pocket Policy

Way forward / Recommendation
It is advised that the municipality should establish ward committees as soon as possible. As one of the beneficiaries of ward committee special grant the municipality will be advised to develop ward operational plans for all the wards

5. Municipal Communications
The Municipality has no dedicated communication official and communication matters are handled by the Acting Municipal Manager. The Municipality has reported that it is undergoing an organisational design and restructuring process which is envisaged to be completed by end August 2012.
The Municipality has a draft Communication Strategy which was developed by the external service provider and the Language Policy in place which was adopted in 2001.
The Municipality has complied with the submission of quarterly Municipal Communication Reporting Templates but is inactive in the District Forum.

Key Challenges / Additional relevant information
The organisational design and the non-existence of the Communication Unit remains the main challenge in Bitou Municipality. The organisational design process has to be completed as a matter of urgency and provide space for a fully capacitated Communications Unit to be established.

Support initiatives
Pending to the finalization of the organisational design, the department will continue monitoring the situation and support the municipality of ad hoc basis.

Way forward /Recommendations
It is being recommended that the organisational design be completed as this is impacting negatively to the municipality in its obligations to fulfil communication objectives and mandate.

6. Municipal Support
6.1 Organisational Design
Mr Thys Gilliomee has been appointed by Council since 1 February 2012 until 31 July 2012, after the previous acting Municipal Manager (Mr Duppie DuPlessis) resigned. The position of the Municipal Manager has been advertised and interviews were conducted. The nominated candidate declined the position, the position will be re-advertised. The Director: Strategic Services contract expired on 30 September 2011, this position was advertised in October 2011 and interviews were conducted in November 2011. The successful candidate Mr Du-Pre Lombard has been appointed and assumed duty on 3 January 2012. The CFO resigned in January 2012 and the position is vacant and has been advertised. The Director: Corporate Services has been suspended since 1 February 2012.
The approved structure of the organisation makes provision for six (6) Sect 57 positions. Three (3) positions are filled.

Employment Contracts and Performance Agreements have been signed and submitted to the MEC for Local Government.

6.2 Performance Management System

The Municipality has a functional Performance Management System in place which was approved and adopted by Council in March 2009. The PMS has been fully implemented at organisational and S57 level only. All training has not been completed in the compilation and evaluation of performance.

6.3 Valuation Appeal Boards

The Municipality has a functional Valuation Appeal Board established in terms of Section 56 of the Local Government: Municipal Property Rates Act 6 of 2004. The term of office of members of the Valuation Appeal Board is four years from 1 August 2009 until 31 July 2013.

6.4 Training and Development

In terms of the Skills Development Act of 1998 and SETA’s grant regulations regarding monies received by a SETA and related matters, dated 18 July 2005, the municipality must submit a Workplace Skills Plan (WSP) on or before 30 June each year. The municipality has complied with this requirement and confirmation was received from LGSETA.

The municipality did not participate in the scheduled information session presented within the district as part of the Phase 3 Training programme for Councillors.

Two (2) officials attended the training programme on “Presiding Officer and Initiator training” that was coordinated for six of the Eden District municipalities. This is a four-day accredited training programme presented by the Nelson Mandela Metropolitan University (NMMU).

Key Challenges / Additional relevant information

The positions of the Municipal Manager and the CFO are temporarily filled by acting managers.

Way forward / Recommendations

The Municipality should consider filling all key vacancies to ensure on going service delivery at a high standard.

The Municipality must monitor and evaluate the current project according to the Service Level Agreement and Memorandum of Understanding.

The Department of Local Government must ensure that the Municipality takes ownership of the organisational design project so that it can be fully implemented and adhered to throughout the organisation.
Once the organisational design project is complete there will be a more focused and stabilised organisation with all relevant positions filled.

7. **Specialised Support**

7.1 **Formal Section 139 Intervention**

The Constitution imposes a duty on Province to intervene in municipalities if it fails to perform an executive obligation; approve a budget or revenue-raising mechanisms or where there is a crisis in the financial affairs. (Purpose would be for Province or other appropriate institution to assume responsibility for the relevant legislation)

The Municipality had no 139 Interventions in the period under review.

7.2 **Formal Section 106 Investigation**

The Municipal Systems Act, 32 of 2000, obliges Province to investigate municipalities if there is reason to believe that maladministration; fraud; corruption or any other serious malpractice is occurring

The Municipality had no 106 investigations in the period under review.

7.3 **Informal Intervention**

The nature of this intervention assists municipalities with lesser intrusive intervention mechanisms that a section 139 intervention thus, a non-assumption of responsibility for obligations by Province, but rather rendering of assistance

The Municipality had no informal interventions in the period under review.

7.4 **Annual Budget**

The Municipal Finance Management Act, 56 of 2003, prescribes an annual budget to be approved by 30 June (section 16(1) read together with section 24)

The Annual Budget of the municipality was approved on time.

7.5 **Annual Financial Statements**

The Municipal Finance Management Act, 56 of 2003, prescribes that the Annual Financial Statements of municipalities be submitted by 30 August for audit purposes (section 126(1))

The Annual financial Statements of the municipality were submitted late on 08 September 2011 due to the backlog of GRAP 17 implementation.

7.6 **Stalemate in Council**

Stalemate in the Council between political parties which adversely affect decision-making by Council. A Municipality then becomes incapable of executing its executive and or legislative functions due to political contestation, resulting in service delivery failure.

The Municipality had no stalemate in the period under review.
7.7 **Dysfunctional Council or Administration**

This is when a municipality is confronted with serious and persistent governance issues.

There was no dysfunctionality of Council or Administration in the period under review.

8. **Integrated Development Planning**

The municipal key development priorities identified within the draft IDP for 2012 are contained within five key performance areas. The IDP clearly indicates that every employee of the municipality is expected to plan their work and resources around these five key performance areas.

- Basic services and infrastructure development.
- Social and Local Economic development.
- Democratization and Good Governance.
- Institutional transformation.
- Financial viability.

In terms of basic services the focus of the municipality will be on the full basket of services including not only water, sanitation, refuse removal, streets and storm - water and electricity, but also providing services such as parks, sports facilities and cemeteries.

The municipal social and economic development programmes will focus on the strengthening of the economy through sustainable growth and job creation by making use of opportunities in the infrastructure programme, amusement facilities and through tourism promotion.

The commitment towards sound democratic values and principles form the basis for exercising good governance, while institutional transformation will have a strong focus on being responsive to community needs and being performance orientated. In addition, the municipality realises that economic, effective and efficient use of resources forms a key component of ensuring financial viability. This also requires the municipality to strictly manage expenditure and ensure effective revenue collection.

**Key Challenges/Additional relevant information**

Bitou municipality is challenged by a constant in - migration of people from mainly the Eastern Cape. This has a huge effect on the effective delivery of basic services to all communities within the municipality.

**Support initiatives provided to municipalities**

During the month of April the Integrated Development Planning Directorate did a comprehensive analysis on the draft Integrated Development Plan of the Bitou municipality. The findings and recommendations of the analysis were discussed at an individual one-on-one engagement with officials of the municipality. This process enabled the municipality to make amendments where necessary and in this way the
municipal IDP process was enriched prior to the final approval by Council on 31 May 2012.

In addition, the Directorate hosted a quarterly Provincial IDP Managers Forum on 8 June 2012 to share best practices around Integrated Development Planning under IDP officials in the municipalities of the Western Cape.

9. Municipal Infrastructure

9.1 MIG Allocation and Expenditure (Source: Department of Local Government)

The following table indicates the projects implemented during the 2011/12 financial year from 1 July 2011 to 30 June 2012:

<table>
<thead>
<tr>
<th>Project</th>
<th>Actual MIG expenditure during the 2011/12 Fin. year</th>
<th>Current % MIG Expenditure</th>
<th>Date of Completed construction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plettenberg Bay: Boreholes Kwanokuthula, New Horizons, Bossiesgif/Qolweni</td>
<td>R 3 400 000</td>
<td>100</td>
<td>Aug 2011</td>
</tr>
<tr>
<td>Plettenberg Bay: New Bulk Water Augmentation</td>
<td>R 8 602 648</td>
<td>71</td>
<td>June 2014</td>
</tr>
<tr>
<td>Plettenberg Bay: Upgrade Waste Water Treatment works</td>
<td>R 78 352</td>
<td>100</td>
<td>Sept 2011</td>
</tr>
<tr>
<td>Total:</td>
<td>R 12 081 000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Key Challenges / Additional relevant information

Bitou Municipality has spent their full MIG allocation of R12 081 000 for the 2011/12 financial year by January 2012. Some projects are multi-year projects and will be completed in future.

Support by the Department of Local Government

The Directorate of Municipal Infrastructure was involved with the MIG projects from registration and conducted site visits and municipal engagements to monitor progress and provide support. The Directorate of Municipal Infrastructure also hosted monthly MIG provincial monitoring meetings to monitor progress on the MIG implementation at the Municipality. These meetings provide a key forum where municipalities account on their MIG progress and where sector departments like the Department of Water Affairs; Department of Environmental Affairs and Development Planning; Department of Human Settlements and Department of Cooperative Governance is present to support municipalities to resolve problematic issues.

Way forward / Recommendations

No recommendations
9.2 Water and Wastewater Management

9.2.1 Blue Drop (Source: Blue Drop Report: 2012)
The following information is obtained from the Blue Drop assessments conducted by the Department of Water Affairs.

The Municipality achieved a Blue Drop Score in 2011 of 96.12% based on the assessments conducted at the water treatment plants at Plettenberg Bay, Kurland and Nature Valley. Score was 97.7% in 2010.

The Municipality achieved a blue drop score of 97.74% for the 2012 assessment (March 2012), based on assessments at the same plants – the Municipality is placed at 2nd best in the Province and achieved a blue drop status at all the treatment plants.

The detailed performance of the measured performance area at each treatment plant, is as follows:

<table>
<thead>
<tr>
<th>Plant</th>
<th>Asset Management (15%)</th>
<th>Management Commitment / Account (10%)</th>
<th>DWQ Compliance (30%)</th>
<th>Process Control Management (10%)</th>
<th>Water Safety Planning (35%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plettenberg Bay</td>
<td>100</td>
<td>100</td>
<td>93</td>
<td>100</td>
<td>97</td>
</tr>
<tr>
<td>Natures Valley</td>
<td>100</td>
<td>100</td>
<td>93</td>
<td>100</td>
<td>97</td>
</tr>
<tr>
<td>Kurland</td>
<td>100</td>
<td>100</td>
<td>91</td>
<td>100</td>
<td>97</td>
</tr>
</tbody>
</table>

Blue drop scores, design capacity, utilisation and drinking water quality compliance of the 3 water treatment plants is as follows:

<table>
<thead>
<tr>
<th>Plant</th>
<th>Blue Drop Score (%)</th>
<th>Blue Drop Certification</th>
<th>System Design Capacity (MI/day)</th>
<th>Utilisation (%)</th>
<th>Quality comply Microbiol (%)</th>
<th>Quality comply Chemical (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plettenberg Bay</td>
<td>97.76</td>
<td>✓</td>
<td>22</td>
<td>32.5</td>
<td>99.9</td>
<td>99.9</td>
</tr>
<tr>
<td>Natures Valley</td>
<td>97.76</td>
<td>✓</td>
<td>1</td>
<td>6.30</td>
<td>99.0</td>
<td>99.9</td>
</tr>
<tr>
<td>Kurland</td>
<td>97.38</td>
<td>✓</td>
<td>0.6</td>
<td>41.86</td>
<td>99.9</td>
<td>97.1</td>
</tr>
</tbody>
</table>

Key Challenges / Additional relevant information
Bitou Municipality has a team which is fully committed and ensuring compliance. It should be noted that all the plants are generally operating below their design capacity and it seems as if upgrading would not be necessary in the near future – however, it is a coastal tourism and holiday area where the average water demand increase substantially (at least 50%) during holiday months.

It was found that only a limited number of chemical monitoring determinants are tested as part of continuous monitoring.

Way forward / Recommendations
The chemical monitoring must be aligned better with the full SANS 241 risk assessment standards.
9.2.2 **Green Drop (Source: Green Drop Report: 2011 and 2012)**

The following information is obtained from the Green Drop assessments conducted by the Department of Water Affairs:

Bitou Municipality performed the best in the Province in 2011 with a score of 96.4%, 100% improvement on 2009 green drop status, 100% of plant in low and medium risk positions and two green drop certification awards for the two plants, plants at Kurland and Plettenberg Bay.

Where the average cumulative risk rating (CRR) was at 22% in 2011 (the lowest in the Province), it lowered to 20.2% in the 2012 audit (March 2012). Average Provincial CRR was 61.1% in 2011 and 51.5% in 2012.

Green drop scores, design capacity, utilisation and waste water quality compliance of the 3 waste water treatment plants can be seen in the following table:

<table>
<thead>
<tr>
<th>Plant</th>
<th>Green Drop Score (%)</th>
<th>System Design Capacity (ML/day)</th>
<th>Utilisation (%)</th>
<th>Wastewater quality compliance (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kurland</td>
<td>96.1</td>
<td>0.5</td>
<td>38</td>
<td>98</td>
</tr>
<tr>
<td>Plettenberg Bay</td>
<td>96.5</td>
<td>9</td>
<td>50</td>
<td>98</td>
</tr>
</tbody>
</table>

**Key Challenges / Additional relevant information**

The Municipality has perfect record keeping and a continuous effort to improve. The site inspection scores were 94% and 96% for Plettenberg and Kurland respectively.

**Way forward / Recommendations**

It was found that the sludge management operations at Kurland would require technical attention in future.

9.2.3 **Technical Institutional Leadership (Source: Bitou Municipality)**

The status of Technical posts at the Municipality is as follows:

<table>
<thead>
<tr>
<th>Post</th>
<th>Filled/Vacant</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technical Director</td>
<td>Filled</td>
<td></td>
</tr>
<tr>
<td>Head: Water, waste water / water quality</td>
<td>Filled</td>
<td></td>
</tr>
<tr>
<td>Head: Roads, SW &amp; Fleet management</td>
<td>Filled</td>
<td></td>
</tr>
<tr>
<td>Head: Mechanical &amp; Electrical</td>
<td>Filled</td>
<td></td>
</tr>
<tr>
<td>PMU Manager / Civil Planning</td>
<td>Filled</td>
<td></td>
</tr>
<tr>
<td>Water and WWTP &amp; other Technical Supervisors &amp; Operators</td>
<td>75% filled</td>
<td>Busy with restructuring programme</td>
</tr>
</tbody>
</table>
Key Challenges / Additional relevant information
The Bitou Municipality is currently busy with a restructuring process and many of the crucial vacant positions could be filled, e.g. the municipality advertised for 6 water and waste water operators and cannot find candidates. The roads section is understaffed and need many supervisors and labourers.

Bitou is a relative small municipality with an essential component of technical people.

Way forward / Recommendations
The Municipality should implement the recommendations of the restructuring process. Continuous training is required.

9.3 Level of Capital Expenditure
(Source: Provincial Treasury - Table C5 Quarterly Budget Statement up to 30 June for 2011/12, Municipal Budget, MTREF & Supporting Tables)
For the 2011/12 the following:

<table>
<thead>
<tr>
<th></th>
<th>Original Budget (R 000's)</th>
<th>Adjustment Budget (R 000's)</th>
<th>(%) of Adjusted Trading Budget</th>
<th>Expenditure Variance (up to May 2012)</th>
<th>(%) variance (up to May 2012)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Budget</td>
<td>44 081</td>
<td>53 680</td>
<td>(19 420) (36.18)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trading Services (Total)</td>
<td>24 081</td>
<td>15 952</td>
<td>(6 572) (41.20)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Electricity</td>
<td>7 600</td>
<td>4 383</td>
<td>27.5% (2 359) (53.82)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Water</td>
<td>7 081</td>
<td>7 169</td>
<td>44.9% (53) (0.74)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Wastewater Management</td>
<td>900</td>
<td>900</td>
<td>5.6% (850) (94.49)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Waste Management</td>
<td>8 500</td>
<td>3 500</td>
<td>21.9% (3 310) (94.56)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Key Challenges / Additional relevant information
The adjusted trading services capital budget was 33.7% less. A relatively small portion of the adjusted 2011/12 capital budget is allocated to the Trading Services (29.7%) with the rest allocated mainly to road transport (21%) for new road pavements and bridges (as part of the NDPG grant) and community and public services for sports facilities (9.3%) as part of the NDPG grant, i.e. libraries (R4m) and R2m for recreational facilities (swimming pool).

During the year, the Municipality experienced financial cash flow problems, which caused certain project expenditure to stop for a period of time – most of which were started again with an acceptable expenditure rate. The swimming pool project of R2m and the Waste transfer station projects (R8.5m budgeted) were stopped as were various smaller projects.

A NER grant for electricity demand management (R7.6m) was not spent due to tender and supply chain issues.
All other grant funding was spent properly, e.g. the MIG allocation (early in the year) and the portion (R3m of R14m) of the NDPG that was not spent, was transferred to the 2012/13 year within the conditions of the grant.
Way forward / Recommendations
Financial assistance is supplied to the Municipality through a consultant appointment and assistance from the Provincial Treasury.

It is necessary to monitor cash flow and spending on infrastructure should mainly be supported by grant funds and might be necessary to reprioritise capital expenditure.

9.4 Repairs and Maintenance (Source: 2010/11 Annual report)
According to the 2011 Annual Financial Statements the cost of the PPE and the infrastructure was R685.802 million and R449.356 million respectively. The repairs and maintenance expenditure was R14.793 million during 2010/11 and R16.915 million during 2009/10 respectively. The municipality experiences substantial backlogs with regards to repairs and maintenance.

Key Challenges / Additional relevant information
The decreasing trend of the repairs and maintenance is concerning.

Way forward / Recommendation
The municipality should spent more on repairs and maintenance.

9.5 Non-revenue water (Source: 2010/11 Annual report & DWA Report April 2012)

Key Challenges / Additional relevant information
The Department of Water Affairs (DWA) report on non-revenue water (NRW) is based on the calculation of projected water demand from the DWA All Town Study and information submitted by the Municipality.

Average non-revenue water (NRW) volume over the 12 months ending April 2012 is compared to the average NRW over 12 months ending June 2011. A relative reduction in NRW is indicated as follows:

<table>
<thead>
<tr>
<th>Total Annual Volume Supplied up end April 2012 [ML/year]</th>
<th>NRW for 12 months ending April 2012 [ML/year]</th>
<th>Average NRW, for 12 months ending April 2012</th>
<th>Reduction in April '12 NRW, from 12 months ending June 2011 [ML/year]</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 958.2 [ML/year]</td>
<td>811.8 [ML/year]</td>
<td>27.4%</td>
<td>140.1 [ML/year]</td>
</tr>
</tbody>
</table>

The 2010/11 Annual Report states the following:
There is an 18.8% improvement on water losses. The target for the 2010/11 year was to limit water distribution losses to 15% and 7.5% losses was achieved.

A water conservation and demand management (WCDM) strategy was developed which focusses on the following measures:

- Replacement of old infrastructure causing regular breaks
- Installation and upgrading of the telemetric system
- Reduction of down time for repairs – thus quick reaction to call-outs and active leakage control
- Fixing / replacement of faulty meters, and upgrading of the report system

The Municipality’s approach is to bill all consumers and ensure good cooperation with the finance department
**Recommendation**
Continue with the implementation of the water demand strategy.

9.6 **Project Finance (2010/11 Annual Report and direct communication)**
In order to secure bulk water supply for the future developments and to prevent risk related to droughts and floods which occur at a regular interval during the recent past, the Municipality focus on a bulk water augmentation programme. It includes the following:
- An RBIG study (R2.5m) is currently underway in preparation to supply bulk water for future development and sustainability across the border of the Bitou and Knysna area.
- Off-channel raw water storage dam in the Keurbooms river scheme

ESKOM is currently increasing the bulk electricity supply to the area and upgrade Bitou’s capacity to utilise it. The Municipality spent the following % of the capital budget on capital infrastructure projects:
- 2010/11 72%
- 2009/10 83%
- 2008/09 103%

The Municipality focus their priorities on participating fully on the Expanded Public Works Programme
The following projects could not proceed during 2010/2011 due to funding constraints and other difficulties:
- Kranshoek & Kwanakuthula roads
- Bossiesgif and Qolweni Informal houses on private property – to procure the land for formal housing

The following challenges could be addressed by grant funding to be supplied to rectify the recent floods, based on the flood assessment study done in the Eden DM.
- Storm water infrastructure to prevent floods, also to compile Storm Water Master Plan
- Roads rehabilitation and maintenance – also too little staff

During July 2012 more heavy rains caused additional damages to infrastructure, which highlights the pressure on spending of the approved flood repair budget from floods of 2011 – budget expected to be published by Sept 2012.

There is an ongoing focus on the implementation of the NDPG which includes roads and sport facilities. Approximate expenditure during 2011/12 was R11m and R3m would be rolled over to the 2012/13 budget within the Grant conditions.

10. **District and Local Performance Monitoring**
This municipality did not submit any information for the period ending June 2012.
11. **Service Delivery Integration**

The Thusong Plan for the Bitou Municipality as indicated by the Thusong Accessibility Analysis is as follows:

**Figure 4: Bitou Thusong Plan**

<table>
<thead>
<tr>
<th>Town</th>
<th>Thusong Service</th>
<th>Beneficiaries reached within 25km</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plettenberg Bay</td>
<td>Centre</td>
<td>39 033</td>
</tr>
</tbody>
</table>

However, based on available resources between the three (3) spheres of government the Thusong implementation Plan for 2012/23 is illustrated in Table below:
## Bitou Thusong Implementation Plan for 2012/13

<table>
<thead>
<tr>
<th>Town</th>
<th>Thusong Service</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plettenberg Bay</td>
<td>Centre</td>
<td>All year round</td>
</tr>
<tr>
<td>Craggs</td>
<td>Mobile</td>
<td>3- 4 July 2012</td>
</tr>
</tbody>
</table>

### PERMANENT OFFICE SPACE

<table>
<thead>
<tr>
<th>Tenant</th>
<th>Space allocation/Frequency</th>
<th>Rate per square metre</th>
<th>Monthly rental</th>
<th>Annual rental</th>
<th>Update on lease agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Home Affairs (DHA)</td>
<td></td>
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<td></td>
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<tr>
<td>South African Social Security Agency (SASSA)</td>
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<tr>
<td>Department of Labour (DoL)</td>
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<tr>
<td>Department of Social Development (DSD)</td>
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<tr>
<td>NGO: Department of Health</td>
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<tr>
<td>Municipal Offices</td>
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</tbody>
</table>

The Bitou Municipality is in the process of finalising the lease agreement
The Bitou Municipal Council has made a decision to take over the management of the Bitou: Plettenberg Bay Thusong Service Centre as from the 1st of April 2012. The municipality will have to create and appoint the Thusong Service Centre Manager and Administrator on the municipal establishment to ensure the effective management of the Thusong Service Centre. The key four (4) anchor departments namely Department of Home Affairs, SASSA, Social Development and Labour render services at the Thusong Service Centre. The departments situated permanently at the Thusong Service Centre currently do not have a lease agreement with the Bitou Municipality. Therefore, the Department of Local Government recommends the conclusion of lease agreements to be prioritised to ensure the Thusong Service Centre is financially viable. The table below indicates the service offering at the Thusong Service Centre.

**Status of lease agreements**
The Department of Local Government recommends the municipality include the Thusong Service Centre into the Municipal Integrated Development Plan (IDP) and the municipal annual budget. In addition, a key recommendation is that the municipality budgets for the Thusong Programme holistically, including the outreach components (i.e. Thusong Mobiles and Thusong Extensions). In order to ensure that a 100% of the municipal population has access to the Thusong Services, it is critical that the municipality plans and budgets accordingly.

**Thusong Mobiles**
No Thusong Mobiles took place in the first quarter. Mobiles are planned for Craggs and Wittedrift for the second quarter.

12. **Community Development Workers**

13. **Disaster Management Fire Services**
The Bitou Local municipality maintains a fire service in terms of the Fire Brigade Services act; the service does not have an appointed Chief Fire Officer. The fire service does not conform to all criteria of the SANS 10090:2003 code of practice.