

CHAPTER 1

INTRODUCTION AND OVERVIEW

FOREWORD BY THE EXECUTIVE MAYOR

“Change is the only constant” - all organizations need to adapt to changes in citizen expectations, political and economic pressures – the pressure to reorganize affects the public sector as much as the private sector. However, achieving the benefits of reorganization is notoriously difficult for local authorities given the changing views on representation and democracy in their local communities.

Faced by major challenges of resource shortages, poor performance and capacity problems coupled with high expectations and external pressure for change, many organizations move quickly, sometimes too quickly to change the structure of the organization. Organizational change needs to solve problems, not symptoms.

The Overberg District Municipal region has a rapidly growing population that places pressure on the municipality to develop and sustain service delivery and service levels. Service delivery by all spheres of government has considerable influence on the quality of life of the inhabitants of the region. The key function of Local Government is to reinforce the need for a balanced developmental agenda. We have an obligation to contribute towards meeting the extended expectations of the communities we serve while assisting the local municipalities in the region.

Our impact as policy makers have consequences for future generations taking into consideration the changing structure of the population, the needs of households, the structure of the economy and the outcomes from the interaction of all role players in the Overberg District's economy challenged by the changing socio-economic landscape.

The Overberg region is poised to increase its economic base and has some strong Municipalities. Nevertheless, the socio-economic challenges faced within the District requires a long term view to broaden investment



perspectives, moving beyond the number of households with access to basic services, and focussing on the quality of access to both basic and social services.

I believe that this Council strives to achieve exactly that and it is therefore my pleasure to present the annual report for 2006/2007.

Integrated development planning for the district municipality as a whole, including a framework for integrated development plans of all municipalities in the area of the district municipality are the processes we take great pride in to ensure that needs are met or will be met in future.

The Overberg District Municipality has been involved in various local economic projects to benefit the economy and residents as a whole. One of the most exciting projects that the ODM is currently involved with is the commercialization of the Test Flight and Development Centre at Arniston where an international airport is planned. Development proposals will be called for within the next couple of months. It is viewed as a major and long term creator of jobs, growth and economic sustainability in the Overberg District. The project (which will be a great boost for development of not only the Overberg but for the entire Western Cape and the country), has the support and buy-in of the Western Cape Premier and National Government.

The Health Department has performed exceptionally well with numerous projects and services to alleviate the suffering of the community and to promote their well-being.

Our Disaster Management team has excelled themselves with various rescue services performed ranging from severe floods to devastating fires destroying vast areas of our Fynbos.

During the period covered by this annual report Council committed itself to fight poverty with improved levels of wealth by means of job creation and the development of a regional Local Economic Development Strategy (LED), and the projects implemented aim for holistic empowerment of the people and communities of the Overberg.

Council remains committed to create equal opportunities through the transfer of knowledge and skills. During the year under discussion the ODM had the disadvantage of a total of 26 staff vacancies (all managers



reporting to the Municipal Manager including) limping the capacity and performance of the municipality.

The audited statements of the Auditor General indicated a tough task ahead for Council and officials alike and I am convinced that we will succeed.

As Executive Mayor of the Overberg District Municipality I am proud of the dedication of the Acting Municipal Manager and his management team. Thank you also to my fellow councillors, the executive mayoral committee and others, for their dedication and positive inputs towards the Council. The continuous support and co-operation of the Acting Municipal Manager and officials are appreciated. Together with the Acting Municipal Manager and his team, Council will ensure that systems and processes will improve where necessary and we will be proactive to ensure that these improvements are realised.

I am satisfied that the information contained in this report is a true reflection of the state of the financial and operational status and performance of the municipality for the 2006/2007 financial year.

M GILLION
Executive Mayor
Overberg District Municipality



STATEMENT BY MUNICIPAL MANAGER










Municipalities are, in accordance with the Municipal Systems Act and the Municipal Finance Management Act, required to report on the performance of the municipality and must submit an annual report. The annual reports submitted by the municipalities form the baseline for the Section 47 report on the overall performance of the municipalities in the Western Cape to be tabled by the MEC annually. The purpose of this report is to provide an overview of the progress made in realising Overberg District Municipality's strategic objectives and the unique challenges and opportunities we faced during the financial year 1 July 2006 – 30 June 2007.

The Overberg District Municipality is located in the Western Cape and forms the southern most area of Africa. Overberg District Municipality was established in terms of Provincial Notice 492/2000 published in the Provincial Gazette Extraordinary 5591 of 22 September 2000. The area serviced by this municipality includes the four local municipal areas of Theewaterskloof, Cape Agulhas, Overstrand and Swellendam Municipalities and a DMA. Those four category B municipalities shares municipal executive and legislative authority with Overberg District Municipality (a category C authority).

Bredasdorp hosts the Corporate Head Office of the Overberg District Municipality. The Overberg District Municipality covers an area of 11 393 km² with a population well in excess of 230 000 people. The District Municipality, not unlike all other local authorities countrywide, faces a series of challenges i.e.

- Provision of infrastructure and services on a sustainable basis
- Stimulating local economic development
- Sound management of its financial affairs
- Strengthening continued participation in the affairs of Local Government
- Provision of subsidised health and rescue services
- Development of a social strategy
- Growing population, unemployment and poverty
- Continued reformation and transformation in local government

Overberg District Municipality's mission is ***“To bridge the racial socio-economic divide and to create sustainable livelihoods and thriving communities within the Overberg District”*** with a vision of ***“A prosperous, democratic, safe, stable and healthy paradise for its entire community, B-municipalities and partners.”*** In order to create our sustainable paradise priority has being given to the following:

-  Restoration of human dignity and inspiration of staff and communities;
-  Focus on district wide development;
-  Guidance to communities and role players towards integrated development
-  Focus on equality and sustainability;
-  Improving co-operation between Overberg District Municipality and the category B municipalities in its jurisdictional region;
-  The clarification of the role and functions of categories B and C municipalities;
-  Ensuring sustainable income for District Municipalities;



- ✚ Ensuring sustainable economic development and wealth creation to combat poverty;
- ✚ District driven integration and development of humans, environment and infrastructure;
- ✚ Development and utilization of available resources and services to the benefit of the communities;
- ✚ Maintenance and development of administration with a high level of skills and capability levels;
- ✚ On-going revision of the focus and activities of the District Municipality;
- ✚ Practical implementation of development projects;
- ✚ On-going prioritizing of the needs of and demand on the Overberg District Municipality.
- ✚ The nature and extent of the need for the shared services solution in addressing identified support services amongst all of the Municipalities within the Overberg District area.

Provincial Government has availed R800 000 towards the establishment of a Shared Services Unit beneficial to the Overberg District Municipality and the four local municipalities in the district in order to create the required capacity and organizational readiness. Towards this end, the development of a GIS system by Overberg District Municipality for utilization by municipalities has been received very favourably by Province.

During the financial year under review Overberg District Municipality was governed by an ANC/ID controlled council under Mr JJ January as Executive Mayor. The Municipality has an Executive Mayoral system comprising the Executive Mayor, Deputy Mayor, plus 3 members that have been appointed by the Executive Mayor.

Before and during the floor-crossing period, unforeseeable and destabilising conditions started to emerge within the political and administrative structures of the municipality. One of the main factors that had an enormous impact on the capacity and performance of the Municipality during the year under review is the fact that four managers, appointed in terms of section 57 of the MSA, including the chief financial officer, as well as another senior official, were retrenched by the municipality and that those and numerous other vacancies have not been filled.

The filling of vacancies (inter alia key managerial posts) are of vital importance to address the various shortcomings regarding supply chain management, internal control and budget related issues as set out in the audit report. Staff related issues, such as the approval and implementation of the organogram and filling of vacancies, should be given immediate priority.

A system of delegation that would both maximise administrative and operational efficiency and provide adequate checks and balance in the municipality's financial administration, as required by section 79(1)(a) of the MFMA and section 59(1) of the



Local Government: Municipal Structures Act, 2000 (Act No. 32 of 2000) need to be approved by council.

A human resources plan has due to personnel constraints, not been compiled by the municipality to define the required competencies and skills to enable the successful implementation of the strategic plan of the municipality.

Finalisation of the latter issues will automatically enhance completion of related aspects such as internal control (work segregation), minimum capacity levels and the effectiveness of workflow and acceptable administrative standards.

Cognisance should also be taken that most of the audit findings in the audit report have been identified for the first time which is mainly due to the major impact and changes that GRAP/GAMAP brought about in Local Government Finance.

To conclude: It is my personal opinion that our staff should be congratulated for a job well done besides certain deviations which was mainly due to unforeseeable and uncontrollable circumstances such as staff shortages as a result of resignation of key staff members. It would be to the best interest of the Overberg District Municipality to address each and every milestone in a collective and constructive manner.

TREVOR BOTHA
MUNICIPAL MANAGER

PROFILE OF THE OVERBERG REGION

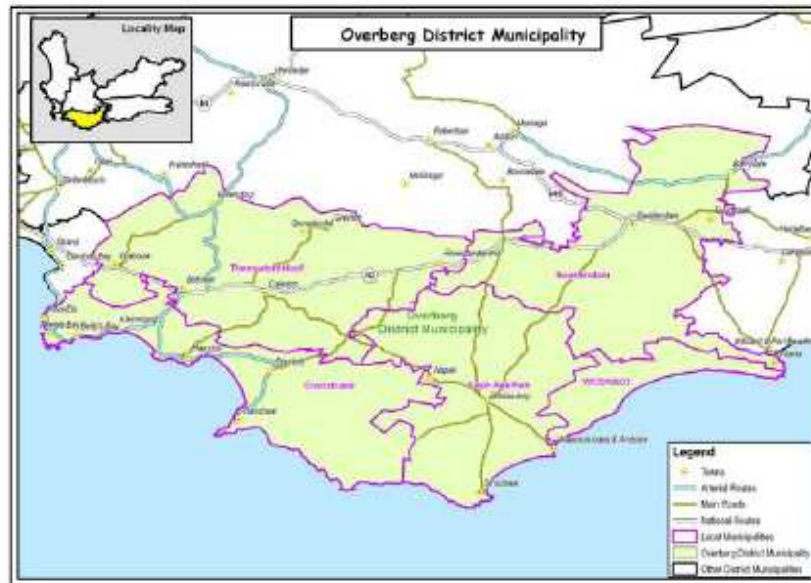
The Overberg District Municipality (ODM), located at the southern most point of Africa with Bredasdorp as its administrative headquarters, is the fourth largest centre of economic activity in the Western Cape Province, contributing 2, 4% of the Province's Gross Domestic Product. The region is large, comprising an area over 11 393 km² and contains 32 demarcated wards, with a population well in excess of 230 000 people. It is



OVERBERG DISTRICT MUNICIPALITY

expected that the District's share of the Province's population will increase gradually over time as its projected population growth is higher than other District's in the Province.

The rapidly growing population is placing extreme pressure on municipalities to develop and sustain its range of services and service levels. The ODM serves four local municipalities and a DMA comprising the following towns and settlements:



List of towns

Theewaterskloof
Overstrand
Cape Agulhas
Swellendam

1. **CAPE AGULHAS**
Bredasdorp, Struisbaai, Aniston, Napier, Protem, Klipdale & Elim
2. **SWELLENDAM**
Suurbraak, Buffeljagsrivier, Swellendam & Barrydale
3. **THEEWATERSKLOOF**
Botriver, Genadendal, Greyton, Grabouw, Riviersonderend, Villiersdorp & Caledon
4. **OVERSTRAND:**
Kleinmond, Hermanus, Hawston, Stanford & Gansbaai

An area well-known for its natural beauty, it also has a strong agricultural sector which comprises 11, 6 % all agriculture production in the Western Cape. Economic activity is fairly diverse, with tourism, agriculture, wholesale & retail trade, catering & accommodation, manufacturing and a growing financial services sector all featuring in the region. The economic performance of the region is characterised by two larger (Theewaterskloof and Overstrand) and two smaller economies (Swellendam and Cape Agulhas). The overall growth rate is 5, 4 %.



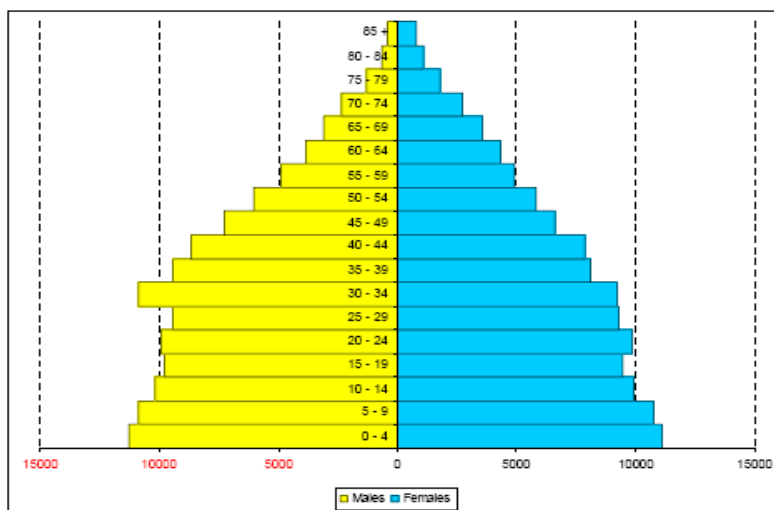
Several challenges lies ahead for the region; foremost amongst these will be to address social imbalances, improving the growth performance of all municipalities, as well as ensuring that financial stability remains in tact.

DEMOGRAPHIC PROFILE

The Overberg District has the fourth largest population in the Western Cape, with approximately 5 % of the Province's population. It is expected that the District's share of the Province's population will increase gradually over time as its projected population growth is higher than other District's in the Province.

The Actuarial Society of Southern Africa's (ASSA) demographic model estimates that the District's population will grow at 2, 1 % between 2006 and 2007. The population growth rate is then expected to decline marginally to 1, 8 % per annum between 2007 and 2012. The current population size is estimated to be 237 555, and is likely to grow to over 259 000 by 2012. This is faster than the Cape Wineland's population growth rate, which is expected to grow at less than 0, 5 % for the same period. As seen below, the region still has a relatively bell-shaped population pyramid, reflecting a youthful population, with 43, 4 % of the population under the age of 25. This trend is forecast to continue, with a similar proportion of the population estimated to be under the age of 25 in the year 2012.

OVERBERG DISTRICT POPULATION PYRAMID 2007



Source: Actuarial Society of Southern Africa

Children and Youth

According to StatsSA, over 117 000 births were registered in the Western Cape in 2005, approximately 8,5 % of total births in the whole of South Africa. Within the Overberg 6 566 births were recorded, representing 5,6 % of total births within the Western Cape. The



large number of birth registrations is also reflected with the ASSA model that estimate that, in 2007, there were over 22 300 children under the age of 4 years in the ODM area.

The youth (defined as individuals' age from 15-35 years) accounts for 33 % of the District's total population, a ratio that is not dissimilar to that of the City of Cape Town's youth population.

The Aged

The aged currently account for 7,4 % of the ODM's population, which is higher than the equivalent ratio of 4,4 % for the Cape Winelands District Municipality's population, and as the population ages, the proportion of the aged is expected to grow, placing greater pressure on providing appropriate facilities for the aged. Currently, there are 10 Old Age Homes in the Overberg District. This number is likely to increase as the population continues to age.

Gender

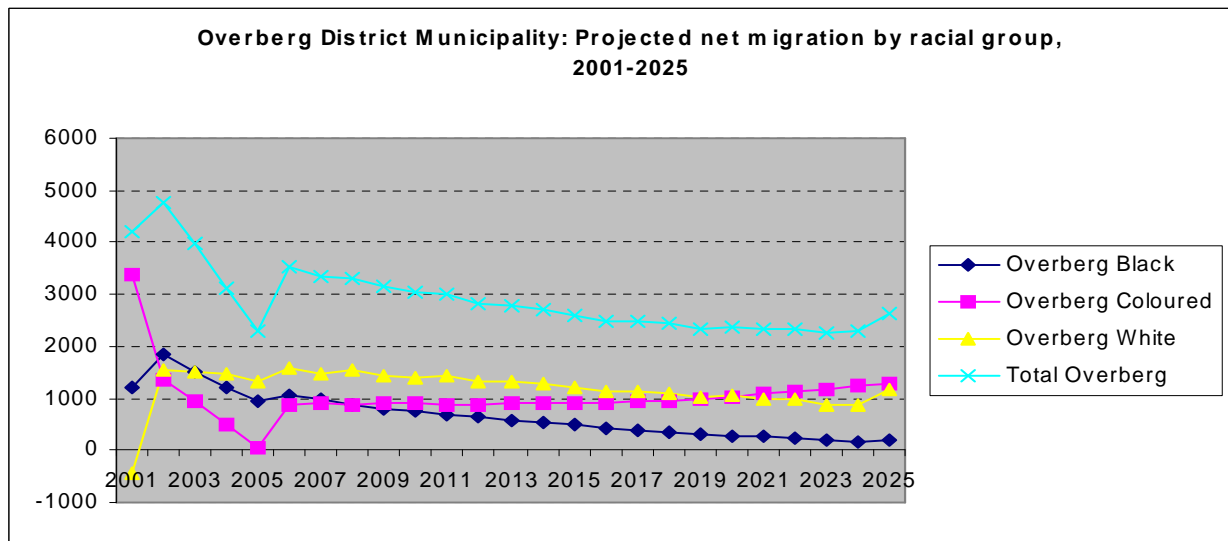
As reported in SEP-LG 2006, the Overberg District is relatively evenly split between males (50,6%) and females (49,4% of the total population). It is expected that this trend will remain relatively stable over time.

Migration

The projected overall net migration trend for the Overberg District Municipality indicates sustained and high, but slowly declining, net migration up to 2025. Looking at the individual race groups and municipal areas it is clear that differences occur with regard to movements across racial and age groups and gender and also in terms of total numbers. The migration ratio for the Coloured and White groups is almost equal, whilst that of the Black African component shows a steeper decline over time.



District projected net migration by racial group, 2001-2025



Source: PAWC calculations based on Centre for Actuarial Research, 2005

Over a period of 26 years the demographic face of the Overberg has changed from an almost 50/50 balance between urban and rural habitation to a 75/25 balance in favour of urbanization. This pattern is continuing and should be reflected in planning actions and government spending patterns within the district. Careful decisions will have to be made as this will have a direct impact on strategies to address the developmental situation of farm dwellers.

The following table illustrates the continued pattern of urbanization.

Population shifts and tendencies of urbanization, 1996-2001

Name	Urban population growth 1996-2001	Rural population growth 1996-2001	% households in Urban areas, 2006	% of households in rural areas, 2006
Overberg District	62,64	-8,47	75,7	24,3
Theewaterskloof	73,96	-13,75	64,2	35,8
Overstrand	67,57	9,12	91,2	8,8
Cape Agulhas	50,23	-15,53	83,2	16,8
Swellendam	36,01	3,87	65,2	34,8

Census 1996 and 2001 Source on household figures: Adapted from the Municipal Demarcation Board Assessment of Capacity, 2005/06

It is furthermore important to take note of the following tendencies:-

- All four local municipal areas show a high growth rate in their urban populations, whilst the rural populations declined in two cases, resulting in a decline in the average district rural population.



- Although Overstrand had the highest positive growth in rural population up to 2001 the area also has the highest proportion of urban households. The focus in the area should therefore be primarily on the urban areas.
- Swellendam experienced the lowest urban population growth and this should be considered in planning for future urban expansion.
- Swellendam and Theewaterskloof still have the largest percentage of rural households, despite the fact that the rural population in the latter area showed a negative growth rate up to 2001. Both municipalities therefore have a particular responsibility to include rural dwellers in their planning actions.

What is furthermore important is to focus on the composition of the Overberg population, because this is often indicative of huge gaps in levels of human development and of continuing inequities. It might also give some indication as to the focus that should be adopted. The following tables define the position:

The gender and race group composition of the population (2001)

RACE GROUP	MALE	FEMALE	TOTAL	PERCENTAGE OF POPULATION
Black African	22 857	17 530	40 387	19,8
Coloured	59 551	60 987	120 538	59,2
Indian or Asian	135	135	270	0,13
White	20 163	22 162	42 325	20,8
Total	102 706	100 814	203 520	100

Census 2001 – only to illustrate patterns

Race group proportions of total population, 2001 - 2006

RACE GROUP	2001 %	2006%
Black African	19,8	20
Coloured	59,2	57
White	20,8	23

Provincial Treasury Socio-Economic Profile for Overberg District and Local Municipalities, 2006

The following aspects pertaining to population composition should be noted:-

- There is an almost equal split between males and females and it is therefore evident that in planning an equally strong focus should be placed on the development of the male population.
- Whilst the percentage of the Coloured population is slightly declining there is an almost even split between Black Africans and Whites with both groups showing marginal gains in their contribution to the population.
- Cape Agulhas (67%) and Theewaterskloof (64%) have the largest concentration of Coloured people in the district.
- Overstrand has the largest (39%) proportion of white people. This implies that the high growth apparently includes and evenly high percentage of more affluent households.
- Only 11% of the population of Theewaterskloof are white. Seemingly the highest growth rate in the area is thus amongst the poorer households that can often not



provide a house for themselves. This may also negatively impact on the municipality's ability to enhance payment levels for services.

- Whilst Black Africans constitute almost a quarter of the total population in three of the municipalities, only 4% of the population of Cape Agulhas belong to that group.

Age distribution

Age distribution within the population is also an important factor that should be taken into consideration in the planning of projects. Table 6 and Graph 2 show the figures and tendencies.

The age composition of the Overberg population (2001)

AGE GROUP	PERSONS	%
0 – 1	7 566	3.7
2 – 5	14 678	7.2
6 – 14	32 011	15.7
15 – 17	10 901	5.4
18 – 35	63 944	31.4
36 – 65	61 893	30.4
66+	12 527	6.2
Total	203 520	100

During 2004 and early 2005 the Department of the Premier of the Western Cape launched a study to measure the state of development in the province. The two most important tools used in the study are the **City Development Index (CDI)** and the **Human Development Index (HDI)**.

The CDI is an average of the following indices:-

- Infrastructure (water, sewerage, telephone and electricity available)
- Waste (solid waste removal available)
- Health (life expectancy divided by infant mortality)
- Education (adult literacy and gross enrolment ratio)
- Income (mean household income)

The HDI is an average of the following indices:-

- Health (based on life expectancy)
- Education (based on adult literacy and gross enrolment indices)
- Income (based on mean household income, since GDP is unavailable)

Adult literacy is defined as at least seven years of schooling and gross enrolment ratio means the complete learner (schoolchild) population.



The following table depicts the CDI for the Overberg local municipal areas. It is important to note that the higher the CDI index scores the more positive the influence on human and economic development will be in that particular area.

Local municipal CDI figures, 2005

Municipal area	Infra-structure	Waste	Health	Educa-tion	Income	CDI
Cape Agulhas	0,80	0,84	0,70	0,80	0,78	0,78
Overstrand	0,76	0,89	0,68	0,82	0,79	0,79
Swellendam	0,75	0,72	0,70	0,79	0,73	0,74
Theewaterskloof	0,67	0,75	0,68	0,81	0,74	0,73
PROVINCE	0,79	0,89	0,68	0,86	0,82	0,81
<i>Source: Department of the Premier: Measuring State of development in the province Western Cape, 2005</i>						

- Overall the local municipalities scored relatively well on the CDI index, with Overstrand attaining the highest score
- Of concern though are the variances in infrastructure availability. This indicates that some areas have better infrastructure than others and this will obviously also contribute to varying levels of human and economic development
- Theewaterskloof achieved the lowest score for infrastructure as measured by the CDI
- Cape Agulhas and Overstrand are in most of the CDI measured areas almost on par with the provincial situation, whilst the graphs for Theewaterskloof and Swellendam shows remarkable differences
- With respect to health services it is noticeable that in Cape Agulhas and Swellendam the district out-performed the province and in Overstrand and Theewaterskloof the municipal performance equals that of the province
- The low scores in the income category, especially in Swellendam and Theewaterskloof, is indicative of the high poverty rates in large parts of the districts
- The average low scores in the waste category is worrying as it will have a direct negative impact on human development and especially also on the sensitive natural environment of the district

The HDI for the local municipal areas in the Overberg in comparison to the 1995 figures is indicated in the table below:

1995 and 2005 HDI figures for the Overberg

Municipality	Health	Income	Education	HDI 1995	HDI 2005
Cape Agulhas	0,67	0,78	0,60	0,56	0,69
Overstrand	0,64	0,79	0,77	0,62	0,73
Swellendam	0,67	0,73	0,75	0,57	0,72
Theewaterskloof	0,63	0,74	0,75	0,59	0,71
<i>Source: Department of the Premier: Measuring state of development in province Western Cape, 2005</i>					



The provincial averages for the HDI measuring categories are:-

- Health – 0,63
- Income – 0,84
- Education – 0,68
- Overall provincial HDI – 0,72

Looking at the above figures the following general remarks for the district as a whole should be considered in future planning actions:-

- The considerable increase in HDI between 1995 and 2005 is evident and can primarily be contributed to increased service delivery over a wide spectrum. The municipalities in the district should work together and in unison with the provincial government to continue on this growth path.
- The extremely low income levels in comparison to the provincial average, which is indicative of the high levels of poverty. Poverty alleviation should therefore be high on the development planning agenda.
- With regard to the health category it is evident that the district is either out-scoring or equalling the provincial average and the provincial government should thus ensure that the relative high levels of health services are maintained in future because this will have a direct impact on the HDI of the district.

Education

If the Overberg wants to become an equal player in the Western Cape economy greater focus should be on lowering the level of illiteracy and functional illiteracy by enabling more learners to continue with secondary education.

Illiteracy Rate

OVERBERG	CAPE AGULHAS	OVERSTRAND	SWELLENDAM	THEEWATERSKLOOF
27%	24%	19%	35%	32%
<i>Source: Provincial Treasury Socio-Economic Profile for the Overberg and Local Municipalities, 2006</i>				

Educational attainment of those aged 20+ indicated in %

EDUCATION LEVELS	Western Cape	Overberg	Cape Agulhas	Overstrand	Swellendam	Theewaterskloof
No schooling	5,7	7,3	6,2	4,2	9,0	9,0
Some primary	15,2	21,9	20,2	14,7	27,6	25,4
Complete primary	7,9	10,0	11,0	7,1	9,4	11,7
Some secondary	36,5	32,8	31,7	33,8	28,5	33,8
Grade 12	23,4	19,4	19,4	26,7	18,0	15,0
Higher	11,2	8,7	11,6	13,5	7,6	5,0
<i>Source: Provincial Treasury Socio-Economic Profile for Overberg District and Local Municipalities, 2006</i>						



Skills levels

The Overberg is heavily reliant on the higher education institutions of the Boland and Cape Peninsula and that impacts negatively on skills development efforts in the area. Skills levels within the district are illustrated as follows:

Skills distribution %

AREA	HIGH-SKILLED	SKILLED	LOW-SKILLED
Overberg District	13,2	36,8	50,0
Cape Agulhas	16,2	43,3	40,4
Overstrand	18,1	44,4	37,5
Swellendam	13,1	32,2	54,8
Theewaterskloof	9,9	32,1	58,0

Source: Provincial Treasury Socio-Economic Profile for the Overberg and local municipalities, 2006

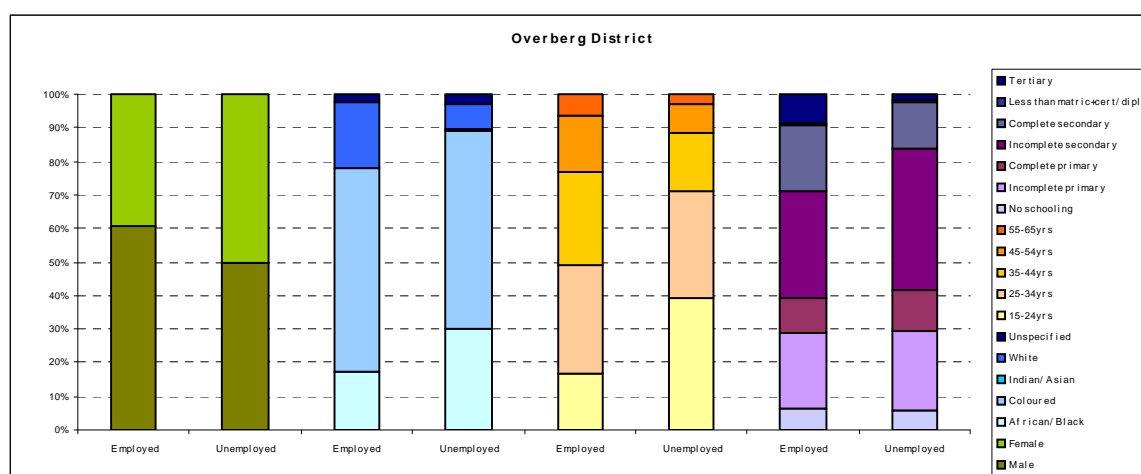
Cape Agulhas and Overstrand by far outscore the district average and the other two municipalities in relation to the highly skilled and skilled labour force grouping.

Labour force participation, employment and unemployment

The graph below illustrates tendencies with regard to employment and unemployment based on gender, education, race and age. Although the figures are those of 2001, it can be assumed that the tendencies would have remained more or less unchanged. The graph clearly shows that:-

- In 2001 the employment level for young males and females (15-24 years) was $\pm 16,5\%$, whilst unemployment was 39,4%. The trend has continued and risen since.
- Less than 10% of men and women aged 55 and above were employed. The question can be posed what affect this has on the so-called brain-drain in the Overberg. It is often the middle-aged group retiring in the area that are highly skilled.

Employment and unemployment tendencies, 2001



Source: Census 2001

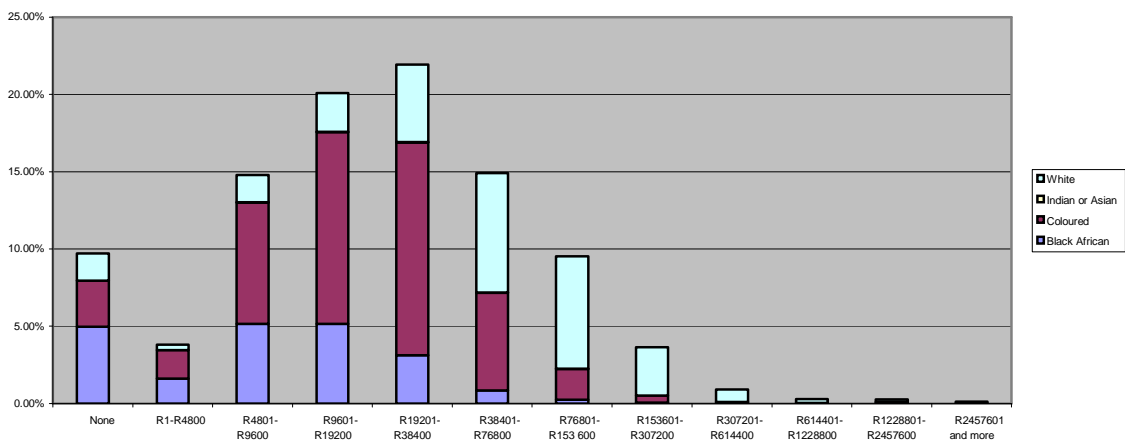


- In 2001 the employment level for prime age persons (25 – 54 years) was 77,1%, whilst unemployment stood at 57,6%
- About 28 225 females were employed, almost half the number of employed men (43 340). Special focus on the employment of women is therefore necessary and the question should be answered how the number of women living on farms and unable to work as a result of lack of public transport affect this picture?
- With regard to the number of people employed in each educational category the graph is indicative of the nature of skills mismatch in the district. Those with incomplete primary

Economic poverty refers to imputed **household income**. From the graph below it is evident that:-

- Almost 10% of households earn no income at all and about 50% of these are Black African.
- ±28,3% of households earn less than R9 600 p.a. (R800 p.m.) and are therefore living on or even below the breadline. The category is dominated by Coloureds.

Income Distribution by population group



Source: Census 2001

- Whites are mainly high earners dominating the top end of the scale.
- A marginal percentage of the Overberg households fall within the higher income brackets.
- Almost 70% of the households can be regarded as relatively poor.
- Overall the White population dominates the upper income categories, while Black Africans are disproportionately represented in the lower income brackets and fade away at higher income brackets. Coloureds appear more prominently in the middle-income categories.



Monthly imputed household income (2001)

MONTHLY INCOME	HOUSEHOLDS	%
None – R800	15 683	27,7
R801 – R3 200	23 821	42,0
R3 200+	17 154	30,3
Total	56 658	
STATSSA: Census 2001		

An estimated 44% of the households among which the survey was done have an imputable monthly income of between R801 and R3 200. State allowances contribute 19% to this figure.

Additional information impacting on the well-being of the communities

IMPACT	OVERBERG DISTRICT	CAPE AGULHAS	OVERSTRAND	SWELLENDAM	THEEWATER
% of births under 2 500mg	16	23	12	15	17
Immunisation coverage (%) under 1 year	75	77	80	69	74
TB prevalence per 100 000	1 142	617	1 092	1 042	1 352
TB cure rate (%)	74	73	73	69	77
HIV prevalence (%)	4,1	2,1	4,5	2,9	4,7
HIV/Aids related death in 2005		327	1 252	306	997
% increase/decrease in drug related crime, 2002 – 2005	+134,4	+74,7	+160,8	+104,7	+144
Source: Provincial Treasury: Socio-economic profile for Overberg and local municipalities, 2006					

Economic structure and performance

The economically active population accounted for about two thirds, or 66 % of the Overberg's total population in 2007. This is in line with other regions, such as the Cape Winelands District where the economically active population accounted for 67% of the total population.

Contribution to GDP and sector performance

The region's growth performance has improved, growing at 5,4 % during 2004/05. The three largest contributors to regional GDP is the agriculture sector (21,8%), wholesale & retail trade; catering & accommodation (18,4%) followed by the finance & business services sector (14,6%). The agriculture sector's importance to the Western Cape's economic activity is also reflected in the fact that 11,6% of all agricultural produce comes from the Overberg region. The aforementioned sectors are all growing at above 4,5%.



Agriculture grew at 4,53 % between 2004/05, wholesale & retail trade; catering & accommodation grew at 8,5 % whilst the finance & business services sector grew at 5,3 % over this period. These figures could potentially indicate a positive impact on employment, since the agriculture sector is one of the most important employment sectors with the Overberg as reported in SEP-LG 2006. Similarly, the construction sector (8,6%), as well as the manufacturing sector (5,1%), has both grown strongly.

Industry	GDPR 2005, Rm	Percentage contribution per sector, 2005	Growth 2004- 2005	Percentage contribution to WC sectors, 2005
I01: Agriculture, forestry & fishing	787.9	21.8	4.53	11.6
Ml: Mining	1.8	-	-6.02	0.6
MA: Manufacturing	526.4	14.6	5.11	1.9
EL: Electricity & water	64.6	1.8	2.57	2.5
I17: Construction	216.5	6.0	8.57	3.5
TR: Wholesale & retail trade; catering & accomm	665.4	18.4	8.53	2.7
TC: Transport & communication	272.9	7.5	8.10	1.7
FB: Finance & business services	552.6	15.3	5.26	1.2
I24: Community, social & other personal services	206.9	5.7	4.33	2.8
I25: General gov services	343.4	9.5	3.37	2.4
Total	3 614.9	100.0	5.42	2.4

Source: Western Cape Provincial Treasury calculations based on Quantec Research data, 2007

The most important manufacturing sub-sector is the food, beverages and tobacco sub-sector (34,3%). This is as expected given the importance of agriculture in the region. The second largest sub-sector, petroleum products, chemicals, rubber and plastic (14,3%) continues to grow steadily at 5,1 %. The faster growing sub-sectors are, however, the transport equipment sub-sector (22,8%) and the Other non-metal mineral products sub-sector, which grew at 18,5 % in 2004/05.

The relative importance of each Municipality to the regional GDP of the Overberg District is indicated below. Theewaterskloof is the largest contributor to regional GDP at 40,6%, followed by Overstrand at 31,4%, with Cape Agulhas and Swellendam contributing 14,3 and 13,8% respectively.



Contributions to regional GDP

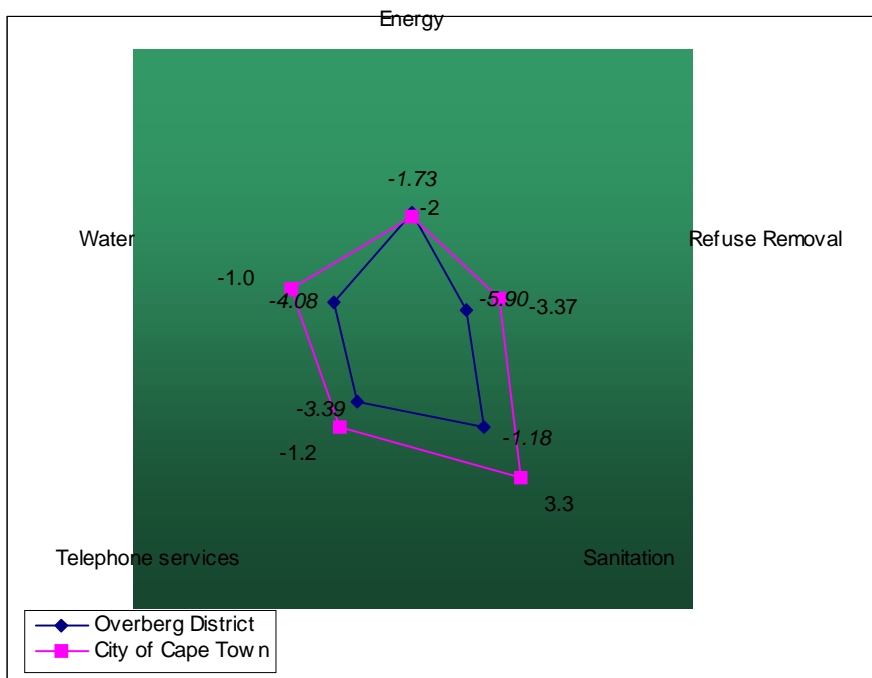
Municipality	GDP 2005, Rm	Percentage contribution per municipality, 2005	Growth 2004-2005
Theewaterskloof	1 467.1	40.6	3.43
Overstrand	1 133.7	31.4	8.08
Cape Agulhas	515.9	14.3	5.46
Swellendam	498.2	13.8	5.47
Overberg DM	3 614.9	100.0	5.42

Source: Western Cape Provincial Treasury calculations based on Quantec Research data, 2007

Access to basic services

Services have a considerable influence on the standard of living and quality of life of people. The figure below shows that the Overberg performed better than Cape Town with respect to the delivery of all basic services except for energy.

Overberg District versus City of Cape Town: Change in the percentages of households with access to below basic services 1996, 2001.



[Source: Statistics South Africa: 2001 Census: Community profile database – DBSA]



Although this may indicate improvement in the households' livelihoods, the results should be seen in the context of the district's population size and the urban/rural split compared to the City of Cape Town. This may reflect differences in demand of certain types of access to basic services.

It is also important to measure the number of households affected by the performance in basic service delivery. The table below shows the figures. It is evident that the lives of a considerable number of households had been affected positively.

Access to basic services 1996-2001

Changes in access to basic services between 1996 and 2001 Overberg District	Energy	Refuse Removal	Sanitation	Phones	Water
% Change 1996-2001	-1.73	-5.90	-1.18	-3.39	-4.08
Number of households affected	2033	494	1395	-926	-1468
Cape Agulhas					
% Change 1996-2001	-5,97	-3,7	-2,2	-3,4	-1,1
Number of households affected	165	95	72	151	48
Overstrand					
% Change 1996-2001	-1,2	-5,8	-4,1	-2,9	-5,4
Number of households affected	1 099	58	109	259	542
Swellendam					
% Change 1996-2001	-12,9	-8,7	-0,7	-2,8	-11,4
Number of households affected	609	130	97	55	643
Theewaterskloof					
% Change 1996-2001	3,10	-4,11	1,72	-3,34	-1,58
Number of households affected	1 774	549	1 231	-407	-229
Source: Statistics South Africa: Census 2001 DBSA: Community profile database					

A sizeable increase in service levels from 1996 to 2001 (which is still continuing) is illustrated above. It also shows the relative high RDP averages in the various categories across the district. The district municipality has commissioned the development of a rolling infrastructure development plan for the district to underpin economic development and co-ordinated planning in line with the NSDP and Overberg "picture" of shared areas of impact.

The table further shows that, despite improvement, the focus should still be on solid waste disposal, bulk infrastructure development, energy supply and sanitation and refuse removal. Sanitation in the informal settlements and the final eradication of the bucket system should be a priority.



Service levels for the core functions (percentage)

AREA	RDP Water 1996	RDP Water 2001	Sani-tation 1996	Sani-tation 2001	Refuse Removal 1996	Refuse Removal 2001	Elec 1996	Elec 2001
Overberg District	94,70	98,80	79,5 4	87,2 5	66,75	80,63	82,30	83,74
Theewaterskloof	97,52	99,12	78,5 9	82,7 0	55,42	75,89	83,68	80,42
Overstrand	93,67	99,02	84,5 6	92,2 1	83,02	88,63	82,28	83,15
Cape Agulhas	98,17	99,38	77,8 8	88,2 8	79,31	83,96	85,43	91,29
Swellendam	85,11	96,72	74,2 1	87,8 3	57,71	71,91	75,32	87,99

Source: Statistics South Africa: Census 2001

It should be noted that:-

- In Cape Agulhas there are major challenges that need to be addressed in specific areas, e.g. water scarcity in Arniston, sewerage problems in Struisbaai and refuse removal problems in Struisbaai and Elim.
- The service levels in Theewaterskloof are almost without exception lower than elsewhere in the district.
- With the exception of Overstrand the performance with regard to sanitation and refuse removal is by far lower than for the other categories

One of the aspects that need particular attention is **housing**. The latest housing backlog in the Overberg municipal areas is shown below:

Housing backlogs, 2005

Municipal area	Number of houses
Cape Agulhas	1 586*
Overstrand	±9 000
Swellendam	1 340
Theewaterskloof	9 000
TOTAL	20 926

Source: Overberg IDP, 2006/07

In 2000 the housing backlog recorded in a district IDP was 8 317. With a growth of 144,9% in names on municipal housing waiting lists, it is evident that the growth in population can mostly be described as “houseless” growth. People migrating to the area do not necessarily have the ways and means of securing a home.



District Management Area

The Overberg District Management Area (DMA) has a specific nature and there are only a small number of people living their on a permanent basis. In 2001 there were 256 people and 37 households residing in the DMA. About 41% of all households are made up of individuals living in the personnel living quarters at the air force base.

The largest parts of the DMA are in the hands of Cape Nature (De Hoop Nature Reserve) and DENEL (Overberg Test Range), whilst the South African Air Force is the owner of the Test Flying Training School. Only a couple of private farms are situated in the area.

As the mentioned role players are state or semi-state organs and in almost all instances self-reliant and self-providing the district municipality do not render any specific basic services in the area. However, it is important to take note of the level of service delivery in the DMA as it is explained in the table below.

Level of service delivery in the DMA, 2001

TYPE OF SERVICE	% OF RESIDENTS/HOUSEHOLDS WITH ACCESS
Running water inside the dwelling	100
Running water on property	100
Access to running water	100
Use electricity for cooking	73,0
Use electricity for heating	71,1
Use electricity for lighting	75,7
Flush or chemical toilet	100
Refuse removed once per week	91,2
Access to phone/cell phone in dwelling	51,4
Access to phone nearby	40,0
Access to phone not nearby/no access	8,6
Have a radio	74,3
Have a television	62,2
Have own computer	22,2
Have a refrigerator	100

Source: Statistics South Africa: Census 2001

From the table it is clear that the level of access to basic and other more sophisticated services are fairly high in the DMA. In some instances, e.g. in De Hoop Nature Reserve, some services are not available because of the special natural environment that is protected there and the fact that visitors prefer to do without the sophisticated services.

3.1.1 Future projects

A project that will most definitely have an enormous impact on growth and development of the Overberg region is Bredasdorp Airport Project which is well on track. The draft Co-



use Agreement is being finalized and the estimated time of commencement with the installation of infrastructure is mid 2008.

The District Municipality is currently in consultation with National Treasury regarding a Public Private Participation process.

The call for development proposals will most likely be issued mid 2008. The construction of terminal buildings, cargo and warehousing, cold storage and other infrastructure will be required for which a supply chain management and tender process will be followed.

It is significant to note that Estate Agents are registering an increase in property sales as well as an increase in the value of properties. What should be borne in mind is that the local municipality as well as the District is embarking upon a more vigorous marketing campaign in order to improve the inflow of tourists and investment in the area. A major part of these campaigns involves the integration of efforts by different institutions in order to maximize the accrual of benefits for the region. One such endeavor entails the building of an iconic type of structure at the most southern tip of Africa which inevitably will be linked to the Airport Project. This is but one of the projects of which the aim is to enhance investment opportunities and the growth of the regional economy.

Crime

There are 15 police stations in the Overberg District Municipality which represent 10,06 % of the 149 police station in the Western Cape.

Crime Rate Statistics 2004 - 2007

Crime measures (reported crime)	2004/2005	2005/2006	2006/2007
Murder	126	94	112
Rape	322	261	216
Neglect and ill-treatment of children	19	13	24
Drug related crime	2,443	2,307	2,137
Total number of reported	17,596	14,008	13,301

Source: SAPS (2007)

In 2006/07, the rate of reported crime has generally decreased in by nearly a quarter of the reported crime as in 2004/05.

Reported murder crimes remain dropped 11,1 % from 126 reported cases in 2004/05 to 112 reported cases in 2006/07. Reported case of rape declined from 322 in the period 2004/05 to 216 in 2006/07. It should be noted, however, that rape and sexual molestation crimes are typically under-reported, and that these figures may well underestimate the extent of sexual crimes in society.

Crimes related to the neglect and ill-treatment of children have, however, increased from 10 reported cases in the period 2004/05 to 24 in 2006/07, an increase of 26,3 %.



Amazingly, and contrary to the trend in the rest of the Western Cape, the problem of drug-related crime, as highlighted in SEP-LG 2006, has declined somewhat. In the financial year 2004/05 drug related crimes totalled 2,443, declining by 5,6 % to 2,307 reported cases in 2005/06. Moreover, in 2006/07, drug-related crime decreased by a further 7,4 % from its 2005/06 levels to 2,137 reported cases. It is anticipated that the region will continue to reduce crime, which should enhance the future growth prospects of the region.

Investment

There is a positive relationship between investment and economic growth. Investment preserves and enhances the economy's productive capacity. The District has embarked on programmes and projects to improve its infrastructure and therefore enhance economic growth. An example of the major role the District Municipality plays in furthering investment in the region is the commercialization of the Air Force Base with the establishment of an international airport for export near Bredasdorp.

SUMMARY

Throughout this report it is evident that the Overberg District Municipality, in line with the Local Government Strategic Plan for 2006 -2011, strives to

- Inspire and restore dignity;
- Focus on district-wide development;
- Drive communities and stakeholders towards integrated development and
- Focus on equality and sustainability

by striving to reach its goals through prioritization of needs and focusing on rectifying administrative and management matters to ensure good governance.



CHAPTER 2 GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

Political governance

Overberg DM has 32 wards, with eight ward seats at the District level. Three main parties dominated the 2006 municipal election: the African National Congress (ANC), with 3 seats (37,5% of the seats), the Democratic Alliance (DA) with 4 seats (50% of the seats) and the Independent Democrats with 1 seat (12,5% of the seats).

The 15 day floor-crossing period during September 2007 saw two councillors move from their respective parties. One councillor from the Independent Democrats (ID) moved to the National People's Party (NPP), another moved from the DA to the NNP. The ANC experienced no impact during the floor crossing period. The net result is summarized in the table below.

ODM political representation

Party	Municipal Election 2006		After Floor-crossing	
	Ward Seats Won	Percentage won	Ward Seats Won	Percentage won
ANC	3	37.5	3	37.5
DA	4	50.0	3	37.5
ID	1	12.5	-	-
NPP	-	-	2	25

Source: Provincial Treasury representation based on IEC data

The DA and the ANC now has 37,5 per cent of the seats while the NPP has 25 percent of the total seats.

Representation on Council for the financial year 2006/2007 was as indicated below:



SURNAME	NAME	POSITION	PARTY	MUNICIPALITY/ELECTED PARTY REPRESENTATIVE
Januarie	Johannes Solomon	Executive Mayor	ID	Party Representative
Gillion	Maurencia Natalie	Deputy Executive Mayor	ANC	Party Representative
Stevens	Reynold	Speaker	ANC	Party Representative
Stevens	Isak	Member of Mayoral Committee	ANC	Party Representative
Mentile	Vuyiswa Elizabeth	Member of Mayoral Committee	ANC	Theewaterskloof
Smith	Rudolph John	Member of Mayoral Committee	ID	Swellendam
Edson	Clifford	Councillor	ID	Theewaterskloof
Dennis	Michael Ralph	Councillor	ANC	Kaap Agulhas
Gelderblom	Jan Cornelius	Councillor	ANC	Overstrand
Tutu	Nomatshayiwa Violet	Councillor	ANC	Overstrand
Booyesen	Fanie	Councillor	ANC	Theewaterskloof
Januarie	Joana	Councillor	ANC	Party Representative
Oosthuizen	Louwrens Daniel	Councillor	DA	Overstrand
Van Heerden	Petrus Johannes Louis	Councillor	DA	Overstrand
Arendse	Alana Melanie	Councillor	DA	Theewaterskloof
Van Brakel	Aletta Helena	Councillor	DA	Theewaterskloof
Botha-Guthrie	Nicolette	Councillor	DA	Party Representative
October	John Charles	Councillor	DA	Party Representative
Du Toit	Daniël Francois	Councillor	DA	Party Representative
Franken	Andries Erwee	Councillor	DA	Party Representative

No leadership changes took place during the 2006/ 2007 financial year.

INTERGOVERNMENTAL CO-OPERATION AND COMMUNICATION

Integration with the provincial government is starting to improve as a result of regular provincial/local government interfaces (two took place during 2006). Unfortunately even in these interfaces there are still provincial departments not participating.

The district municipality is almost completely unaware of the projects and spending of national departments in its jurisdiction area.

With the promulgation of the Intergovernmental Relations Framework Act in August 2005, all intergovernmental structures in the District were aligned to comply with the provisions of the legislation.



The following intergovernmental structures established in terms of the Intergovernmental Relations Framework Act, have been functioning in the district during the 2006/2007 financial year to promote governance and intergovernmental relations:

1. OVERBERG DISTRICT INTERGOVERNMENTAL FORUM (ODIF)

The ODIF consists of the Mayor of the Overberg DM and Mayors of Local Municipalities in the district.

The functions of the ODIF is to discuss and consult on matters of mutual interest to the district and plays an important role in ensuring that development in the district is dealt with at a strategic level.

The ODIF meets at least quarterly and meetings took place on the following dates.

18 August 2006
18 October 2006
15 February 2007

2. OVERBERG DISTRICT INTERGOVERNMENTAL TECHNICAL FORUM (OVERBERG DIFTECH)

The ODIF is supported by a technical support structure known as the Overberg District Intergovernmental Technical Forum (Overberg DIFTECH)

The Overberg DIFTECH consists of Municipal Managers and Senior managers of the District and local municipalities in the district and its role is to provide advice and recommendations to the ODIF.

ROLE OF THE DISTRICT MUNICIPALITY IN INTER-GOVERNMENTAL AND COMMUNITY RELATIONSHIPS IN THE WESTERN CAPE PROVINCE

The Executive Mayor and Municipal Manager represent the District Municipality on the Provincial Advisory Forum (PAF) and the Premier's Co-ordinating Forum. These Provincial forums have been established in terms of legislation to promote intergovernmental relationships between the Provincial and Local spheres of government.

The Municipal Manager also represents the District Municipality on the Provincial Advisory Forum Technical Committee (PAFTECH), a support structure for the PAF, and the Municipal Manager's Forum. At the Municipal Managers' Forum meeting held on 18 October 2007 the Municipal Manager, Mr Trevor Botha was elected as Vice Chairperson of the Forum.

The functions and roles of the intergovernmental and other partners regarding the Overberg District Council are as follows:



The Overberg PIMS Centre:

- Facilitated the IDP processes of those municipalities in need of assistance;
- Facilitated the process of IDP alignment between all the municipalities in the district, as well as between local government in the Overberg and the provincial and national departments;
- Provided any other required services with regard to capacity building and/or IDP related issues.

Shared Services:

The Overberg District Municipality is driving a Shared Services Project in establishing a Shared Services Unit as mentioned elsewhere in the Report.

The Premier's Office and the office of the Provincial IDP Co-ordinator in the Western Cape Provincial Government:

- Ensure that the various provincial sector departments align their strategic development plans, budgets and actions with ODM IDP proposals;
- Provide assistance in every possible way to enhance growth and development in the Overberg District;
- Enter into inter-governmental partnerships and agreements with the Overberg District Municipality and the local municipalities in order to promote co-operative governance.

The Development Bank of Southern Africa (DBSA):

- Continues to support the local and district municipalities with loans, grants and technical assistance. This will in particular be the case with regard to the development of a regional databank

The private sector:

- Plays an active role in the implementation of the District Economic Development Strategy;
- Serves as members of the District Economic Development Board;
- Plays an active role in the development of LED Plans for the various local municipalities in the district and continue to be a part of the implementation of such plans.

The people of the Overberg:

- Participate in the planning for their district
- Support the calls for responsible utilization of government services and grants, especially those that are provided free of charge
- Take every step to pay for the services they use/consume
- Support all calls for the sustainable utilization of the natural resources of the district



NGO's and CBO's:

- Participate in the planning for the district and local municipal areas where relevant;
- Support initiatives that will strengthen the social capital in the district;
- Enhance economic development through the formation of public/private partnerships.

Performance Management

The institutional Performance Management System for Overberg District Municipality was approved by Council on 7 December 2005. The system is directly linked to the IDP. A performance measurement template has been developed for each and every IDP project. Formal quarterly institutional performance measurement commenced in the first quarter of the new financial year (July to September 2006). This measures IDP progress in full.

Council still has to decide on the reporting procedure that will be followed, while a Performance Audit Committee is being established.

The District Municipality has developed and adopted a performance management system. However, performance management has not yet been implemented below senior management level.

During December 2007, tenders have been invited to implement performance management at all levels of the District Municipality.

A further indicator of progress towards reaching the set goals and outcomes is the manner in which the budget of the district municipality relates and answers to the IDP and the strategies, projects and programmes listed in it.

The IDP and the 2008/09 budget will be fully aligned.

Budget breakdown and the terminology used are in some instances not sufficient to make linkages to the new IDP comprehensively enough. The same difficulty is being experienced with regard to performance management, where finance often plays a decisive role not only in input indicators, but it is also invaluable in the determining the level of output and outcome. These aspects should receive attention as a matter of urgency.

THE ROLE AND IMPACT OF INTERNAL AUDIT

Council has an internal audit unit consisting of one Internal Auditor whose role is to manage the Internal Audit function, co-ordinating specific processes to support the formulation of the Audit Plan and Program, monitoring compliance and conducting investigations to determine the extent of variation or non-conformance to statutory requirements, policies and procedures, preparing and presenting comments and opinions and providing guidance on the interpretation of principles to enable re-alignment of



functions and responsibilities ensuring the activities of municipality are conducted and concluded in a credible manner.

The Internal Auditor reports administratively to the Municipal Manager and reports functionally on any audit to the audit committee.

AUDIT COMMITTEE

The Local Government: Municipal Finance Management Act, 2003 and the Local Government: Municipal Systems Act, 2000 compels municipalities to establish an independent Audit Committee, as well as a system of internal audit. The Local Government: Municipal Systems Act, 2000 determines that a Performance Audit Committee should review the functionality of the Performance Management System and the integrity of measurements.

The Audit Committee is responsible for:

- Oversight of internal controls;
- Overview of financial reporting practises and compliance with regulatory matters;
- Reviewing the functionality of the performance management system;
- Reviewing and commenting on quarterly performance reports;
- Approval of the annual internal audit plan (projects for the year).

An Audit Committee for the Overberg District Municipality was established by Council in the 2006/2007 financial year

The members of the Audit Committee are as follows:

Mr R Pienaar (Chairperson)
Mr H Liebenberg
Mr E Parry
Mr M Wallace

The first meeting of the Audit Committee was held on 14 June 2007.

Council is currently in the process of appointing members of the Performance Audit Committee

PUBLIC PARTICIPATION

Community participation is of great value to the Overberg District Municipality for accountability, as well as transparency and all avenues are exploited to ensure broad community participation.

The District Municipality has implemented mechanisms to encourage community participation in processes such as the IDP, budget, policy formulation and various other.



CHAPTER 3 DEVELOPMENT PLANNING

The new Council for Overberg District Municipality has been constituted on 7 April 2006. On 1 July 2006 the integrated planning process for a new IDP for the Council cycle 2006 to 2011 commenced.

As a point of departure Council decided to adopt the following national and provincial policies and guidelines, but on condition that this IDP will tailor made it for the needs of the Overberg:-

1. The **National Spatial Development Perspective (NSDP)** endorsed by Cabinet in March 2003 that will be used to identify the shared areas of impact within the planning area.
2. The report titled **Harmonising and Aligning: The National Spatial Development Perspective, Provincial Growth and Development Strategies and Municipal Integrated Development Plans** prepared by the PCAS and dated 10 December 2004 that highlights the fact that the Integrated Development Plan of a district municipality should be a “direction setting guide” for the district and all the local municipalities within that district for at least a time span of 10 years at a time.
3. **Accelerated and Shared Growth Initiative of South Africa (ASGISA)** that has the ultimate objective to halve unemployment and poverty by 2014.
4. The **Ikapa Elihlumayo Guidelines** and the **Provincial Growth and Development Strategy (Green Paper)** of the Western Cape Province that sets the scene for district growth and development and a strong economic development focus.
5. The **Provincial Spatial Development Framework** and all its accompanying policies and guidelines that guides the spatial environment within which IDP planning should take place

In order to respond to the **Local Government Strategic Agenda, 2006 – 2011** Council also committed Overberg District Municipality to the following localized planned interventions:-

1. Municipal transformation and organizational development with specific reference to the restructuring of the district municipality and the establishment of a Shared Services component at a district level.
2. The provision of basic services to the best possible level, also with reference to infrastructure that can enhance economic growth.
3. Local economic development, with specific reference to the creation of a sound environment to stimulate development and investment.
4. Municipal financial viability and management, with specific reference to the position of the district municipality as one of the smallest and with the poorest resource base in the Western Cape.



5. Good governance and public participation to ensure that, though less capacitated than some of the other districts in the Province, the Overberg District Municipality can, with the close cooperation of its citizens, still play a meaningful role in the arena of municipal governance.

On an internal and more localized level Council decided:-

1. To **maintain** the vision, mission, overarching development goals, outcomes, strategies, programmes and projects that already future in the district IDP.
2. To **adopt** certain elements of the current IDP document (2006/07) and to include it in this new IDP. The reason for the decision is that the 2006/07 revised IDP of the district municipality already sets the scene for the new generation of IDP's in terms of the NSDP and provided a framework within which the local municipalities can prepare their future IDP's in such a manner as to complement each other and collectively improve the lives of all those that live in the Overberg.

The Overberg District IDP Framework, 2006 – 2010 incorporates the guidelines set out in both the Presidential Report and the NSDP. In itself it also contributes towards planning in that specific context and creating an opportunity for all the municipalities in the Overberg to do joint planning and defining a picture of the Overberg that can show to Government the comparative advantages of the region and the shared areas of impact where the focus should be.

Besides aligning to the NSDP and other national and provincial policy documents this new IDP also reviews achievements of the implementation of the IDP for the 2006/2007 financial year and makes the necessary changes to feed into the budget process for the 2007/2008 financial year and the rolling Medium Term Expenditure Framework up to 2009/2010.

The IDP drafting process took place in accordance with the stipulations of Sections 29 and 30 of Act No 32 of 2000: Local Government: Municipal Systems Act, 2000.

The planning process

Institutional arrangements, roles and responsibilities are fully described in the ***Overberg IDP Framework, July 2006*** and the ***Process Plan for Integrated Development Planning, July 2006*** of the Overberg District Municipality.

Structures for participation

Because of the size of the Overberg IDP Representative Forum it was decided to concentrate on participation within Project Task Teams. These teams are not only involved in the development of strategies and projects, but also in the implementation thereof. Because of the smaller size of the task teams it is enhancing public participation to a large extent.



The decentralised method of using task teams for the various focus areas or sub-areas contributes largely to internalizing the IDP process. It turns the focus away from an Integrated Development Plan and instead turns it towards an entire integrated method of planning and management.

The **IDP Representative Forum** had the following meetings:-

- 1 November 2006
- 31 January 2007
- 15 March 2007

The table below shows the task teams that are operational and the occasions on which they met. From the table it is evident that there are task teams for all the main focus areas of the IDP, with special reference to economic development, human development and basic service delivery. In some instances a task team exists to drive a specific strategy under a focus area.

Project Task Teams: 2006/2007 revision process

Project Task Team	Meetings held
Health and Welfare Committees: 29 Committees in total, consisting solely of community members. These committees identify new IDP projects	<ul style="list-style-type: none"> • Meeting regularly, either monthly or two-monthly
Community Liaison Committees: 1 X committee in each local municipal area. These committees approve identified IDP projects on behalf of their communities before it is registered with the IDP Representative Forum. They are also responsible for alignment. All four committees have registered as Article 21 Companies	<ul style="list-style-type: none"> • Regular meetings every two months • In the case of Article 21 Companies the Boards of Directors meet every month
Land Reform Strategy: Task Team for Agriculture (Settlement of new farmers)	<ul style="list-style-type: none"> • Monthly meetings



Land Reform Strategy: Task Team for Security of Tenure	• Monthly meetings
District Economic Development Board	•
Overberg Emerging Business Forum	•
Safety and Security Task Team	•
Language and Culture Task Team	•
Overberg Integrated Conservation Group (Co-opted as Task Team for Environmental Affairs)	•
Kogelberg Biosphere Reserve Article 18 Technical Committee	•
District IDP Co-ordinators Forum (all IDP Co-ordinators in Overberg, together with PIMS Centre staff)	•
Technical Committee for Transport Planning	•
Overberg Fire Work Group	•
Overberg Youth Council	•

National and provincial officials serve in some of the Project Task Teams. In some instances, e.g. in the teams on land reform, there is constant participation from senior officials. All PAWC departments and the relevant national departments are invited to the meetings of the IDP Representative Forum. With the exception of a few departments, the attendance can be described as satisfactory.

The Provincial Government of the Western Cape made a very special effort to engage with the district municipality and the four local municipalities in order to enhance planning and budget alignment. The following provincial/local government interfaces took place:-

- May 2006 – IDP Hearings
- November 2006 – LGMTEC One-on-One engagements between provincial Treasury and all provincial cluster departments and the district and individual local municipalities.



Existing institutions

Institutional capacity amongst the municipalities of the Overberg District varies considerably. Overberg District Municipality is one of the smallest district municipalities in the Western Cape and is lacking in development planning capacity. It has been rated as a medium-capacity municipality. The municipality fulfils its mandate to act as co-ordinator and facilitator of the IDP planning process on a district wide level with the assistance of the Overberg PIMS Centre.

Overstrand Municipality, rated as high-capacity, can be regarded as suitably capacitated to fulfil its integrated development planning function. Theewaterskloof Municipality can be described as medium capacitated and has appointed a consultant to handle the new IDP development process (2006 – 2011). Swellendam Municipalities has a dedicated IDP official and is now in a position to handle its own IDP process. Cape Agulhas appointed a dedicated IDP official in November 2006 and is now also in a position to handle its own IDP process internally.

Overberg PIMS Centre has also, in varying degrees, assisting all the local municipalities with IDP processes, performance management, town and regional planning, capacity development and economic development planning.

Ward Committees have been established in all four local municipal areas and are working satisfactorily. These committees are now being utilized as the grassroots participation platform for communities, but the process of Ward Based Planning was not introduced as part of the new IDP development process. From the ward committees members are nominated to participate in the various municipal IDP advisory forums. This formalizes and enhances participation to a large extend.

Theewaterskloof Municipality forms part of the Project Consolidate exercise. The district municipality is assisting in this regard. A district Project Management Unit was established.

Overberg District Municipality' Role in Development in the District:

1. Takes responsibility, in collaboration with the local municipalities, for the compilation of a District IDP Framework to regulate future IDP planning cycle;
2. Takes responsibility for the preparation of the district IDP in collaboration with all the relevant role players;
3. Ensures that the district IDP provides a 10-year "direction setting guide" for the entire district's development agendas and for co-ordinating initiatives and development agendas of the various local municipalities;
4. Compiles a Rolling Infrastructure Plan for the entire district that can direct future decision-making processes with regard to the development of infrastructure that can enhance economic development;
5. Ensures that the district IDP addresses the needs of the District Management Area (WCDMA03) for which the Overberg District Municipality is responsible;



6. Seeks to bind all the role players into aligning their activities in pursuit of the objectives of the IDP (alignment between C and B municipalities and between local government and the provincial and national departments);
7. Supports the local municipalities in the pursuit of their basic service provision and developmental mandates;
8. Creates a platform for district wide community participation;
9. Creates opportunities for private sector involvement and the development of public/private partnerships on a district level.

Role of the Local Municipalities in district development

The four local municipalities in the district, namely Theewaterskloof Municipality (WC031), Overstrand Municipality (WC032), Cape Agulhas Municipality (WC033) and Swellendam Municipality (WC034) should participate in the following ways:

1. Collaborate with each other in the preparation of their IDP's;
2. In an inter-active process align their developmental strategies with each other as well as with those of the district municipality in such a manner as to enhance the concept of seamless local government in the Overberg;
3. Create a platform for local municipal wide community participation;
4. Create opportunities for private sector involvement and the development of public/private partnerships on a local municipal level.

Projects attended to:

Overberg District Municipality have a total of 214 projects listed on the IDP of which 40 (18,7%) were not attended to. The primary reason for this was that the projects were not funded during the budget process. Either the district municipality had no funding to allocate or funding from the provincial authorities did not realize. In the case of projects listed by the local municipalities it must be emphasized that these projects came to the IDP Representative Forum at a very late stage and did not move through all the applicable channels for Council's funding approval. This illustrates the necessity for:

- Ensuring funding for projects before it is registered as IDP projects;
- Proper engagement between district and local municipalities in cases where local municipalities need assistance from the district municipality;
- Sufficient administrative capacity for assistance to local municipalities.

The majority of the projects, however, are either completed or are in process or receiving continuous attention. With 81,3% of the district projects falling in this category it are safe to say that Overberg District Municipality is making satisfactory progress with the implementation of its IDP strategies and projects.



Progress with sector plans

The Table below shows the progress made and which sector plans were receiving attention:

SECTOR PLAN	PROGRESS MADE
<u>Water Services Development Plans:-</u> <ul style="list-style-type: none"> • Overberg District Municipality • Cape Agulhas Municipality • Overstrand Municipality • Swellendam Municipality • Theewaterskloof Municipality 	Completed and approved. Revision is receiving attention
<u>Integrated Transport Plans:</u> <ul style="list-style-type: none"> • Overberg CPTR • OLS • Public Transport Plan • Integrated Transport Plan 	Approved by Council Approved by Council Approved by Council Approved by Council on condition that revision will immediately start and that ODM and the local municipalities will be properly involved in the process
Disaster Management Plans	In process
Integrated Waste Management Plan	Overberg Waste Disposal Strategy completed
<u>Spatial Development Framework:-</u> <ul style="list-style-type: none"> • Overberg District Municipality • Overberg District Management Area 	Completed and approved by Council. Will be revised after completion of this new IDP for the 2006 – 2011 planning cycle Completed and approved by Council

Funding of projects

Throughout the IDP reference is made to the Overberg District Municipality's financial position and the fact that the scrapping of RSC levies left the municipality almost completely reliant on government grant funding.

Questions had been raised internally as to funding of projects without sufficient revenue. However, Council's sentiment was that the ODM will continue to exist and render services to the best of its ability.

In summary the following aspects should be highlighted as part of the financial management programme:

- The implementation of GRAP is underway and is funded from FMG funding;
- A strong and well-developed Financial Reform Programme, including the training of three financial interns, is in place;
- The establishment of a Supply Chain Management Unit is receiving urgent attention and can possibly be part of the Shared Services unit to be established;
- ODM is busy to create a shared district database of suppliers that includes the ODM and the local municipalities of Swellendam, Overstrand and Cape Agulhas;



- The municipality has a strong component focusing on information technology management and is regarded by Province as a leader in GIS systems and will be looking into extending this service district-wide;
- The Department of Finance will form part of the restructuring process which should have a streamlining affect
- The delivery of an internal audit service as part of a shared services approach will receive attention;
- Council is looking into the possibility of establishing a wireless network to provide computer centres throughout the district. This service will make a major contribution towards combating access poverty in the rural areas. Council will need a contribution of R1,2 million from the provincial authorities to realize the project.

Good governance enhanced by corporate management

In order for any municipality to function to its best ability and to perform its line functions with ease it is necessary that the line departments and Council should receive the best possible internal corporate support.

Furthermore it is a legal obligation for each municipality to ensure that the best possible structure for community participation and communication is in place.

In summary the following aspects should be highlighted as part of the corporate services programme:-

- Council had a workshop on roles and responsibilities mid 2006;
- The review of the system of delegations is in process;
- A couple of publications to communicate the role of the district municipality were published during 2006;
- The Overberg District Coordinating Forum was successfully established in 2006;
- During November 2006 all municipalities in the district successfully engaged with the provincial government in a series of LG MTEC One-on-One's
- Performance measurement for the first quarter of the current financial year has been successfully completed
- The ODM has a well-developed structure for public participation with regard to the IDP, PMS, budgeting process and other municipal activities in place.
- Progress has been made with the development of a Communication Strategy for ODM.

Challenges that remain for ODM to address are the following:-

- A support strategy for the Office of the Speaker, bearing in mind that the Speaker should be primarily responsible for public participation. The fact that Overberg District Municipality do not function with ward committees should be recognized in this process.
- Ensuring the mobilization of social capital and developing a partnership programme



- Addressing the issue of literacy and language in participation and communication strategies.



CHAPTER 4 SERVICE DELIVERY

Physical infrastructure refers to a combination of factors, amongst which is transportation infrastructure, water provision infrastructure, electricity provision, etc. In simple terms, high quality infrastructure reduces the cost of doing business, which, in turn, could lead to greater levels of private investment. Consequently, this causes increases in production, economic- and employment growth. In addition, the maintenance and improvement in physical infrastructure by the public sector, by itself, also contributes to economic growth and employment creation.

Services rendered by Overberg District Municipality include the following:

- Planning and development
- Town and regional planning assistance to Swellendam Municipality (shared services)
- Environmental Management
- Municipal Health
- Public Safety
- Sport and recreation
- Waste management
- Community and Social services
- Engineering services
- Road transport

PLANNING AND DEVELOPMENT

Spatial Development Framework

Overberg District Municipality is making use of the opportunity to progressively assist B-municipalities with the restructuring of their Spatial Development Frameworks to ensure that recent guidelines of Provincial and National Governments are implemented in order to render the Overberg more effective and sustainable human settlements.

The goal is to integrate and align the District SDF with that of Provincial Government with specific focus on:

1. Guidelines and examples to reach the recommended density of 25 units/ha within urban areas;
2. A strategic study on vacant land (with focus on state land);
3. Suggestions with regard to social integration to restructure towns in the Overberg;



4. More details guidelines to set urban boundaries;
5. Adding value to the DSF's of municipalities in the district;
6. Rectifying the apartheid planning;
7. Proposals on the "Area Based Plan" for land reform in the Overberg and
8. Determining the spatial impact of larger regional projects (e.g. Bredasdorp Airport, proposed nuclear power station etc).

Town Planning Services

Town planning services are being rendered to B-municipalities on request. Swellendam Municipality utilises this services twice per week.

Regional Data Base (ISMIS)

The Development Bank SA has provided R2.7m for the establishment of a regional data base to be utilised by all municipalities in the district. The need for such data base was unanimously expressed by all the municipalities in the Overberg and the project was registered as an ODM IDP project.

A properly managed regional data base will;

- Prevent duplication of expensive processes, thus more cost-effective;
- Ensure proper utilization of licences, hardware and training;
- Solve the compatibility problem in the region;
- Lead to regular update of information;
- Rectify incorrect cadastral information;
- Enhance effective management, co-ordination and implementation of the IDP processes;
- Will improve quality and cost efficiency of service delivery;
- Enhance asset management and
- Facilitate timeous report mechanisms.

Fully fledged training on the system will be provided to municipalities early in 2008.

ENVIRONMENTAL MANAGEMENT

This section is involved in various disciplines as indicated in the Service Delivery and Budget Implementation Plan at the end of this chapter. Highlights of their projects are as follows:

- The establishment of an additional biosphere reserve for the Agulhas region;
- Establishment of partnerships in environmental management;
- A Provincial Coastal Committee was established to co-ordinate co-operation of all stakeholders within the Overberg region;
- 370 Learners and 8 schools were involved in projects to clean the coastline during Marine Week;



- The OICG meets quarterly to discuss environmental matters (e.g. Agulhas Biodiversity initiative, Coastal Management Plan, Strategic Environmental Assessment, application of Environmental Co-operation Agreements, incentives for control of invasive plants, waste management, Kogelberg Biosphere Spatial Development Plan etc);
- Participation on the SA National Parks Forum for the management of the Agulhas National Park;
- Promoting and upholding links with partners at quarterly Overberg Integrated Conservation Group meetings;
- Input are given on development applications regarding environmental management policy and biosphere planning principles as stipulated in the Spatial Development Framework;
- Provincial initiatives on the establishment of green corridors are being adhered to by the Overberg District Municipality and the local municipalities in the region.
- Co-coordinating and establishment of a regional cemetery.
- Compiling of Spatial Development Framework for the District Management Area and
- Assisting and commenting on environmental related services of functional departments, resorts, developments and management of plants on sides of roads.

MUNICIPAL HEALTH

Although Primary Health care has been transferred to Province, it performed exceptionally well in the Overberg during the period under review.

Within the primary health care facilities, high vacancy rates exist for all categories, with the largest vacancy rate for medical officers at 40 per cent. In addition, 17 nursing posts were vacant, which placed greater stress on the staff to deal with the workload for all nurses, which were reported to be 29 patients per nurse.

ODM serviced 13 non-fixed clinics in the district and 21 fixed clinics facilities. The Department of Health estimated that the uninsured population per fixed public health care facility is approximately 7 707, reflecting a great need for efficient, effective, public health care.

Services this department renders to the Overberg include preventative health care, preventative environmental damage, and sustainable development with regard to tourism, agriculture, small businesses as well as macro and micro investors in every possible sector:

- Control over food stuff, food premises and the enforcement of general hygienic standards in the transport of food products;
- Safety control on drinking water and final sewerage effluent as well as recreation and storm water;
- Control over dairies and the enforcement of general hygiene practices on the transport of dairy products;



- Monitoring the impact that the keeping of animals, poultry, pets and bees have on inhabitants of local areas, small towns and towns; the delivery of a vector control service and the indirect promotion of animal welfare.
- Managing and monitoring processes and collects information on the safe collection and disposal of solid waste (including house hold waste) and the impact thereof on people and the environment.
- Managing and monitoring process regarding the safe handling and disposal of medical waste;
- Provides information and training to communities and staff on environmental issues;
- Monitoring chemical pollution;
- Monitoring premises, rendering a building control service and evaluating development applications from an environmental point of view;
- Managing, controlling and monitoring of environment, air and noise pollution;
- Managing environmental health aspects of epidemics, pandemics and notifiable diseases.
- Law enforcement and
- Environmental health control on beaches and inland waters



- Coordinating and measuring compliance to Batho Pele principles'
- Disposal of the dead.

HIGHLIGHTS

Dairies

During the year under review the ODM successfully co-operated with Parmalat and the Department of Agriculture on a cheese export project involving 172 dairies in the region to ensure standards of the European Union are met.



FIRE AND RESCUE SERVICES/ DISASTER MANAGEMENT

Area of responsibility

The ODM Fire Rescue service with its headquarters in Bredasdorp and a budget of R8,363.780, provides fire protection for approximately 41,40 households throughout the whole of the District Municipality area.

Statistics July 2006 – June 2007

Veld fires	1113
Structural Formal	48
Structural Informal	84
Vehicle Fires	40
Motor Vehicle Accidents	356
Rescue (Water)	11
Rescue (Mountain)	5
Rescue (Structural/Industrial)	3
False Alarms	24
Hazmat	08
Flood Assistance	04

Fire Working Group

In keeping with *Batho Pele* principles the Fire Service strives to have an open communication with its clients. The Fire Working group is a platform for community involvement and participation into the level and type of service delivery by the Fire Rescue service. The working group with representation from the whole client base meets on a quarterly basis and acts in an advisory capacity to council

IDP

The above mentioned workgroup also feeds into the IDP. All the Fire service activities are IDP based.

The current projects include the following:

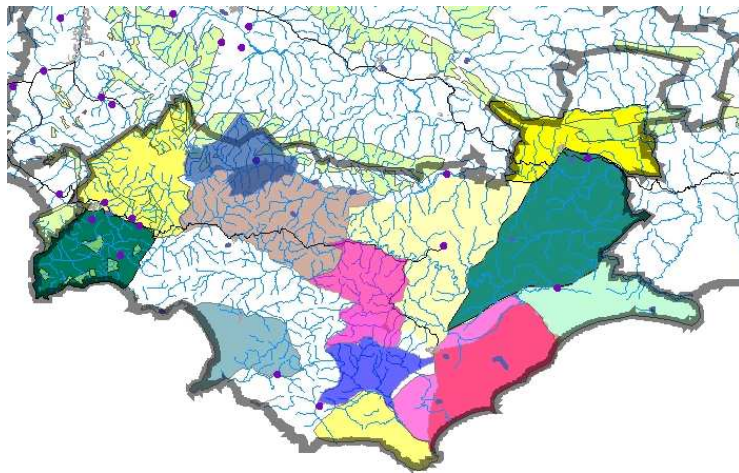
1. **PROJECT: B8.1:** Provision of proper and integrated Disaster Management Plans on district and local levels;
2. **PROJECT: B8.2:** Establishment of and continued capacity building for Fire Protection Associations;
3. **PROJECT B8.3:** Rescue and Hazardous Materials;
4. **PROJECT B8:4** Establishment of a training facility and
5. **PROJECT B8.5:** Operations and extinguishment of fires



Fire Prevention Associations

The establishment of FPA's are governed by the Veldt and Forest Fire Act, and although the Dept of Water Affairs and Forestry is the custodian of the act, it is to the benefit of the District as a whole to actively get involved in the formation of Fire Protection Associations.

This is an IDP project and to date three fully fledged FPA's have been established, nine FPA's have been formed and first registration done, and an additional four FPA's are in the formation phase. This will render the Overberg with wall to wall FPA's.



FPA's in the Overberg

Training

The role of the training centre is threefold. Not only are training provided training for ODM personnel, but also to fulfil the legislative tasking as per the Structures act by providing training for fire-fighters in the district. The third aspect is to provide training to the community and general public. Besides the huge demand for First Aid training, ODM is working towards registration to provide skippers and marine fire fighting training to fishing communities.

The centre is also financially viable, bringing in a constant income through external training.

Training Provided for 2006/2007

Fire Station Training Centre was accredited by the LGSETA and can provide the following training:

- First Aid level 1 & 3
- Fire Extinguishers



- Fire Fighter (wild land and industrial)
- School groups visits for awareness
- National Certificate: Emergency Services Operations

Training presented in 2006/7:

- First Aid Level 1 90 persons
- Basic Fire Fighting 30 persons
- Veld Fire Training: 13 persons
- Veld Fire Refresher (Fire team) 16

Regional Control Centre

This emergency call taking and despatch centre is a combined project with Emergency Medical Services, Provincial Traffic and Overberg District Municipality Fire Rescue Services. In this centre, manned by two operators 24h a day, all emergency calls in the Overberg are received and the appropriate response activated.

An agreement with a private company in a private public partnership venture has been signed to monitor fire alarms in high risk premises. This also generates an income to council.

The centre also forms the Disaster Management Centre or Joint Operations Centre during a disaster. From this centre the April 2005 floods and part of the February 2006 fires were managed. A local weather station unit was installed at the control centre in Bredasdorp.



Specialised Rescue Services

Under the Structures Act the ODM is tasked to do specialised rescue services. As part of the IDP project already mentioned, resources are continuously being expanded to improve rescue capabilities. The centre works very closely with the local Air Force



Base providing them with rescue swimmers for their tests and training missions for the training and operational platforms with their helicopters in return.

In conjunction with the ambulance service, rescue teams are provided for motor vehicle accidents. Fire units are sent to motor vehicle accidents and in the Bredasdorp area ODM are responsible for vehicle extrication using the Jaws of Life etc.

Rescue personnel are also trained in industrial rescue, confined space, trench collapse and mountain and rope rescue. Various successful rescues have taken place in the mountains of Swellendam, Greyton and Hermanus.

Drowning is a frequent event in our district. In one instance the response from the SAPS Diving unit left a family waiting up to 36 hours at a dam where a child has drowned. Furthermore, the need was identified to have a unit locally that can perform water rescues during floods etc. The diving unit have performed many sad but successful operations in the past where bodies of drowning victims were recovered in the shortest possible time bringing closure for their loved ones.

Helicopter Standby

The 2006/2007 fire season saw for the first time a helicopter permanently on standby in the Overberg. This helicopter was used successfully for fire fighting, preventing many a disastrous fires due to fast response, as well as rescue tasks.



Preventative initiatives/ Community involvement

Prevention initiatives of the Centre includes:

1. Formation of Fire Protection Associations;
2. An awareness day was held at Bredasdorp;



3. A workshop was held at Arniston with all the farmers to identify their risks;
4. Talks with the Agri Unions are being held on a regular basis by the Fire Chief to keep them up to date with new legislation and to monitor the progress of the FPA's;
5. A consultant was appointed to assist the FPA's to complete their registration;
6. A helicopter was placed at the Centre to initiate a quicker response to primarily for fires but it was also used for rescues.

Progress with the preparation and updating of disaster management plans:

- Talks with B Municipalities Overstrand, Swellendam and Theewaterskloof have been completed. Cape Agulhas is scheduled for 2008. After completion of the consultation process with all the Municipalities, the document will be discussed with the members of the Disaster Management Advisory Forum.
- Continued updating of plans is being done as per schedule for various plans.
- Evaluation of the implementation of such plans:
- Evaluation takes place on a continuous basis through desktop and live exercises.
- At least one best practice project in any of the Key Performance Areas (KPA's) sections of the National Disaster Management Framework (NDMF):
- For the duration of the flood, all critical information was posted on the website of the Overberg District Municipality. This enabled everybody to have access to this newest information without burdening the personnel in the JOC to constantly compile reports in order to keep all the interesting parties up to date.

Waste Management

Since 2002 a saving of 13 537 tons of waste has been effected on Karwyderskraal, regional land fill site and the end products are sold in the region.

MIG grants

Total MIG grant received for 2006/2007 amounted to R2 410 975,20 and was redistributed as follows:

Overberg District Municipality	: R 0
Swellendam Municipality	: R1 222 498,96
Cape Agulhas Municipality	: <u>R1 188 476,24</u>
	R2 410 975,20

All the allocated funds were used for projects. Both Swellendam Municipality and Cape Agulhas Municipality are low capacity Municipalities and their allocations were made directly to Overberg District Municipality.

For the 2006/2007 financial year the allocation was divided in two for Swellendam Municipality (50%) and Cape Agulhas Municipality (50%). Projects of high values have been registered, but because of the low allocations they could not be implemented as projects of lower amounts had been registered which did not fully cater for the most critical needs of the communities. The allocations could not cater for bulk services.



The matter is worsened by the fact that the Municipalities could not contribute out of own funds towards bigger projects.

The Overberg District Municipality did not receive any allocation because the formula is based on the District Management Area which has good infrastructure. However the Council renders a regional waste site at Karwyderskraal. Just to expand the regional site with extra cells will cost approximately R5 m. Provision for the expansion will have to be made in the near future. MIG allocations are too low for Cape Agulhas and Swellendam Municipalities. More funding is needed to cater for high value projects in order to address the most critical priorities and challenges faced by municipalities. Consideration must be given for an allocation to the Overberg District Municipality which is not based on a formula in respect of the DMA but on a formula based on the whole District area in order to cater for bulk services in the region.

Percentage (%) of Capital Budget spent:

Financial year	% of Capital budget spent	Reasons for under spending
2005/2006	100	n/a
2006/2007	100	n/a

Municipal Infrastructure Grant (MIG):

Financial year	Available funding 2005/06 R'000	Amount spent R'000	% spent
2005/2006	R3 856 577	R3 856 577	100
2006/2007	R2 410 975	R2 410 975	100

MIG funds received and spent in 2006/2007

Month	Received	Spent
April 2006	R 100 000,20	R 97 816,56
May 2006	R 150 000,00	R0
June 2006	R 500 000,00	R 202 777,49
July 2006	R 500 000,00	R 305 012,28
August 2006	R0	R0
September 2006	R0	R0
October 2006	R0	R0
November 2006	R0	R 543 981,03
December 2006	R 750 000,00	R0
January 2007	R0	R 323 688,88
February 2007	R0	R0
March 2007	R 410 975,00	R 937 698,96
	R2 410 975,20	R2 410 975,20



COMMUNITY AND SOCIAL SERVICES

The Human Development Section has established various projects based on national focus areas namely:

1. HIV/Aids: Existing structures were strengthened.
2. Human Rights:
 - a. Gender Machinery workshops were presented in co-operation with the Commission of Gender Equity of the Premier's office.
 - b. 3 Jobless youths were trained by the Rural Development Support Program to make a difference in family violence.
 - c. In co-operation with the Western Cape Network on People with Disabilities a networking structure was established in the Overberg and various programs and a sports day was held for disabled people.
 - d. Farm workers took part in the program presented by the Premier in Grabouw and a special women's' day program was held.
 - e. REACH and ODM provided a program on violence, rape and HIV.
 - f. Drug awareness programs were presented to children and parents.
 - g. A German student presented a kinesthetic program with babies.
 - h. Parent guidance programs were presented.
 - i. Empowerment of women programs were presented all over the region.
3. Poverty alleviation: Jobs were created for 50 community health officers out of the Social Capital fund.
4. Youth: The ODM has accepted a Youth Policy and Strategy and provided funds for the program. A Youth Developer has been appointed and 23 youth committees with 4 sub-district youth forums and a central youth council has been established.
 - a. The SA Youth Council presented a strategic planning session for the region
 - b. 8 Schools with 3 500 students enjoyed a Jazz music program presented by ODM, the Departments of Art and Culture and Education and the Cape Town Youth Orchestra.
 - c. The Economic Development Forum is planning a district economic development forum for youth, women and children.
 - d. Youth Day festivities funded by ODM took place all over the region.
 - e. Members of the Youth structure attended a seminar on business techniques in Cape Town.
5. Early child development. A new strategy has been developed and imbizo's were held to establish forums.
6. Community Safety: Protocols were established and followed in close co-operation with the Community Policing Forum.
7. Responsible alcohol consumption: Regular meetings are being held by the team. A successful symposium was held for representatives from the whole region.
 - a. More that 400 children were involved in a drug awareness campaign in Swellendam and Mount Pleasant.



8. Health and welfare committees: Community participation in the 29 committees established in the region ensures that the needs of the community are identified and receives timeous attention.

ENGINEERING SERVICES

This section has excelled in co-coordinating and managing regional and special services. Various job creation initiatives were run after poverty alleviation initiatives were identified. The result was that the Department embarked on training initiatives in conjunction with CDW's presenting identification of opportunities and networking with government departments.

The schedule below is a reflection of progress made on service delivery:



NO.	PERFORMANCE INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	Management of Spatial development Frame Work. (SDF)	Planning & Development	W Hattingh			This affects the entire Overberg Region
	Completion of SDF and approval thereof	Planning & Development	W Hattingh	30/06/2009	In progress	
	Completion of terms of reference for compiling of the SDF	Planning & Development	W Hattingh	28/02/2008	In progress	
	Appointment of consultant	Planning & Development	W Hattingh	30/04/08	In progress	Will follow SCPT procedures. Advertise end Jan.2008
	Spatial mapping of the Overberg region based on bioregional planning principles and the identification of possible biosphere reserves	Planning & Development	W Hattingh F Kotze	30/06/2009	In progress	This affects both environmental management and Planning. Report to Council.
	Streamline SDF with IDP and co-operative governance as provided for in the constitution	Planning & Development	W Hattingh	Continuous	In progress	
	Town and Regional Planning assistance to Swellendam Municipality (Shared Service)	Planning & Development	W Hattingh			Town and Regional Assistance to Swellendam
	Management of the SDF for Swellendam	Planning & Development	W Hattingh			"
	Completion of SDF and approval thereof	Planning & Development	W Hattingh	December 2008	In progress	"
	Alignment of SDF with PSDF	Planning & Development	W Hattingh	Continuous	In progress	"
	Application for funding of SDF	Planning & Development	W Hattingh	March 2008	In progress	"
	Convey main issues of PSDF and SDF to consultants	Planning & Development	W Hattingh	Continuous	In progress	"
	Management of the LUMS (land use management system) for Swellendam	Planning & Development	W Hattingh			"



NO.	PERFORMANCE INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	Completion of LUMS and approval thereof	Planning & Development	W Hattingh	July 2009	In progress	"
	Application for funding of LUMS	Planning & Development	W Hattingh	08 March	In progress	"
	Convey main issues of the LUMS to the public	Planning & Development	W Hattingh	Continuous	In progress	"
	Involvement in major development projects	Planning & Development	W Hattingh		In progress	"
	Completion of tender process for development of golf estate	Planning & Development	W Hattingh	August 2008	In progress	"
	Rezoning of N2 development (Engen One Stop)	Planning & Development	W Hattingh	October 2008	In progress	"
	Major housing projects (Railton, Barrydale Suurbraak)	Planning & Development	W Hattingh	Continuous	In progress	"
	Gap housing project Swellendam	Planning & Development	W Hattingh	April 2008	In progress	"
	Transnet land (social integration) project SWD	Planning & Development	W Hattingh	01 September	In progress	"
	Malgas housing project (squatters)	Planning & Development	W Hattingh	June 2008	In progress	"
	Land use Management	Planning & Development	W Hattingh		In progress	
	Advise developers on development	Planning & Development	W Hattingh	Continuous	In progress	
	Do site inspections as required	Planning & Development	W Hattingh	Continuous	In progress	
	Writing of reports to council on land use applications	Planning & Development	W Hattingh	Continuous	In progress	
	Assist in the administration of land use applications	Planning & Development	W Hattingh	Continuous	In progress	
	Training of Admin personnel in town planning matters	Planning & Development	W Hattingh	Continuous	In progress	Busy training a lady to handle town planning applications, rezoning, etc.



NO.	PERFORMANCE INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	Regional Database	Planning & Development	W. Hattingh	Continuous	In progress	Possible handover of project end Jan 2008. Progress report to Council in Feb 2008.
	Establish partnership in environmental management	Environmental Management	F Kotze			This activity affects the entire Overberg Region
	Supply of information regarding possible partnerships and promotion of the idea by attending the following meetings	Environmental Management	F Kotze	Continuous	50%	"
	Provincial Coastal Committee	Environmental Management	F Kotze	1 per Quarter	65%	"
	Local Coastal Committee	Environmental Management	F Kotze	1 per Quarter	40%	"
	SEAPACC (coastal care)	Environmental Management	F Kotze	2 per annum	60%	"
	Collection of relevant information by attending the following meetings:	Environmental Management	F Kotze	Continuous	50%	"
	KAM Heuningberg Advisory Committee	Environmental Management	F Kotze	2 per annum	30%	"
	Swellendam Alien Vegetation Committee	Environmental Management	F Kotze	2 per annum	45%	"
	EPWP – National DEAT environmental sector	Environmental Management	F Kotze S. Dlulisa	Continues	50%	Possible refocus of funding towards Greening 2010 & Aquamarine
	OICG	Environmental Management	F Kotze	1 per Quarter	60%	"
	National Parks Forum	Environmental Management	F Kotze	1 per Semester	45%	"
	Promote and uphold links to partners to improve cooperation	Environmental Management	F Kotze	Continuous	60%	"
	Finalizing inputs on environmental management: development applications – 1 month	Environmental Management	F Kotze	Continuous	70%	"



NO.	PERFORMANCE INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	Development of a strategic management framework for the Kogelberg Biosphere	Environmental Management	F Kotze			
	Representative on Technical Committee – 1 meeting per quarter	Environmental Management	F Kotze	Continuous	50%	
	Development of more biospheres and/or corridors	Environmental Management	F Kotze			
	Liaise with Department of Agriculture	Environmental Management	F Kotze	Continuous	50%	
	Liaise with conservation groups and private land owners	Environmental Management	F Kotze	Continuous	50%	
	Co-ordinate bioregional planning principles and biosphere reserves	Planning & Development		Continuous	In progress	Move to F.K
	Development and maintenance of regional databank	Environmental Management	F Kotze			
	Supply of environmental information to update database	Environmental Management	F Kotze	Continuous	30%	Affect Overberg Region
	General office administration	Environmental Management	F Kotze			
	Ensure that all correspondence marked out to the Planning Segment receives attention within three (3) working days after receipt from the Registration Office.	Environmental Management	F Kotze	Continuous	50%	
	Promotion of Environmental health in order to protect inhabitants and make a contribution to economic development	Municipal Health	R Du Toit			This activity affects the entire Overberg Region
	Food control, control over food processing premises and the enforcement of general hygiene requirements for the transport of food products	Municipal Health	R Du Toit			“
	Complete food safety and food hygiene service	Municipal Health	R Du Toit	Continuous	50%	“
	Effective information programme and informed and satisfied public	Municipal Health	R Du Toit	Continuous	49%	“
	Effective inspection and control service for food processing premises	Municipal Health	R Du Toit	Continuous	45%	“



NO.	PERFORMANCE INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	Safety control in respect of drinking water and final sewage outflow and water for recreational purposes	Municipal Health	R Du Toit			"
	Put a monitoring plan in place for drinking, sewerage and recreational water	Municipal Health	R Du Toit	Continuous	53%	"
	Put effective information programmes in place	Municipal Health	R Du Toit	Continuous		This activity affects the entire Overberg Region
	Control over milk stables and the enforcement of general hygienic prescriptions for the transport of dairy products	Municipal Health	R Du Toit			"
	Systematic inspection of each stable	Municipal Health	R Du Toit	Continuous	50%	"
	Grant exemptions from certain prescriptions and document it	Municipal Health	R Du Toit	Continuous	55%	"
	Provide competency certificates to owners	Municipal Health	R Du Toit	Continuous	60%	"
	Keep a complete file for each stable as prescribed by the EU Inspectorate	Municipal Health	R Du Toit	Continuous	52%	"
	Do regular follow-up inspections to check conditions for certificate	Municipal Health	R Du Toit	Continuous	50%	"
	Take annual waste samples	Municipal Health	R Du Toit	Continuous	60%	"
	Examine sample results of milk as taken by milk buyers and follow up where necessary	Municipal Health	R Du Toit	Continuous	50%	"
	Monitor the impact of the keeping of animals, poultry, pets and bees on the inhabitants of rural areas, small settlements and towns, the rendering of a vector control service and the indirect promotion of the welfare of animals	Municipal Health	R Du Toit			"
	Act according to environmental health ordinances to prevent nuisances	Municipal Health	R Du Toit	Continuous	50%	"



NO.	PERFORMANCE OF INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	Monitor and collect information about the safe handling and disposal of solid waste (including domestic waste) with special reference to the impact thereof on humans and the environment.	Municipal Health	R Du Toit			"
	Ensure that all solid waste in the whole region are dumped properly	Municipal Health	R Du Toit	Continuous	50%	Affects the entire Overberg Region
	All waste disposal sites are approved and comply to prescribed conditions and standards	Municipal Health	R Du Toit	Continuous	60%	"
	Manage, monitor and gather information in respect of the safe handling and disposal of medical waste, with special reference to the impact thereof on humans and the environment.	Municipal Health	R Du Toit			"
	Ensure that all medical waste are removed in safe containers by an approved institution	Municipal Health	R Du Toit	Continuous	50%	"
	Action against perpetrators	Municipal Health	R Du Toit	Continuous	50%	"
	Guidance to and connections with public / community in respect of municipal health affairs and exposure of municipal health practitioners to training	Municipal Health	R Du Toit			"
	Enhanced informative projects launched for public/community	Municipal Health	R Du Toit	Continuous	40%	"
	Training Staff	Municipal Health	R Du Toit	Continuous	60%	"
	Monitor chemical pollution	Municipal Health	R Du Toit			"
	Monitoring system in place	Municipal Health	R Du Toit	Continuous	50%	"
	Investigation into all cases of poisoning of an agricultural or veterinary medical nature	Municipal Health	R Du Toit	Continuous	50%	"



NO.	PERFORMANCE OF INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	Monitor premises and render building control services to evaluate health aspects on development applications	Municipal Health	R Du Toit			"
	To maintain municipal health standards on all premises and to comply with all prescribed conditions	Municipal Health	R Du Toit	Continuous	50%	"
	Manage, control and monitor environmental-,air-and noise pollution	Municipal Health	R Du Toit			Affects entire Overberg Region
	Establish air and noise control facilities at each regional office.	Municipal Health	R Du Toit	Continuous	40%	"
	Render disaster management iro municipal health aspects	Municipal Health	R Du Toit	Continuous	50%	"
	Render pollution control services: Inspection and monitoring.	Municipal Health	R Du Toit	Continuous	50%	"
	Manage, control and monitoring of municipal health aspects on epidemics, pandemics and notifiable diseases.	Municipal Health	R Du Toit			"
	Investigation into the outbreak of epidemics and pandemics.	Municipal Health	R Du Toit	Continuous	50%	"
	Investigation into the appearance of notifiable diseases	Municipal Health	R Du Toit	Continuous	40%	"
	Contact with other roll players e.g. PAWC clinics	Municipal Health	R Du Toit	Continuous	60%	"
	Law enforcement in terms of Council's By-laws	Municipal Health	R Du Toit			"
	Staff equipped with necessary documentation for law enforcement and the compilation of charge sheets	Municipal Health	R Du Toit	Continuous	50%	"
	Municipal health control along the coast	Municipal Health	R Du Toit			"
	Regular inspection service	Municipal Health	R Du Toit	Continuous	60%	"
	Liaison process	Municipal Health	R Du Toit	Continuous		"
	Water sampling in compliance with SABS	Municipal Health	R Du Toit	Continuous		"



NO.	PERFORMANCE OF INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	Disposal of the dead	Municipal Health	R Du Toit			"
	Monitor all cemeteries	Municipal Health	R Du Toit	Continuous	50%	"
	Monitor all undertaker premises	Municipal Health	R Du Toit	Continuous	50%	"
	Undertake pauper burials	Municipal Health	R Du Toit	Continuous	50%	
	Fire Brigade Services and Disaster management	Public Safety	R Geldenhuys			Activity affects entire Overberg Region
	Provision of proper and integrated Disaster Management Plans on district and local levels	Public Safety	R Geldenhuys			"
	Efficient utilization of staff to drive and manage	Public Safety	R Geldenhuys	Continuous	55%	"
	Acquirement of hardware to accommodate relevant software	Public Safety	R Geldenhuys	30/06/2008	50%	"
	Provincial Framework available	Public Safety	R Geldenhuys	Continuous	50%	"
	Capturing and maintenance of data	Public Safety	R Geldenhuys	Continuous	50%	"
	Over/under expenditure on section's budget	Public Safety	R Geldenhuys	Continuous	60%	"
	External funding: National and Provincial	Public Safety	R Geldenhuys	Continuous	NIL	No external funding approved / investigation underway
	Establishment of and continued capacity building for Fire Protection Associations (FPA)	Public Safety	R Geldenhuys			
	Contract appointment to deliver business plan	Public Safety	R Geldenhuys	31/12/2007	50%	
	Efficient utilization of human resources to initiate and maintain process	Public Safety	R Geldenhuys	Continuous	50%	
	Legislation in place	Public Safety	R Geldenhuys	Continuous	60%	
	Over/under expenditure on section's budget	Public Safety	R Geldenhuys	Continuous	60%	
	Rescue and hazardous substances	Public Safety	R Geldenhuys			
	Efficient utilization of staff	Public Safety	R Geldenhuys	Continuous	55%	



NO.	PERFORMANCE OF INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	Selection of persons to receive specialist rescue training over and above normal training	Public Safety	R Geldenhuys	Continuous	50%	
	Equipment for hazardous substances incidents	Public Safety	R Geldenhuys	Continuous	50%	
	Rescue equipment	Public Safety	R Geldenhuys	Continuous	60%	
	Over-/under expenditure on allocated budget	Public Safety	R Geldenhuys	Continuous	50%	
	Training material	Public Safety	R Geldenhuys	Continuous	50%	
	Available Courses	Public Safety	R Geldenhuys	Continuous	55%	
	Training Facility	Public Safety	R Geldenhuys			
	Efficient utilization of staff	Public Safety	R Geldenhuys	Continuous	50%	
	Adequate number of training instructors	Public Safety	R Geldenhuys	Continuous	50%	
	Over-/under expenditure on allocated budget	Public Safety	R Geldenhuys	Continuous	50%	
	Training material: FF1+2 module & FF1 centre	Public Safety	R Geldenhuys	Continuous	55%	
	Extinguishing of fires	Public Safety	R Geldenhuys			
	Efficient utilization of staff	Public Safety	R Geldenhuys	Continuous	In progress	
	Appointments according to micro-structure	Public Safety	R Geldenhuys	Continuous	In progress	
	Adequate number of fire-stations	Public Safety	R Geldenhuys	Continuous	In progress	
	Sufficient vehicle capacity (assessments)	Public Safety	R Geldenhuys	Continuous	In progress	
	Upgrading and renewal of vehicles as required.	Public Safety	R Geldenhuys	Continuous	In progress	
	Over/Under expenditure on section's budget	Public Safety	R Geldenhuys	Continuous	In progress	
	Management of Council's resorts	Sport & Recr	E Petersen			
	Upgrading and servicing of infrastructure	Sport & Recreation	E Petersen	Continuous	In progress	
	Repairs & Maintenance	Sport & Recreation	E Petersen	Continuous	In progress	
	Access control	Sport & Recreation	E Petersen	Continuous	In progress	Awaiting external funding/ planning completed



NO.	PERFORMANCE OF INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	Marketing of resorts	Sport & Recreation	E Petersen	Continuous	50%	
	Demand management	Sport & Recreation	E Petersen	Continuous	In progress	
	Liaison with camp committees	Sport & Recreation	E Petersen	Continuous	50%	
	Booking and scheduling services	Sport & Recreation	E Petersen	Continuous	In progress	
	Financial management and budget control of the operational budget	Sport & Recreation	E Petersen	Continuous	In progress	
	Contract management	Sport & Recreation	E Petersen	Continuous	In progress	
	Management of Consultants	Sport & Recreation	E Petersen	Continuous	In progress	
	Completion of capital projects within prescribed time frames (if and when applicable)	Sport & Recreation	E Petersen	Not implemented		No progress due to no external funding approved
	Effective & efficient property management and organizing training opportunities for staff to achieve Council's goals in this regard	Sport & Recreation	E Petersen	Continuous	In progress	
	Administrative service	Sport & Recreation	E Petersen	Continuous	In progress	
	Management of Karwyderskraal regional landfill site.	Waste Management	F Kotze			
	Liaison with landfill monitoring committee	Waste Management	F Kotze	2 X Per annum	50%	
	Terrain inspection with technical committee to ensure that the site is managed properly	Waste Management	F Kotze	1 X Per annum	50%	
	Ensure that contractor is fulfilling his duties according to service level agreement	Waste Management	F Kotze	Continuous	50%	
	Manage rest of site outside landfill site	Waste Management	F Kotze	Continuous	50%	
	Compilation of regional waste management strategy	Waste Management	F Kotze	30/06/2008	In progress	



NO.	PERFORMANCE OF INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	Provision of composting plant	Waste Management	F Kotze			
	Regular site inspection	Waste Management	F Kotze	Continuous	In progress	
	Management of contractor	Waste Management	F Kotze	Continuous	In progress	
	To manage the establishment of a health community	Human Development	Human Development			
	HIV/AIDS/STI project	Human Dev	Human Dev		In progress	
	Ensure that all role-players are members of Article 21 Firm	Human Development	Human Development	30 June 2008	40%	
	In-service training of all categories of workers, private sector, specifically members of Health & Welfare Committees and Clergyman	Human Development	Human Development	30 June 2008	27%	
	Motivate the appointment of Counsellors	Human Dev	Human Dev	30 June 2008	40%	
	Quarterly media coverage and event on 1 December	Human Development	Human Development	30 June 2008	10%	
	Quick testing at every service point	Human Development	Human Development	30 June 2008		Information to be collected from Dept. Of Health
	Condoms available at each service point and demonstration of correct use.	Human Development	Human Development	30 June 2008		Information to be collected from Dept. Of Health
	Promote health lifestyle	Human Development	Human Development	30 June 2008	20%	
	Expansions and development of Life-skills programs	Human Development	Human Development	30 June 2008	50%	
	Human Development Focus on Child Health (IMCI)	Human Development	TWK % OVERSTRAND SECT 21 COMP			Monitored by H D O of he Overberg Council
	Promotion of community participation	Human Development	TWK % OVERSTRAND SECT 21 COMP	31 March 2008	40%	Monitored by H D O of he Overberg Council
	Community based service	Human Development	TWK % OVERSTRAND SECT 21 COMP	31 March 2008	40%	Monitored by H D O of he Overberg Council



NO.	PERFORMANCE OF INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	Employment of Community Health Worker Coordinators	Human Development	TWK % OVERSTRAND SECTION 21 COMPANY	31 March 2008	30%	Monitored by H D O of the Overberg Council
	Compilation of training curriculum	Human Development	TWK % Overstrand Section 21 comp	31-Mar-08	50%	"
	Training of coordinators	Human Development	TWK % Overstrand Section 21 comp	31-Mar-08	50%	"
	Continuous re-training	Human Development	TWK % Overstrand Section 21 comp	31-Mar-08	30%	"
	Preventing of TB	Human Development	TWK % Overstrand Section 21 comp	31-Mar-08		Information to be collected from the Dept. of Health & reported to ODM
	Compile simplified questionnaire	Human Development	TWK % Overstrand Section 21 comp	31-Mar-08	50%	"
	House-to-house visits	Human Development	TWK % Overstrand Section 21 comp	31-Mar-08	32%	"
	Referrals	Human Development	TWK % Overstrand Section 21 comp	31-Mar-08	30%	"
	Executing DOTS	Human Development	TWK % Overstrand Section 21 comp	31-Mar-08		Information to be collected from the Dept. of Health & reported to ODM
	Increase community IMCI	Human Development	TWK % Overstrand Section 21 comp	31-Mar-08		Will monitor and report
	Introduction of home recipes	Human Development	TWK % Overstrand Section 21 comp	31-Mar-08	30%	"



NO.	PERFORMANCE OF INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	Tracing of children with diarrhoea and treatment	Human Development	TWK % Overstrand Section 21 comp	31-Mar-08	30%	“
	Address malnutrition	Human Development	TWK % Overstrand Section 21 comp	31-Mar-08	30%	Will monitor and report
	Control immunization coverage and referrals	Human Development	TWK % Overstrand Section 21 comp	31-Mar-08	30%	“
	HIV information	Human Development	TWK % Overstrand Section 21 comp	31-Mar-08	30%	“
	Increase women health	Human Development	TWK % Overstrand Section 21 comp	31-Mar-08	20%	“
	Promotion of family planning	Human Development	TWK % Overstrand Section 21 comp	31-Mar-08	10%	“
	Promotion of “papsmere”	Human Development	TWK % Overstrand Section 21 comp	31-Mar-08	10%	“
	Promotion of pre-natal care	Human Development	TWK % Overstrand Section 21 comp	31-Mar-08	10%	“
	Communicating rape and abuse protocol information	Human Development	TWK % Overstrand Section 21 comp	31-Mar-08	20%	“
	Promote healthy lifestyle	Human Development	TWK % Overstrand Section 21 comp	31-Mar-08	40%	“
	Establish and empower support groups	Human Development	TWK % Overstrand Section 21 comp	31-Mar-08	25.00%	“



NO.	PERFORMANCE OF INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	Promotion of responsible use of alcohol through parental guidance. Offering an experiential learning method for school going children by involving partners within the community.	Human Development	Human Development Officials			"
	Promote responsible use of alcohol under women, men, disabled, youth and farm workers	Human Development	Human Development	30-Jun-08	40%	"
	Decrease number of parents not taking responsibility for their children by empower them to be good role models	Human Development	Human Development	30-Jun-08		Information to be collected from SAPD/NGO and reports to ODM
	Promote responsible decisions making regarding the use of alcohol amongst school going children	Human Development	Human Development	30-Jun-08	30%	"
	Optimal service delivery to the disabled, aged, youth and homeless	Human Development	Human Development	30-Jun-08		
	Use student to do survey	Human Development	Human Development	Completed previous book year		Completed 100%
	Health and Welfare projects and programmes planned and implemented for disabled, men, women, youth, homeless people and the aged	Human Development	Human Development	30-Jun-08	40%	
	Keeping a databank of the survey findings	Human Development	Human Development	Completed		
	Identify the provision of shelters, safe houses, protection and empowerment program of women, men, youth and disabled	Human Development	Project is function of Dept. Health, SAPS & Dept. Social Dev. Human, Dev Officer continues as part of protocol structures.			Human development Officials of the ODM will monitor progress and be part of the protocol structures.



NO.	PERFORMANCE OF INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	Needs assessment for safe houses	Human Development	Needs assessment for safe houses			
	Identify safe houses	Human Development	Identify safe houses			
	Assist in developing program for funding of safe houses	Human Development	Assist in developing program for funding of safe houses			
	Training of staff and special aid workers that can give support	Human Development	Training of staff and special aid workers that can give support			
	Obtain existing pro-grams and implement, e.g. rape protocol	Human Development				
	Further establishment, development and empowerment of Health and Welfare Committees	Human Development	Human Development			
	Needs survey for establishment of further committees	Human Development	Human Development	30-Jun-08	50%	
	Establishment of data bases of existing committees (Names and addresses of committee members)	Human Development	Human Development	30-Jun-08	50%	
	Training: Formal and informal	Human Development	Human Development	30-Jun-08	20%	
	Diffuse information by means of community meetings, yearly reports, committee meetings, EHO and Health Meetings of ODM, etc.	Human Development	Human Development Health & Welfare Comm/4 section 21 Comp	30-Jun-08	40%	
	Completion of community profile	Human Dev	Human Dev	30-Jun-08	12%	



NO.	PERFORMANCE OF INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	Continuous involvement of Councillors and officials	Human Development	Manager Human Development	30-Jun-08	10%	
	Applications for registration as member of the liaison organization	Human Development	Human Development	30-Jun-08	40%	
	Identify projects according to IMCI	Human Development	Health & Welfare Comm/4 Section 21 Companies	30-Jun-08	4%	
	Appointment and training of Community Health Workers	Human Development	Completed in the previous book year		100%	Completed in previous Financial Year
	Continuous recruiting and identification of Community Health Workers	Human Development			100%	Completed in previous Financial Year
	Training in life-skills	Human Development			100%	Completed in previous Financial Year
	Training: Philani Health Guide	Human Development			100%	Completed in previous Financial Year
	Establishment of employees' forums/H&W Committees	Human Development			100%	Completed in previous Financial Year
	Evaluation, monitoring and support	Human Development			100%	Completed in previous Financial Year
	Refresher course once per year	Human Development			100%	Completed in previous Financial Year
	Evaluation, monitoring and support	Human Development			100%	Completed in previous Financial Year
	Refresher course once per year	Human Development			100%	Completed in previous Financial Year
	Liaison with farmers, sisters, social workers of NRO, other departments and B-municipalities	Human Development			100%	Completed in previous Financial Year



	Upkeep of databank	Human Development			100%	Completed in previous Financial Year
	Training of CHW co-coordinators and development of training package	Human Development			100%	Completed in previous Financial Year
	Upkeep of databank	Human Development			100%	Completed in previous Financial Year
	A special focus on youth development and empowerment	Community & Social services	Human Development		100%	Completed in previous Financial Year
	Measuring of HDI	Human Development			100%	Completed in previous Financial Year
	Human resource development	Human Development	Completed in the previous year			Completed 100%
	Determine individual training programme	Human Development				Completed 100% "
	Supply input for preparation of annual training report	Human Development				"
	Supply input for preparation of annual training report	Human Development				"
	Develop training programmes, organize, discuss and confirm training	Human Development				"
	Find, equip and maintain training facilities	Human Development				"
	Drafting and circulating of the service package for the recruiting of students in training	Human Development				"
	Placing and support of students	Human Dev				"
	Early child development	Human Development				Will monitor and report
	Acceptable and safe study environment must be available in every community	Human Development	Human Development	30-Jun-08	32%	"
	Coordination forum with the purpose of preventive acting	Human Development	Human Development	30-Jun-08	24%	"
	Ensure that parents, teachers and learners are informed.	Human Development	Human Dev/ Sect 21 comp	30-Jun-08	8%	"



NO.	PERFORMANCE OF INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	Ensure that information for stimulation is transferred to parents and learners.	Human Development	Dept. of Health Dept. of Education	30-Jun-08		Information to be collected and collated for final SDBIP
	Safe transport of learners.	Human Development	Dept. of Education Dept. of transport	30-Jun-08		Information to be collected and collated for final SDBIP
	Rendering of school health.	Human Development	Dept. of Health	30-Jun-08		Information to be collected and collated for final SDBIP
	Evaluation of feeding status of learners.	Human Development	Dept. Of Health Manager Human Development	30-Jun-08		Information to be collected and collated for final SDBIP
	Functioning financially independent.	Human Development	Human Development	30-Jun-08		Information to be collected and collated for final SDBIP
	Healthy environment	Human Development	Human Dev Manager Environmental Health	30-Jun-08	42%	Information to be collected and collated for final SDBIP
	Early identification of child abuse.	Human Development	Human Development / Section 21 comp	30-Jun-08	42%	Information to be collected and collated for final SDBIP
	Development of Bredasdorp Integrated Training Centre (Multi-purpose centre)	Human Development	Uncertain needs clarification			Will be clarified in 2008
	The promotion of economic growth and the creation of new job opportunities, through:-	Human Development				“



NO.	PERFORMANCE OF INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	Proper and continued training of all participants in the farming fraternity, including agricultural related industries and all partners of the Department of Agriculture	Human Development				“
	Skills development with special focus also on the youth and women on farms	Human Development				“
	Improved agricultural production as a result of trained participants	Human Development				“
	A continued focus on those community members who are not attending any educational facility and who are either illiterate or functionally illiterate and/or jobless	Human Development				“
	The establishment of a training centre	Human Development				“
	The provision of multi-dimensional services within the Albert Myburgh Hostel in Bredasdorp	Human Development				“
	Establishment of an integrated non-part political, non sexist, non racial youth programme for the Overberg	Human Development	Manager Human Development			Youth Development will monitor and report
	Consult youth strategy with interested parties and make adjustments according to specific needs	Human Development	Manager Human Development	30-Jun-08	50%	Youth Development will monitor and report “
	Registration of existing youth groups	Human Development	Manager Human Development	30-Jun-08	50%	“
	Establish youth groups where they do not exist	Human Development	Manager Human Development	30-Jun-08	40%	“
	Establish sub-district youth forum	Human Development	Manager Human Development	30-Jun-08	50%	“
	Establish youth council	Human Development	Manager Human Development	30-Jun-08	50%	“
	Start projects iro needs such as:	Human Development	Manager Human Development			“
	Alcohol and drug abuse	Human Development	Youth structures	30-Jun-08	42%	Will monitor and report to ODM



NO.	PERFORMANCE OF INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	Combating of child abuse and negligence	Human Development	Youth structures	30-Jun-08	8%	"
	Sport and recreation	Human Development	Youth structures	30-Jun-08	25%	"
	Youth and child development and stimulating programmes	Human Development	Youth structures	30-Jun-08	42%	"
	Child care	Human Development	Youth structures	30-Jun-08	2%	"
	Crime prevention	Human Development	Youth structures	30-Jun-08	40%	"
	Administration	Human Development	Youth structures	30-Jun-08	50%	"
	Establish handbook for leadership development	Human Development	Youth structures	30-Jun-08	0%	"
	Establish programme including family planning and sexuality	Human Development	Youth structures	30-Jun-08	40%	"
	MIV/Aids/STI	Human Development	Youth structures	30-Jun-08	40%	"
	Poverty alleviation	Human Development	Youth structures	30-Jun-08	0%	"
	Life skills training	Human Development	Youth structures	30-Jun-08	40%	"
	Kosie Sefoor Youth Music Project: Promote music skills development and empowerment of youth orchestra in Swellendam	Human Development	Completed in the previous book year		100%	Completed 100%
	The further development and empowerment of the existing Progress Christmas Choir as the anchor and central group for this project	Human Development				Will monitor and report to ODM
	The eventual establishment of an integrated youth music project and a participative music network in Swellendam	Human Development				"
	The expansion of this project to the other local municipal areas within the Overberg	Human Development				"



	Transport of the youth and other role player in the Overberg to enhance participation	Human Development	Human Development			
	A transport network/facility available to the youth	Human Development	Human Development			
	Facilitated access for isolated communities	Human Development	Human Development			
	Participation in educational and cultural projects to enhance youth development	Human Development	Human Development		24%	
	Audits on human rights focus areas and groups	Human Development	Completed in the previous book year		100%	Completed 100%
	Audit of disabled persons still able to enter the labour market	Human Development				"
	Audit on farm workers: Services and access	Human Development				"
	Audit on human rights in the work place	Human Development		Continuous		"
	Project development	Human Development		"		"
	Establishment of District Cultural Forum	Human Development	Function performed by Dep Arts and Culture	"		Human Development officials will monitor and report to ODM
	To ensure an integrated and collective approach with regard to all cultural matters in the region	Human Development		"		"
	To formalize the cultural sector	Human Development		"		"
	To enhance inclusively in the cultural sector	Human Development		"		"
	Capturing of oral history and stories	Human Development	Function performed by Dept. Arts and Culture	"		Human development officials will monitor and report progress to Council



NO.	PERFORMANCE OF INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	The establishment of an oral history and storytelling project in Overstrand as the first attempt of a district wide approach to develop and enhance the identity and self-worth of particular previously disadvantaged communities, but also of all the communities in the Overberg	Human Development		"		"
	Empowerment of communities to identify their heritage and preserve it for future generations	Human Development		"		"
	A special focus on youth development and empowerment	Human Development		"		"
	Conservation and restoration of historical furniture: A skills development project for the youth: Swellendam	Human Development	Function performed by Dept. Arts and Culture	"		"
	The establishment of a training unit in Swellendam for the restoration and conservation of furniture	Human Development	Human Developments	Continuous		Human development officials will monitor and report progress to Council
	The development and empowerment of local youth through training and skills development	Human Development		"		"
	Establishment of a sustainable service for the Overberg and surrounding regions	Human Development		"		"
	Workshop for young writers: Bredasdorp	Human Development	Function performed by Dep Arts and Culture	"		"
	The establishment of an integrated writer's youth project in Cape Agulhas area	Human Development		"		"
	The development and empowerment of local youth to be culturally responsible	Human Development		"		"
	The eventual establishment of a participatory writer's network	Human Development		"		"



NO.	PERFORMANCE OF INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	Hermanus Whale festival: Promotion of culture on a district wide basis: Identification and listing of all Overberg cultural performers	Human Development	Function performed by Dept. Arts and Culture Tourism	"		"
	Creation of a database of all Overberg cultural performers in order to promote their participation in various regional festivals and enhance their further development as performers	Human Development		"		"
	Hermanus Whale Festival: Promotion of culture on a district wide basis: Provide opportunities for performances on "home ground" in lead up to Overberg Festival	Human Development	Function performed by Dept. of Arts and Culture and Overberg Tourism	"		"
	Creating an enabling environment for cultural performers to prepare for participation at the Overberg Festival	Human Development		"		Human development officials will monitor and report progress to Council
	Identification of indigenous Overberg talent	Human Development		"		"
	Overberg best performers attending Hermanus Whale Festival	Human Development	Function performed by Dep of Arts and Culture and Overberg Tourism	"		"
	Engineering Services	Engineering Services	E Petersen	"		"
	Preparation of transport plans	Engineering Services		"		"
	Support and co-ordinate the National and Provincial initiative for the preparation of transport plans for local municipalities	Engineering Services	No Capacity	Continuous	NIL	No funding and capacity. Will budget via revised SDBIP (2008)
	Information to local municipalities	Engineering Services	D Lambrecht	Continuous	In progress	"



NO.	PERFORMANCE OF INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	Management of Municipal Infrastructure Grant (MIG)	Engineering Services				
	Meetings with PPM and local municipalities	Engineering Services	D Lambrecht	Monthly	50%	All administration and payments up to date
	Administration of payments (if and when applicable)	Engineering Services	D Lambrecht	Continuous	75%	
	Project monitoring	Engineering Services	D Lambrecht	Continuous	75%	Only financial monitoring
	Reporting to PAWC	Engineering Services	D Lambrecht	Monthly	100%	Officials will provide all correspondence 2008. Dora reports.
	Co-ordinate establishment of regional cemetery	Engineering Services	E Petersen			No funding/ will budget via revised SDBIP (2008)
	Reporting to council	Engineering Services	E Petersen	30/06/2008		
	Obtaining council approval	Engineering Services	E Petersen	30/06/2008		
	Project monitoring	Engineering Services	E Petersen	30/06/2008		
	Meeting with local Municipalities	Engineering Services	E Petersen	30/06/2008		
	Reporting to Department of Environmental Affairs and Development Planning	Engineering Services	E Petersen	30/06/2008		Consultation with DEADP in progress
	Management of council's capital projects	Engineering Services	E Petersen			Awaiting approval for external funds.
	Manage and monitor all infrastructure capital projects	Engineering Services	E Petersen	Continuous	In progress	No approved external funding but planning done
	Appointment and managing of consultants if and when necessary	Engineering Services	E Petersen	Continuous	In progress	
	Budget control of capital projects	Engineering Services	E Petersen	Continuous	In progress	
	Co-ordination and managing of special and regional projects	Engineering Services	E Petersen			



NO.	PERFORMANCE OF INDICATOR (KPI)	BRANCH	RESPONSIBLE OFFICIAL	TARGET DATE	PERFORMANCE %	REMARKS
	Monitor projects for the region such as water services plans, waste strategy and other regional plans and prescriptions	Engineering Services	E. Petersen	Continuous	In progress	The "B" municipalities drive these projects/initiatives. Can only monitor not manage.
	Linkage between council and consultants responsible for preparing such documents	Engineering Services	No Capacity	Continuous		Consulting with "B" Municipalities
	Manage and maintenance of council's properties	Engineering Services	E Petersen			
	Maintenance of all council's buildings	Engineering Services	E Petersen	Continuous	In progress	Budget/capital has been reprioritized to address backlogs (2008)
	Maintenance of bitumen, gravel and minor roads – dependant on availability of funds from PAWC	Road Transport	M Van Eeden			
	Maintenance of all main, divisional and minor roads within the Overberg region on an agency basis on behalf of PAWC	Road Transport	M Van Eeden	Continuous	50%	
	Budget Control	Road Transport	M Van Eeden	Continuous	In progress	
	Reporting to Council and PAWC	Road Transport	M Van Eeden	Continuous	In progress	
	Operating of MMS system	Road Transport	M Van Eeden	Continuous	In progress	
	Re-gravelling of roads	Road Transport	M Van Eeden	Continuous	50%	
	Re-sealing of roads	Road Transport	M Van Eeden	Completed	100% completed	Completed 100%
	Maintenance and erection of fences, road signs and km markers	Road Transport	M Van Eeden			
	Maintenance of road signs, fences and km markers	Road Transport	M Van Eeden	Continuous	In progress	
	Repair and maintenance of equipment	Road Transport	M Van Eeden	Continuous	In progress	

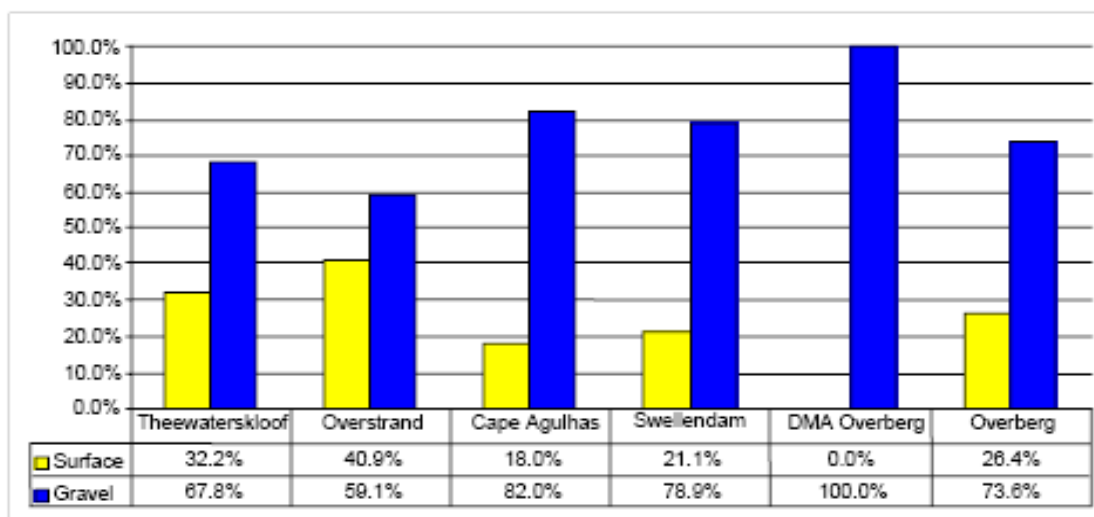


Roads

South Africa has endured an economic boom unprecedented in its history, which has led to a greater number of motor vehicles on the country's roads. The Overberg has gravel roads that account for 73,6 per cent of the road network, meaning that frequent maintenance is required, particularly on roads used by trucks to transport fresh produce from the farms. However, the national roads that connect the district to other regions and the rest of the province are all tarred.

The figure below shows the proportional distribution of surfaced versus gravel roads in each municipality in the District. The Overberg's District Management Area only has gravel roads, whilst the other municipalities also have predominantly gravel roads. Overstrand has the highest proportion of surfaced roads (40,9%), followed by Theewaterskloof (32,2%), Swellendam (21,1%) and Cape Agulhas (18%).

Overberg District Roads Network



Source: Department of Transport, 2007

Transport Network

The Siyahamba Survey (2007) indicates access to transport services shortcomings in the District. Nearly 29 per cent of households surveyed indicated that transport is not available or is located too far to access. Furthermore, 18,3 per cent of all households indicated that transport was too expensive to access.

Disappointingly, less than 16 per cent of all households surveyed had access to a bus within 30 minutes walk. Compounding matters further is the poor access to rail transport, with 99,6 per cent of all households unable to access the rail network in the region.

The Overberg District has a fairly comprehensive transport network ranging from road transport, which is used by households and industry, rail as well as air transport, with three licensed airfields in the region.



As alluded to above, traffic volumes have increased significantly over the past few years. In the Overberg, 44,6 per cent of all households have access to a car (Siyahamba 2007), which is thought to be a significant increase from previous years. Consequently, it is expected that greater pressure will be placed on the region's roads.

Sea

The Overberg has access to the ocean via two small, relatively underdeveloped harbours at Hermanus and Gansbaai. It has been noted that the region's growth can be enhanced if these harbours were developed further. In addition, the region has access to Cape Town's harbour.

Airport

Although the region has three small private airstrips, the main airport is Cape Town International Airport (CTIA), one of the fast growing airports and the second busiest airport in South Africa under the management of Airports Company of South Africa (ACSA).

The region is currently investigating the possibility to invest further in its own airfields as such investments may unlock further sources of growth and potential employment.

Bredasdorp Airport

The most exciting proposal for the District is the planned development of the airport at Bredasdorp. Currently, the existing structure is an Air Force Base being used by the South African National Defence Force. The proposal suggests co-use of the facility for commercial purposes and the current use by the SANDF.

A baseline study was completed on the potential airport facility that found the existing facility has the necessary framework for the additional infrastructure and development needed for the new proposed utilisation of the facility. The emergence of a commercial aeronautical facility in Bredasdorp will have beneficial effects not only for the Cape Agulhas LM but also for the whole Overberg District and the Western Cape in general.

Agriculture and fishing stand to benefit from having immediate access to international markets. The eradication of delays for fishing produce for export by having immediate access to an airport could drive this industry. Further, tourism in the Overberg region stands to benefit from the area having instant access. Spill over effects from having an airport would diversify the tourism industry to develop value-added industries such as hospitality industries and tourism services.

With the increase in air traffic, the proposed development of the facility to serve as a commercial airport would supplement Cape Town International considering the 2010 World Cup.



Dams

Dams contain and preserve water resources that are essential to the day to day activities of the citizens of South Africa, as well as its importance in manufacturing and other business activities. Consequently, investment in dams is crucial to the economic development of a region.

Within the Overberg region, there are several dams as indicated in the table below. The three dams have a total capacity of 490 million cubic metres, which represents 26 per cent of the total dam capacity in the Western Cape.

Overberg DM dams storage capacity & level

	Full Storage Capacity in million cubic metres	Week of the 8th of October 2007	Week of the 1st of October 2007
Buffeljags Dam	4	104.7	98.8
Duiwenhoks Dam	6	95.5	95.9
Theewaterskloof Dam	480	100.8	100.4
Western Cape Total	1 844.2	82.3	82.6

Source: Department of Water Affairs and Forestry, 2007

Theewaterskloof Dam, the largest dam, was, as of 8 October 2007, 100,8 per cent full, which represents a total of 483,4 million cubic metres (m³) of water! The second largest dam, namely Duiwenhoks Dam, is nearly filled to its capacity at 95,5 per cent of 6 million m³ of water.

In addition, DWAF has spent nearly R4,75 million on the Municipal Infrastructure Grant (MIG) project in the District between 2004 and 2006.

Energy

Energy is an important source of survival for households. Not only is energy used as a source of heat, but it is also used to cook and as a source of light. In addition, energy is an important component of the production process, without which economic activity will decline, leading to stagnation and economic decline.

Electricity

The state of the electricity distribution network is of utmost importance for a growing and urban economy. The costs of electricity failures, as evident in the blackouts seen in 2006 have negative effects on the economy and households. Eskom, the state owned electricity generator, beefed up investment in electricity. Eskom needs to ensure that there are sufficient reserves to cope with the increases in economic activity and the soccer World Cup 2010.



On the other hand, ageing- infrastructure is another issue, reflecting the need to rehabilitate the electricity distribution network. According to StatsSA's non-financial municipal census, the units lost in distribution as proportion of total production within Overberg decreased marginally from 11,1 per cent in 2005 to 10,2 per cent in 2006. The proportion of units lost within the whole of the Western Cape amounted to 7,6 per cent in 2006, indicating that the region is losing more units on average as compared with the rest of the Western Cape.

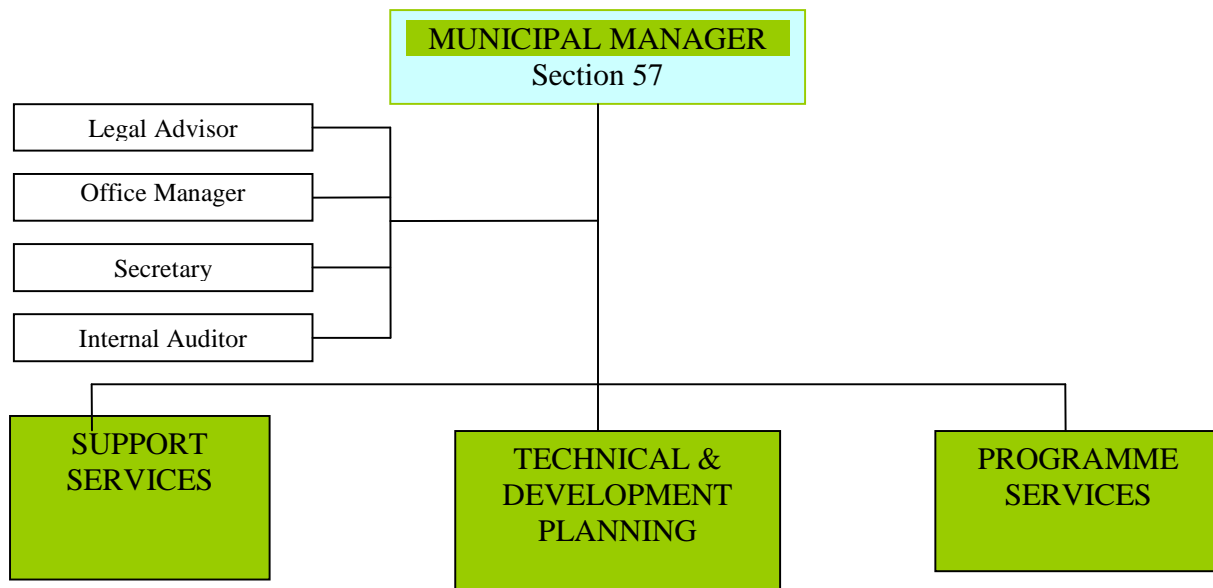


CHAPTER 5 INSTITUTIONAL DEVELOPMENT & TRANSFORMATION (HUMAN RESOURCES AND ORGANISATIONAL MANAGEMENT)

Organisational structure

- After the establishment of the Overberg District Municipality in terms Provincial Notice 492/2000 published in Provincial Gazette Extraordinary 5591 of 22 September 2000 Council approved the macro organisational structure aligning the structure to its strategies and objectives.

MACRO ORGANISATIONAL STRUCTURE



Placement of employees was completed by 30 June 2003. The macro organisational structure is presently being amended to adapt to changing requirements.

The Overberg District Municipality consists of the following Departments:

- **Municipal Manager**
- **Support Services**
- **Technical & Development Planning**
- **Programme Services**



Staffing levels

The success of the organisation lies in sufficient levels of staffing, a factor which is considered as one of the important determinants of municipal sustainability.

TOTAL NUMBER OF EMPLOYEES AS AT 30 JUNE 2007

Department	Number of permanent workers	Number of contract workers	Number of budgeted vacant posts
Support Services	27	7	5
Technical & Development Planning	243	27	9
Programme Management	0	2	2
Office of the Municipal Manager	2	3	0

Obtaining sufficient staffing levels involves filling vacancies with qualified and suitable candidates to help municipalities deliver basic services and to maintain organisational systems. In the context of the role municipalities play in providing basic services to the population and the industry at large, a vacancy rate of 30 % or higher is considered as a potential area of risk for municipalities.

Overberg municipal vacancy rate 2006

	2005				2006			
	Filled	Vacant	Vacant (%)	Total	Filled	Vacant	Vacant (%)	Total
Cape Agulhas	246	1	0.4%	247	247	7	2.8%	254
Overberg Dm	346	106	23.5%	452	336	42	11.1%	378
Overstrand	817	113	12.2%	930	789	76	8.8%	865
Swellendam	204	109	34.8%	313	211	137	39.4%	348
Theewaterskloof	446	61	12.0%	507	349	79	18.5%	428

Source: StatsSA, 2006

From the table above, it can be seen that only one of the municipalities in the District is above the 30 per cent vacancy rate risk standard. The municipality that has maintained the lowest vacancy rate is Cape Agulhas, which has a vacancy rate of 2,8 per cent, up from the 0,4 per cent achieved in 2005. Even though Swellendam filled more positions in 2006 than 2005, its vacancy rate remained high at 39,4 per cent due to the increase in total number of employment opportunities at the municipality.



The Overberg District Municipality itself, however, has done well, reducing their vacancy rate to 11 per cent in 2006, down from 23,5 per cent in 2005. Presently the vacancies of key managerial positions and other staff are causing a negative impact on performance, internal control and record keeping.

RECRUITMENT OF PERMANENT STAFF DURING THE 2006/2007 FINANCIAL YEAR

DEPARTMENT	POSITION
	Municipal Manager
Support Services	Committee Clerk
Support Services	Cleaner
Technical and Development Planning	19 x Labourer

PROMOTIONS

DEPARTMENT	NUMBER
Technical and Development Planning	11
Support Services	0
Office of the Municipal Manager	0
Programme Management	0

TERMINATIONS FOR THE PERIOD 1 JULY 2006 – 30 JUNE 2007

Type of termination	Number
Dismissed	0
Death	0
Resigned	20
Retrenched	5
Retired	7
Medical Grounds	0
Contract Expired	12
Transfer to PAWC	20
TOTAL	64

Human Resource Policies/Plans developed and implemented

Policy/ Plan
Recruitment and selection
Performance management
Skills development plan
Employment equity plan
HRD and HRM policies
Code of Conduct
Study Policy
HIV/AIDS Policy
Tobacco Smoking Policy
Essential Services Agreement
Private Work Policy
Computer Policy
Travel and Existence Policy



Employment Equity

Overberg District Municipality's goal is to create and retain an effective, diversified and representative workforce at all levels. In order to achieve this goal the Municipality has embarked on a process to implement the provisions of the Employment Equity Act. The Employment Equity plan of the Municipality aims to eliminate all forms of unfair discrimination, accelerate the employment of people from designated groups and create an environment where all employees can realise their potential. A Recruitment and Selection Policy has been adopted to allow for fair and objective principles and procedures in recruitment and selection.



SECTION B : WORKFORCE PROFILE

EEA2

2. Occupational Levels

Date of Workforce Profile : 2007/07/01

2.1 Total number of employees (including employees with disabilities) in each of the following occupational levels:											
NOTE: A=Africans, C=Coloureds, I=Indians and W=Whites											
Occupational Categories	Designated							Non-designated			Totals
	Male				Female			White Male	Foreign Nationals		
	A	C	I	A	C	I	W	W	Male	Female	
Top Management	0	3	0	0	0	0	0	0	0	0	3
Senior Management	0	0	0	0	0	0	0	6	0	0	6
Professionally qualified and experienced specialists and middle management	2	4	0	1	2	0	5	15	0	0	29
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	9	57	0	1	16	0	12	22	0	0	117
Semi-skilled and discretionary decision making	8	13	0	0	4	0	0	0	0	0	25
Unskilled and defined decision making	42	62	0	7	15	0	0	1	0	0	127
Total Permanent	61	139	0	9	35	0	17	44	0	0	305
Total Non-permanent	0	0	0	0	2	0	0	0	0	0	2
TOTALS	61	139	0	9	37	0	17	44	0	0	307

2.2 Total number of employees with disabilities in each of the following occupational Levels:											
NOTE: A=Africans, C=Coloureds, I=Indians and W=Whites											
Occupational Levels	Designated							Non-designated			Totals
	Male				Female			Foreign Nationals			
	A	C	I	W	A	C	I	W	Male	Female	
Top Management	0	0	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and middle management	0	0	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	0	2	0	2	0	0	0	0	0	0	4
Semi-skilled and discretionary decision making	1	1	0	0	0	0	0	0	0	0	2
Unskilled and defined decision making	1	0	0	0	0	0	0	0	0	0	1
Total Permanent	2	3	0	2	0	0	0	0	0	0	7
Total Non-Permanent	0	0	0	0	0	0	0	0	0	0	0
TOTALS	2	3	0	2	0	0	0	0	0	0	7

(*) Excludes councillors

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Section B : Workforce Profile



SECTION B : WORKFORCE PROFILE

EEA2

1. Occupational Categories

Date of Workforce Profile : 2007/07/01

1.1 Total number of employees (including employees with disabilities) in each of the following occupational categories:												
Occupational Categories	Designated								Non-designated		Totals	
	Male				Female				White Male	Foreign Nationals		
	A	C	I	W	A	C	I	W	Male	Female		
	NOTE: A=Africans, C=Coloureds, I=Indians and W=Whites											
Legislators, senior officials and managers (*)	0	3	0	0	0	0	0	0	3	0	0	6
Professionals	1	0	0	0	0	0	0	0	4	0	0	5
Technicians and associate professionals	2	18	0	1	3	0	6	19	0	0	0	49
Skilled agricultural and fishery workers	0	0	0	0	0	0	0	0	0	0	0	0
Clerks	0	6	0	1	14	0	11	3	0	0	0	35
Service workers	1	22	0	0	4	0	0	9	0	0	0	35
Craft and related workers	2	4	0	0	0	0	0	0	0	0	0	6
Plant and machine operators	8	26	0	0	0	0	0	6	0	0	0	40
Elementary occupations	47	60	0	7	16	0	0	1	0	0	0	131
Apprentices	0	0	0	0	0	0	0	0	0	0	0	0
Total Permanent	61	139	0	9	35	0	17	44	0	0	0	305
Total Non-permanent	0	0	0	0	2	0	0	0	0	0	0	2
TOTALS	61	139	0	9	37	0	17	44	0	0	0	307

1.2 Total number of employees with disabilities in each of the following occupational categories:												
Occupational Categories	Designated								Non-designated		Totals	
	Male				Female				Foreign Nationals			
	A	C	I	W	A	C	I	W	Male	Female		
	NOTE: A=Africans, C=Coloureds, I=Indians and W=Whites											
Legislators, senior officials and managers (*)	0	0	0	0	0	0	0	0	0	0	0	0
Professionals	0	0	0	0	0	0	0	0	0	0	0	0
Technicians and associate professionals	0	0	0	0	0	0	0	0	0	0	0	0
Skilled agricultural and fishery workers	0	0	0	0	0	0	0	0	0	0	0	0
Clerks	0	1	0	1	0	0	0	0	0	0	0	2
Service workers	0	0	0	0	0	0	0	0	0	0	0	0
Craft and related workers	0	0	0	0	0	0	0	0	0	0	0	0
Plant and machine operators	0	2	0	1	0	0	0	0	0	0	0	3
Elementary occupations	2	0	0	0	0	0	0	0	0	0	0	2
Apprentices	0	0	0	0	0	0	0	0	0	0	0	0
Total Permanent	2	3	0	2	0	0	0	0	0	0	0	7
Total Non-Permanent	0	0	0	0	0	0	0	0	0	0	0	0
TOTALS	2	3	0	2	0	0	0	0	0	0	0	7

(*) Excludes councillors

CAPMAN : © CAPMAN (Pty) Ltd

Section B : Workforce Profile



SECTION E : SKILLS DEVELOPMENT

EEA2

7.3 Total number of people who received training, including people with disabilities, and not the number of training courses attended, in each occupational level												
NOTE: A=Africans, C=Coloureds, I=Indians and W=Whites												
Occupational Levels	Designated							Non-designated			Totals	
	Male				Female			White Male	Foreign Nationals			
	A	C	I	W	A	C	I	W	Male	Female		
Top Management	0	1	0	0	0	0	0	0	2	0	0	3
Senior Management	0	0	0	0	0	0	0	0	2	0	0	2
Professionally qualified and experienced specialists and middle management	0	4	0	1	2	0	1	5	0	0	13	
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	3	19	0	0	4	0	7	3	0	0	36	
Semi-skilled and discretionary decision making	1	2	0	0	2	0	0	0	0	0	5	
Unskilled and defined decision making	1	10	0	2	5	0	0	1	0	0	19	
Total Permanent	5	36	0	2	13	0	8	13	0	0	77	
Total Non-Permanent	0	0	0	1	0	0	0	0	0	0	1	
Totals	5	36	0	3	13	0	8	13	0	0	78	

7.4 Total number of people with disabilities only, and not the number of training courses attended, in each occupational level											
NOTE: A=Africans, C=Coloureds, I=Indians and W=Whites											
Occupational Levels	Designated							Non-designated			Totals
	Male				Female			Foreign Nationals			
	A	C	I	W	A	C	I	W	Male	Female	
Top Management	0	0	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and middle management	0	0	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	0	0	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0	0	0
Total Permanent	0	0	0	0	0	0	0	0	0	0	0
Total Non-Permanent	0	0	0	0	0	0	0	0	0	0	0
TOTALS	0	0	0	0	0	0	0	0	0	0	0



Skills Development

Overberg District Municipality recognises the obligations placed on it by the Skills Development Act to train and develop employees. In order to empower its employees and enhance its human capital, the Municipality provides various learning and development opportunities for employees and councillors. The Workplace Skills Plan of the Municipality has been submitted to the Local Government SETA and six monthly implementation reports submitted. To improve effectiveness and efficiency, training and skills development programmes are informed by the Integrated Development Plan and the National Skills Development Strategy and include the following interventions:

- Job-related training
- Learnerships
- Skills Programmes
- Life Skills
- ABET
- Management Development
- Workshops

Bursaries are also provided to employees to further their studies at accredited institutions.

Labour Relations

The majority of policies and agreements are negotiated through a process of collective bargaining at Bargaining Council level. Overberg District Municipality endeavours to implement the policies and agreements in such a way that it promotes industrial peace. In general Councillors and Management seek to build a positive and productive working environment that allows employees to contribute to achieving the goals and objectives of the organisation. Organised labour is an active stakeholder in areas of recruitment and selection, skills development, disciplinary and grievance procedures, as well as the Local Labour Forum.

DISCIPLINARY ACTION: 1 JULY 2006 – 30 JUNE 2007

Outcomes of disciplinary hearings	Number
Verbal warning	1
Final written warning	6
Suspended without pay	0
Fine	0
Demotion	0
Dismissal	0
Dismissal suspend	0
Not Guilty	0
Case withdrawn	0
TOTAL	7



GRIEVANCES LODGED: 1 JULY 2006 – 30 JUNE 2007

Grievances	Number
Grievances resolved	1
Grievances not resolved	1
TOTAL	2

DISPUTES LODGED: 1 JULY 2006 – 30 JUNE 2007

Disputes	Number
Disputes upheld	0
Disputes dismissed	0
TOTAL	0

STRIKE ACTION: 1 JULY 2006 – 30 JUNE 2007

Details	Number
Total number of working days lost	0
Total cost of working days lost	0
Amount recovered as a result of no work no pay	0

PRECAUTIONARY SUSPENSIONS: 1 JULY 2006 – 30 JUNE 2007

Actions	Number
Number of employees suspended	2
Number of employees suspended whose suspension exceeded 30 days	1

Occupational Health and Safety

Overberg District Municipality make efforts to provide and maintain a safe and healthy working environment. These efforts include dissemination of information, instructions, training and supervision. Health and safety representatives are capacitated to fulfil their roles and execute their duties.

Performance Management

A Performance Management System for the Municipal Manager and Managers directly accountable to the Municipal Manager is in place and evaluation has taken place in terms of the Performance Agreement and Performance Plans.

Section 57 managers and selected positions:

# Positions	Position	# Filled	Employment contracts in place	Performance agreements in place
1	Municipal Manager	1	1	1
3	S57 appointees	0	0	0



It should be noted that the four section 57 managers were retrenched following negotiations to terminate their permanent contracts and allow them to re-apply for fixed term contracts. They indicated non-interest and the Council subsequently resolved that two acting managers be appointed to manage the amalgamated Departments of Engineering Services and Community Services and on the other hand the Departments of Finance and Corporate Services.

The section 57 vacancies of Director: Support Services; Director: Technical Services and Director: Projects/ Programmes were advertised in June 2007 for which applications were subsequently received. It should be noted that the negotiations with the previous section 57 managers was suddenly finalized very rapidly after a long process spanning more than a year. The screening and listing of applications were done by a consultant appointed by council to assist with the recruitment process.

However, with the advent of the approaching floor crossing period in September 2007 the process was halted and postponed until council would be reconstituted. Unfortunately, the process was put on hold again following a resolution by council to debate the strategic role and functions of the ODM at a workshop and determine a way forward towards the effective management of the legislative mandates of the district municipality.

This workshop took place on 15 November 2007 and specific and pertinent proposals emanated from the work-sessions which will be submitted to council at its meeting scheduled for 23 January 2008 where council must take a resolution regarding the filling of the section 57 vacancies. All indications are that a speedy resolution will be taken and that the vacancies should then be filled by end of March 2008.



CHAPTER 6 FINANCIAL VIABILITY (AUDITED STATEMENTS AND RELATED FINANCIAL INFORMATION)

The factors contributing to the success of a municipality have a vast range from amongst which the prevailing political environment, the fiscal landscape as reflected by revenue generating capability and cost containment, internal capacity as reflected by the staffing levels and the quality thereof are but a few.

Sources of revenue

The table reflects the overall sources of budgeted revenue for the Overberg District Municipality. The table also provides an overview of revenue collection in 2006/07 and the estimated flows of revenue from transfers, own sources of revenue and other revenue over the MTEF period ending 2009/10. The municipality's ability to generate revenue is an important consideration for its fiscal sustainability. Sufficient revenue is a pre-condition for executing an effective developmental role among municipalities.

Overall revenue 2006/2007 – 2009/2010

Source R'000	Budget		Medium Term estimate		Growth	
	2006/07	2007/08	2008/09	2009/10	06/07-07/08-	MTEF
Transfers	78 744	81 125	85 015	89 845	3.0%	4.5%
<i>National transfers</i>	100	100	50	50	0.0%	-20.6%
<i>Provincial transfers</i>	-	-	-	-	-	-
<i>Municipal transfers</i>	-	-	-	-	-	-
<i>Unclassified</i>	78 644	81 025	84 965	89 795	3.0%	4.5%
Main sources of own revenue	6 740	3 417	3 423	3 430	-49.3%	-20.2%
All other sources of revenue	39 736	46 461	47 611	50 810	16.9%	8.5%
Total	125 220	131 003	136 049	144 085	4.6%	4.8%

Source: Provincial Treasury LG Revenue Database

As indicated below Overberg District Municipality budgeted total revenue of R125,2 million in 2006/07. The municipality is largely dependant on unclassified transfers as sources of revenue. The main increase in revenue stems from all unclassified sources of revenue.



ODM own revenue 2006/2007 – 2009/2010

R'000	Budget	Budget	Medium Term estimate		Growth	
	2006/07	2007/08	2008/09	2009/10	06/07-07/08	MTEF
Regional Levies	3 475	-	-	-	-	-
Refuse removal	3 265	3 417	3 423	3 430	4.7%	1.7%
Other	114 056	121 681	127 856	135 780	6.7%	6.0%
Total	117 321	125 098	131 279	139 210	6.6%	5.9%

Source: Provincial Treasury LG Revenue Database

From the table above, the Overberg's main sources of own revenue can be discerned. Regional levies, refuse removal and a third category (other) are the municipality's main sources of revenue, of which Other forms 97,3 per cent, with the remainder made from refuse removal.

Level of reliance on external funding from other spheres of government: (District municipalities):

Financial year	Total grants and subsidies received (R'000)	Total Operating Revenue (R'000)	Percentage (%)
2005/06	56 378	98 018	57.5
2006/06	79 828	98 128	81.3

Liquidity ratio:

Financial year	Net current assets (R'000)	Net current liabilities (R'000)	Ratio
2004/05	39 667	16 067	2.5: 1
2005/06	38 865	20 429	1.9: 1
2006/07	18 328	12 366	1.5: 1

Own revenue is expected to increase over the MTEF by 5,9 per cent, reflecting less dependency on transfers from national government in future.



DM capital revenue 2006/2007 – 2009/2010

R'000	Adj/Orig Budget	Budget	Medium Term estimate		Growth		Percentage contribution to 07/08 capital revenue
	2006/07	2007/08	2008/09	2009/10	06/07- 07/08	MTEF	
Grants and Subsidies	100	100	50	50	0.0%	-20.6%	1.7%
<i>National</i>	100	100	50	50	0.0%	-20.6%	1.7%
<i>Provincial</i>							0.0%
<i>District</i>							0.0%
<i>Other</i>							0.0%
Own Funds							0.0%
<i>Internal advances</i>							0.0%
<i>Contribution from revenue</i>							0.0%
External loans	3 335	5 550	4 475	4 550	66.4%	10.9%	94.0%
Other capital revenue	989	255	245	275	-74.2%	-34.7%	4.3%
<i>Public contributions/donations</i>	600				-100.0%	-100.0%	0.0%
<i>Ad hoc financing</i>	389	255	245	275	-34.4%	-10.9%	4.3%
<i>Other</i>							0.0%
Total	4 424	5 905	4 770	4 875	33.5%	3.3%	100%

Source: Provincial Treasury LG Revenue Database

Preliminary capital expenditure

Preliminary capital expenditure for 2006/07 in the Overberg District Municipality is indicated in the table below. The District only spent 58,8 per cent of its actual budget during this period, due to various reasons of which retrenchment of key management staff are the noteworthy.

ODM preliminary capex 2006/2007

	Water	Electricity	Housing	Roads, pavements, bridges & storm water	Other	Total
Overberg District	-	-	-	-	-	-
Original Budget	3,500	-	-	-	2,344	5,844
Adjusted Budget	2,000	-	-	-	2,424	4,424
Actual Expenditure	637	-	-	-	1,965	2,602

Source: Source: Provincial Treasury LG Revenue Database



Performance against budgets:

Financial year	Revenue				Operating expenditure			
	Budget R'000	Actual R'000	Diff. R'000	% deviation	Budget R'000	Actual R'000	Diff. R'000	% deviation
05/06	46 674	46 723	49	,10	51 120	46 723	4 398	(8,60)
06/07	131 815	129 706	2 109	1.5	137 557	135 920	1 637	(1.2)

Gross outstanding consumer debtors per service (Provisions for bad debt must not be taken into account):

Financial year	Rates R'000	Trading services (Electricity and Water) R'000	Economic services (Sewerage and Refuse) R'000	RSC Levies R'000	Other R'000	Total R'000
2006/07	0	28	1	453	2 268	2 750

Total debtors age analysis:

Financial year	Debtor age analysis				
	Less than 30 days R'000	Between 30-60 days R'000	Between 60-90 days R'000	More than 90 days R'000	Total R'000
2006/07	2 750				2 750

Staff cost as % of total operating expenditure (Excludes councillor allowances):

Financial year	Total Expenditure salary and allowances (R'000)	Total Expenditure (R'000)	Percentage (%)
2005/06	37 196	120 491	30.9
2006/07	52 030	135 921	38.3

Liquidity ratio:

Financial year	Net current assets (R'000)	Net current liabilities (R'000)	Ratio
2004/05	39 667	16 067	2.5: 1
2005/06	38 865	20 429	1.9: 1
2006/07	18 328	12 366	1.5: 1

Audit report 2006/07:

The municipality received a qualified report. Comments, answers and a description of the remedial actions that will be taken to address these deviations and shortcomings are addressed in the Audit Report below:



**REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL
PARLIAMENT ON THE FINANCIAL STATEMENTS AND PERFORMANCE
INFORMATION OF THE OVERBERG DISTRICT MUNICIPALITY FOR THE YEAR
ENDED 30 JUNE 2007**

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Overberg District Municipality which comprise the statement of financial position as at 30 June 2007, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 1 to 46.

Responsibility of the accounting officer for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting determined by the National Treasury, as set out in accounting policy note 1 and in the manner required by the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA). This responsibility includes:
 - designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
 - selecting and applying appropriate accounting policies
 - making accounting estimates that are reasonable in the circumstances.

Responsibility of the Auditor-General

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA) and section 126(3) of the MFMA, my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with the International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.





ended, in accordance with the basis of accounting determined by the National Treasury, as set out in accounting policy note 1, and in the manner required by the MFMA.

Emphasis of matter

I draw attention to the following matter:

Basis of accounting

Deviation

13. As set out in accounting policy note 1, the National Treasury approved a deviation from the basis of accounting applicable to the municipality in terms of *Government Notice 552 of 2007* issued in *Government Gazette 30013 of 29 June 2007*.

OTHER MATTERS

I draw attention to the following matters which are ancillary to my responsibilities in the audit of the financial statements:

Non-compliance with applicable legislation

Local Government: Municipal Finance Management Act

14. The accounting officer did not inform the mayor and the MEC for Local Government in the province in writing of the fruitless and wasteful and irregular expenditure, reported in paragraphs 5.1 and 5.2 of the previous audit report, respectively, and also disclosed in note 35 to the financial statements, as required by section 32(4) of the MFMA. The said expenditure, totalling R4 656 333, was also not certified by council as irrecoverable and written off, after investigation by a council committee as required by section 32(2)(b) of the MFMA.
15. A system of delegation that would both maximise administrative and operational efficiency and provide adequate checks and balances in the municipality's financial administration, as required by section 79(1)(a) of the MFMA and section 59(1) of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA) was not approved by council.
16. Memoranda of agreement between the municipality and organisations to which funds are transferred, as required by section 67(3) of the MFMA, could not be presented for funds, totalling R1 696 984, that were transferred by the municipality to four organisations during the 2006-07 financial year.

Local Government: Municipal Systems Act

17. The staff establishment of the municipality was not approved, as required by section 66(1)(a) of the MSA.



Supply Chain Management Regulations

18. Contrary to section 23(c)(i) of the Supply Chain Management Regulations, 2005 (*General Notice 868 of 2005*, issued in *Government Gazette No. 27636 of 30 May 2005*), a pre-numbered tender register was not maintained.
19. A contract for financial and accounting services was extended by R258 780 for additional services, without complying with section 36(2) of the Supply Chain Management Regulations.

Matters of governance

Fruitless and wasteful expenditure

20. Four managers, including the chief financial officer, appointed in terms of section 57 of the MSA, as well as another senior official, were retrenched by the municipality at a total cost of R8 920 820, without evidence that a cost/benefit analysis had been performed and without the municipality having finalised its microstructure. Additional costs of R258 780 were also incurred for the sourcing of expertise to prepare the financial statements on a new basis of accounting, a function which the chief financial officer could have performed. Furthermore, a budget of only R3 million was approved for retrenchment packages.

Performance evaluations

21. I was unable to obtain evidence that performance evaluations of managers appointed in terms of section 57 of the MSA were performed in the required manner, as all these managers were awarded performance bonuses on an 80% flat rate of achievement.

Reserves

22. The amounts transferred to the capital replacement reserve and the government grant reserve of R1 million and R16 079 713, respectively, were not approved by council.

Material corrections made to the financial statements submitted for audit

23. The financial statements, approved by the accounting officer and submitted for audit on 31 August 2007, have been significantly revised in respect of the following misstatements identified during the audit:
 - Agency income had been accounted for incorrectly in the financial statements, resulting in the duplication of both income and expenditure to the value of R27 679 733. This overstatement has subsequently been corrected.
 - Regional services council levies that related to the 2005-06 financial year, which were received during the 2006-07 financial year, had not been accrued in the restated figures for the year ended 30 June 2006, resulting in an adjustment of R3 541 162.



- Assets below the value of R10 000 and leased assets were not initially recognised, resulting in an adjustment of R914 471 to property, plant and equipment and an adjustment of R134 539 to depreciation, as well as expenditure.

Value-for-money matters

Human resources management

24. A human resources plan had not been compiled by the municipality to define the required competencies and skills to enable the successful implementation of the strategic plan of the municipality. Furthermore, the executive council did not confirm that the new posts created and existing vacant posts were aligned with the municipality's objectives, as the microstructure of the municipality was not yet finalised in terms of the restructuring process.

Internal control

25. Section 62(1)(c)(i) of the MFMA states that the accounting officer must ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control. The table below depicts the root causes of the matters indicated, as they relate to the five components of internal control. In some instances deficiencies existed in more than one internal control component.

Reporting item	Control environment	Assessment of risks	Control activities	Information and communication	Monitoring
Basis of qualification					
Unauthorised expenditure			■		■
Other debtors			■		■
Other matters					
Non-compliance with applicable legislation		■	■		■
Matters of governance	■				
Material corrections made to the financial statements submitted for audit		■	■		■



Unaudited supplementary schedules

26. The supplementary information set out on pages 37 to 48 does not form part of the annual financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion on them.

OTHER REPORTING RESPONSIBILITIES**Reporting on performance information**

27. I was engaged to audit the performance information.

Responsibilities of the accounting officer for performance information

28. In terms of section 121(3)(c) of the MFMA, the annual report of a municipality must include the annual performance report of the municipality prepared by the municipality in terms of section 46 of the MSA.

Responsibility of the Auditor-General

29. I conducted my engagement in accordance with section 13 of the PAA read with *General Notice 646 of 2007*, issued in *Government Gazette No. 29919 of 25 May 2007* and section 45 of the MSA.
30. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.
31. I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for the audit findings reported below.

Audit findings (performance information)**Non-compliance with regulatory requirements**

32. The Overberg District Municipality did not develop a performance management system as required by section 39 of the MSA.

Content of the integrated development plan

33. The integrated development plan of the municipality did not form the policy framework and general basis on which the municipality's annual budgets were based, as required by section 25(1)(c) of the MSA.

Performance information not received in time

34. I was unable to complete a review of the reported performance information as set out on pages ■ to ■ of the annual report, since the information was not received in time.



APPRECIATION

35. The assistance rendered by the staff of the Overberg District Municipality during the audit is sincerely appreciated.

Auditor-General

Cape Town

30 November 2007



A U D I T O R - G E N E R A L



OVERBERG DISTRICT MUNICIPALITY

MANAGEMENT RESPONSE ON THE REPORT OF THE AUDITOR-GENERAL ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF THE OVERBERG DISTRICT MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2007

The Management response on the Report of the Auditor-General on the financial statements and performance information of the Overberg District Municipality for the year ended 30 June 2007 is as follows:

Paragraph 10 : Unauthorised expenditure

The approved capital budget was exceeded by a total of R1 468 561 and the approved operating budget was exceeded by a total of R5 668 175 in respect of five votes of the municipality, without the necessary approval as contemplated in section 32(2)(a) of the MFMA, resulting in unauthorised expenditure as defined in section (c) of the definition of unauthorised expenditure in section 1 of the MFMA. Particulars of the unauthorised expenditure, as required by section 125(2)(d) of the MFMA, were also not disclosed in the notes to the financial statements.

Management response:

As a result of Council not meeting during the period of the audit, the Municipal Manager was unable to submit an amendment budget to Council for approval of these virements as required by legislation. The amendment budget will be tabled at a meeting to be held on 28 February 2008.

Paragraph 11 : Other debtors

I was unable to obtain appropriate evidence to confirm the existence of a balance of R3 158 816 owed by the Western Cape Department of Health to the municipality for primary health care services rendered by the municipality as an agency function on behalf of the department.

Management response:

The Municipal Finance Management Act No 56 of 2003 must be adhered to and National Treasury should immediately be informed of the balance owing to the municipality by Provincial Health. Such a letter will be sent to Treasury by 18 January 2008 and a copy thereof provided to the auditors.

OTHER MATTERS: Non-compliance with applicable legislation

Paragraph 14 : Local Government: Municipal Financial Management Act

The accounting officer did not inform the mayor and the MEC for local government in the province in writing of the fruitless and wasteful and irregular expenditure, reported in paragraph 5.1 and 5.2 of the previous audit report, respectively, and as disclosed in note 35 to the financial statements, as required by section 32(4) of the MFMA. The mentioned expenditure, totalling R4 656 333, was also not certified by council as irrecoverable and written off, after investigation by a council committee as required by section 32(2)(b) of the MFMA.



Management response:

The amount of R4 656 333 consist of:

- (a) A severance package to the amount of R1 637104 paid out to the previous municipal manager whose contract was terminated before the contract expiry date of November 2007. The Auditor-General described this action as fruitless and wasteful expenditure.
- (b) An amount of R3 019 229 being paid to Senzennia Consultants who was appointed for the development of an Economic Development Framework in contradiction with the Supply Chain Management Regulations resulting in non-compliance with the mentioned regulations and irregular expenditure.
A letter as well as a follow-up letter requesting condonation in this regard was sent to the National Treasury. As soon as an answer is received from the ..National Treasury, Council will establish a committee as required by section 32(2)(b) of the Municipal Finance Management Act, 2003 (Act No 56 of 2003).
- (c) It must be noted that a legal opinion dated 11 October 2005 was presented to the Auditors where-in it is substantiated that the appointment of the consultants by council was done lawfully and in an open and transparent manner.

Paragraph 15

A system of delegation that would both maximise administrative and operational efficiency and provide adequate checks and balance in the municipality's financial administration, as required by section 79(1)(a) of the MFMA and section 59(1) of the Local Government: Municipal Structures Act, 2000 (Act No. 32 of 2000) was not approved by council.

Management response:

It must be noted that the draft Framework of Delegations was submitted to council on 21 September 2006 for their consideration and inputs. At the subsequent meeting the item was referred to a workshop for further discussion and debating prior to the approval of the document. At a later stage it was requested by Council that an entirely new document must be compiled and will serve before Council on 23 January 2008.

Paragraph 16

Memoranda of agreement between the municipality and organisations to which funds are transferred, as required by section 67(3) of the MFMA, could not be presented for funds, totalling R1 696 984, that were transferred by the municipality to four organisations during the 2006-07 financial year.

Management response:

Necessary agreements were prepared and signed by the various organisations as required. The documents will be provided to the Auditors. In addition to that, audited financial statements of the Overberg Tourism Bureau were provided to the auditors.

It must be emphasised that the contributions to Overberg Tourism are definitely not donations, but rather reimbursements for an agency function rendered on behalf of the district municipality. An



agreement for this function was made right at the promulgation of the former regional services council during 1989. This institution has rendered this service on behalf of the district municipality ever since. The Mayor represents the municipality on the institutions board and attends meetings where activities and results are communicated. Representatives of the institution attend council meetings from time to time to report on their activities and the appropriation of council's contributions.

Paragraph 17 : Local Government: Municipal Financial Management Act

The staff establishment of the municipality was not approved, as required by section 66(1)(a) of the MSA.

Management response:

A draft staff establishment is available, however the document is in process of final approval. For further detail see comment under item 24.

Paragraph 18 : Supply Chain Management Regulations

Contrary to section 23(c)(i) of the Supply Chain Management Regulations, 2005 (General Notice 868 of 2005, issued in *Government Gazette No. 27636 of 30 May 2005*), a pre-numbered tender register was not maintained.

Management response:

The abovementioned recommendation has been adhered to.

Paragraph 19

A contract for financial and accounting services was extended by R258 780 for additional services, without complying with section 36(2) of the Supply Chain Management Regulations.

Management response:

The SCM policy makes provision for the MM to deviate from the normal procedure in exceptional cases where it is impractical or impossible to follow the procurement processes. The SCM policy also states that the bid adjudication committee must consist of at least four senior managers. As there were no senior managers left, the Municipal Manager had no other choice than to regard this as an exceptional case where it was impossible to follow standard procedures.

The rest of the reporting could not be done either as the council went into recess for the floor crossing season. Since then a council meeting was held on 29 October 2007 where the office bearers were elected after which most of the other agenda items were referred to a forthcoming council meeting scheduled for 5 December 2007. Based on abovementioned background information it is quite clear that the Municipal Manager was under tremendous pressure due to a lack of capacity. As a result of the unforeseen and extremely difficult circumstances the Municipal Manager was forced to take the necessary steps in a responsible manner regarding the compilation of the AFS.



The payments to Mubesko Africa together with the necessary motivations are included in the above. As already, indicated, it seems that the Municipal Manager was under tremendous pressure to obtain additional services from Mubesko Africa due to time constraints and a lack of internal capacity. It must be noted that this was reported to Council on a Special Meeting held on 31 May 2007.

Based on abovementioned facts, these shortcomings should be regarded as a once-off and / or unforeseen event. The Council will most probably do the necessary planning to prevent similar situations in future.

Matters of governance

Paragraph 20 : Fruitless and wasteful expenditure

Four managers, appointed in terms of section 57 of the MSA, including the chief financial officer, as well as another senior official, were retrenched by the municipality at a total cost of R8 920 820, without evidence that a cost/benefit analysis had been performed and without the municipality having finalised its microstructure. Additional costs of R258 780 were also incurred for the sourcing of expertise to prepare the financial statements on a new basis of accounting, a function which the chief financial officer could have performed. Furthermore, a budget of only R3 million was approved for retrenchment packages.

Management response:

The retrenchment of the abovementioned senior officials was necessary to enable Council to meet its Employment Equity targets. Furthermore these employees were appointed on a permanent basis and as a result thereof a cost analysis was compiled to determine the cost effectiveness of future salary expenditure compared to the termination of the permanent contracts. It was established that it would be more cost effective for Council to pay these severance packages.

Although Council made provision for an amount of R3 million for retrenchment packages in the 2006/2007 budget, it has been established that the budgeted amount was insufficient. The severance packages payable to the managers had to be done in accordance with the Bargaining Council employee benefits and the Rules of the Cape Joint Pension Fund. Approval has been granted by Council for the additional expenditure.

Paragraph 21 : Performance evaluations

I was unable to obtain evidence that performance evaluations were performed in the required manner for managers appointed in terms of section 57 of the MSA, as all these managers were awarded performance bonuses on an 80% flat rate achievement.

Management response:

All the previous section 57 employees resigned between 2006 and 2007. Council is in the process to appoint new Departmental Heads. Performance contracts will be entered into with all the newly appointed section 57 managers as required by the Municipal Systems Act. The process will be completed before the end of February 2008.



Paragraph 22 : Reserves

The amounts transferred to the capital replacement reserve and the government grant reserve of R1 million and R16 079 713, respectively, were not approved by council.

Management response:

The capital Replacement Reserve (CRR) was raised with the municipality's cash position as the main factor. The paragraph on the one hand states the funds are insufficient to have this amount and on the other hand states that the funds is insufficient to address future needs as determined by the IDP. The fund is not kept in a separate bank account, but is in a separate identifiable vote in the ledger. The main reason for this is that the municipality receive a much higher interest rate on larger amounts. All surplus money are therefore invested together to ensure better interest rates. The municipality's primary bank account together with its investments has never been lower than R1m.

The Government Grant Reserve is definitely not supposed to be cash backed. This reserve is raised for future depreciation of assets funded from government grants. This is therefore only a provision for the off setting of future depreciation on assets funded from government grants. I presume the author had the unspent conditional grants of R4 210 137 in mind.

The unspent conditional grants and the CRR are easily covered by the balance of the primary bank account and the investments of surplus funds.

The funds raised will have to be approved by Council.

A Special Meeting of Council will be requested before the end of March 2008, to obtain Council's approval with regard to this recommendation. Other similar items will also be included which are requiring Council's approval and will be provided to the auditors.

Paragraph 23 : Material corrections made to the financial statements submitted for audit

The financial statements, approved by the accounting officer and submitted for audit on 31 August 2007, have been significantly revised in respect of the following misstatements identified during the audit:

- Agency income had been accounted for incorrectly in the financial statements, resulting in the duplication of both income and expenditure to the value of R27 679 733. This overstatement has subsequently been corrected.
- Regional services council levies that related to the 2005-06 financial year, that were received during the 2006-07 financial year, had not been accrued in the restated figures for the year ended 30 June 2006, resulting in an adjustment of R3 541 162.
- Assets below the value of R10 000 and leased assets were not initially recognised, resulting in an adjustment of R914 471 to property, plant and equipment and an adjustment of R134 539 to depreciation, as well as expenditure.



Management response:

Cognisance is taken of the observation and explanations; however the abovementioned deviations were corrected.

Value-for-money matters:**Paragraph 24 : Human resources management**

A human resources plan has not been compiled by the municipality to define the required competencies and skills to enable the successful implementation of the strategic plan of the municipality. Furthermore, the executive council did not confirm that the new posts created and existing vacant posts are aligned to the municipality's objectives, as the microstructure of the municipality was not yet finalised in terms of the restructuring process.

Management response:

A draft staff establishment is available, however the document is in process of final approval. Further workshops were held on the 15, 16 and 22 November 2007. The document together with the relevant policy framework will be referred to the Executive Mayoral Committee and hopefully considered and approved before the end of December 2007. It should be pointed out that the following unforeseen reasons contributed to the failure of Council to meet the abovementioned statutory objective.

1. The unexpected resignation of all the section 57, employees during the financial year 2006-07.
2. The Floor-crossing process together with the change of political office bearers. Further developments in this regard are expected before the end of December 2007.

The Municipal Manager and his staff is hoping that the situation will soon be stabilise to enable them to fulfil their statutory role and responsibilities. It is therefore of vital importance that certain key posts be advertised and filled with immediate effect to enhance the budget process, service delivery and budget implementation plan and to enable Council to execute its developmental role as a sphere of government.

Paragraph 25 : Internal control

Section 62(1)(c)(i) of the MFMA states that the accounting officer must ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control. The table below depicts the root causes of the matters indicated, as they relate to the five components of internal control. In some instances deficiencies existed in more than one internal control component.



Reporting item	Control environment	Assessment of risks	Control activities	Information and communication	Monitoring
Basis of qualification					
Unauthorised expenditure			■		■
Other debtors			■		■
Other matters					
Non-compliance with applicable legislation		■	■		■
Matters of governance	■				
Material corrections made to the financial statements submitted for audit		■	■		■

Paragraph 26 : Unaudited supplementary schedules

The supplementary information set out on pages 37 to 48 does not form part of the annual financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion on them.

Management response:

Cognisance is taken of the findings and recommendations of the Auditors, however a draft risk assessment has been compiled and will serve before the Audit Committee for consideration and thereafter the document will be submitted to Council for approval and implementation.

Auditor-General's findings on performance information

Paragraph 32 : Non-compliance with regulatory requirements

The Overberg District Municipality did not develop a performance management system as required by section 39 of the MSA.



Management response:

The findings and recommendation of the Auditors is supported. The matter is receiving urgent attention and it will be finalised during March 2008.

Paragraph 33 : Content of the integrated development plan

The integrated development plan of the municipality did not form the policy framework and general basis on which the municipality's annual budgets were based, as required by section 25(1)(c) of the MSA.

Management response:

The findings and recommendation of the Auditors is supported. Council is in the process to review its Service Delivery and Budget Implementation Plan, which will align the IDP with the budget. This exercise will most probably be completed by the end of May 2008, in respect of the 2008-09 financial years.

Paragraph 34 : Performance information not received in time

I was unable to complete a review of the reported performance information as set out on pages ■ to ■ of the annual report, since the information was not received in time.

Management response:

Priority will be given to the development of a performance management system in 2008. However, a detailed SDBIP has been completed and approved by Council, which forms the basis for such a performance management system.

We are investigating suitable software programmes which will meet Council's needs and would provide a total solution to the following:

- Recording of documents
- Safekeeping of documents
- Tracing of documents
- Monitoring / performance measuring

TREVOR BOTHA
MUNICIPAL MANAGER



OVERBERG DISTRICT MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
for the year ended
30 June 2007

I am responsible for the preparation of these annual financial statements, which are set out on pages 1 to 46 including appendices A to G as set out on pages 47 to 55, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 24 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.



Municipal Manager

31 Augustus 2007

Date



OVERBERG DISTRICT MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2007

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**OVERBERG DISTRICT MUNICIPALITY
STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2007**

	Note	2007 R	2006 R
NET ASSETS AND LIABILITIES			
Net assets		26,236,409	36,138,882
Housing Development Fund		-	-
Capital replacement reserve		759,086	1,000,000
Capitalisation reserve		-	-
Government grant reserve	1	6,955,922	7,054,559
Donations and public contribution reserves	1	530,805	-
Self-insurance reserve		-	-
Revaluation reserve		-	-
Accumulated Surplus/(Deficit)		17,990,596	28,084,323
Non-current liabilities		10,385,153	11,655,281
Long-term liabilities	2	10,385,153	11,655,281
Non-current provisions	3	-	-
Current liabilities		12,366,044	20,429,153
Consumer deposits	4	-	-
Provisions	5	-	-
Creditors	6	3,273,813	5,791,608
Unspent conditional grants and receipts	7	6,781,408	12,436,996
VAT	8	146,152	277,268
Short-term loans	9	-	-
Bank overdraft	18	-	-
Current portion of long-term liabilities	2	2,164,671	1,923,281
Total Net Assets and Liabilities		<u>48,987,606</u>	<u>68,223,315</u>
ASSETS			
Non-current assets		30,659,666	29,358,034
Property, plant and equipment	10	30,499,954	29,214,179
Investment property	11	-	-
Investments	12	159,712	57,040
Long-term receivables	13	-	86,815
Current assets		18,327,940	38,865,280
Inventory	14	1,050,725	1,027,461
Consumer debtors	15	2,749,803	6,657,965
Other debtors	16	3,158,816	5,063,906
VAT	16	-	-
Current portion of long-term receivables	13	-	37,325
Call investment deposits	17	10,000,000	15,127,336
Bank balances and cash	18	1,368,596	10,951,287
Total Assets		<u>48,987,606</u>	<u>68,223,315</u>



**OVERBERG DISTRICT MUNICIPALITY
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2007**

	Note	2007 R	2006 R
REVENUE			
Property rates	19	-	-
Property rates - penalties imposed and collection charges		-	-
Service charges	20	3,355,180	3,298,713
Regional Service Levies - turnover		-	16,461,949
Regional Service Levies - remuneration		-	8,143,821
Rental of facilities and equipment		8,447,425	6,727,945
Interest earned - external investments		3,266,453	2,517,182
Interest earned - outstanding debtors		188,054	430,039
Dividends received		-	-
Fines		2,850	7,107
Licences and permits		-	240
Income for agency services		-	-
Government grants and subsidies	21	79,828,930	59,378,212
Other income	22	2,937,042	1,011,900
Public contributions and donations		-	-
Gains on disposal of property, plant and equipment		-	24,286
Change in Fair Values		102,672	17,112
Total Revenue		98,128,606	98,018,506
EXPENDITURE			
Employee related costs	23	49,055,728	34,990,620
Remuneration of Councillors	24	2,974,632	2,205,351
Bad debts		-	15,979
Collection costs		-	-
Depreciation		2,770,840	2,478,846
Repairs and maintenance		18,381,894	22,553,292
Interest paid	25	1,557,955	1,688,959
Bulk purchases	26	-	-
Contracted services		1,143,116	344,764
Grants and subsidies paid	27	247,147	12,534,186
General expenses	28	31,885,600	20,285,944
Loss on disposal of property, plant and equipment		-	-
Total Expenditure		108,016,912	97,097,941
SURPLUS/(DEFICIT)		-9,888,306	920,565
Share of surplus/(deficit) of associate accounted for under the equity method	29	-	-
SURPLUS/(DEFICIT) FOR THE YEAR		-9,888,306	920,565

Refer to Appendix E(1) for the comparison with the approved budget



CHAPTER 7 ECONOMIC DEVELOPMENT

The economically active population (15-64 years) is an important resource for any economy. From the supply side, this segment of the population has a potential to contribute to economic growth through their involvement in the labour markets activity, if fully employed, and entrepreneurship. On the other hand, the same age cohort is the driving force behind household consumption patterns.

The economically active population accounted for about two thirds, or 66 per cent of the Overberg's total population in 2007. This is in line with other regions, such as the Cape Winelands District where the economically active population accounted for 67 per cent of the total population.

Contribution to GDP and sector performance

The Overberg District is a relatively small centre for economic activity in the Western Cape, with areas such as Caledon, Hermanus and Swellendam being important areas of economic activity.

The relative importance of each Municipality to the regional GDP of the Overberg District is indicated below. Theewaterskloof is the largest contributor to regional GDP at 40,6%, followed by Overstrand at 31,4%, with Cape Agulhas and Swellendam contributing 14,3 and 13,8% respectively.

Municipality	GDP 2005, Rm	Percentage contribution per municipality, 2005	Growth 2004-2005
Theewaterskloof	1 467.1	40.6	3.43
Overstrand	1 133.7	31.4	8.08
Cape Agulhas	515.9	14.3	5.46
Swellendam	498.2	13.8	5.47
Overberg DM	3 614.9	100.0	5.42

Source: Western Cape Provincial Treasury calculations based on Quantec Research data, 2007



The region's growth performance has improved, growing at 5,4 % during 2004/05. As can be seen in Table 1 below, the three largest contributors to regional GDP is the agriculture sector (21,8%), wholesale & retail trade; catering & accommodation (18,4%) followed by the finance & business services sector (14,6%). The agriculture sector's importance to the Western Cape's economic activity is also reflected in the fact that 11,6% of all agricultural produce comes from the Overberg region. The aforementioned sectors are all growing at above 4,5%.

Agriculture grew at 4,53 % between 2004/05, wholesale & retail trade; catering & accommodation grew at 8,5 % whilst the finance & business services sector grew at 5,3 % over this period. These figures could potentially indicate a positive impact on employment, since the agriculture sector is one of the most important employment sectors with the Overberg as reported in SEP-LG 2006. Similarly, the construction sector (8,6%), as well as the manufacturing sector (5,1%), has both grown strongly.

Table 1: Overberg DM sectoral contributions to GDP, 2005

Industry	GDP, 2005, Rm	Percentage contribution per sector, 2005	Growth 2004- 2005	Percentage contribution to WC sectors, 2005
I01: Agriculture, forestry & fishing	787.9	21.8	4.53	11.6
MI: Mining	1.8	-	-6.02	0.6
MA: Manufacturing	526.4	14.6	5.11	1.9
EL: Electricity & water	64.6	1.8	2.57	2.5
I17: Construction	216.5	6.0	8.57	3.5
TR: Wholesale & retail trade; catering & accomm	665.4	18.4	8.53	2.7
TC: Transport & communication	272.9	7.5	8.10	1.7
FB: Finance & business services	552.6	15.3	5.26	1.2
I24: Community, social & other personal services	206.9	5.7	4.33	2.8
I25: General gov services	343.4	9.5	3.37	2.4
Total	3 614.9	100.0	5.42	2.4

Source: Western Cape Provincial Treasury calculations based on Quantec Research data, 2007

The most important manufacturing sub-sector is the food, beverages and tobacco sub-sector (34,3%). This is as expected given the importance of agriculture in the region. The second largest sub-sector, petroleum products, chemicals, rubber and plastic (14,3%) continues to grow steadily at 5,1 %. The faster growing sub-sectors are, however, the transport equipment sub-sector (22,8%) and the Other non-metal mineral products sub-sector, which grew at 18,5 % in 2004/05.



Overberg DM Manufacturing sub-sector contributions to GDP, 2005

	GDP, 2005, Rm	Percentage contribution per sector, 2005	Growth 2004 - 2005	Percentage contribution to WC sectors, 2005
Industry				
MA: Total Manufacturing	526.4	100.0	5.11	1.9
I05: Food, beverages and tobacco	180.3	34.3	1.75	3.4
I06: Textiles, clothing and leather goods	10.0	1.9	5.41	0.4
I07: Wood and paper; publishing and printing	53.0	10.1	1.90	1.0
I08: Petroleum products, chemicals, rubber and plastic	75.4	14.3	5.10	1.9
I09: Other non-metal mineral products	23.5	4.5	18.47	2.6
I10: Metals, metal products, machinery and equipment	70.4	13.4	3.05	1.8
I11: Electrical machinery and apparatus	27.3	5.2	9.54	3.9
I12: Radio, TV, instruments, watches and clocks	18.1	3.4	8.17	4.6
I13: Transport equipment	19.2	3.7	22.79	1.3
I14: Furniture and other manufacturing	49.1	9.3	9.49	2.0

Source: Western Cape Provincial Treasury calculations based on Quantec Research data, 2007

Overberg District Municipality's role in economic development

The new Council for Overberg District Municipality has been constituted on 7 April 2006. On 1 July 2006 the integrated planning process for a new IDP for the Council cycle 2006 to 2011 commenced. As a point of departure Council decided to adopt the following national and provincial policies and guidelines, but on condition that this IDP will be tailor made it for the needs of the Overberg. National initiatives on economic development adopted, include:-

1. **Accelerated and Shared Growth Initiative of South Africa (ASGISA)** that has the ultimate objective to halve unemployment and poverty by 2014.
2. The **Ikapa Elihlumayo Guidelines** and the **Provincial Growth and Development Strategy (Green Paper)** of the Western Cape Province that sets the scene for district growth and development and a strong economic development focus.

In order to respond to the **Local Government Strategic Agenda, 2006 – 2011** Council also committed Overberg District Municipality to the following localized planned interventions:-



1. Municipal transformation and organizational development with specific reference to the restructuring of the district municipality and the establishment of a Shared Services component at a district level.
2. The provision of basic services to the best possible level, also with reference to infrastructure that can enhance economic growth.
3. Local economic development, with specific reference to the creation of a sound environment to stimulate development and investment.

ODM economic development projects

NATIONAL GOAL/OUTCOME	COUNCIL'S RESPONSE
1. Economic development	<ul style="list-style-type: none"> • Developing the Overberg as a <i>True Paradise and A Home For All</i> • Second Growth and Development Summit early 2007 • Further implementation of the District LED Strategy • Alignment with ASGISA in an effort to halve poverty and unemployment in the Overberg by 2014 • Specific focus on tourism development • Specific focus on commercialization of Bredasdorp Test Flight Centre • Specific focus on development or leasing of Council resorts, e.g. through establishment of Public Private Partnerships • Specific focus on small-scale business development • Specific focus on 2010 World Cup infrastructure development • Specific focus on job creation and poverty alleviation • Specific focus on capacity building for economic development • Specific focus on environmental management as joint responsibility of all municipalities and a non-negotiable factor in economic development • Specific focus on crime prevention as a joint responsibility of all municipalities and a non-negotiable element in economic development

Expanded Public Works Programmes (EPWP)

The EPWP is a labour intensive government initiative that has been in existence since 2004. The program is intended to provide the unemployed with skills to increase their



future employability and to reduce the level of poverty. The quality of reporting has since improved to such an extent that ODM are able to track the projects in which the programs are running by area and the sector of projects.

EPWP has been implemented in infrastructure, social and environmental sectors. The projects resulted in some form of financial injection to the beneficiaries which has improved the living conditions of these households.

The table below shows the inputs and outcomes of EPWP expenditure within the Overberg District. In 2004/05, just under R8,5 million was budgeted for EPWP programmes, with 41,6 per cent of the budget being spent on EPWP programmes through various departments, ranging from DWAF, DEAT to the Department of Transport and Public Works. 261 jobs were created, with an actual expenditure/job creation ratio of R13 545.

The latter ratio remains relatively large for the Overberg (corresponding figures for Overstrand range between R3 500 and R18 000, excluding MIG projects), ranging between R12 900 and R42 200 over the period under consideration.

Inputs and outcomes of EPWP expenditure within Overberg district

Year	Budget (including Professional Fees)	Expenditure 1 April to 31 December 2006	Jobs created	Proportion of budget spent	Actual exp/ jobs created ratio
2004/05	R 8,490,745	R 3,535,240	261	41.6	R 13,545
2005/06	R 71,476,900	R 38,048,583	2,673	53.2	R 14,234
2006/07	R 115,387,577	R 81,901,566	6,342	71.0	R 12,914
2006/07 (MIG)	R 3,035,173	R 3,035,173	72	100.0	R 42,155

Source: Provincial Treasury calculations based on EPWP data

The total budget for EPWP programmes has increased since 2004/05, with the 2006/07 budget (excluding MIG projects) amounted to nearly 13 and a half times the budget in 2004/05. Further, actual expenditure improved, with 71 per cent of the budget being spent. 6 342 job opportunities were created in 2006/07, with an actual expenditure/jobs created ratio of R12 914.

The Municipal Infrastructure Grant (MIG) EPWP expenditure budget for 2006/07 reached over R3 million, with the whole budget being spent, leading to the creation of 72 jobs, at the relatively high rate of R42 155 per employment opportunity.

Strategies to reach the goals

The district will achieve the set goals and outcomes through a number of inter-related strategies. These strategies, in context with the respective goals, are depicted in the following table:-



Goals and inter-related strategies

Economic development	E1	Sustainable environmental management based on bio-regional planning objectives and the introduction of principles thereof over a wide spectrum
	E2	Job creation by means of the eradication and control of alien vegetation
	E3	Rehabilitation of the natural and urban environment
	E4	Development of national parks and nature reserves
	E5	Promotion of bio-diversity conservation
	E6	District growth and development planning
	E7	Land Reform Strategy
	E8	Training and empowering people for economic participation
	E9	Development of individual smaller projects
	E10	Overberg Tourism : Tourism Development Strategy
	E11	Overberg Tourism: Tourism Marketing Strategy
	E12	District Crime Prevention Strategy

Overarching development goals

Looking at government's Local Government Strategic Agenda, 2006 – 2011 there are five specific areas that need special focus and attention in all integrated municipal planning. Table 30 depicts these goals and also shows how Council intends to answer on each one.

The table below shows all the strategies and projects regarding economic development incorporated in the IDP. Projects of PAWC Departments, Cape Nature Conservation and other institutions that are reflected in this list are appearing there for alignment purposes only and do not take away the responsibility of those institutions to conduct their own public participation and implementation processes.

ECONOMIC DEVELOPMENT: ENVIRONMENTAL MANAGEMENT BY ODM		
E1 – Sustainable environmental management based on bio-regional planning objectives and the introduction of principles thereof over a wide spectrum	E1.1	Management of SDF for Overberg District and SDF for Overberg District Management Area (DMA)
	E1.2	Revision of the SDF's of ODM and the DMA
	E1.3	Revision of SDF's of local municipalities on request
	E1.4	Establish partnerships in environmental management
	E1.5	Implementation of integrated environmental management principles within the formal and informal educational and training sectors
	E1.6	Managing the Technical Committee for the Kogelberg Biosphere Reserve
	E1.7	Development of more biospheres and/or Green Corridors



	E1.8	Development and adoption of rural property valuation and rates policy
E2 – Job creation by means of the eradication and control of alien vegetation	E2.1	<u>Eradication of alien vegetation, with special emphasize on job creation and training</u>
	E2.1.1	Eradication of alien vegetation in Tradouw's Pass
	E2.1.2	Eradication of alien vegetation and clean-up of Genadendal River
	E2.1.3	Eradication of alien vegetation in and around Greyton River
	E2.2	Clearing of road reserves, with special emphasize on job creation and training
	E2.3	Working for Fynbos (2006 Fire disaster project)
E3 – Rehabilitation of the natural and urban environment	E3.1	Rehabilitation pilot projects
	E3.2	Klein River alien plant clearing project
	E3.3	Junior Land care Project, Swellendam
	E3.4	Breede River Land care: Eradication of invasive alien plants (Water Hyacinths)
	E3.5	Hermitage Land care: Eradication of invasive alien plants – Riverbank rehabilitation
	E3.6	Nuwejaar Wetland Biosphere: Eradication of invasive alien plants
	E3.7	Junior Land care Project, Overstrand
	E3.8	Spanjaardskloof alien clearing
	ECONOMIC DEVELOPMENT: DEVELOPMENT OF NATIONAL PARKS AND NATURE RESERVES AND PROMOTION OF BIO-DIVERSITY CONSERVATION	
E4 – Development of national parks and nature reserves	E4.1	Expansion of the Whale Trail, De Hoop Nature Serve
	E4.2	Erection of Game Fence on De Hoop: Phase One
E5 – Promotion of bio-diversity conservation	E5.1	C.A.P.E. Agulhas Bio-diversity Initiative (ABI)
	E5.2	Blue Crane Conservation
ECONOMIC DEVELOPMENT: GROWTH AND DEVELOPMENT		
E6 – District growth and development planning	E6.1	Establishment and operation of Overberg Economic Development Board
	E6.2	Investigation into the use of strategic municipal property
	E6.3	Establishment of Youth Co-operations
	E6.4	Establishment and operation of Overberg Emerging Business Forum
	E6.5	Establishment and operation of District LED Officers Forum
	E6.6	Outward trade and investment missions
	E6.7	Identification and promotion of 8 lead projects
	E6.7.1	Lead Projects: Airport project (see B4.1)
	E6.7.2	Lead Projects: Flower Valley project
	E6.7.3	Lead Projects: Agri-Mega project
	E6.7.4	Lead Projects: Charcoal manufacturing
E6.7.5	Lead Projects: Bio-Diesel	
E7 – Land Reform Strategy	E7.1	Revision of Land Reform Strategy
	E7.2	Communication, marketing and information availability
	E7.3	Development of entrance programme



	E7.4	Land audit of all agricultural properties
	E7.5	Development of database for land reform and security of tenure (part of project E7.3)
	E7.6	Establishment of ESTA District Forum
	E7.7	Development of crisis mediation strategy
	E7.8	Establishment of partnerships for development support
	E7.9	Development of rural development strategy
E8 – Training and empowering people for economic participation	E8.1	SMME Development and Training
	E8.2	LLB training project for youth
	E8.3	Provision of limited seed funding
	E8.4	Hermanus Whale Festival: Identification of excellent crafters and products in the district and support for craft workshops and participants in specific areas
E9 – Development of individual smaller projects	E9.1	Elim Bakery, Backpackers and Restaurant Project
	E9.2	Rooibos Tea Project: Elim and Suurbraak
	E9.3	CAEDA: Multi-purpose Centre Project: Bredasdorp
	E9.4	Hlumani Beading Project (Grabouw)
	E9.5	African Farming Development Venture (Botrivier)
	E9.6	Fire Flowers Project
ECONOMIC DEVELOPMENT: TOURISM		
E10 – Overberg Tourism : Tourism Development Strategy	E10.1	Office operation and administration
	E10.2	Product Development Programme, inclusive of mentorship
	E10.3	In-service training
	E10.4	Local Tourism Bureau (LTB) Training
	E10.5	Amazing Overberg Race – Media awareness
	E10.6	Overberg Festival
	E10.7	Overberg Routes
	E10.8	Regional Info Pack
	E10.9	Tourism Training Programme
	E10.10	Tourism Help Desk Agents (THD's)
	E10.11	Relocation of Overberg Tourism Office to N2 development



STRATEGY	PROJECT NUMBER	PROJECT DESCRIPTION
E11 – Overberg Tourism: Tourism Marketing Strategy	E11.1	Getaway Show, Cape Town
	E11.2	Getaway Show, Johannesburg
	E11.3	Annual Indaba
	E11.4	Life Cycle Expo, Cape Town
	E11.5	Overberg Golf Day
	E11.6	Overberg Winter Marketing Campaign
	E11.7	Overberg Update
	E11.8	Overberg Website
	E11.9	Promotional material
	E11.10	Welcome Campaign
	E11.11	International marketing
	E11.12	Media Awareness Programme (To be linked with E11.5)
ECONOMIC DEVELOPMENT: CRIME PREVENTION		
E12 – District Crime Prevention Strategy	E12.1	Development of strategy and identification of projects
	E12.2	Develop and maintain Tourism Safety and Security Plan
	E12.3	Develop and maintain a Tourism Victim Support Programme
	E12.4	Develop and maintain effective awareness campaign
	E12.5	Identification of co-ordinator for Tourism Safety and ensuring an effective response capability
	E12.6	Perlemoen poaching

SECTOR ALIGNMENT: ECONOMIC DEVELOPMENT

Overberg District Municipality accepted its responsibility to enhance economic development.

Challenges, potential areas and other aspects of the district economy

Whilst the **Cape Agulhas** area has a well-diversified economy, with long-established manufacturing and agricultural and fishing sectors, the area has been characterized by a gradual shift away from agriculture towards a service orientated economy. Both the former mentioned sectors either shows decline or are growing very slowly. The coastal areas offer large tourism potential. Here the development of the Southernmost Tip of Africa as an international focal point on the African continent should be emphasized.

While unemployment is still relatively low in the area, low levels of formal education and job experience amongst the unemployed present a challenge for local socio-economic welfare. Employment opportunities in the agriculture sector have been



slowing down, thus adding a further challenge. The rate of unemployment amongst the youth is particularly high (32%).

The Cape Agulhas Municipality should focus on:-

- Unleashing its potential through infrastructure maintenance and by growing tourism-related sectors
- Unlocking the opportunities offered by the coastline
- Promoting Elim as a World Heritage Site that can encourage sustainable tourism in that town
- Unlocking municipal land for economic development
- Maximising the affect that the completed new tarred road between Bredasdorp and Gansbaai can have on the local economy

Overstrand remains one of the key strategic players in influencing the Overberg district's economic performance, given its huge contribution to economic development in the regional context. It contributed 31,3% of the GDPR in the Overberg. Between 1995 and 2004 the Overstrand economy grew by 3,4% per annum. This is faster than the district's average growth of 2,6%.

Most of the economic activity is presently occurring in Hermanus, but Gansbaai shows all the signs of fast growing economic activity. The completion of the Bredasdorp/Gansbaai junction road will also have a major impact in Gansbaai and surrounding areas.

The local economy is driven largely by the wholesale and retail trade sector, the catering and accommodation sector and the finance and business sector. However, whilst boasting a relative well-diversified economy the municipality faces major challenges to future development and long-term sustainability. The most important of these challenges are:-

- The combined impact of ageing key infrastructure and insufficient human and water resources
- Bulk infrastructure constraints
- Limited land for further housing and other developments due to the sensitive nature of the natural environment. This is the reason for the focus on Botrivier as possible industrial development axel for Overstrand
- High unemployment rate (21,7% on overall) outstripping employment creation

The tarring of the road between Caledon and Hermanus via the Hemel-en-Aarde valley can play a major role in boosting further economic development and the efficient mobility of people and goods.

From 1995 to 2004 the **Swellendam** municipal area recorded the second highest economic growth rate in the district, i.e. 3,2% per annum. In 2004 the largest economic sectors were agriculture, wholesale and retail trade, catering and



accommodation and manufacturing. Together with electricity and water the wholesale and retail and the catering and accommodation sectors were the fastest growing.

Despite a relatively fast growing and well-diversified economy the area and the municipality are also facing certain challenges. The most important of these are:-

- Marked unemployment amongst the youth and those with incomplete secondary education
- Employment creation is not keeping pace with the growth in the labour force
- A large portion of the area lies on land that can be described as Ruggens and which is in some instances very dry
- Ineffective delivery of services that can inhibit economic development
- A low-income base and a relatively small capital and operational budget
- Internal capacity problems within the municipality, e.g. the lack of a LED officer

In 2004 **Theewaterskloof** contributed 41% of the total GDP of the district, but despite this fact the area's economy grew at the slowest rate (i.e. 1,8% per annum in relation to the district average of 2,6%). This can be ascribed to the fact that the economy is predominantly agrarian.

The area is rich in natural resources like water resources and fertile soil. Tourism, forestry and agro processing are the key economic activities.

The major challenges that are facing the area are:-

- The work force has lower education levels than any other local municipality in the district, with 79% of workers having less than completed secondary education
- Lack of economic development strategies that are actually implemented
- Capacity constraints at both staff and financial levels
- A lack of diversification in economic activities and an over-reliance on agriculture and its downstream manufacturing activities for employment and growth. As agriculture is highly susceptible to climate changes and market behaviour this poses a risk
- Major challenges with regard to unemployment and poverty
- Backlogs in infrastructure maintenance and bulk infrastructure development that can inhibit development and investment spending in the area

The area has multiple economic development opportunities, e.g. the development of the airfield at Caledon into a "fly-in housing project", recreational and tourism opportunities on and around the Theewaterskloof Dam, etc. but the municipality needs planning beyond Project Consolidate to enhance and fully utilize the economic potential of the area.



Adopting and implementing a District Economic Development Strategy

In August 2005 the Overberg District Municipality became the first in the Western Cape to host a District Growth and Development Summit. At that occasion a District Economic Development Strategy was approved by all relevant role players and afterwards formally adopted by the previous Council. The new Council accepted the Strategy and continued with its implementation.

From the title of the strategy, i.e. "Working smarter – Developing together" it is evident that Council realizes that it can not enhance economic development solely through its own efforts. A strong partnership approach is thus followed by Council.

The intent of the strategy is to:-

- Increase local economic output
- Reduce unemployment
- Address the skewed ownership patterns of the local economy through initiatives such as broad-based black economic empowerment, community ownership and affirmative procurement
- Improve the global competitiveness of local industry in different sectors
- Improve the export potential of certain sectors in the district
- Include targeted social groups such as women, the youth and the disabled into local economic development initiatives, programmes and projects

Whilst Council has expressed their pro-poor bias it can not deter from their responsibility to also focus on the so-called First Economy as the primary driving engine of the regional economy and its abilities to also kick-start and promote a thriving Second Economy. The strategy focuses on both.

In focusing on the First Economy a District Economic Development Board had been established to deal with the needs of that economic grouping. Also as part of the focus it was decided to take on a certain number of so-called LED LEAD Projects with an investment value of R5 million and above for each (IDP projects E6.7.1 to E6.7.7). These projects are identified, funded and driven by the private sector and the LED Board.

On the side of the Second Economy an Emerging Business Forum had been established to create an organized and structured official voice for emerging business people or those who want to enter the economy. Here the focus is also on SMME training and empowering, the provision of limited seed funding to start certain projects and the development of individual smaller projects.

More growth and development Summits will be hosted by the new Council as part of the finalization process of the new IDP. As part of the exercise the District LED Strategy will also be revised and possible further projects developed. The revision



process should in particular pay attention to incorporating the ASGISA principles and approach into the strategy.

The district municipality was also the first to adopt its own Land Reform Strategy in 2004 and is now in a process of revising the strategy. The existing IDP projects were transferred to the new IDP.

The focus in tourism development is both on marketing the Overberg and its tourism products and also on development and specifically on the development and empowerment of new entrants into the industry. A large number of well-defined IDP projects give expression to the implementation of the two approaches.

Expanded Public Works Programmes (EPWP)

The EPWP is a labour intensive government initiative that has been in existence since 2004. The program is intended to provide the unemployed with skills to increase their future employability and to reduce the level of poverty. The quality of reporting has since improved to such an extent that ODM are able to track the projects in which the programs are running by area and the sector of projects.

EPWP has been implemented in infrastructure, social and environmental sectors. The projects resulted in some form of financial injection to the beneficiaries which has improved the living conditions of these households.

The table below shows the inputs and outcomes of EPWP expenditure within the Overberg District. In 2004/05, just under R8,5 million was budgeted for EPWP programmes, with 41,6 per cent of the budget being spent on EPWP programmes through various departments, ranging from DWAF, DEAT to the Department of Transport and Public Works. 261 jobs were created, with an actual expenditure/job creation ratio of R13 545.

The latter ratio remains relatively large for the Overberg (corresponding figures for Overstrand range between R3 500 and R18 000, excluding MIG projects), ranging between R12 900 and R42 200 over the period under consideration.

Inputs and outcomes of EPWP expenditure within Overberg district

Year	Budget (including Professional Fees)	Expenditure 1 April to 31 December 2006*	Jobs created	Proportion of budget spent	Actual exp/ jobs created ratio
2004/05	R 8,490,745	R 3,535,240	261	41,6	R 13,545
2005/06	R 71,476,900	R 38,048,583	2,673	53,2	R 14,234
2006/07	R 115,387,577	R 81,901,506	6,342	71,0	R 12,914
2006/07 (MIG)	R 3,035,173	R 3,035,173	72	100,0	R 42,155

Source: Provincial Treasury calculations based on EPWP data



The total budget for EPWP programmes has increased since 2004/05, with the 2006/07 budget (excluding MIG projects) amounted to nearly 13 and a half times the budget in 2004/05. Further, actual expenditure improved, with 71 per cent of the budget being spent. 6 342 job opportunities were created in 2006/07, with an actual expenditure/jobs created ratio of R12 914.

The Municipal Infrastructure Grant (MIG) EPWP expenditure budget for 2006/07 reached over R3 million, with the whole budget being spent, leading to the creation of 72 jobs, at the relatively high rate of R42 155 per employment opportunity.

Funding regime

Since its inception up to and including the current financial year Council has voted R3,8 million for the implementation of the District LED Strategy and a further R1 million per annum for tourism development. A large percentage of funding was received from development partners and prime business.

