

WEST COAST DISTRICT MUNICIPALITY

DRAFT ANNUAL REPORT 2011 / 2012



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CHAPTER 1 – MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: EXECUTIVE MAYOR OVERVIEW

MAYOR'S FOREWORD

A quality destination of choice by means of an open opportunity society. With this strategic vision in mind, the executive and council of the West Coast District Municipality set about their business of maximising the diverse opportunity and potential of the region for the communities of the West Coast and beyond. Thus it was the culmination of a process which started off with laying the new vision and expectations, conducting a process of strategic planning and engagement and formulating a new vision, mission and strategic objectives for the organisation for the new term of government.

The visioning process was driven with a keen sense and methodology of alignment with the national and provincial development imperatives, although being cognisant of the developmental priorities, issues and challenges that our communities are faced with.

Practical steps had to be taken in order to position ourselves best in achieving the vision, including an organisational re-design to align the organisational structure to the objectives, and a 'return' to the core legislative mandate and functions of a district municipality.

This was duly communicated through engagement with our key public stakeholders and clients, for an agreement on focusing on what the district municipality does best, and strengthening our facilitative role with respect to other functional issues that should be best addressed by the responsible government sphere.

Our focus and commitment remains with providing essential bulk services to enable both quality of life for our citizens and in so doing, creating the enabling infrastructure for economic development to prosper in the region.

Although most of the work is done in consultation and partnership, formal partnership agreements exist around fire services, tourism, and shared services to name but a few, and a region wide partnership has been initiated between business and local government to drive the economic development agenda in the region.

In conclusion it has to be noted that now of the achievements would have been possible without the individual and collective contribution of the personnel of the West Coast District Municipality, and without the support and co-operation of our public stakeholders.

EXECUTIVE MAYOR: CLLR JH CLEOPHAS



COMPONENT B: EXECUTIVE SUMMARY

1.1 MUNICIPAL MANAGERS OVERVIEW

The Annual Report 2011/2012 demonstrates the municipality's ability to report on all aspects of performance for the aforementioned period and serves as a key record revealing the continuation of service delivery and performance of the West Coast DM.

It is a privilege to report that West Coast District Municipality has received a clean audit opinion from the Auditor-General for the 2010/2011 financial year. This is indeed an achievement to be proud of and is the result of teamwork by Councillors, the Audit Committee and all employees.

The Municipality conducts its business in an open, transparent and accountable manner that is conducive to good financial management.

In its endeavour to continuously improve levels of service delivery within the region, the District Municipality has strengthened its process of planning strategically and setting measurable objectives and targets through its Performance Management System. This system which has been replicated almost throughout the region in part through the DM, seeks to measure the organizational performance as well as gradually starting to measure the contributions of all employees towards reaching the organisation's goals and in so doing, measure the levels of how services are being delivered to the communities of the West Coast.

It is clear that much progress has been made and the evidence of improvement of our efforts demonstrates this. We will monitor progress in all areas of the organization and explore opportunities for improvement. Both now and in the future, West Coast residents can be confident that the West Coast District Municipality is steadfast and focused on improving outcomes and delivering value for money services.

I would like to commend and thank the Executive Mayor and Mayoral Committee, Speaker, Council and officials for their support and continued commitment to West Coast District Municipality.

MUNICIPAL MANAGER: MR HF PRINS



1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

The West Coast District Municipality, a category C municipality comprises of five local municipalities. The District covers an area 31 099 km² (31 124.24km²)¹. Statistics South Africa (2001) estimated the population of the entire West Coast region at 282 671.

With the redetermination of the boundaries by the Municipal Demarcation Board, the District Management Area (DMA) was incorporated into the local municipalities such as Matzikama, Cederberg and Saldanha Bay with effect from 1 July 2011.

Algeria was incorporated into the Cederberg Municipality, the West Coast National Park into Saldanhabay Municipality and Bitterfontein, Rietpoort, Kliprand, Stofkraal, Putsekloof, Nuwerus, Kleinhoek, Samsamhoek and Molsvlei into Matzikama Municipality.

Table 1 Western Cape Population Numbers and Projections by Local Municipality

	West Coast District	Matzikama	Cederberg	Bergrivier	Saldanha Bay	Swartland	West Coast DMA
2001	282 672	50 207	39 320	46 330	70 439	72 118	4 255
2007	286 748	46 361	31 944	44 740	78 979	77 522	7 200
2010	291 314	44 331	28 429	43 874	84 250	80 754	9 676

Source: Statistics South Africa Census 2001, Community Survey 2007; Western Cape Department of Social Development Population Projections, 2010



West Coast District Municipality at a glance

Population	2001	2007	2011
Total number	282 673	286 746	258 974
Percentage share	2001	2007	
African	9.8	9	
Coloured	72.4	71.6	
Indian/Asian	0.3	0.3	
White	17.5	9.1	
Socio-economic indicators			
Education			2007
Literacy rate			76.1%
Health			2010
Number of Primary Health Care Facilities 2010 - 26 Clinics, 24 Satellite clinics, 19 mobile clinics, 7 district hospitals			76
Immunisation rate			101.2%
Crime (numbers)	2008/09	2009/10	2010/11
Murder	109	114	110
Total sexual crimes	540	624	584
Drug related crimes	3 356	3 720	4 216
Poverty levels			2010
Number of indigent households - 2010			14 394
Unemployment rate	15.9%	15.5%	
Labour concentration (2007)			
Community, social and personal services (12.9%), Manufacturing (12.3%), Agriculture; hunting; forestry and fishing (27.9%)			
Access to housing and municipal services (Percentage share of households with access)			
	2001	2007	
Formal dwellings	85.5%	93.0%	
Informal dwellings	6.0%	5.2%	
Electricity for lighting	88.1%	95.7%	
Flush toilets (sewerage system)	85.5%	93.4%	
Piped water inside dwelling	70.2%	96.2%	
Refuse removal (by local authority at least once a week)	69.0%	83.7%	
Economy			
GDP-R - 2010			R10.261 billion
Average annual growth, 1999 - 2009			3.2%
Largest sector contributions to GDP-R in 2010			
- Finance, insurance, real estate and business services - 24.0%			
- Manufacturing - 18.0%			
- Agriculture; hunting; forestry and fishing - 15.0%			



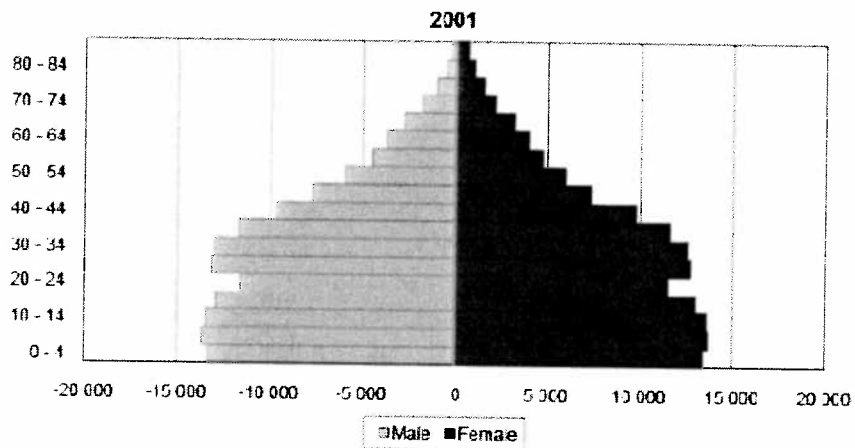
Table 2: West Coast District Municipality Population Groups

Population Group	2001	Percentage of Population 2001	Percentage of Population 2007
African	27 737	9.8	9.0
Coloured	204 628	72.4	71.6
Indian or Asian	856	0.3	0.3
White	49 450	17.5	19.1
Total	282 672	100.0	100.0

Source: Statistics South Africa, Census 2001 and Community Survey 2007

The population pyramids as reflected in Figures 2 and 3 shows the age and gender distributions of the West Coast District's population in 2001 and 2007. There does not appear to be any significant change in the shape of the pyramid.

Figure 2 Population Pyramid, 2001



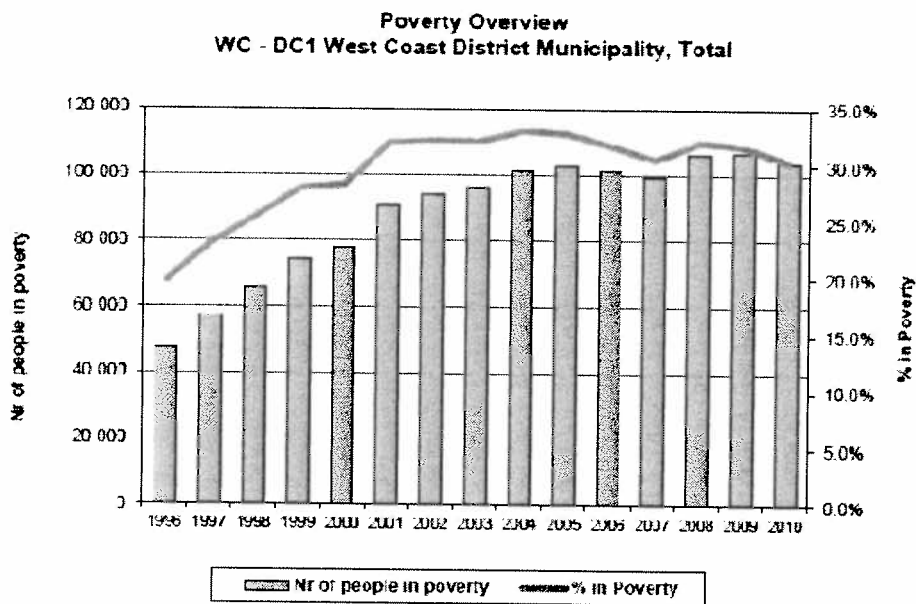
Source: Statistics South Africa, Census 2001



Figure 3 Population Pyramid, 2007



West Coast Poverty Overview



Source: Global Insight Regional Explorer, 2011

West Coast HIV Prevalence and Care



Municipalities	ART Patient Load; June 2010	ART Patient Load; June 2011	Number of Anti-Retroviral Treatment (ART) Sites; June 2010	Number of Anti-Retroviral Treatment (ART) Sites; June 2011	PCR test result - positive 2010/11	Accept PCR test 2010/11	HIV transmission rate of infants 2010/11
West Coast District	2 149	3 205	4	17	22	507	4
Matzikama Local Municipality	272	368	1	1	6	50	12
Cederberg Local Municipality	448	586	1	5	7	162	4
Bergrivier Local Municipality	0	253	0	9	3	34	9
Saldanha Bay Local Municipality	657	959	1	1	6	159	4
Swartland Local Municipality	772	1 039	1	1	0	101	0
West Coast DMA	0	0	0	0	0	1	0

Source: Western Cape Department of Health, 2010 and 2011

⁶ Based on 2011 population projection totals from the Demographics section above.



Comparison of Labour force across the Local Municipalities in the West Coast District

Municipalities	Labour force	Percentage of district labour force	Employed	Percentage of district employed	Unemployed	Percentage of district unem-ployed	Unemploy-ment rate (Percentage)
Matzikama	20 803	16.0	16 677	15.1	4 186	20.7	20.7
Cederberg	14 655	11.3	13 309	12.1	1 346	6.7	9.2
Bergriver	19 393	14.9	17 332	15.8	2 061	10.2	10.6
Saldanha Bay	38 098	29.3	31 268	28.5	6 830	33.8	17.9
Swartland	34 325	26.4	29 182	26.6	5 143	25.4	15.0
West Coast DMA	2 703	2.1	2 059	1.9	644	3.2	23.8
West Coast District*	129 979	100.0	109 769	100.0	20 210	100.0	15.5

* Weighting of data leads to the introduction of decimal fractions. These fractions have been rounded to whole numbers. The sum of the separate numbers may therefore differ slightly from the totals given. A similar effect can be seen with the percentages, which are rounded to one decimal place, and therefore might not always total 100.

Source: Statistics South Africa, Community Survey 2007

Characteristics of the Unemployed

West Coast District	Unemployment rate within group	Percentage share of the labour force	Percentage share of unemployed
Gender			
Male	13.2	56.3	47.8
Female	18.6	43.7	52.2
Population group			
African	25.8	10.6	17.6
Coloured	17.0	70.4	76.9
Indian or Asian	8.0	0.2	0.1
White	4.4	18.7	5.3
Age			
15 - 19	51.6	6.0	20.0
20 - 24	27.2	13.9	24.3
25 - 34	15.2	29.7	28.9
35 - 44	10.1	27.6	17.9
45 - 54	7.2	16.4	7.6
55 - 65	3.0	6.5	1.3

Source: StatsSA, Community Survey 2007



The West Coast District in 2009 reportedly had 78489 households with a household density of 2.52sq.km and an average size (number of people) of 3.74; in comparison to the national household density which stood at 10.59 per sq.km and average household size of 3.81.

Code	Local Municipality	Headquarters
WC013	Bergrivier Municipality	Piketberg
WC012	Cederberg Municipality	Clanwilliam
WC011	Matzikama Municipality	Vredendal
WC014	Saldanha Bay Municipality	Vredenburg
WC015	Swartland Municipality	Malmesbury



SERVICE DELIVERY OVERVIEW

1.3 INTRODUCTION

The West Coast District Municipality is responsible for the delivery of basic services in terms of bulk water provision to local municipalities, maintenance of provincial roads on an agency basis for the Western Cape Department of Transport and Public Works and for spatial planning and planning on a regional basis. No households are provided with basic services by the District Municipality.

Access to water in the West Coast District 2001-2007

Water source	Census 2001	Per cent share of households 2001	Community survey 2007 estimates	Per cent share of households 2007	Average annual growth 2001 - 2007
Piped water inside the dwelling	53 438	69%	66 275	87%	4%
Piped water inside the yard	16 117	21%	7 191	9%	-13%
Piped water from outside the yard	6 497	8%	1 768	2%	-20%
Other	1 618	2%	991	1%	-8%
Total	77 670	100%	76 225	100%	0%

Source: StatsSA, Community Survey 2007

Main type of Energy source used for lightning

Energy sources	Census 2001	% share of households 2001	Community survey 2007 estimates	% share of households 2007	Average annual growth 2001 - 2007 %
Electricity	68 442	88.1%	72 956	95.7%	1.1%
Gas	186	0.2%	242	0.3%	4.5%
Paraffin	1 858	2.4%	616	0.8%	15.8%
Candles	6 826	8.8%	2 098	2.8%	-17.9%
Solar	66	0.1%	19	0.0%	-13.7%
Other	290	0.4%	293	0.4%	0.2%
Total	77 668	100.0%	76 224	100.0%	-0.3%

Source: Statistics South Africa, Census 2001 and Community Survey 2007



Household sanitation facilities

Toilet facilities	2001	% share of households 2001	2007	% share of households 2007	Average annual growth 2001 - 2007
Flush toilet (connected to sewerage system)	54 161	69.7%	66 280	86.9%	3.4%
Flush toilet (with septic tank)	12 270	15.8%	4 953	6.5%	-14.0%
Dry toilet facility	0	0.0%	368	0.5%	N/A
Pit toilet with ventilation	1 448	1.9%	205	0.3%	-27.8%
Pit toilet with out ventilation	1 225	1.6%	636	0.8%	
Chemical toilet	499	0.6%	38	0.0%	-34.6%
Bucket toilet system	2 615	3.4%	1 451	1.9%	-9.4%
None	5 444	7.0%	2 294	3.0%	-13.4%
Total	77 669	100.0%	76 244	100.0%	-0.3%

Source: Statistics South Africa, Census 2001 and Community Survey 2007

Main Source of Refuse Removal Services 2001 and 2007

Refuse Removal	Census 2001	% share of households 2001	Community survey 2007 estimates	% share of households 2007	Average annual growth 2001 - 2007 %
Removed by local authority at least once a week	53 558	69.0%	63 763	82.1%	2.9%
Removed by local authority less often	376	0.5%	389	0.5%	0.6%
Communal refuse dump	2 294	3.0%	2 096	2.7%	-1.5%
Own refuse dump	20 942	27.0%	8 180	10.5%	-14.5%
No rubbish disposal	500	0.6%	1 074	1.4%	13.6%
Other	0	0.0%	721	0.9%	N/A
Total	77 670	100.0%	76 224	98.1%	-0.3%

Source: Statistics South Africa, Census 2001 and Community Survey 2007



1.4 FINANCIAL HEALTH OVERVIEW

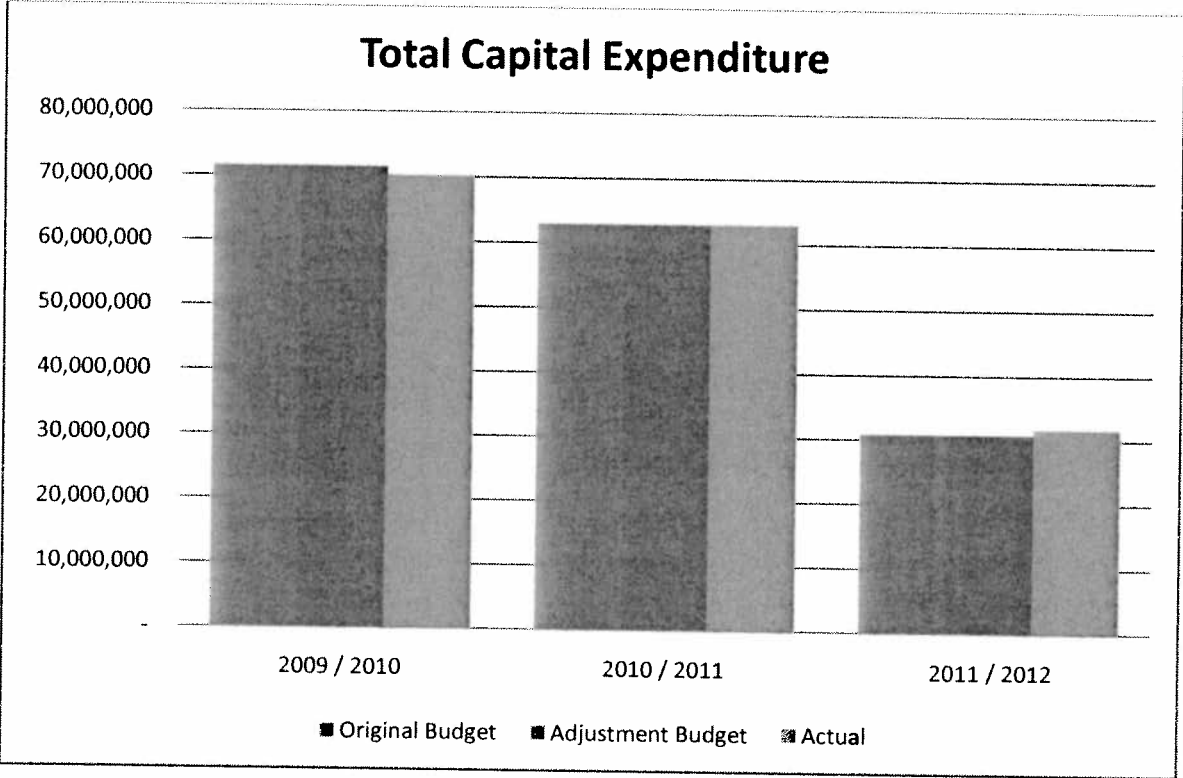
Introduction

Financial Overview 2011 / 2012			
R' 000			
Details	Original budget	Adjustment Budget	Actual
Income			
Grants	73	86	78
Taxes, Levies and tariffs	77	77	82
Other	79	85	84
Sub Total	229	248	244
Less Expenditure	273	292	275
Net Surplus / (Deficit)	(44)	(44)	(31)
T1.4.2			

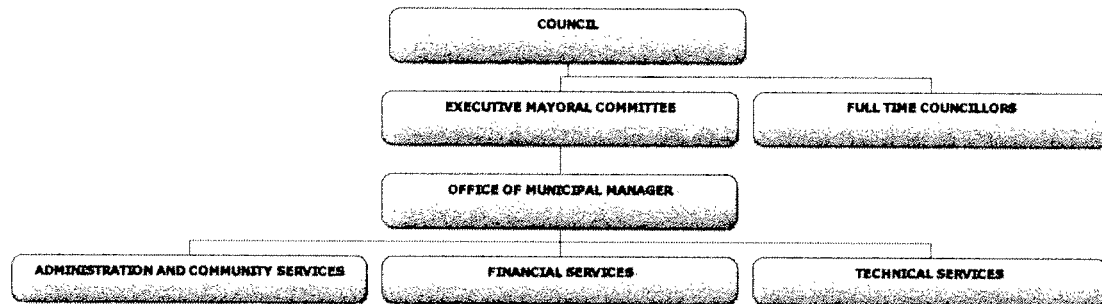
Operating Ratios	
Detail	%
Employee Cost	25%
Repairs & Maintenance	8%
Finance Charges & Depreciation	11%
T1.4.3	

Total Capital Expenditure: Year -1 to Year 1			
R'000			
Detail	2009 / 2010	2010 / 2011	2011 / 2012
Original Budget	71,494,400	62,935,130	30,810,300
Adjustment Budget	71,494,400	62,935,130	30,810,300
Actual	70,189,260	62,964,873	31,671,142
T1.4.4			





1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW



The District Municipality's macro-organisational structure constitutes the Council's policy according to which the micro-organisational structure had been developed. The District Municipality consists of three departments with their respective division as well as the Office of the Municipal Manager. The three departments report to the Municipal Manager.

It is as follows:

(a) **Office of the Municipal Manager**

- Human Resources
- Internal Auditing
- Strategic Services
- Social and Community Development
- Tourism

(b) **Department: Administration and Community Services**

- Administration
- Municipal Environmental Health
- Municipal Environmental Integrity
- Disaster Management
- Fire Services
- Public Relations

(c) **Department: Financial Services**

- Financial Management and Control
- Income
- Expenditure
- Supply Chain Management
- Information Technology
- Ganzekraal Resort

(d) **Department: Technical Services**

- Town and Regional Planning
- Roads Construction and Maintenance
- Mechanical Workshops
- Water Purification
- Water Distribution
- Civil Engineering Projects



The respective departments are responsible for the following functions:

- (a) **Office of the Municipal Manager**
- Human Resource Development
 - Occupational Health and Safety
 - Training and Development
 - Employment Equity
 - Employment Assistance Programme
 - Organisational and Workstudy
 - Labour Relations
 - Internal Auditing
 - Internal Audit Risk Management
 - Strategic Management
 - Strategic Programmes
 - IDP/LED
 - Social and Community Development
 - Tourism Marketing and Development
- (b) **Department: Administration and Community Services**
- Archive services
 - Secretariat services
 - Public Relations
 - Legal Support services
 - Reprographic services
 - Cleaning services
 - Municipal Environmental Health
 - Air Quality Control
 - Environmental Integrity
 - Fire and Rescue services
 - Disaster Management
 - Administrative support services
- (c) **Department: Financial Services**
- Financial Statements
 - Budget Control
 - Information Technology
 - Revenue (Income)
 - Expenditure Control
 - Supply Chain Management
 - Asset control
 - Resort management
- (d) **Department: Technical Services**
- Construction of Roads
 - Maintenance of Roads
 - Water purification
 - Bulk water supply
 - Building maintenance
 - Town and Regional Planning
 - Mechanical workshops
 - Project management
 - Technical support



**REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL PARLIAMENT
AND THE COUNCIL ON WEST COAST DISTRICT MUNICIPALITY**

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the West Coast District Municipality, which comprise the statement of financial position as at 30 June 2011 and the 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 information, as set out on pages 3 to 58.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Local Government: Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA), and the Division of Revenue Act of South Africa, 2010 (Act No. 1 of 2010) (DoRA), and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 and section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and *General Notice 1111 of 2010* issued in *Government Gazette 33872 of 15 December 2010*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.



Opinion

7. In my opinion, the financial statements present fairly, in all material respects, the financial position of the West Coast District Municipality as at 30 June 2011, and its financial performance and cash flows for the year then ended in accordance with SA Standards of GRAP and the requirements of the MFMA and DoRA.

Emphasis of matters

8. I draw attention to the matters below. My opinion is not modified in respect of these matters:

Restatement of corresponding figures

9. As disclosed in note 26 to the financial statements, the corresponding figures for 30 June 2010 have been restated as a result of errors discovered during the 2010-11 financial year in the financial statements of the West Coast District Municipality at, and for the year ended, 30 June 2010.

Material losses

10. As disclosed in note 44 to the financial statements the municipality incurred water losses amounting to R2 852 653 (11,68%) during the year under review (2009-10: R1 767 139 (7,75%)).

Disestablishment of the district management areas (DMA)

11. As disclosed in note 47 to the financial statements, the DMAs are being disestablished and are to be incorporated in superseding municipalities with effect from 1 July 2011.

Additional matter

12. I draw attention to the matter below. My opinion is not modified in respect of this matter:

Material Inconsistencies in other information included in the annual report

13. No material inconsistencies between the draft annual report and financial statements were identified. The final printer's proof of the annual report will be reviewed and any material inconsistencies then identified will be communicated to management. Should the inconsistencies not be corrected, it may result in the matter being included in the audit report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

14. In accordance with the PAA and in terms of *General notice 1111 of 2010*, issued in *Government Gazette 33872 of 15 December 2010*, I include below my findings on the annual performance report as set out on pages xx to xx and material non-compliance with laws and regulations applicable to the municipality.

Predetermined objectives

15. There are no material findings on the annual performance report.

Compliance with laws and regulations

16. There are no findings concerning material non-compliance with laws and regulations applicable to the municipality.



INTERNAL CONTROL

17. In accordance with the PAA and in terms of *General notice 1111 of 2010*, issued in *Government Gazette 33872 of 15 December 2010*, I considered internal control relevant to my audit, but not for the purpose of expressing an opinion on the effectiveness of internal control. There are no significant deficiencies in internal control that could have resulted in a qualification of the auditor's opinion on the financial statements, findings on predetermined objectives and material non-compliance with laws and regulations.

Auditor - General
Cape Town

30 November 2011



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence



1.7 STATUTORY ANNUAL REPORT PROCESS

No	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period.	August
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise 4 th quarter Report for previous financial year	
4	Submit draft 2011/12 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	November
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General.	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General assesses draft Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor-General's Report	
14	Audited Annual Report is made public and representation is invited	December
15	Oversight Committee assesses Annual Report	January / February
16	Council adopts Oversight report	
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	January / February
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input.	

COMMENT ON THE ANNUAL REPORT PROCESS

A copy of the Draft Annual Report 2011/2012 in the new format as prescribed by Treasury Circular Mun No. 30/2012 was submitted to Management and the Auditor-General on the 25th July 2012 for scrutinisation

In terms of the Municipal Systems Act, municipalities are required to prepare organizational performance management system that must be linked to the IDP. The IDP sets out what the municipality aims to accomplish,



and PMS enables the municipality to check to what extent it is achieving its aims. The budget provides the resources that the municipality will use to achieve its aims.



CHAPTER 2: GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1 POLITICAL GOVERNANCE

Overview to indicate how comprehensive political oversight is within the municipality currently.

As committee members have, or are able to, develop specialised skills, the quality of the work done by committees is potentially of a higher standard than larger structures. A committee's composition is normally representative of all of the political parties

Sections 79 and 80 create non-executive and executive committees: Section 79 committees are non-executive committees that may be established for the effective and efficient performance of any of a municipal council's functions, or the exercise of any of its powers, provided that the municipal council determines the functions of a committee and delegates duties and powers to it. The council must appoint the chairperson, and may authorise a committee to co-opt advisory members who are not members of the council within the limits determined by the council. The council may also determine a committee's procedure.

Section 80 committees are provided for to assist the executive committee or executive mayor. If a municipal council has an executive committee or executive mayor, it may appoint, in terms of section 79, committees of councillors to assist the executive committee or executive mayor. Such committees may not in number exceed the number of members of the executive committee or mayoral committee. The executive committee or executive mayor appoints a chairperson for each committee from the executive committee or mayoral committee, and may delegate any powers and duties of the executive committee or executive mayor to the committee. Section 80 committees must report to the executive committee or executive mayor in accordance with the directions of the executive committee or executive mayor.

Oversight Committee

The Oversight Committee at the West Coast DM is established in terms of Section 79 of the Municipal Structures Act. Only non-executive members serve on the Oversight Committee.

The composition of the Oversight Committee follows the MFMA Circular 32 guidance on the oversight process when considering the Annual Report and producing the Oversight Report.

The Oversight committee could be responsible for the detailed analysis and review of the annual report and then drafting an oversight report that may be taken to full council for discussion. Such a committee may receive and review made by the public and also seeks inputs from other councillors and council portfolio committees.

Municipalities should take into account all costs of the various mechanisms (oversight committee and other meetings) for reviewing the annual report and preparing an oversight report – the cost needs to be balanced against the need for transparency, good governance practice and accountability, the capacity of the municipality and the need for an effective process within the time allowed.

Audit Committee

Section 166 (1) of the Municipal Finance Management Act, Act 56 of 2003 (MFMA) states *"that each municipality or municipal entity must have an Audit Committee"* and Section 166(4) (a) of the MFMA that *"an Audit Committee must consist of at least three persons with appropriate experience"* The Audit Committee is an independent advisory body and currently consists of five members that are appointed by the Council. With



reference to the West Coast District Municipality Audit Charter the Committee assist the Council by providing inputs to ensure effective systems that complement service delivery, safeguarding of municipal assets the maintenance of financial records, risk management, corporate governance and an effective internal control system. The Audit Committee also investigates matters within the scope of the Committee's duties if referred to by Council or the Municipal Manager.

Provides independent specialist advice on financial performance, efficiency and effectiveness, performance management and compliance with legislation

MEMBERS OF THE EXECUTIVE MAYORAL COMMITTEE



Executive Mayor: Cllr JH Cleophas







Speaker: Cllr A Kruger



Executive Deputy-Mayor: Ald JJ Josephus

Members of the Executive Mayoral Committee

	
Cllr AP Mouton Chairperson: Portfolio Committee: Finance	Cllr M Koen Chairperson: Portfolio Committee: Corporate Services

	
Cllr IF Julies Chairperson: Portfolio Committee: Social and Economic Development	Cllr BJ Stanley Chairperson: Portfolio Committee: Technical Services



FUNCTION: EXECUTIVE AUTHORITY AND COUNCIL

The West Coast District Municipality consists of 24 councillors of which 40% have been directly elected (proportional). 60 % of the remaining representation is members who have been elected from the municipalities with the district municipality's area of jurisdiction.

The 60% are representatives from the following municipalities:

Swartland Municipality	4 representatives
Cederberg Municipality	2 representatives
Bergrivier Municipality	2 representatives
Saldanha Bay Municipality	4 representatives
Matzikama Municipality	2 representatives

The Mayoral Committee is comprised of the chairs of the respective portfolio committees which have been established in terms of Section 80 of the Local Government: Municipal Structures Act (117 of 1998).

Mayor	Cllr JH Cleophas
Deputy Mayor	Ald JJ Josephus
Speaker	Cllr A Kruger

The Section 80 committees advise and make recommendations to the Executive Mayoral Committee and Council.

The following Section 80 committees have been established and the chairs of these committees are as follows:

Portfolio Committee: Corporate Services	Cllr M Koen
Portfolio Committee: Finance	Cllr AP Mouton
Portfolio Committee: Community Services, Social and Economic Development	Cllr I Julies
Portfolio Committee: Technical Services	Cllr B Stanley

The Council meets once per quarter and the Council has also delegated all powers and functions (except those functions which according to law cannot be delegated) to the Executive Mayor. In this way, effective service delivery can be accelerated.



Members of the Council are as follows:

Speaker	Cllr A Kruger	DA	Saldanhabay Municipality
Executive Mayor	Cllr JH Cleophas	DA	Swartland Municipality
Executive Mayoral Committee	Ald JJ Josephus	DA	West Coast District Municipality
Executive Mayoral Committee	Cllr M Koen	DA	West Coast District Municipality
Executive Mayoral Committee	Cllr AP Mouton	DA	West Coast District Municipality
Executive Mayoral Committee	Cllr IF Julies	DA	Matzikama Municipality
Executive Mayoral Committee	Cllr BJ Stanley	DA	Swartland Municipality
Councillors			
Cllr J Swart	ANC		West Coast District Municipality
Cllr R Skei	ANC		West Coast District Municipality
Cllr C Ovies	ANC		West Coast District Municipality
Cllr NG Delport	ANC		West Coast District Municipality
Cllr CH Heyns	DA		West Coast District Municipality
Cllr WD Loff	DA		West Coast District Municipality
Cllr MR Smit	DA		West Coast District Municipality
Cllr CJ Snyders	DA		Bergrivier Municipality
Cllr SR Claasen	ANC		Bergrivier Municipality
Cllr J Barnard	DA		Cederberg Municipality
Cllr JJ Fransman	ANC		Cederberg Municipality
Cllr EL Mqingi	ANC		Matzikama Municipality
Cllr JJ Cillie	DA		Saldanhabay Municipality
Cllr ST Vries	DA		Saldanhabay Municipality
Ald NV Mgoqi	ANC		Saldanhabay Municipality
Ald NJA Rust	DA		Swartland Municipality
Cllr NS Zatu	ANC		Swartland Municipality

Appendix A where a full list of Councillors can be found (including committee allocations and attendance at council meetings). **Appendix B** which sets out committees and committee purposes.



2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

In terms of Section 60(b) of the MFMA: The Municipal Manager of a municipality is the accounting officer of the municipality for the purposes of this Act and must provide guidance on compliance with this Act to political structures; political office bearers, and officials of the municipality and any entity under the sole or shared control of the municipality.

OFFICE OF THE MUNICIPAL MANAGER		
	 MUNICIPAL MANAGER: MR HF PRINS	
 DIRECTOR CORPORATE SERVICES: MR W MARKUS	 DIRECTOR FINANCE: MR J KOEKEMOER	 DIRECTOR: TECHNICALSERVICES MR IAB VAN DER WESTHUIZEN



COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

2.3 INTERGOVERNMENTAL RELATIONS

NATIONAL INTERGOVERNMENTAL STRUCTURES

Participation and agenda setting within district IGR fora is cascaded vertically by means of the District Municipality's participation in national fora. In this regard there is direct and indirect engagement with the following national fora: Presidents Co-ordinating Council, National Municipal Manager's forum, -IDP Managers forum, - LED Managers forum, the various SALGA National working groups, the national Public participation task team and others. The value added through engagements of these fora is the elevation of topical district and provincial level issues to be addressed at this level and the greater co-ordination that ensues.

PROVINCIAL INTERGOVERNMENTAL STRUCTURES

Likewise participation and agenda setting within district IGR fora is cascaded vertically by means of the District Municipality's participation in provincial fora. In this regard there is direct engagement with the following provincial fora: Premiers Co-ordinating Forum and Technical Committee, Western Cape Municipal Manager's forum, the Chief Financial Officers forum, Provincial IDP Managers forum, - LED Managers forum, the various SALGA Provincial working groups, the provincial Public participation forum and others. The value added through engagements of these fora is the elevation of topical local- and district level issues to be addressed at this level and the greater co-ordination that is ensues.

RELATIONSHIPS WITH MUNICIPAL ENTITIES

No Municipal Entities

DISTRICT INTERGOVERNMENTAL STRUCTURES

At the district level, participation and agenda setting is driven from the bottom-up guided with a focus on the regional development imperatives facing the district. This is also the agenda that is promoted to other IGR levels based on the topical issues emanating from the district and that could have a provincial or national effect. In this regard the following are operational at district level: District Co-ordinating Forum and Technical Committee (Municipal Managers Forum), IDP Co-ordinating Committee, Multi-Sectoral Forum, District Safety Forum, Disaster Management Advisory Forum, IDP LED Managers forum incorporating public participation, District Internal Auditors forum and others.

Engagement within these fora is enriched and strengthened by the regular bi-lateral engagements between district and local municipalities and with the respective provincial and national sector departments. This expedites transversal issues being addressed and service delivery blockages, constraints and opportunities being discussed



COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

In terms of Section S15 (b) MSA: requires a municipality to establish and organise its administration to facilitate and a culture of accountability amongst its staff. S16 (i): states that a municipality must develop a system of municipal governance that compliments formal representative governance with a system of participatory governance. S18 (i) (d): requires a municipality to supply its community with information concerning municipal governance, management and development

Comment on Public Accountability

Public participation, accountability and citizen engagement is achieved through a structured process of targeted public stakeholder engagement. This process is driven in conjunction with all the local municipalities in the district using a shared platform of public engagement at municipal level. This is further enhanced through the direct engagements with the local municipalities in the district. In this regard, priority issues emanating from the local municipality areas are incorporated into the strategic planning of the district municipality and where applicable, referred to the relevant sector department.

In addition hereto the district municipality also promotes and supports district wide public participation and mobilising civil society initiatives aimed at strengthening the functioning of ward structures throughout the region

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

Public accountability and participation practically takes the form of municipal wide engagements with public stakeholders in each of the municipal areas for the purposes of consultation regarding for example the IDP. These meetings are public and open to a variety of stakeholders to attend per municipal area and would be organised around the IDP consultation cycle. The use of the internet website, public advertisements and notifications is also strongly promoted.

WARD COMMITTEES

As the District Municipality does not have wards or ward committees directly resorting under it save for the 42 wards falling within its district shared jurisdictional area, the district municipality also promotes and supports district wide public participation and mobilising civil society initiatives aimed at strengthening the functioning of ward structures throughout the region.

COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD

The series of structured public stakeholder engagements in municipalities have yielded mutual understanding of the challenges, realities, issues and developmental priorities that both local government and the public meetings' representation are confronted with and has served to inform and communicate these aspects in a structured system of dialogue and engagement. Naturally the structured participation processes of IDP,



Budgeting and Performance target setting were also well served with the valuable inputs received during these sessions.

Public Meetings					
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community Members attending	Dates and manner of feedback given to community
B Municipal level engagements <ul style="list-style-type: none"> • Swartland • Matzikama • Bergrivier • Saldanha 	01 November 2011 09 November 2011 21 November 2011	Seven (7)	Five (5)		
IDP Coordinating Committee meetings (utilised for IDP process)	19 August 2011 18 November 2011 20 April 2012	Six (6) – WCDM Plus some councillors from B Municipalities	Twelve (12)		
IDP Indaba – West Coast (utilised for IDP process)	16 February 2012	0	Three (3)		



2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 Municipal Systems Act 2000	



COMPONENT D: CORPORATE GOVERNANCE

2.6 RISK MANAGEMENT

Section 62 (i) © of the MFMA requires a municipality to have and maintain an effective, efficient and transparent system of risk management

Risk Management

No organisation has the luxury of functioning in a risk free environment and public institutions are especially vulnerable to risks associated with fulfilling their mandate. Risk management provides assurance that risks have been identified, assessed, managed and monitored on a regular basis. The West Coast District Municipality have adopted a risk management policy and an implementation plan as a mechanism to assist the role players involved to proactively identify risks and provide effective controls to mitigate the risks. The Internal Audit Unit have been appointed to managed the risk management process

2.7 ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

Anti-corruption Strategy

The West Coast District Municipality has developed the following policy documents to prevent fraud, corruption and theft:

- Fraud Prevention Plan
- Whistle Blowing Policy

The documents provides assurance that West Coast District Municipality has a non-tolerance policy for fraudulent and corruption activities. This has led to a fraudulent and corruption free financial year for the West Coast District Municipality.

2.8 SUPPLY CHAIN MANAGEMENT (APPENDIX G)

West Coast District Municipality adopted and approved her SCM Policy on 14 December 2005.

An assessment of the Municipality's SCM policy was conducted by the Provincial Treasury in November 2010.

Recommendations were provided to the municipality in order to align the policy to the regulatory framework. The necessary amendments was made and the the amended policy was submitted to Provincial Treasury for scrutiny and to determine its consistency with the Supply Chain Management legislation.

The assessment of the amended SCM policy by Provincial Treasury was very satisfactory with minor recommendations. The reviewed SCM Policy was adopted by Council on 30 November 2011.

The West Coast District Municipality has established a SCM Unit in line with the SCM Policy

The SCM Manager reports directly to the Chief Financial Officer.

The calling of tenders is an integral part of SCM, as legislation compels public institutions to follow prescribed processes. A thorough knowledge of the different phases of SCM and accompanying procedures is therefore necessary to ensure that officials procure goods and services timeleously and according to the requested requirements.

The Accounting Officer has approved the various Bid Committees which is fully operational. The Municipality ensures that the SCM processes is fair, transparent, equitable, competitive and cost effective.



2.9 BY-LAWS

In terms of Note: MSA 2000 S11 (3) (m) provides municipal councils with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation

No By-Laws was published in the 2011/2012 Financial Year.

2.10 WEBSITES

Municipal Website : Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	Yes / No>	Notes
Current annual and adjustments budgets and all budget-related documents	Yes	
The previous annual report 2010/2011	Yes	
The annual report 2011/2012 published to be published		Date approved
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2008/09) and resulting scorecards	Yes	
All service delivery agreements (2011/12)	Yes	
All long-term borrowing contracts (2011/12)	Yes	
All supply chain management contracts above a prescribed value (give value) for 2011/2012	Yes	
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2011/2012	Yes	
Contracts agreed in 2008/09 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	Yes	
Public-private partnership agreements referred to in section 120 made in 2011/2012	Not applicable	
All quarterly reports tabled in the council in terms of section 52 (d) during 2011/2012	Yes	
Note: MFMA S75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery		

Comment Municipal Website Content and Access

The Website Committee was established in June 2011. The Committee ensures that all information as required in terms of Section 75 of the MFMA is available on the website.



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

COMPONENT A: BASIC SERVICES

INTRODUCTION

The West Coast District Municipality is responsible for the delivery of basic services in terms of bulk water provision to local municipalities, maintenance of provincial roads on an agency basis for the Western Cape Department of Transport and Public Works and for spatial planning and planning on a regional basis. No households are provided with basic services by the District Municipality.

3.1 WATER PROVISION

INTRODUCTION TO WATER PROVISION

The West Coast District Municipality (WCDM) is the bulk Water Services Provider for the southern West Coast region and provides potable water to 22 towns and 876 farms in the region through an extensive bulk distribution system.

The system consists of the Swartland Scheme in the south of the region and the Misverstand scheme in the north. The Swartland Scheme supplies bulk water from the Voëlvelei Dam via the Swartland Water Treatment Works to the towns of Hermon and Gouda in the Drakenstein Municipal area and to the towns of Riebeek West, Riebeek Kasteel, Malmesbury (including Chatsworth, Riverlands, Abbotsdale and Kalbaskraal), Darling, Yzerfontein, Moorreesburg and Koringberg in the Swartland Municipality.

The Misverstand Scheme supplies bulk water from the Misverstand Dam via the Withoogte Water Treatment Works to the towns of Velddrif and Dwarskroonbos in the Berg River Municipality and to Hopefield, Langebaan, Saldanha Bay, Vredenburg, Paternoster, St. Helena Bay, Stompneusbaai in the Saldanha Bay Municipality. The Misverstand Scheme is augmented with extraction from the Langebaan Road aquifer at Langebaan Road.

Blue Drop awards were received in 2011 for both these systems as well as for the Gouda system. WCDM also received awards for the fourth best blue drop performance nationally as well as for third best provincially.

The two systems are interlinked and operated as an integrated system. The current water allocation and demand, the future demand and shortfall for 2016 as well as the quantum of this additional temporary allocation for the system are as indicated in the table below :



Source	Current License	License No.	2010/2011 Abstraction	Growth rate	2016 Demand	2016 Shortfall	Additional Application
	m ³ /annum		m ³ /annum	%	m ³ /annum	m ³ /annum	m ³ /annum
Voëlvlei	4 200 000		6 636 187	2.8%	7 618 758	3 418 758	3 420 000
Misverstand	17 440 000		16 705 674	3.3%	19 650 138	2 210 138	2 220 000
Langebaan Road Aquifer	1 460 000		1 460 000	0,0%	1 460 000	0	
Total	23 100 000		24 801 861		28 728 896	5 628 896	

In order to ensure sustainable economic development in the West Coast region where especially Malmesbury and the Saldanha Bay area have been identified as high growth potential areas, the WCDM started with a comprehensive feasibility study in 2007 to identify a sustainable long term alternative water source for the region.

Various alternative sources and combinations thereof were evaluated and eventually a 25,5 Ml/day sea water desalination plant in the Saldanha Bay area was identified as the most cost beneficial alternative and partial funding for the project was obtained from the Regional Bulk infrastructure Grant (RBIG) programme from the Department of Water Affairs.

The planned project schedule for the development of the desalination plant is as follow:

July 2011 – December 2012 (18 months) : Location optimization of plant and EIA
 Jan 2013 – December 2013 (12 months) : Design and Tender
 Jan 2014–April 2014 (4 months) : Tender evaluation, adjudication, appointment and appeal period
 May 2014 – Dec 2015 (20 months) : Construction

COMMENT ON WATER USE BY SECTOR:

Bulk water is provided by WCDM to three local municipalities and 876 farms in the West Coast Region.

Financial Performance Year 1: Water Services					R'000
Details	2010 / 2011		2011 / 2012		Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue	76,682	80,029		83,033	0.04
Expenditure:					
Employees	13,792	19,257		20,293	0.05
Repairs and Maintenance	2,512	4,538		3,508	0.29
Other	46,957	50,476		54,444	0.07
Total Operational Expenditure	63,261	74,271		78,245	0.05
Net Operational Expenditure	(13,421)	(5,758)		(4,788)	0.20



Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T3.1.8



Capital Expenditure Year 1: Water Services					
R' 000					
Capital Projects	2011 / 2012				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	28,695	28,395	28,391	0.01	
Upgrade Pipelines	6,500	8,889	8,833	0.26	8,833
Sewerage	3,900				
Reservoirs	3,000	4,211	4,211	0.29	4,211
Pipelines	13,500	13,500	13,500		13,500
Flow Meters	200	200	317	0.37	317
Valves	1,500	1,500	1,449	0.04	1,449
Aircon	15	15	14	0.07	14
Computers	25	25	22	0.14	22
Lb. Equipment	35	35	35		35
Office Equipment	20	20	10	1.00	10
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

T3.1.9

WATER CONSUMPTION

Year	Quantity (kiloliters)			Losses	
	Raw water withdrawn	Purified water delivered	Water Sales	Purification	Distribution
2007/2008	23 766 881	22 213 488	21 162 772	6.54 %	4.73 %
2008/2009	24 585 837	23 083 499	21 790 185	6.11 %	5.60 %
2009/2010	24 315 601	22 769 765	22 076 522	6.36 %	3.04 %
2010/2011	24 314 294	22 777 941	21 496 174	6.32 %	5.63 %
2011/2012	25 205 808	23 692 176	22 490 474	6.01 %	5.07 %



PROGRESS REPORT – 2011/2012 CAPITAL PROJECTS – BULK WATER				
PROJECT	BUDGET	EXPENDITURE	% SPEND	COMPLETION DATE
PIPELINES (WCW 6 - Velddrif F3) (WCW11 - Swartland pipeline)	R 8,889,000	R 8,832,888.29	99.4%	30 Junie 2013 30 Junie 2012
VERGELEË RES. SYSTEM (WCW 5 - Vergeleë Res 15 MI) (WCW 6 - Velddrif F3)	R 4,211,000	R 4,211,000	100.0%	30 Mei 2012
SWARTLAND PIPELINES (WCW11 - Swartland pipeline)	R 13,500,000	R 13,500,000	100.0%	30 Junie 2013
FLOW METERS	R 200,000	R 316,658	158.3%	30 Junie 2012
VALVES	R 1,500,000	R 1,449,055	96.6%	30 Junie 2012
AIR-CONDITIONING : WATER	R 15,000	R 14,583	97.2%	30 Junie 2012
COMPUTERS & NETWORKS	R 25,000	R 21,895	87.6%	30 Junie 2012
LAB.. EQUIPMENT : WATER	R 35,000	R 34,556	98.7%	30 Junie 2012
OFFICE EQUIPMENT : WATER	R 20,000	R 9,660	48.3%	30 Junie 2012
TOTAAL	R 28,395,000	R 28,390,295	100.0%	

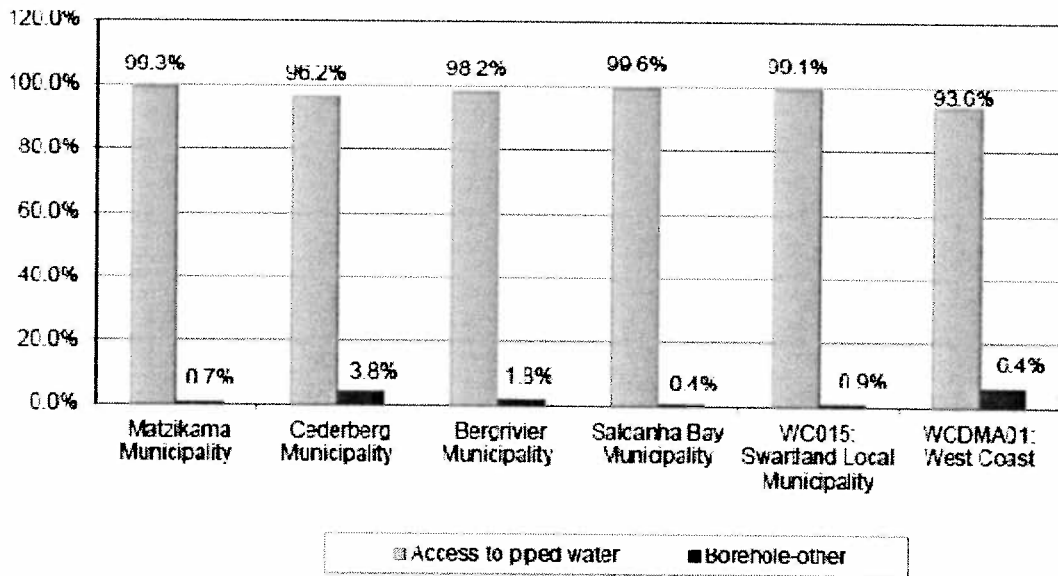


Access to Water in the West Coast District, 2001 and 2007

Water source	Census 2001	Per cent share of households 2001	Community survey 2007 estimates	Per cent share of households 2007	Average annual growth 2001 - 2007
Piped water inside the dwelling	53 438	69%	66 275	87%	4%
Piped water inside the yard	16 117	21%	7 191	9%	-13%
Piped water from outside the yard	6 497	8%	1 769	2%	-20%
Other	1 618	2%	391	1%	-8%
Total	77 670	100%	76 225	100%	0%

Source: StatsSA, Community Survey 2007

Access to Water in the West Coast District 2007, Percentage share comparison



Source: StatsSA, Community Survey 2007



3.2 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

The West Coast District Municipality consist of an Indigent Policy (District Management Area) which was transferred to Matzikama Municipality on 30 June 2011. Only 11 households were left at Withoogte Water Purification Plant. The Policy includes the following:

- Water 6 Kl (Maximum)
- Refuse
- Sewerage
- Electricity 100 Units
- Rates up to maximum valuation R50 000.00
- House Rental 67 % of Debt raised.

Free Basic Services to Low Income Households											
Number of Households											
Households earning less than R2,508 per month											
	Total	Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse			
		Total	Access	%	Access	%	Access	%	Access	%	
2009/10	921	371	371	100	253	100	921	100	500	100	
2010/11	921	438	438	100	241	100	921	100	529	100	
2011/12	88	11	11	100	11	100	88	100	11	100	

Financial Performance 2011/12: Cost to Municipal Services Delivered					
Services Delivered	2010/11	2011/2012			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	177,000	7	7	7	0%
Sanitation	115,000	5	5	5	0%
Electricity	707,000	8	8	8	0%
Refuse	180,000	4	4	4	0%
Total	1,179,000	24	24	24	0%



Financial Performance Year 1: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	2010 / 2011	2011 / 2012			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	177	7	-	7	0%
Waste Water (Sanitation)	115	5	-	5	0%
Electricity	707	8	-	8	0%
Refuse	180	4	-	4	0%
Total	1,179	24	-	24	0%
					T3.6.4



COMPONENT B: ROADS

3.3 ROADS

INTRODUCTION TO ROADS

The West Coast Region includes the local municipalities of Swartland, Saldanha Bay, Bergrivier, Cederberg and Matzikama. Roads in this area (excluding the N7 and municipal streets) are managed and maintained by the West Coast District on an agency basis for the Western Cape Department of Transport and Public Works. The total distance from these roads are 9957 km and is divided as follows: National Roads (367.61 km) Trunk Roads (430.72 km.), Main Roads (1 226.43 km.), Divisional Roads (1887,37 km.) and Minor Roads (5999.26 km.).

Funds for maintenance, rehabilitation, construction and reseal works are made available by the Provincial Government and amounted to R55,485 million. An additional R13,3 million was appropriated for reseal works on pre-identified roads.

The cooperation between the Provincial Government: Western Cape and the other municipalities is good and planning and regional meetings are well attended.

- All proclaimed roads in the West Coast region (excluding the N7 national route, some tarred roads and municipal streets) are maintained by the West Coast District on an agency basis for the Western Cape Department of Transport and Public Works.
- The total distance of the roads in the West Coast area is 10 097 km and are categorised for management purposes according to national criteria set by the Provincial Government as Trunk Roads, Main Roads, Divisional Roads and Minor Roads.
- All funds for the maintenance of these roads are provided by the Provincial Government and amounted to approximately R55 million for the 2011/2012 financial year.
- This budgeted amount is then allocated to the various types of roads maintenance works e.g. tar maintenance, gravel maintenance, signage, fencing, reseal works, regravelling works, repairing flood damage etc..
- Further funding is provided by the Provincial Government for tar and regravell works through contracts managed by Province themselves.
- In order for the available funds to be utilized optimally, a prioritization model is used that was developed by Dr. Francois Botes, a lecturer in Transportation Economics at the University of Stellenbosch.
- Using the model, all gravel roads are evaluated annually according to technical and developmental criteria and placed in priority order. The technical criteria used in the model include traffic volumes, thickness of the gravel layer, the general condition of the road and maintainability.
- Developmental criteria used are agriculture (e.g. employment and value added), tourism and social aspects (e.g. poverty levels).
- The regravelling of gravel roads are done according to this priority list to ensure that the available funds are optimally utilized.



- The main focus of the district municipality is the maintenance of gravel roads and the largest portion of the available budget is allocated to this.
- All gravel roads in the West Coast Region are divided into 14 blading wards which are maintained by ward blading teams according to a predetermined blading schedule.
- As required by legislation, an Integrated Transport Plan (2010 – 2015) that addresses all aspects of transportation in the West Coast Region was completed in 2010.

Gravel roads in the West Coast area are generally in a poor condition due to inadequate gravel layer thicknesses, but this problem is being addressed at present through additional funding that is made available for regravelling works and various contracts are underway in the region at present.

Replace the word "Tarred" with "Asphalt".

Key Performance Area	Performance target
Expenditure Payment of operating budget	R
Percentage of quarries rehabilitated within one year after use.	100%
Annual evaluation of gravel roads	1
Blade kilometers of gravel roads graded	14013 km.
Percentage of required monthly 250 hours service of trucks completed.	100%
Percentage of required monthly 250 hours service of graders completed	100%
Percentage of trucks roadworthy by area	100%

Below the Summary of the Roads Division

Type	Comment
<p>Regravelling</p> <p>The regravel prioritization model that was co-developed by WCDM are now being promoted at meetings and applied by other municipalities. The evaluation of gravel roads was done again, and suggestions regarding regravelling and rehabilitation work, was given to the Department of Transport. A large contract was launched and approximately 90 km of roads was regravelled. A lack of approved borrow pits remains a great concern and negatively affects service delivery and played a significant role in the delay of a regravel contract in the Graafwater area.</p>	<ol style="list-style-type: none"> 1. Main Road 544 (Clanwilliam – Klawer): km 0 to 10. 2. Divisional Road 2200 (Deurspring): km 1,3 – 2,4. 3. Divisional Road 2196 (Travellers Rest – Nardouwsberg): km 22,0 – 37,7. 4. Divisional Road 2171 (Aurora – Saamstaan): km 5,0 – 7,0. 5. Divisional Road 2162 (Kapteinskloof): km 8,0 – 12,0. 6. Main Road 228 (Moorreesburg - Darling): km 11,0 – 21,22. 7. Divisional Road 1156 (Burgerspan) : km 0 – 2,6. Gravel were also transported out from km 2,6 – 6,0. (Sincere thanks are extended to the public for their involvement.)
RESEAL WORKS	<ol style="list-style-type: none"> 1. Main Road 546 (Doringbaai – Strandfontein): km 18,62 – 37,8. 2. Main Road 544 (Clanwilliam – Klawer): km 38,53 – 49,21.



<p>Reseal works was done by the Swartland Regravel unit and various maintenance units. R13,366 million was allocated for reseal works and all reseal works were completed with the exception of 700 meters.</p> <p>The quality of reseal works was of excellent standard given the pressures under which the units were due to shortages of bitumen and slow supply of stone chips. Inspection of the 2012/13 reseal program has already commenced</p>	<ol style="list-style-type: none"> 3. Main Road 310 (Citrusdal – Middelberg): km 96,30 – 97,46; km 99,90 –100,28; km 103,97 – 104.48; km 105,22 – 111,62 en - 100.28 99.90 km, km 103.97 - 104.48, km 105.22 to 111.62 and km 112,02 – 113,5 (700 meters are outstanding and negotiations with SANRAL are taking place). 4. Divisional Road 1161 (Moorreesburg – Gouda): km 0 – 10,5. 5. Divisional Road 1170 (Bridgetown): km 0 – 3,58; 6. Minor Road 7647 (Jakobsbaai): km 3,77 – 8,41.
<p>REHABILITATION</p>	<p>Minor 5543 (Hopefield - Old Vredenburg Road) was rehabilitated by using cement stabilization for some of the sections between km's from 0.4 to 21.</p>
<p>MAINTENANCE WORKS</p>	<p>The road network in the West Coast District Municipality's jurisdiction amounts to 9951 kilometers of which 7995 kilometers are gravel roads which are the main focus of the Division's maintenance program.</p> <p>The area is divided into 15 blading wards in which the roads are graded according to a pre-planned grading schedule. To ensure good service delivery private contractors are contracted during harvesting times. There are also eleven maintenance teams that do maintenance on gravel roads.</p>
<p>CONCRETE WORKS</p>	<p>Construction and repair works to various storm water structures were done on Divisional Roads 1139 (Jouberts Kloof), 1149 (Moorreesburg - Malmesbury) and 1163 (Biesiesvlei). Several (four) motor gates were built on the Minor Roads in the Koringberg, Moorreesburg and Porterville areas.</p>
<p>FENCING</p>	<p>Fencing material was issued for several roads and a large backlog in fencing was eradicated. A total of 176 kilometers (R2,5 million) of fencing was issued.</p>
<p>CONTRACTS</p>	<p>Various contracts, though not inspired by West Coast District Municipality, was completed within the jurisdiction area of West Coast that included regraveling, resealing and new construction works.</p> <p>The total value of the contracts amounted to R134 million and was mainly handled by the Ceres Regional Office of the Department of Transportation and Public Works.</p>
<p>SAFETY</p>	<p>12 people were trained in First Aid (Level 1) while nine people received training as safety representatives. Safety talks are continually held at all sites.</p> <p>Four accidents occurred with the grader accident as the worst. The total cost is still uncertain.</p> <p>17 injuries on duty were reported and one death occurred.</p> <p>Four safety meetings were held during the calendar year.</p> <p>Two safety representatives are elected, but must still receive training.</p>



	Safety talks were held at all sites
WORKSHOP	Regular maintenance of machinery and equipment was continuously done by the two workshops. The Superintendent as well as the Senior Mechanic in Vanrhynsdorp were appointed during October 2011. New machinery and equipment to the valued at R 2 710 444 were received during the financial year. The condition of the fleet is generally good

COMMENTS ON THE PERFORMANCE OF ROADS

Two Regional Managers were appointed and takes office on 1 July 2012. Two stalwarts resigned and it was heavily relied on the existing workforce who acquitted themselves very well in difficult circumstances.

Several processes, systems and structures are utilised to allocate funds optimally. One such model is the prioritization model used for regravelling of gravel roads. All gravel roads are inspected and evaluated annually for the compilation of a priority list of regravelling works.

The main focus of the division however remains the maintenance of roads and most of the budget is allocated for this purpose.

All gravel roads within the jurisdiction of West Coast District are divided into 15 blading wards which are maintained by grader teams according to a pre-planned blading schedule. There are also 11 maintenance teams that perform maintenance tasks on the roads. Four tar roads are also allocated to West Coast District Municipality allocated for maintenance. Two regravell units are responsible for regravelling, resealing and rehabilitation works while one concrete team is used for the installation of storm water structures, the installation protection works and the construction of motor gates.

No flood damage occurred and the works ranged from normal maintenance, regravelling, resealing, concrete and rehabilitation work and the issue of fencing material.



COMPONENT C: PLANNING

3.40 PLANNING

INTRODUCTION TO PLANNING

The West Coast District Municipality is bound by legislation to compile a Spatial Development Framework (SDF) for its area of jurisdiction and to review and update the document every 5 years. The SDF provides broad principles and guidelines for spatial development in line with provincial and national objectives and the West Coast District Municipality's IDP. The current SDF of the WCDM was approved in 2007, necessitating review. The process for the review and development of the SDF has already started and the service provider will be appointed shortly. It is envisaged that the process will be completed in ± 12 months.

Comments are provided on all projects that are circulated to the West Coast District Municipality during the environmental assessment process in terms of the National Environmental Management Act, 1998. Socio-economic, spatial planning and environmental comments are provided on all project or developments that have a regional impact or that impact the WCDM's functions.

The West Coast District Municipality does not process applications for land use developments. This is the function of the respective B-Municipality in its area of jurisdiction. However, comments are provided by the WCDM when land use management applications in the B-Municipal areas are circulated for comment to stakeholders and organs of state as required by legislation.

COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

Environmental Assessment Reports

The Division: Spatial Planning and Development received 135 Environmental Assessment Reports for projects in the West Coast area during the year. Comments were provided on 91 of the reports. The WCDM were registered as an Interested and Affected Party for 15 of the projects. On 32 reports no further comment were provided by the WCDM.

Renewable Energy

Proposed Renewable Energy Projects circulated to the West Coast District Municipality for comment during the Environmental Assessment Process are indicated on the attached map. Currently, Environmental Authorisation has been issued for 18 of the projects (indicated as Environmental Authorisation on the map)

The proposed projects that have been identified as Preferred Bidders by the Department of Energy (indicated as Preferred Bidder on map) is:

Koperfontein/Hopefield Wind	2
Malmesbury Solar	8
West Coast One Wind	12
Aurora Solar	15
Vredendal Solar	27

** The number in parenthesis corresponds with the number on the map.*

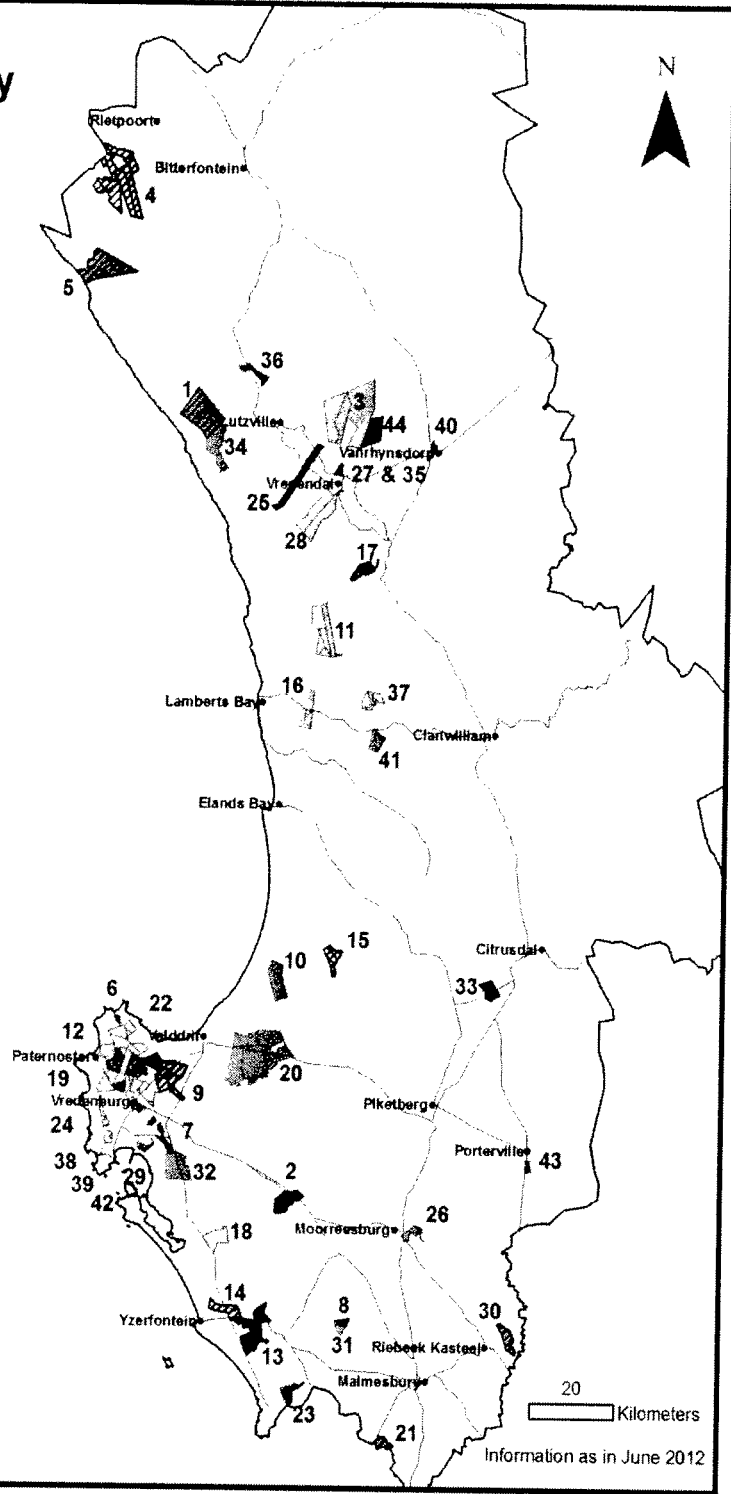
NOTE: Development of renewable energy projects may only commence after approval of a land use application by the local authority.



APPLICATIONS Renewable Energy

LEGEND

- Main Roads
- Successful Bid
- Environmental Authorisation
- 1 Eskom Wind
- 2 Koperfontein/Hopefield Wind
- 3 Juno Wind
- 4 Mulilo Wind
- 5 Exxaro Wind
- 6 Brittanjabaai Wind
- 7 Vredenburg Wind
- 8 Malmesbury Solar
- 9 Nootgedacht Wind & Solar
- 10 Dwarskerbos Wind & Solar
- 11 Graafwater Wind & Solar
- 12 West Coast One Wind
- 13 Rhebokfontein/Darling Wind
- 14 Darling Wind
- 15 Aurora Solar
- 16 Lambertsbaai Wind
- 17 Klawer Wind
- 18 Langefontein Wind
- 19 Schuitesklop Wind
- 20 Veldrif Wind
- 21 Kaibaskraal Solar
- 22 St Helena Wind
- 23 Klawervallei Wind
- 24 Waterklop Wind
- 25 Vredendal Solar
- 26 Moornesburg Wind
- 27 Vredendal Solaire Direct Sun
- 28 Draaihoek Wind
- 29 ArcelorMittal Wind
- 30 Riebeek Kasteel Solar
- 31 Diepkool Solar
- 32 Soventix Solar
- 33 Eendekuil Solar
- 34 Olifantsrivier Wind
- 35 Matzikama Solar
- 36 Koekenaap Wind
- 37 Graafwater Solar
- 38 Mystic Solar
- 39 Dunes Solar
- 40 Vanrhynsdorp Solar
- 41 Orlight Graafwater Solar
- 42 Storm Solar
- 43 Porterville Solar
- 44 Karookop Wind



Information as in June 2012



Mining

The West Coast District Municipality provided comment to the Department of Mineral Resources on 9 Environmental Assessment Reports and Environmental Management Programmes for mining or prospecting activities in the West Coast District Area that was circulated for comment.

Land use management applications

9 Land use management applications received by B-Municipalities were circulated for comment to the West Coast District Municipality. Comments were provided on these applications to the respective B-Municipalities.

The Spatial Development Framework

The Spatial Development Framework (SDF) of the West Coast District Municipality was approved by Council in November 2007. The Municipal Systems Act of 2000 stipulates 5-yearly updates of SDF's. The tender for the review and development of the SDF was advertised and the successful service provider will be appointed in the next financial year. The process is estimated to take ± 12 months. Council will be updated regularly regarding progress of the project.

Geographic Information System

A project for the installation of an Integrated Spatial Management Information System in the West Coast District Municipality, incorporating the District and the 5 Local Municipalities, is at an advanced stage, but has not been concluded.

Shared Services

The West Coast District Municipality provides spatial planning and land use management services to Cederberg and Matzikama Municipalities.

CEDERBERG MUNICIPALITY

Environmental Assessment Reports

Environmental Assessment Reports were received for 16 projects in the Cederberg Municipal area. The Division: Spatial Planning and Development commented on 4 reports on behalf of Cederberg Municipality. Cederberg Municipality was registered as an Interested and Affected Party on 2 of the projects and on 10 of the reports no further comment was submitted.

Mining

Comments on 3 Environmental Assessment Reports and Environmental Management Programmes for mining or prospecting activities in the Cederberg municipal area were submitted on behalf of Cederberg Municipality to the Department of Mineral Resources.

Land use management applications

10 Land Use management applications were received, 6 of which have been approved by the Cederberg Municipal Council.

MATZIKAMA

Mining

Comments were provided to the Department of Mineral Resources for 1 Environmental Assessment and Environmental Management Programme for the mining of mineral sands in the Matzikama Municipal area.

Land use management applications

Land Use Management Applications have been received for 5 proposed developments in the Matzikama Municipal area, 2 of which have been concluded and approved by the Matzikama Municipal Council.



3.41 LOCAL ECONOMIC DEVELOPMENT AND TOURISM

INTRODUCTION TO LOCAL ECONOMIC DEVELOPMENT

The Regional Economic Development Strategy (REDS) was adopted during 2007 and key elements reviewed during 2011. The WCDM is currently in the process of operationalising the strategy through a partnership which entails the profiling of the West Coast District and identifying of strategic catalytic projects.

The West Coast Tourism Strategy (2010 – 2015), which is guided by the Integrated Tourism Development Framework of the Western Cape and the National Tourism Sector Strategy, was reviewed to form part of the Regional Economic Development Strategy of the WCDM. The district municipality focuses on promoting investment support to the region, identifying, packaging and providing technical capacity support to local municipalities for key catalytic job creation projects in the region and supporting a regional economic development partnership for economic growth in the region.

Service Objective Local Economic Development

KPI Name	Unit of Measurement	Baseline	Overall Performance for the Year			Corrective measures
			Target	Actual	R	
Enhancement of economic development	Value of contracts assigned to emerging contractors	20% of total procurement	20%	66%	B	
Reviewed and aligned RED strategy	RED strategy reviewed by the end of May	LED approved in 2007	100%	100%	G	
Employment through job creation schemes	No of temporary jobs created through EPWP programmes	140	100	140	G2	



Table 2.5 West Coast District employment and GDP trends, 2000 - 2010

Sector	GDPR (% share)	Employment (number)	GDPR Yoy%	Expansion Yoy%	Recession Yoy%
	2005-2010	2000-2010	2000-2010	2000-2007	2008-2010
Agriculture, forestry and fishing [SIC: 1]	16.7	-33 385	-0.4	-0.9	0.7
Mining and quarrying [SIC: 2]	0.9	-117	-4.9	-3.4	-8.8
Manufacturing [SIC: 3]	20.1	-5 891	0.8	2.6	-4.1
Electricity, gas and water [SIC: 4]	1.2	-115	-2.0	-1.3	-3.8
Construction [SIC: 5]	4.2	-974	7.5	8.3	5.4
Wholesale and retail trade, catering and accommodation [SIC: 6]	13.2	2 536	3.6	5.0	-0.4
Transport, storage and communication [SIC: 7]	8.6	91	4.5	5.5	1.9
Finance, insurance, real estate and business services [SIC: 8]	20.7	7 124	10.4	11.4	7.9
Community, social and personal services [SIC: 92, 95-6, 99, 0]	4.0	208	3.0	3.9	0.6
General government [SIC: 91,94]	10.6	2 820	2.2	1.9	2.9
Total: West Coast District	100.0	-27 701	3.1	3.7	1.4

Source: Quantec Research/CER

COMMENT ON LOCAL JOB OPPORTUNITIES

According to the draft Municipal Economic Review and Outlook published by the Western Cape Provincial Treasury, The WCD economy is well diversified, with strong agricultural & fisheries, manufacturing and financial & business services components. Whilst the Western Cape economy is dominated by the services sector (accounting for more than 70 per cent of GDP), this is less so in the case of the WCD economy, with the services sector contributing 57 per cent of GDP (and an equivalent share of district-wide employment). The primary (mainly agriculture) and manufacturing sectors play a relatively bigger role in the WCD. In terms of employment creation, 36 per cent of the district workforce is employed in the agriculture, fishing and manufacturing industries.

Within manufacturing, the food & beverages industry employs close to half of the workforce and the metals & machinery sector 19 per cent. In the services sector, the retail & wholesale trade, the government, business services and community, social & personal (CSP) services employ more than half of the district-wide workforce. It follows, from an employment perspective, that the agriculture & fisheries, food & beverages, metals & machinery, retail & wholesale trade, business services, government and CSP services sectors are key industries in the WCD. The adverse employment trend in agriculture and manufacturing is, however, cause for concern. Both these sectors stagnated over the 2000s, with agriculture real GDP contracting by 0.4 per cent per annum on average and manufacturing real GDP (accounting for 20 per cent of the WCD GDP, 2005 - 2010) growing by less than one per cent per annum on average. The manufacturing growth and employment trajectories also suggest a degree of mechanisation taking place as manufacturing output remained stable whilst employment contracted notably



3.41. TOURISM

INTRODUCTION TO TOURISM

The tourism industry contributes to a variety of economic sectors and being a labour-intensive industry, it has a major capacity to create jobs, which for many towns on the West Coast, is the backbone of the economy. The economic climate of the last few years caused visitors to become a lot more discerning and competition is growing by the day. It is very important to take a good look at how we manage tourism on the West Coast and what outcomes we can achieve through our shared investment in people and tourism money, to make sure that the tourism sector keeps on growing in a responsible and sustainable way.

<u>Economic Activity by Sector</u>	
<u>Sector</u>	<u>2011/2012</u>
Tourism	R 705 600 000

<u>Economic Employment by Sector</u>	
<u>Sector</u>	<u>2011/2012 (No of Jobs)</u>
Tourism	2 736

COMMENT ON TOURISM

Tourism is the 3rd biggest economic driver on the West Coast. Every 21 visitors to an area result in one permanent job and every 8 visitors to an area result in one temporary job



COMMENT ON TOURISM PERFORMANCE OVERALL

The 15% increase in visitors to the West Coast, as well as the awards won by the Tourism Division proves that we are on the right track.

The dynamic development of tourism products and the promotion of the West Coast region was done in collaboration with the local municipalities, the National Department of Tourism (NDT), the Western Cape Department of Economic Development and Tourism (DEDAT), as well as the Local Tourism Organisations (LTOs), CTRU and Wesgro.

The growth in Black tourism businesses on the West Coast, as well as the increase in visitors to the West Coast, compared to 2010/2011, indicates that the tourism strategy was implemented successfully. The change more towards e-marketing and social networking, played a major role. More attention should be given to the two 'slow' months, June and July, where there was a drop in visitor numbers.

 <p>Tourism staff received an award for the DVD "Discover the West Coast" from the SA Embassy in Poland. July 2011</p>	 <p>Support is given to the Heuningvlei Donkey Cart Experience near Wupperthal, in partnership with the National Department of Tourism.</p>	 <p>SMMEs with MEC Allan Winde and the Mayor, Clr. Harold Cleophas of WCDM, at the Tourism Indaba in Durban. - May 2012</p>
 <p>RTO Chairperson & officials with the National Minister of Tourism, Marthinus van Schalkwyk, at the launch of the Rural Tourism Strategy in Wupperthal. April 2012</p>	 <p>Marketing Official at a networking session with Tour Operators. January 2011</p>	 <p>Members of the community visiting tourism icons on the West Coast as part of the Tourism Awareness programme - March 2012</p>
 <p>SA Host Training for tourism staff and employees in the hospitality industry to encourage service excellence. - October 2011</p>	 <p>One of the tourism Interns working at the Cape Get Away Expo, to gain marketing experience. - March 2012</p>	 <p>Duinepos Chalets - Sustainable Black Tourism Accommodation business in the West Coast National Park reached the main stream through mentoring from West Coast Tourism and DEDAT.</p>



COMPONENT D: COMMUNITY & SOCIAL SERVICES

3.50 CHILD CARE, AGED CARE, SOCIAL PROGRAMMES

INTRODUCTION TO CHILD CARE, AGED CARE, SOCIAL PROGRAMMES

The high-level of poverty that communities are experiencing is evident. In 2000, 189 nations including South Africa made a promise to free people from extreme poverty and multiple deprivations. This pledge became the eight Millennium Developmental Goals (MDG's) to be achieved by 2015 of which 3 years remain. In September 2010, the world recommitted itself to accelerate progress towards these goals. The aim of the MDG's is to encourage development by improving social and economic conditions. It provides a framework for the entire international community to work together towards a common end i.e. making sure that human development reaches everyone, everywhere. If these goals are achieved, world poverty will be reduced, lives will be saved, and people will have the opportunity to benefit from the global economy.

The West Coast District Municipality had an absolute significant role to play in combating poverty. It is our mandate to enhance the well being of communities through programmes and projects that will attribute meaningfully to the lives of people.

During 2011/12 a truly consultative process was followed when developing the operational plan to ensure buy – in from all sector departments.

The programmes of the Division are structured in such a manner that it contributes in addressing the challenges that currently exist in the West Coast region.

The Development Division believes that through continuous participation, empowerment and mutual respect, the poor will be enabled to become the architects of their own development.

The Development Division's key focus was to facilitate and ensure the development and empowerment of the poor and most vulnerable people, particularly women, children, youth, the disabled and elderly persons.

COMMENT ON THE PERFORMANCE OF CHILD CARE, AGED CARE, SOCIAL PROGRAMMES

Graduate people out of poverty through appropriate human capital investments initiatives. These initiatives include the following:



Early Childhood Development:



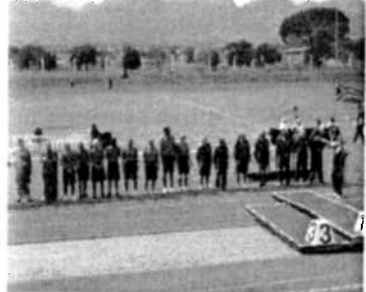



Establishment of a toy library in Vredendal where all surrounding creches have access to



Youth Development

- Leadership training
- Career exhibitions



<ul style="list-style-type: none"> - Training of ECD practitioners - Training of Board members of ECD centers  <p>Drug abuse programme</p> <ul style="list-style-type: none"> - Training of management of support groups - Counselling training for support groups - Alcohol and drug awareness at various schools within the West Coast - Awareness and motivation sessions for Sport Clubs throughout the West Coast 	<ul style="list-style-type: none"> - Entrepreneurship training  <p>Culture Development: West Coast Poetry project</p> <ul style="list-style-type: none"> - Advertisements placed in local newspapers - Evaluation of poems received - Editing workshop
 <p>Golden Games</p> <ul style="list-style-type: none"> - Strengthening and support of the existing Golden Games and Old Age Care programme in the West Coast. 	 <p>Fetal Alcohol Syndrome</p> <p>Parenting workshops with mothers and fathers.</p>
 <p>Neighbourhood programme</p> <ul style="list-style-type: none"> - The neighbourhood programme is a child protection programme where community leaders take responsibility for the safety of the children within that community. 	 <p>HIV / AIDS Programme</p> <ul style="list-style-type: none"> - Door – to – door awareness raising - Roadblock in partnership with Provincial Traffic Department, SAPS, Department of Health and Love life on 01 December (International HIV / AIDS day)





365 Days of Activism

- Awareness on domestic violence
- Identify and train volunteers in order for them to provide effective care services within the farming areas
- Awareness sessions on human trafficking for NGO's as well as young children within farming communities



Sport Development

- Strengthen and support different sport codes and sport clubs by facilitating Basic Administration and First Aid training in the West Coast
- Supported the annual West Coast Sport Gala
- Supported the International Disability sport day in Vredenburg



COMPONENTE: ENVIRONMENTAL PROTECTION

3.51 POLLUTION CONTROL

INTRODUCTION

The National Environmental Management Air Quality Act, 2004 (Act 39 of 2004) (NEM: AQA) came into full effect on 01 April 2010.

Section 17 of NEM: AQA places an obligation on organs of state to submit an annual report. Each sphere of government that also include Local Government as defined in terms of Section 239 of the Constitution (Act 108 of 1996) must report on the implementation of its air quality management plan, including information on:

- a) Air quality management initiatives undertaken by it during the reporting period;
- b) The level of its compliance with ambient air quality standards;
- c) Measures taken by it to secure compliance with those standards;
- d) Its air quality monitoring activities;

The full implementation of NEM: AQA has introduced new challenges both for Local Government and industry. The WCDM is, since 01 April 2010 in terms of Section 36 of NEM: AQA, responsible for the implementation of the atmospheric emission licensing system. Since 01 April 2010 various issues had to be dealt with that include amongst others the following:

- a) Unresolved issues prior to coming into full effect of NEM: AQA on 01 April 2010. In this regard the APPA review process conducted by DEA was not concluded and now need to be dealt with by Local Government. Progress in this regard has been made but not concluded as yet;
- b) Changes to air emission standards and other conditions by DEA during the APPA review process without proper consultation resulting in a situation where old technology installed at these operations cannot meet these new standards. Queries in this regard now need to be addressed by Local Government in some instances with limited information to their disposal. Officials are at present in consultation with industry and interim relaxed emission levels are under consideration;
- c) The issuing of APPA registration certificates by DEA during the review period with expiry dates of 12 September 2011 that is in contradiction with the transitional period prescribed in Section 61 of NEM: AQA. These issues have now been addressed by Local Government with assistance from DEA.
- d) The charging of licence processing fees that is made up of a possible application and licence fee are under discussion and once finalised and agreed upon will be included in municipal air quality By-laws and municipal charging structures;

MEASURES TO IMPROVE PERFORMANCE

The following is a summary of implementation plans required to improve service delivery:

Ambient Air Quality Monitoring:	<p>Within the WCDM area of jurisdiction no ambient air quality monitoring is done by Local Government. However ambient air quality monitoring stations are operational at industrial level especially in the more densely developed industrial area of Saldanha Bay. The following industrial plants do ambient air quality monitoring:</p> <ol style="list-style-type: none">a) Transnet Port Terminals: Two stations measuring PM_{10};
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	<p>b) ArcelorMittal steel plant: One station PM₁₀, SO₂ & H₂S; c) EXXARO Namakwa Sands: One station measuring PM₁₀;</p> <p>These industries report their findings on a quarterly basis to the WCDM as well as to the West Coast Air Quality Working Group established to coordinate air quality matters in the WCDM area of jurisdiction. This working group is chaired by the Air Quality Officer of the WCDM.</p>
Air Quality Management Plan:	<p>The WCDM appointed a consultant to draft an Air Quality Management Plan (AQMP) for the District, complete with separate modules to suite the individual needs of the five Local Municipalities in the District namely:</p> <p>a) Saldanha Bay; b) Bergrivier; c) Swartland; d) Cederberg; e) Matzikama.</p>
Implementation of Air Quality Management Plan:	<p>The following issues have been identified that requires attention. Considering the current capacity of the West Coast District Municipality regarding, human resources, air quality management tools and ambient air quality monitoring, different strategies have to be used to implement the AQMP. Strategies are also proposed to reduce emissions in the area or to control the emissions to ensure that the air quality within the District remains the same.</p>

SUPPORT TO COMMUNITIES

AMBIENT AIR MONITORING	
Intervention	Implementation Strategy
Ambient air quality monitoring network	<p>It is proposed that a full air quality monitoring station be established in the Saldanha Bay area. This could also be achieved by working together with industry where there is existing air monitoring stations. This issue will receive attention with assistance from DEA&DP.</p> <p>Indicator air monitoring stations (e.g. pole mounted stations) should be established in each of the other local municipalities in their biggest towns. Once capacity within the air quality section has been established this issue will receive attention in consultation with Local Municipalities.</p>
EMISSIONS REDUCTION / CONTROL STRATEGIES	
Intervention	Implementation Strategy
Reduce / control domestic fuel burning	<p>Some households still use fuel such as wood and paraffin for household purposes. This can be a contributor to some air pollution in the area but should not be of major concern. Emissions from domestic fuel should however be accurately determined. Once capacity within the air quality section has been established this issue will receive attention in consultation with Local Municipalities.</p>
Control of	Transportation in the WCDM could be a contributor to air pollution in the District.



transportation emissions	This is not regarded as a major concern at this stage but is receiving some attention in the draft Air Quality Management By-law of Council.
Control of emissions from mining activities.	Mining is not a very prominent activity in the WCDM and should not be a major concern. It should however be monitored to ensure that the good air quality in the District is maintained.
Control of emissions from agricultural activities.	Agriculture is a dominant land use within many areas of the WCDM. Emissions from these activities are difficult to control due to seasonality and large surface areas. It is however assumed that when looking at the current air quality of the District that agricultural activities do not pose a major threat to air quality. Once capacity within the air quality section has been established this issue will receive attention in consultation with Local Municipalities and Agriculture.
Control of emissions from industrial activities.	Industrial activities in the WCDM are controlled and not a major threat to air quality at the moment. It should however be monitored to ensure that the good air quality in the District is maintained. Receive attention by means of quarterly reports to West Coast Air Quality Working Group meetings.
Control of emissions from waste treatment disposal activities.	Waste treatment and disposal methods which are of interest in terms of the toxicity and odorous nature of their emissions. Emissions from waste treatment activities may have an effect on air quality but is difficult to determine due to limited data. Emissions from landfill are a concern in terms of the potential for health effects and the odours generated. Pollutants released by waste water treatment and incinerators also have an impact on air quality within the District. Once capacity within the air quality section has been established this issue will receive attention in consultation with Local Municipalities and DEA&DP.
Control of emissions from biomass burning.	Emissions arising from biomass burning are difficult to accurately quantify due to the seasonal and irregular nature of this source. However, biomass burning is recognised to be an important contributor to the ambient air quality in the District, especially in terms of particulate emissions. Unauthorised burning does take place since communities are not accustomed to or aware that they are required to hold a permit to burn. Once capacity within the air quality section has been established this issue will receive attention in consultation with Local Municipalities.

Note:

The above mentioned are interventions identified during the drafting of the AQMP that has been highlighted and that will be reported to Council for decision making and to determine the way forward. The main purpose of the AQMP is to maintain the good air quality in the District and to fill the gaps identified during the drafting of the plan. The plan will be reviewed on 5 year intervals.

Emissions Inventory:



The lack of a detailed emissions inventory was one of the gaps identified during the drafting of the AQMP. This inventory needs to be updated on a continuous basis and is one of the interventions that require priority attention once capacity with regards to human resources has been addressed.

AQMP Steering Committee and Working Groups:

Communication with Local Municipalities and the appointment of AQO's at this level has been identified as another shortcoming in the effective management of the air quality function. It has been suggested that a Memorandum of Understanding be entered into with the Local Municipalities in order to properly coordinate the function. This issue has been highlighted by DEA&DP during a workshop held on 01 April 2012 with Local Municipality representatives in the District.

Once the MOU has been signed by all parties the relevant working groups can meet on a quarterly basis prior to the West Coast Air Quality Working Group. Issues such as air quality management, education and awareness raising and compliance monitoring and enforcement can receive the required attention at these meetings and be reported to the Provincial structure.

Compliance and Enforcement:

Once a dedicated air quality management section has been established and properly capacitated through the appointment of trained staff, mandated to do compliance monitoring and enforcement, this part of the function can be properly fulfilled. At this moment in time two staff members have been trained as EMI's and await final designation. The process of designation of these officials must however first be clarified on National and Provincial level since municipalities do not have the authority in terms of NEMA to do such designations. It is hoped that an implementation protocol will soon be entered into between the MEC and Council. A report in this regard has been compiled and will hopefully receive the required attention by Council during March 2012.

Air Quality Working Group:

An air quality working group comprising of officials from District as well as Local Municipalities, Provincial government officials, industry and civil society members from the Saldanha Bay Forum has been established and meet on a quarterly basis. During these meetings issues of relevance to air quality are discussed and all listed activities must submit a quarterly report in a specific prescribed format.

Air Pollution Complaints:

An air quality complaints register is in place at District level and all listed activities are also legally responsible to record and investigate complaints lodged directly at their facilities. The majority of complaints are odour related and emanates from the fishmeal processing industry.

Atmospheric Emission Licensing:

The licensing function is progressing with caution and the issue with regards to the licence processing fee charging system has recently been resolved by means of a decision at the Provincial Air Quality Officers Forum to use the Licence Processing Fee Calculator designed by DEA when determining fees for new applications.

In addition the Air Quality Management By-Law that has been drafted when compiling the AQMP for the West Coast District Municipality will also regulate the licensing function and will specifically make provision for the charging of a licence processing fee that is made up of an application and annual licence fee.



These charges will be included in Councils charging system. This By-law must however still be considered by Council and then in terms of relevant legislation be promulgated.

The lack of income from the licence processing function especially during the transitional period for existing activities i.e. four years after 01 April 2010 is however a worrying factor for the Licensing Authority. Although applications for variations can be just as time consuming as new applications the licensing authority receives no income for such applications.

Provisional licences were issued to some of these industries on 03 August 2011.

PERFORMANCE COMMENTS

Intervention	Implementation Strategy
Appoint Chief Air Quality Officer	WCDM is in the process of appointing a dedicated Chief AQO. In this regard some progress has been made that include approval of personnel structure, job descriptions that will result in placing or appointment of appropriately qualified staff members.
Appoint Air Quality Officer	WCDM is in the process of appointing at least one AQO (preferably 2).
Appoint Air Quality Technician	WCDM appoint dedicated Air Quality Technician (Can appoint on contract basis). Will require attention once Air Quality section has been properly structured and operational.
AIR QUALITY MONITORING TOOLS	
Intervention	Implementation Strategy
Emissions Inventory	Update and maintain existing emissions inventory. Once capacity within the air quality section has been established this issue will receive priority attention.
Dispersion modelling	Dispersion modelling should be done every 5 years. If there is evidence that the air quality is degrading, dispersion modelling should be done annually. Once capacity within the air quality section has been established this issue will receive attention.

Complaints 1 July 2011 – 30 June 2012		
Smoke	2	2
Dust	23	23
Burning waste/Tyres	2	2
Farm land burning	2	2



Crop spraying	0	0
Offensive odours	202	202
Other (Sandblasting & spray painting)	2	2
Total	204	204



3.52 BIO DIVERSITY, LANDSCAPE AND COASTAL PROTECTION

INTRODUCTION BIO-DIVERSITY, LANDSCAPE AND COASTAL PROTECTION

Managing and organising the Environmental Integrity within the West Coast District Region to ensure holistic, strategic and effective Environmental Management services within the district and to ascertain that the requirements of the Constitution and the National Environmental Management Act (NEMA), namely the right to a healthy and safe environment, be met in order to ensure an effective, sustainable and efficient Environmental Management service within the District Municipality.

SERVICE STATISTICS FOR BIO-DIVERSITY, LANDSCAPE AND COASTAL PROTECTION

- Alien Clearing Programme as part of the EPWP Environmental Sector - 11 people from the local community were appointed on contract basis (12 months) working on eradicating alien vegetation (water hyacinth as well as trees) along the Berg river.
- The CMP process is on track and will be completed during September 2012 after which the programme will be implemented. Part of the above mentioned CMP includes the completion of three Estuary Management Plans for the Olifants River, Berg River and the Verlorenvlei. An Environmental Management and Maintenance plan was also compiled for addressing the flood levels within the Verlorenvlei Ramsar site
- Estuary Management Forums were also recently established for all three estuaries.
- A Rock Lobster emergency and rescue plan was also compiled and updated during the last year to address the red tide incident and crayfish walkouts frequently experienced along the West Coast.
- Various Environmental Education (EE) with regard to bio-diversity, landscape and coastal protection were undertaken during the last 12 months - Marine Week – with assistance from the Two Oceans mobile Aquarium, Arbor Week, Landscape education through initiatives with the assistance of CapeNature in the Groot Winterhoek and Greater Cederberg Biodiversity Corridor, the arrangement of Open days to educate the broader community and youth of the area



COMPONENT F: HEALTH

3.6 HEALTH INSPECTIONS, FOOD LICENSING AND INSPECTIONS

INTRODUCTION TO HEALTH INSPECTIONS, FOOD LICENSING AND INSPECTIONS

Aware of the constitutional right of every person to an environment that is not harmful to his or her health or well-being, and the principles that underlie the National Health Act, 2003 (Act 61 of 2003) as well as the National Environmental Management Act, 1998 (Act 107 of 1998), the Division Environmental Health wants to protect and promote the health and well-being of all our residents in the West Coast District Municipality Region by providing, in conjunction with applicable laws, a sustainable, effective and responsible Environmental Health Service"

Section 24 of the Constitution of South Africa, 1996 (Act 108 of 1996) states that every resident of our country have the right to an environment that is not harmful to his/her health and well being. All local authorities in the West Coast District Municipality Region still stand before the challenge to ensure such an environment to its residents.

Environmental Health" means a condition of optimal wholesomeness of the environment in which man exists and interacts with through the lowest possible presence therein or total absence of any stimuli detrimental to human health.

The Division Environmental Health is therefor responsible for the identification, evaluation, control and prevention of those factors that can be detrimental to peoples health and well-being
In terms of the above mentioned Act the functions of the Environmental Health Services are as follows :

1. **Waste management and monitoring**
2. **Food control**
3. **Control of premises**
4. **Communicable disease control**
5. **Vector control**
5. **Environmental pollution control**
6. **Chemical Safety**
7. **Disposal of the dead**

COMMENT ON THE PERFORMANCE OF HEALTH INSPECTIONS OVERALL

1. WATER SUPPLY

Water quality:

No of samples analyzed	Bac		Chem		No of Samples conforming (* see definitions)	Bac		Chem	
2010/2011		1121		0			1017		0
2011/2012		1044		0			954		0

Safe water supply : Water conforming to the standards as set out in SABS 241.



Bacteriological : Escherichia coli, total plate count, faecal coliforms.
 Chemical : Standards for portable water

Access to safe water:

Access to Safe Water	2010/2011	2011/2012
No of households with a safe water supply on premises	103 167	108891
No of households without a water supply on premises but with access to safe water	5 381	4287
No of households without access to safe water supply	1 178	1658

Access to water : Safe water within 200m from dwelling (White paper on water supply / RDP document

2. SANITATION

Access to latrines	2010/2011	2011/2012
No of households with access to safe/effective latrine facilities	10 5235	112186

Type of latrine:

No of households with the following types of latrines	Flush sewage system	103 600	110 089
* Not acceptable as safe/effective latrine facility according to the National White Paper on Sanitation	Chemical	516	574
	VIP	1 199	1 568
	*Pit	2 368	1 229
	*Buckets	813	388
	None	1 310	988

Safe / effective latrine :

Latrines that pose no health risk to users, function effectively, cause no pollution of water resources. (According to the White Paper on Sanitation, the minimum level is a VIP latrine per household).

Sewage disposal:

No of sewage plants	Municipal	38	Private	4	Govt. Inst.
No of sewage plants licensed	Municipal	29	Private	4	Govt. Inst.
No of effluent samples analyzed	Municipal	268	Private	0	Govt. Inst.
No of effluent samples conforming to requirements	Municipal	150	Private	0	Govt. Inst.
Effluent disposal safe/effective	Municipal	17	Private	6	Govt. Inst.
Sludge disposal safe/effective	Municipal	25	Private	4	Govt. Inst.



Safe effluent disposal :

As prescribed in the Provincial Guideline on the Permissible Utilisation and Disposal of Treated Sewage Effluent.

Safe sewage sludge disposal :

As prescribed in the Provincial Guideline on the Permissible Utilisation and Disposal of Sewage Sludge.

Refuse removal/disposal:

Classification waste sites	General				Hazardous	
	Communal. - C	Small - S	Medium - M	Large - L	H-h	H-H
No of sites	0	10	2	0	0	0
No of sites where sanitary landfill procedures are practised	0	10	2	0	0	0
No of households with effective removal service	105 632					
No of transfer stations used	11					
No of transfer stations operated nuisance free	11					

Waste removal :

Minimum of one removal per week .

Classification of waste site :

Landfills are grouped in landfills for general waste for domestic waste and landfills for hazardous waste .
(Minimum Standards documents, dept. of Water Affairs and Forestry).

Health Care Waste disposal:

Health Care Waste disposal	2010 / 2011	2011 /2012
No of health care waste generators	169	189
No of generators that dispose of their waste safely	168	189
No of registered medical waste disposal sites	0	0

3. HOUSING**4.****Housing Conditions:**

		2010/2011	2010 /2011		2010/2011	2010 /2011
No of houses	Formal	100 005	105 159	Informal	9721	9677
No of houses conforming to minimum standards	Formal	96 580	101 526	Informal	9113	9035

Housing Standards :

Conforming to the requirements of National Building Regulations : R2378 of 12 October 1990.



5. FOOD

Food handling premises:

		2010/2011	2011/2012		2010/ 2011	2011 / 2012
No of food handling premises (excluding dairy farms)	Formal	1647	1800	Informal	412	440
No of food handling premises with COA's R918 (excluding dairy farms)	Formal	1479	1710	Informal	323	383
Dairy farms					82	62
Dairy farms with COA's (Regulation R1256 of 27 June 1986)					68	57
No of food samples analyzed	Bac	410	353	Chem	776	808
No of food samples conforming to food standards	Bac	298	270	Chem	455	711

Certificate of acceptability :

Certificates issued in terms of :Regulations R918 of 30 July 1999 – REGULATIONS GOVERNING GENERAL HYGIENE REQUIERMENTS FOR FOOD AND TRANSPORT OF FOOD

Regulation R 1256 of June 1986 - REGULATIONS GOVERNING MILKING SHEDS AND THE TRANSPORT OF MILK

Food poisoning:

Food poisoning	2010/ 2011	2011/ 2012
No food poisoning outbreaks	0	1
No deaths due to food poisoning	0	0

6. PESTICIDE POISONING

Pesticide poisoning	2010/ 2011	2011/ 2012
No of pesticide poisonings (see definition)	2	3
No deaths due to pesticide poisonings	0	1

Poisoning from any agricultural or stock remedy registered in terms of the Fertiliser , farm Feeds , Agricultural remedies and stock Remedies Act 1947 (36 of 1947)



7. COMPLAINTS

Complaints		2010/2011	2011/2012
Food related		72	55
Pollution	Water / Sanitation	166	116
	Environment	65	35
	Air	52	212
	Noise	20	8
Tobacco related		6	6
Pest control		6	4
Housing		34	0
Animals		21	9
Waste		107	54
Other		159	116
Total no of complaints		708	615

2012 /2012 In total 76 households in the region has been upgraded, and for the following services subsidies was paid out.

SUMMARY OF SERVICE POINTS					
Bathrooms	Water supplies	Sewerage	Electricity	Geysers	Total (Excl VAT)
R	R	R	R	R	R
229 406.32	116 290.54	105 748.21	45982.43	116 952.59	614 380.09



COMPONENT G – SECURITY AND SAFETY

3.61 FIRE SERVICES

INTRODUCTION

The 2011/2012 year was a busy year for the Fire and Rescue Services of the West Coast District Municipality.

Operationally the personnel of the Fire and Rescue Services of the West Coast District Municipality attended to a total of 1 551 incidents, which equates to 9360 hrs 00 min of manhours spend on these incidents. This does not include the time spend on training, fire prevention and public training activities, which is also provided by this Service to the communities within the boundaries of the West Coast District Municipality. These incidents were handled by the Six Fire Stations(Malmesbury, Moorreesburg, Piketberg, Vredenburg, Clanwilliam and Vredendal) throughout the District and a Staff compliment of 57 Fire Fighters (1 x Chief Fire Officer, 6 x Station Officers, 1 x Platoon Officer and 49 x Fire Fighters) and 27 Fire Fighting Vehicles.

The West Coast District Municipality Fire and Rescue Services is still the only Professional full time Fire and Rescue Service for the whole of the West Coast District Municipality and render services in the area's of our Local Municipalities through MOU's.

A total of 905 hrs 45 min were spend on Fire Prevention activities. As this is not a function of the District Fire Department we render this service to the Local Municipalities within our boundaries. At this stage inspections are only done on a request basis. This format will have to change since there are a lot of premises within the West Coast District Municipal boundaries that does not comply with the current Fire Safety Regulations.

FIRE SERVICES DATA				
	Details	2009/2010	2010/2011	2011/2012
		Actual no	Actual no	Actual no
1	Total of fires attended in the year	571	781	786
2	Total of other incidents attended	172	611	726
3	Average turnout time	Not measured	02 min 24 sec	02 min 21 sec
5	Fire fighters in post at year end	52	56	59
6	Total fire appliances at year end	19	27	27
7	Average number of fire appliances off-run during the year	2	0	1

Operational:

As was previously mentioned the Fire and Rescue Services of the West Coast District attended to a total of 1 557 incidents during the 2011/2012 year. This is an increase of 106 incidences during the year. The increase was due to the fact we assist EMS/Metro with medical incidents when an Ambulance is not immediately available.

As attending to emergency incidents is one of our service delivery priority areas, we can report that this service has complied 100%, as every incident that was reported to the control room at Moorreesburg, which are operational 24 hours a day, were attended to. Most of the calls attended to was not only for the functions as assigned to a District Fire Service, which is specialized fires for example mountain fires and hazmat incidents, but also includes incidents such as motor vehicle accidents, residential fires, informal settlement



fires, rescues, medical and transport fires. This was also done with great efficiency as this service achieved an average turn out time of 02 min 21 sec. The target set was 05 min 00 sec.

In order to improve the services rendered by the Fire Department to our communities it is essential that staff's training is kept up to date and that they receive all necessary training in order to perform their duties. Time spent on internal staff training amounted to 879 hrs 15 min. This is excluding the formal courses the firefighters were sent on to further equip them in performing their work.

Financial Performance Year 1: Fire Services						R'000
Details	2010 / 2011	2011 / 2012				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue	3,397	5,178	-	6,444	0.20	
Expenditure:						
Fire fighters						
Other employees	13,479	13,132	-	14,657	0.10	
Repairs and Maintenance	545	660	-	476	0.39	
Other	9,410	7,254	-	9,003	0.19	
Total Operational Expenditure	23,434	21,046	-	24,136	0.13	
Net Operational Expenditure	20,037	15,868	-	17,692	10%	
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>						T3.66.5

Capital Expenditure Year 1: Fire Services						R' 000
Capital Projects	2011 / 2012					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	1,268	1,301	1,169	0.08		
Equipment	1,001	1,301	908	0.10	908	
Radio's	267	-	261	0.02	261	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.)</i>					T3.66.6	



COMMENT

A total of 246 hrs 00 min were spend on public training. This Department also assisted the Provincial Disaster Management Centre in hosting a very successful Flood and Fire Campaign throughout the District. The campaign was not only held at schools but was also taken to the various communities helping them to identify hazards and making them more resilient.

In the coming year the number of public training sessions and manhours spend conducting this training needs to be increased dramatically as there is still a lot of communities that need to be trained in the danger fire poses to them and what safety measures can be implemented to safeguard themselves and there property.

A total of 905 hrs 45 min were spend on Fire Prevention activities.





3.62 DISASTER MANAGEMENT SERVICES

INTRODUCTION

A formal Disaster Risk Assessment was done during 2006 by Africon, now Aurecon.

Disaster Risk Assessment		
The following risks were identified:	During the past year six more risks were added namely:	Risk reduction measures for the new identified risks are as follows:
<ul style="list-style-type: none"> • Accidents (Aircraft) • Accidents (Road) • Anthrax • Deforestation • Desertification • Diseases (Cholera, TB, HIV/Aids, Food poisoning, measles ect) • Drought • Floods • Fires • Hazardous installations • Hazmat (Rail, Road, Sea) • Land degradation • Pollution (air & water) • Storms • Red Tide (and other animal stranding) <p>Winds</p>	<ul style="list-style-type: none"> • Heat waves (excess of 40 degrees Celsius) • Rift Valley Fever (2010) • Mayor events e.g. 2010 World Cup Soccer (June-July 2010) & Provincial Rugby games • African Horse Sickness (February 2011) Malmesbury area • Flash floods (Lutzville) • Municipal Elections (17 May 2011) • Hail (17 February 2011, Citrusdal, 20 minutes, 19 mm of rain – no serious damage) • Social Conflict (no outbreaks, but monitoring it as there were several warnings) 	<ul style="list-style-type: none"> • 2010 World Cup Soccer: Disaster Management Plan was drafted based on the SANS code for Mass Events² as well as the new legislation. This is used to advise on all large events. • African Horse Sickness: Department of Agriculture • Floods (Dam Break): Two exercise were held to test this scenario. • Floods: severe weathers • Municipal Elections: Department of Cooperative Affairs • Nuclear: regular meetings were held with Koeberg as well taking part in the exercises during June – November. • Hail: South African Weather Service Early Warnings • Red Tide: Department of Environmental Affairs • Rift Valley Fever: Department of Agriculture's plan • Social Conflict: Draft Social Conflict Plan is co-ordinated by the Disaster Management Centre of the West Coast, where SAPS assisted with as well.
<p><i>These new risks were to be incorporated in the next risk assessment that would have been conducted during the 2011/12 financial year. Due to budget constraints the risk assessment was sacrificed. All indications are there that the Provincial Disaster Management Centre will conduct a risk assessment during their next</i></p>		



financial year within the West Coast as part of a pilot program.

Financial Performance Year 1: Disaster Management						R'000
Details	2010 / 2011	2011 / 2012				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue	1	-	-	-	1.00	
Expenditure:						
Employees	692	943	943	494	0.91	
Repairs and Maintenance	7	64	64	25	1.56	
Other	3,814	4,067	4,082	3,417	0.19	
Total Operational Expenditure	4,513	5,074	5,089	3,936	0.29	
Net Operational Expenditure	4,512	5,074	5,089	3,936	0.29	
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>						T3.67.5

Capital Expenditure Year 1: Disaster Management						R' 000
Capital Projects	2011 / 2012					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	53	-	78	32%		
Other	20	-	78	74%	78	
Other	33	-	-	100%	-	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.)</i>						T3.67.6



COMPONENT H: RECREATION – GANZEKRAAL HOLIDAY RESORT

INTRODUCTION

Ganzekraal Holiday Resort, with conference facilities and chalets was established within the Admiralty Reserve, (narrow strips of State land that are dispersed along the coastline above the high water mark) 20 km north of Melkbosstrand.

The Ganzekraal Coastal Resort is just off the R27 along the Atlantic Ocean, with 28 sea facing, fully equipped, 4-6 sleeper, self-catering chalets, it also has a tidal pool, slipway, conference facility/wedding venue, lapa, bar and restaurant.

The air-conditioned conference hall has bar facilities and seats 110 delegates and is fully equipped with video and overhead projector, whiteboards and flip-charts. The self-catering restaurant overlooks the ocean, seats approximately 104 people and has its own bar and facilities for a carvery or menu option with a modern kitchen.

Financial Performance 2008/09: Recreation : Ganzekraal						R'000
Details	2010 / 2011	2011 / 2012				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue	2,465	2,212	2,212	2,535	0.13	
Expenditure:						
Employees	1,595	1,606	1,606	1,676	0.04	
Repairs and Maintenance	374	850	850	309	1.75	
Other	1,497	1,372	1,214	1,202	0.14	
Total Operational Expenditure	3,466	3,828	3,670	3,187	0.20	
Net Operational Expenditure	1,001	1,616	1,458	652	1.48	
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					T3.68.4	



Capital Expenditure Year 1: Recreation : Ganzekraal					
					R' 000
Capital Projects	2011 / 2012				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	200	-	162	0.23	
Other	150	-	112	-0.34	112
Other	50	-	50	-	50
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T3.68.5



COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

3.69 EXECUTIVE AND COUNCIL

This component includes: Executive office (mayor; councillors; and municipal manager).

EXECUTIVE AND COUNCIL

Vision

The West Coast District realises that our core responsibility and mandate is to be developmentally orientated, namely to inspire, encourage and ensure a safe, healthy, educational, economically viable and friendly environment that will enhance and harness a culture of self-reliance amongst the citizens of the West Coast Region.

Mission

To ensure that the West Coast District Municipality provides a Better Quality of Life for All in the West Coast Region through the encouragement of communities to participate in decision-making processes that will develop the citizens of the region to their optimal capacity.

The Vision and Mission of the West Coast District Municipality emanate from four strategic goals, namely:

- Environmental Integrity
- Economic Efficiency
- Social Well-Being
- Institutional Preparedness

The values of WCDM are the following:

- Integrity
- Transparency – we have to be accountable and transparent in all decisions and actions
- Loyalty – to the WCDM, colleagues and the community
- Ethical – in our behaviour
- Respect – respect for colleagues and municipal role-players
- Quality – to deliver high quality work



R'000					
Details	2010 / 2011	2011 / 2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	2	1.00
Expenditure:					
Employees	4,700	4,144	-	3,652	-0.13
Repairs and Maintenance	-	-	-	-	-
Other	1,207	1,648	-	1,369	-0.20
Total Operational Expenditure	5,907	5,792	-	5,021	-0.15
Net Operational Expenditure	5,907	5,792	-	5,019	-0.15
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					T3.69.5

R' 000					
Capital Projects	2011 / 2012				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	5	-	-	100%	
Other	5	-	-	100%	-
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T3.69.6



3.70 FINANCIAL SERVICES

INTRODUCTION TO FINANCIAL SERVICES

Our main priorities with reference to Service Delivery are water. Two of our main consumers is Saldanha Bay Municipality and Swartland Municipality. All our measures are in place with regard to our Credit Policy is on for review in 2012/2013.

Debt Recovery									R'000
Details of the types of account raised and recovered	2009/2010		2010/2011			2011/2012			
	Actual for accounts billed in year	Proportion of accounts valued billed that were collected in the year %	Billed in year	Actual for accounts billed in year	Proportion of accounts valued billed that were collected in the year %	Billed in year	Estimated for accounts billed in year	Proportion of accounts valued billed that were collected in the year %	
Property Rates	818	93%	867	823	95%	-	-	-	
Electricity - B									
Electricity - C	433	96%	344	316	92%	-	-	-	
Water - B									
Water - C	59 341	96%	71 976	66 217	92%	80 131	77 500	99%	
Sanitation	209	96%	195	179	92%	-	-	-	
Refuse	303	96%	319	293	92%	-	-	-	
Other	883	96%	114	1048	92%	1 060	1 130	99%	

- Basic; C= Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial accounts and systems behind them.



Debt Recovery								
Details of the types of account raised and recovered	2009 / 2010		2010 / 2011			2011 / 2012		
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %	Billed in Year	Estimated outturn for accounts billed in year	Estimated Proportion of accounts billed that were collected %
	R' 000							
Property Rates	818	93%	867	823	95%			
Electricity - C	433	96%	344	316	92%			
Water - C	59,341	96%	71,976	66,217	92%	80,131	77,500	99%
Sanitation	209	96%	195	179	92%			
Refuse	303	96%	319	293	92%			
Other	883	96%	114	1,048	92%	1,060	1,130	99%
<i>B- Basic; C= Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial Accounts and the systems behind them.</i>								

T3.70.2

Financial Performance Year 1: Financial Services					
Details	R'000				
	2010 / 2011	2011 / 2012			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	5,670	1,867	1,867	323	-4.78
Expenditure:					
Employees	5,651	3,873	3,873	2,894	-0.34
Repairs and Maintenance	13	29	29	4	-6.25
Other	3,485	2,704	2,284	1,911	-0.41
Total Operational Expenditure	9,149	6,606	6,186	4,809	-0.37
Net Operational Expenditure	3,479	4,739	4,319	4,486	0.06
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					

T3.70.5



Capital Expenditure Year 1: Financial Services						R' 000
Capital Projects	2011 / 2012					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	20	-	19	0.05	-	
Other	20	-	19	0.05	19	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>						T3.70.6

COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL

The proportion of account value billed is calculated by taking the total value of the year's revenues collected against the bills raised in the year by the year's billed revenues.



3.71 HUMAN RESOURCE SERVICES

Introduction

(a) **Strategic Human Resources and Building of Human Capital (Internally)**

To address the shortage in adequately trained and qualified personnel in management positions in municipalities, regulations were passed using the MFMA to regulate that all senior managers, middle management, SCM managers, CFO's and Municipal Managers comply with the minimum competency levels by 1 January 2013.

WCDM initiated the process on behalf of the DCFTECH to identify suitable training and training providers for the municipalities in the district and even in the province. Currently, four groups are undergoing the training in the West Coast District Region. This will have a significant impact on standardizing and raising qualification levels of senior staff in municipalities across the district.

(b) **Corporate Training and Development in the District**

Training initiatives are rolled out in the district which includes apprenticeships in the electrical and mechanical trade as well as learnerships in horticulture, water reticulation and the construction of roads. Training for Fire personnel is a priority in the district, and recruits are appointed and sent for the necessary training.

(c) **Employee Wellness and Assistance**

The Human Resources division will, through the Employee Assistance Programme, provide an organisational environment that supports effective and efficient service delivery, while taking employee's personal circumstances into account as far as reasonably possible, including disability, HIV and AIDS and other health issues, by establishing and promoting the concept of "wellness".

WCDM also recognizes and acknowledges that human capital is the most important resource in the institution, and any loss in human resources will result in a loss of productivity and service delivery.

It is accepted that problems (social, emotional, personal or work-related) may influence work performance and that the employer is obliged to provide assistance where required and also to provide programmes that promote employees' general health and wellbeing.

The following principles will underpin the approach to manage the EAP within the WCDM:

- Accessibility – the programme must be available to all employees who qualify;
- Accountability – emphasis will be on ensuring cost-effective resourcing;
- Balanced approach – both employer and employee will take responsibility for employee wellbeing;
- Confidentiality – information provided in counselling will remain strictly confidential;
- Consistency – all participants in the programme must be treated equally;
- Responsibility – employees are encouraged to take responsibility for self-referral to the programme;
- Sensitivity – management / line managers and Councillors must be sensitive towards employees' needs.



(d) **Occupational Health and Safety**

The Occupational health and Safety Act (1993) requires the employer to bring about and maintain, as far as reasonably practicable, a work environment that is safe and without risk to the health of the workers. This means that the employer must ensure that the workplace is free of hazardous substances, such as benzene, chlorine and micro-organisms, articles, equipment, processes, etc. that may cause injury, damage or disease. Where this is not possible, the employer must inform workers of these dangers, how they may be prevented and how to work safely, and provide other protective measures for a safe workplace.

However, it is not expected of the employer to take sole responsibility for health and safety. The act is based on the principle that dangers in the workplace must be addressed by communication and cooperation between the workers and the employer. The workers and the employer must share the responsibility for health and safety in the workplace. Both parties must pro-actively identify dangers and develop control measures to make the workplace safe.

Ongoing training is given to Health and Safety Representatives to ensure they are skilled in dealing with health and safety challenges in the day-to-day working environment.

(e) **Recruitment and Selection of appropriately qualified staff**

Recruitment and staffing provide the overall framework for the process of planning, recruiting, selecting and appointing employees. The goal of recruitment and staffing is to identify the smartest, most versatile employees one can find. Retention of one's best employees starts with one's effective recruitment and staffing process, strategies, policies and procedures. Recruitment and staffing are the focus of these resources.

Each post at WCDM are linked to a job description that contains the job responsibilities, essential qualifications and skills, special conditions attached to the post and the authority of the post. The job description is linked to a TASK grading that determines the remuneration package.

(f) **Employment Equity**

WCDM strives to be an employer among workers and a leader in the development of human resources and human capital. This drive is underpinned by the development and training of employees from the designated groups as determined by the Employment Equity Act in order to ensure that, over time, the municipality's workforce, at all levels, will become representative of the demographics of South Africa.

(g) **Talent Management**

As a service delivery organization which is highly people intensive and within this context, the management of employees working in the municipality is a critical function. The continued success of any organization in this regard is dependent upon the employees' contribution and commitment. Success can no longer be measured alone by the amount of money a company has. The talent it possesses in the form of its employees' skills and competencies leading the organisational capability have become the key to success in today's highly competitive business environment. Talent generates high performance, which in turn attracts new talent and creates the means to reward it. Talent drives improvements in productivity, quality, innovation and customer satisfaction, which in turn feed into the bottom-line results. Through continuous learning and development, the WCDM is enhancing



talent management within. Annual competency assessments are also carried out by managers.

(h) **Leadership and Succession**

WCDM's approach to succession management provides for the following:

- An effective leadership team that meets organisational objectives.
- Reduce variance and improve performance in leadership and management positions.
- Identify and leverage the leadership talent that already exists.

WCDM's approach to leadership development and succession management focuses on getting the right people in the right roles at all levels:

- Identify the best internal candidates for each position.
- Reduce attrition among top performers at all levels.
- Develop potential successors in ways that best fit their greatest strengths.
- Concentrate key resources on succession planning and talent development to yield a greater return on investment.

Human Resource Policy Objectives Taken From IDP					
Service Objective	Outline Service Targets	2011/2012		2012/2013	
		Target	Actual	Target	Actual
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)
Service Objectives xxx					
Ensuring Good Governance	Appointing candidates in vacant posts according to EE numerical goals and targets	29	23	29	TBA
Ensuring Good Governance	Training and development of personnel	311	290	340	TBA
Ensuring Financial Viability	Compliance with Minimum competency levels according to MFMA Regulation 493	18	28	7	TBA
Ensuring Environmental Integrity	Budget for and Appointing of Air Quality Personnel	3	2	1	TBA
					T3.71.3



Employees: Human Resources				
2011/2012				
Job Level	Employees	Posts	Vacancies	Vacancies (as a % of total posts)
	No.	No.	No.	No.
1 - 3	180	236	56	12.2%
4 - 5	41	59	18	3.92%
6 - 8	125	150	25	5.44%
9 - 11	73	88	15	3.27%
12 - 13	21	31	10	2.18%
14 - 16	15	20	5	1.09%
S57	4	4	0	0%
				T3.71.4

Financial Performance Year 1: Human Resource Services					
					R'000
Details	Year 0	Year 1			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	2	1,000	1,000	-	1.00
Expenditure:					
Employees	5,009	2,051	2,051	1,718	0.19
Repairs and Maintenance	-	-	-	-	-
Other	1,505	3,069	3,064	1,401	1.19
Total Operational Expenditure	6,514	5,120	5,115	3,119	0.64
Net Operational Expenditure	6,512	4,120	4,115	3,119	0.32
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					T3.71.5



3.72 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

INTRODUCTION

Information Technology (IT) in all its forms have become essential to manage the transactions, information and knowledge necessary to ensure that citizens' demand for service delivery and administrative and operational efficiencies are met. IT is so pervasive that it is essential for West Coast District Municipality ("WCDM") to ensure that the function delivers its intended benefits, that risks are managed and that its resources are managed efficiently

Financial Performance Year 1: ICT Services					
Details	2010 / 2011	2011 / 2012			R'000
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	0%
Expenditure:					
Employees	-	-	651	596	100%
Repairs and Maintenance	-	-	510	18	100%
Other	-	-	20	529	100%
Total Operational Expenditure	-	-	1,181	1,143	100%
Net Operational Expenditure	-	-	1,181	1,143	100%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					T3.72.5



CHAPTER 4 ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

Introduction

The Municipality's organizational development function is as follows:

- (a) **Office of the Municipal Manager**
 - Human Resources
 - Internal Auditing
 - Strategic Services
 - Social and Community Development
 - Tourism

- (b) **Department: Administration and Community Services**
 - Administration
 - Municipal Environmental Health
 - Municipal Environmental Integrity
 - Disaster Management
 - Fire Services
 - Public Relations

- (c) **Department: Financial Services**
 - Financial Management and Control
 - Income
 - Expenditure
 - Supply Chain Management
 - Information Technology
 - Ganzekraal Resort

- (d) **Department: Technical Services**
 - Town and Regional Planning
 - Roads Construction and Maintenance
 - Mechanical Workshops
 - Water Purification
 - Water Distribution
 - Civil Engineering Projects



4.1 Employee Totals, Turnover and Vacancies

Description	Employees			
	2011/2012			
	Approved Posts No.	Employees No.	Vacancies No.	Vacancies %
Water	118	87	31	26.27%
Roads	267	195	72	26.97%
Planning	4	3	1	25%
Planning (Strategic and Regulatory)	12	11	1	8.33%
Community and Social Services	93	80	13	13.98%
Environmental Protection	42	33	9	21.42%
Corporate Policy Offices and Other	52	50	2	3.85%
				T4.1.1

Designations	Vacancy Rate 2011/2012		
	Total Approved Posts No.	Variations No.	Variations %
	Municipal Manager	1	0
CFO	1	0	0%
Other S57 Managers (excl. Finance Posts)	3	0	0%
Other S57 Managers (Finance Managers)	0	0	0%
Fire Fighters	68	9	13.24%
Senior Management: Levels 13- 16 (excl. Finance Posts)	25	6	24%
Senior Management: Levels 13- 16 (Finance Posts)	3	0	0%
Highly Skilled supervision: Levels 9-12 (excl. Finance posts)	108	28	25.9%
Highly Skilled supervision: Levels 9-12 (Finance posts)	6	0	0%
			T4.1.2



Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate
2011/2012	35	34	0.07%
			T4.1.3

Most of the vacancies at West Coast District Municipality reside in the Roads Section. West Coast District Municipality acts as the agent and therefore does not have the authority to fill these posts on its own discretion, but need to get approval from the Provincial Roads Department.

No Section 57 posts were vacant during the 2011/2012 financial year, as the post of Director: Community Services were integrated in the post of Director: Corporate Services and is now known as Director: Administration and Community Services.



4.2 Policies

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1.	Induction Policy	100		2008/08/24
2.	Recruitment and Selection Policy	100		2012/04/24
3.	Study Bursary Policy	100		2011/09/01
4.	Private Work Policy	100		2008/08/24
5.	Education, Training and Development Policy	100		2008/08/24
6.	Succession Planning Career Pathing Policy	100		2008/08/24
7.	Student Assistance Policy	100		2008/08/24
8.	Travel and Removal Expenses Policy	100		2008/08/24
9.	Disciplinary & Grievances Procedure	100		2008/08/24
10.	Whistleblowing Policy	100		2008/08/24
11.	Nepotism Policy	100		2008/08/24
12.	Confidentiality Policy	100		2008/08/24
13.	Overtime Policy	100		2008/08/24
14.	Manage Poor Work Performance	100		2008/08/24
15.	Attendance and Punctuality Policy	100		2008/08/24
16.	Unpaid Leave Policy	100		2008/08/24
17.	Sexual Harassment Policy	100		2008/08/24
18.	Use of Official Vehicle Policy	100		2008/08/24
19.	Staff Statements to the media Policy	100		2008/08/24
20.	Internet & E-Mail Policy	100		2008/08/24
21.	Chronic Illness Policy	100		2008/08/24
22.	Substance Abuse Policy	100		2008/08/24
23.	Occupational Health & Safety Policy	100		2008/08/24
24.	Smoking Policy	100		2008/08/24
25.	Uniform & Protective Clothing Policy	100		2008/08/24
26.	HIV/AIDS Policy	100		2008/08/24
27.	Employment Assistance Programme	100		2008/08/24
28.	Scarce Skills Policy	100		2011/11/23
29.	Travel and Subsistence Policy	100		2010/03/24
30.	Extra Services Allowance Policy		80	

T4.2.1

Currently all Human Resources Policies are being reviewed for amendments and improvements.



4.3 Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average injury leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	257	24	9.80%	10.7	
Temporary total disablement	0	0	0	0	
Permanent disablement	0	0	0	0	
Fatal	0	0	0	0	
Total	257	24	9.80%	10.7	

T4.3.1

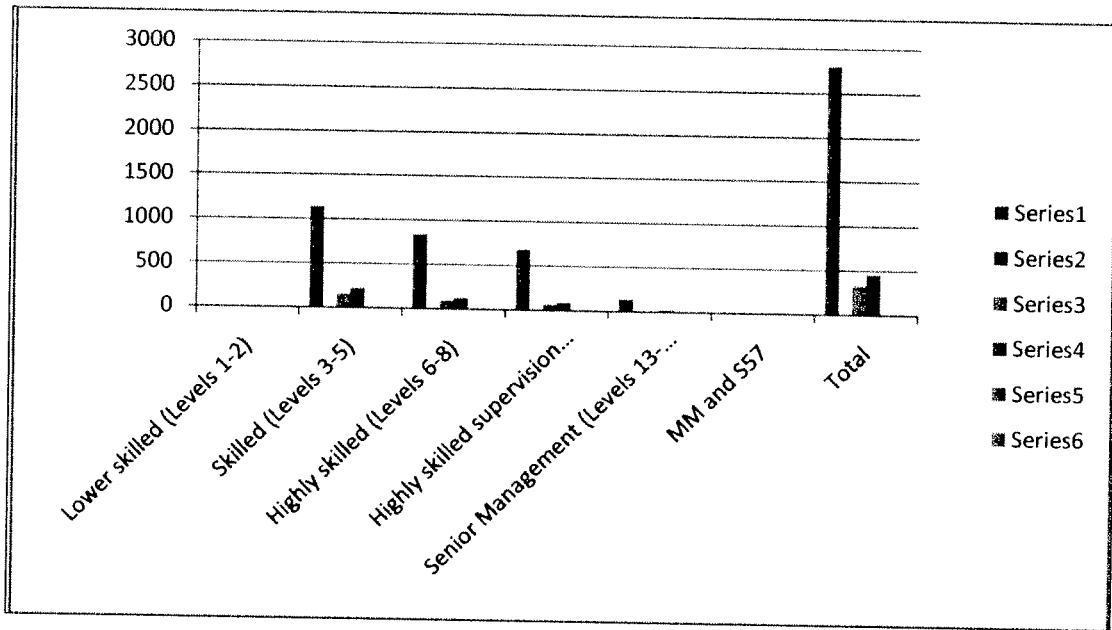
Number of Days and Cost of Sick Leave (excl. injuries on duty)						
Designations	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per employee	Estimated Cost
	Days	%	No.	No.	Days	R'000
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	1141	10%	154	220	5	
Highly skilled (Levels 6-8)	840	5%	93	125	6.72	
Highly skilled supervision (Levels 9-12)	682	3%	66	86	7.93	
Senior Management (Levels 13-16)	138	2%	13	22	6.27	
MM and S57	1	0	1	4	0.25	
Total	2802	20%	327	457	6.13	

T4.3.2

*-Number of employees in post at the beginning of the year.

* Average calculated by taking sick leave in column 2 divided by total employees in column 5.





Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not finalised	Date finalised
General Assistant	Insubordination	N/A	Final written warning	2011/09/26
General Assistant	Insubordination / intimidation	N/A	Final written warning	2011/09/28
General Assistant	Absent without leave	N/A	Employment terminated	2011/10/21
Fire Fighter	Insubordination / negligence	N/A	Employment terminated	2011/12/07
Fire Fighter	Insubordination	N/A	Final written warning	2011/12/07
Principal Clerk	Insubordination / intimidation	2012/02/07	Suspended for 10 working days	2012/02/21
General Assistant	Absent without leave	N/A	Voluntary resignation	2012/03/01
Grader Operator	Negligence	N/A	Final written warning	2012/05/23
General Assistant	Absent without leave and assault	N/A	Employment terminated	2012/06/12
				T4.3.5

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date finalised
None			
			T4.3.6



4.5 SKILLS DEVELOPMENT AND TRAINING

Introduction to Workforce Capacity Development

Training initiatives are rolled out in the municipality which includes apprenticeships in the electrical and mechanical trade as well as learnerships in horticulture, water reticulation and the construction of roads. Training for Fire personnel is a priority in the district, and recruits are appointed and send for the necessary training. Short courses to up-skill skilled employees are rolled out annually according to the Workplace Skills Plan that is linked to the Strategic Objectives of the West Coast District Municipality.

Skills Matrix						
Management Level	Gender	Employees in post as at 30 June 2012 No.	Number of skilled employees required and actual as at 30 June 2012			
			Received Training		Percentage	
			Original	Actual	Original	Actual
Legislators	Female	4	0	0	0%	0%
	Male	19	0	0		
Directors and Corporate Managers	Female	4	4	4	82.53%	111.76%
	Male	13	10	15		
Professionals	Female	17	4	18	29.79%	95.83%
	Male	31	10	28		
Technicians and associate professionals	Female	6	2	5	61.67%	66.67%
	Male	51	35	33		
	Male	154	74	53		
Total		299	139	156	43.50%	68.57%

T4.5.1



Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by the municipality	B. Total number of officials employed by municipal entities	Consolidated Total of A and B	Consolidated: Competency assessments completed for A and B	Consolidated: Total number of officials whose performance agreements comply with Regulation 16	Consolidated: Total number of officials that meet prescribed competency levels
Financial Officials						
<i>Accounting Officer</i>	1	0	1	1	1	1
<i>Chief Financial Officer</i>	1	0	1	1	1	1
<i>Senior Managers</i>	2	0	2	2	2	2
<i>Any other financial official</i>	4	0	4	3	N/A	3
SCM Officials						
<i>Heads of SCM units</i>	0	0	0	0	0	0
<i>SCM Senior Manager</i>	1	0	1	1	N/A	1
Total	9	0	9	8	4	8
*This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulation (June 2007). T4.5.2						



Skills Development and Expenditure							R'000
Management Level	Gender	Employees in post as at 30 June 2012 No.	Total Number of Employees who Received Training and Percentage				
			Received Training		Percentage		
			Original	Actual	Original	Actual	
Legislators	Female	4	0	0	0%	0%	
	Male	19	0	0			
Directors and Corporate Managers	Female	4	4	4	82.53%	111.76%	
	Male	13	10	15			
Professionals	Female	17	4	18	29.79%	95.83%	
	Male	31	10	28			
Technicians and associate professionals	Female	6	2	5	61.67%	66.67%	
	Male	51	35	33			
Clerical and Administrative Workers	Female	31	7	20	65.96%	60.42%	
	Male	17	51	9			
Community and Personal Services Workers	Female	8	23	4	86.57%	80.33%	
	Male	53	8	45			
Machine operators and drivers	Female	0	7	0	64.81%	69.81%	
	Male	53	51	37			
Elementary occupations	Female	29	25	19	50.00%	39.34%	
	Male	154	74	53			
Total		490	311	290	58.42%	59.18%	

T4.5.3

Total Actual Training Spend for the Year: R1 162 415



CHAPTER 5: FINANCIAL PERFORMANCE

INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of three components:

- **Component A:** Statement of Financial Performance
- **Component B:** Spending Against Capital Budget
- **Component C:** Other Financial Matters

Delete Directive note once comment is complete - Please explain how your municipality sought to contain inflationary pressures during the financial year. Take the 5 most expensive consultancy arrangements in 2008/09 and explain the costs, the reasons for the engagements and the results. Include such other introductory remarks as you wish

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

Note: Statements of Revenue Collection Performance by vote and by source are included at **Appendix K**

FINANCIAL SUMMARY						
<i>R' 000</i>						
Description	Year 0	Current Year: Year 1			Year 1 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Financial Performance						
Property rates	868			-	%	%
Service charges	74,341	77,500		82,381	%	%
Investment revenue	9,549	8,000		8,076	%	%
Transfers recognised - operational	146,216	73,012		142,476	%	%
Other own revenue	18,353	65,626		11,492	%	%
Total Revenue (excluding capital transfers and contributions)	249,327	224,138	-	244,425	%	%
Employee costs	64,818	68,606		66,124	%	%
Remuneration of councillors	4,700	4,145		3,652	%	%
Depreciation & asset impairment	18,351	21,716		19,526	%	%
Finance charges	8,174	7,498		11,164	%	%
Materials and bulk purchases	7,332	56,120		7,629	%	%
Transfers and grants					%	%
Other expenditure	146,671	115,470		133,903	%	%



Total Expenditure	250,045	273,555	-	241,998	%	%
Surplus/(Deficit)	(719)	(49,417)	-	2,427	%	%
Transfers recognised - capital					%	%
Contributions recognised - capital & contributed assets		5,257			%	%
Surplus/(Deficit) after capital transfers & contributions	(719)	(44,160)	-	2,427	%	%
Share of surplus/ (deficit) of associate					%	%
Surplus/(Deficit) for the year	(719)	(44,160)	-	2,427	%	%
<u>Capital expenditure & funds sources</u>						
Capital expenditure	-	-	-	-	%	%
Transfers recognised - capital	-	-	-	-	%	%
Public contributions & donations					%	%
Borrowing					%	%
Internally generated funds					%	%
Total sources of capital funds	-	-	-	-	%	%
<u>Financial position</u>						
Total current assets	166,420	197,185	-	146,793	%	%
Total non current assets	339,704	372,771	-	317,180	%	%
Total current liabilities	42,332	19,693	-	31,724	%	%
Total non current liabilities	141,372	152,802	-	139,322	%	%
Community wealth/Equity	322,419	397,460	-	292,926	%	%
<u>Cash flows</u>						
Net cash from (used) operating	29,146	31,801	-	14,106	%	%
Net cash from (used) investing	(62,830)	(45,766)	-	4,097	%	%
Net cash from (used) financing	29,454	16,765	-	(7,075)	%	%
Cash/cash equivalents at the year end	151,325	222,710	-	134,240	%	%
<u>Cash backing/surplus reconciliation</u>						
Cash and investments available	-	-	-	-	%	%
Application of cash and investments	-	-	-	-	%	%
Balance - surplus (shortfall)	-	-	-	-	%	%

Asset management						
Asset register summary (WDV)	-	-	-	-	%	%
Depreciation & asset impairment	-	-	-	-	%	%
Renewal of Existing Assets	-	-	-	-	%	%
Repairs and Maintenance	-	-	-	-	%	%
Free services						
Cost of Free Basic Services provided	-	-	-	-	%	%
Revenue cost of free services provided	-	-	-	-	%	%
Households below minimum service level						
Water:	-	-	-	-	%	%
Sanitation/sewerage:	-	-	-	-	%	%
Energy:	-	-	-	-	%	%
Refuse:	-	-	-	-	%	%
<i>Variations are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A1</i>						T5.1.1

Financial Performance of Operational Services						
Description	R '000					
	Year 0	Year 1		Year 1 Variance		
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Operating Cost						
Water	26,485	23,572	28,075	23,042	-2.30%	-21.84%
Waste Water (Sanitation)	8,541	8,285	9,054	8,456	2.02%	-7.07%
Electricity	12,355	10,254	12,478	13,219	22.43%	5.61%
Waste Management	14,232	13,235	13,662	12,097	-9.41%	-12.94%
Housing	6,542	5,496	5,954	6,346	13.40%	6.19%
Component A: sub-total	1,865	1,622	1,865	1,510	-7.41%	-23.46%
Waste Water (Stormwater Drainage)	5,643	5,530	5,925	5,304	-4.26%	-11.70%
Roads	5,643	5,530	5,925	5,304	-4.26%	-11.70%
Transport	5,322	4,470	5,747	4,630	3.45%	-24.14%

Component B: sub-total	8,455	8,455	8,624	9,554	11.50%	9.73%
Planning	1,254	1,003	1,191	1,354	25.93%	12.04%
Local Economic Development	2,516	2,063	2,264	2,340	11.83%	3.23%
Component B: sub-total	6,846	6,230	7,256	6,640	6.19%	-9.28%
Planning (Strategic & Regulatory)	12,546	10,413	11,793	11,542	9.78%	-2.17%
Local Economic Development	2,355	2,190	2,425	2,402	8.82%	-0.98%
Component C: sub-total	48,542	40,776	48,542	46,115	11.58%	-5.26%
Community & Social Services	4,565	3,698	4,337	4,291	13.83%	-1.06%
Environmental Protection	5,649	4,971	6,157	4,971	0.00%	-23.86%
Health	5,649	4,971	6,157	4,971	0.00%	-23.86%
Security and Safety	5,649	4,971	6,157	4,971	0.00%	-23.86%
Sport and Recreation	5,649	4,971	6,157	4,971	0.00%	-23.86%
Corporate Policy Offices and Other	5,649	4,971	6,157	4,971	0.00%	-23.86%
Component D: sub-total	32,808	28,552	35,122	29,145	2.04%	-20.51%
Total Expenditure	179,353	157,791	181,274	169,118	6.70%	-7.19%
In this table operational income (but not levies or tarrifs) is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						T5.1.2

5.2 GRANTS

Grant Performance						
Description	R' 000					
	Year 0	Year 1			Year 1 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:	59,315	70,692	70,692	2,369		
Equitable share	57,565	68,652	68,652			
Municipal Systems Improvement	750	790	790	790		
Department of Water Affairs						
Levy replacement						
Other transfers/grants [insert description]	1,000	1,250	1,250	1,579		
Provincial Government:	19,114	7,577	7,577	176		
Health subsidy						
Housing				9		
Ambulance subsidy						
Sports and Recreation						
Other transfers/grants [insert description]	19,114	7,577	7,577	168		
District Municipality:	-	-	-	-		
<i>[insert description]</i>						
Other grant providers:	5,788	-	-	75,491		
MIG	5,788			4,058		
Local Municipalities				71,434		
Total Operating Transfers and Grants	84,217	78,269	78,269	78,037		
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						T5.2.1

5.3 ASSET MANAGEMENT

INTRODUCTION

Property, plant and equipment are tangible assets that:

- Are held by a municipality for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and
- Are expected to be used during more than one period.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery of the asset are enhanced in excess of the originally assessed standard of performance. If expenditure only restores the originally assessed standard of performance, it is regarded as repairs and maintenance and are expensed.

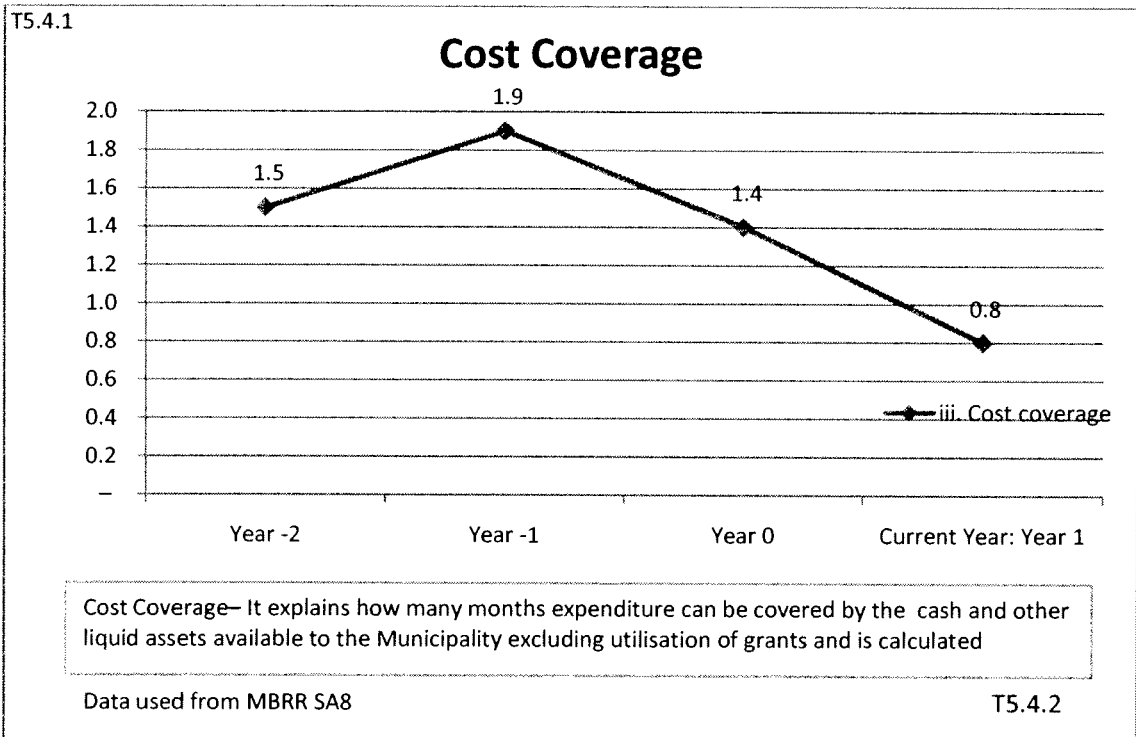
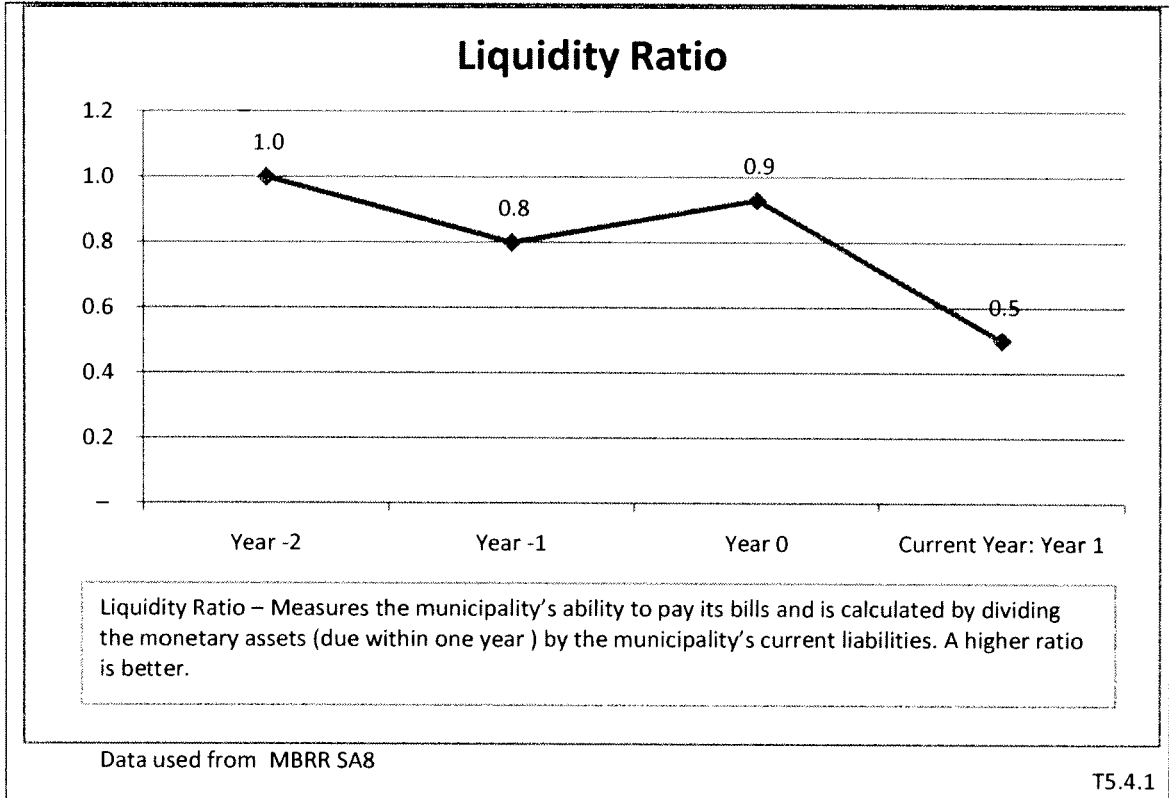
The enhancement of an existing asset so that its use is expanded or the further development of an asset so that its original life is extended are examples of subsequent expenditure which should be capitalised.

The cost of an item of property, plant and equipment acquired in exchange for a non-monetary asset

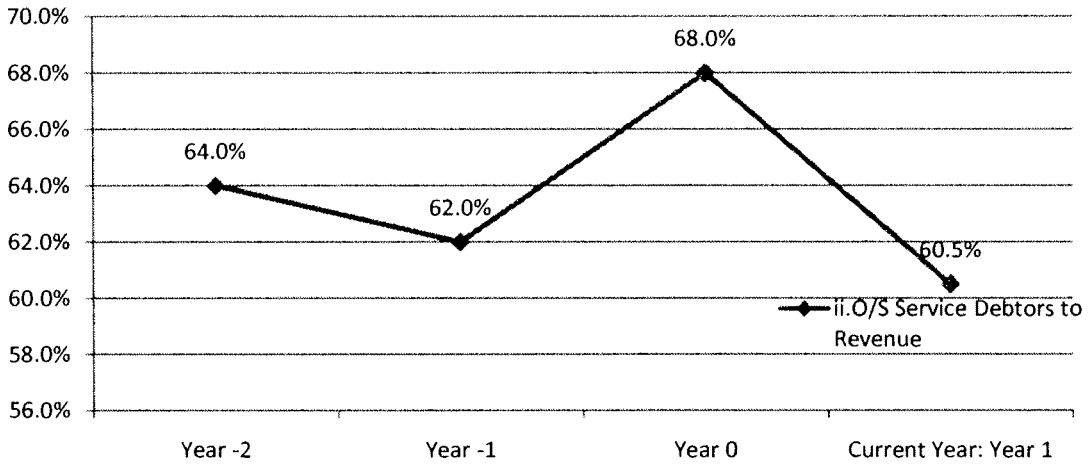
TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 1				
Asset 1				
Name	Water Reticulation			
Description				
Asset Type	Infrastructure			
Key Staff Involved	HF Prins	J Koekemoer	PR April	IAB v/d Westhuizen
Staff Responsibilities	Municipal Manager	Chief Financial Officer	Manager: Finance & Control	Director: Technical Services
Asset Value	Year -2	Year -1	Year 0	Year 1
		22600999		22600999
Capital Implications	None			
Future Purpose of Asset	Bulk Water Supply			
Describe Key Issues	None			
Policies in Place to Manage Asset	Asset Management Policy	Supply Chain Policy	Credit Control Policy	
Asset 2				
Name	Reservoirs			
Description				
Asset Type	Infrastructure			

Key Staff Involved	HF Prins	J Koekemoer	PR April	IAB v/d Westhuizen
Staff Responsibilities	Municipal Manager	Chief Financial Officer	Manager: Finance & Control	Director: Technical Services
Asset Value	Year -2	Year -1	Year 0	Year 1
		4298605		4298605
Capital Implications	None			
Future Purpose of Asset	Bulk Water Supply			
Describe Key Issues	None			
Policies in Place to Manage Asset	Asset Management Policy	Supply Chain Policy	Credit Control Policy	
Asset 3				
Name	Pump Stations			
Description				
Asset Type	Infrastructure			
Key Staff Involved	HF Prins	J Koekemoer	PR April	IAB v/d Westhuizen
Staff Responsibilities	Municipal Manager	Chief Financial Officer	Manager: Finance & Control	Director: Technical Services
Asset Value	Year -2	Year -1	Year 0	Year 1
		1391978		1391978
Capital Implications	None			
Future Purpose of Asset	Bulk Water Supply			
Describe Key Issues	None			
Policies in Place to Manage Asset	Asset Management Policy	Supply Chain Policy	Credit Control Policy	
T5.3.2				

Repair and Maintenance Expenditure: Year 1				
				R' 000
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	125	129	128	-2.40%
T5.3.4				



Total Outstanding Service Debtors

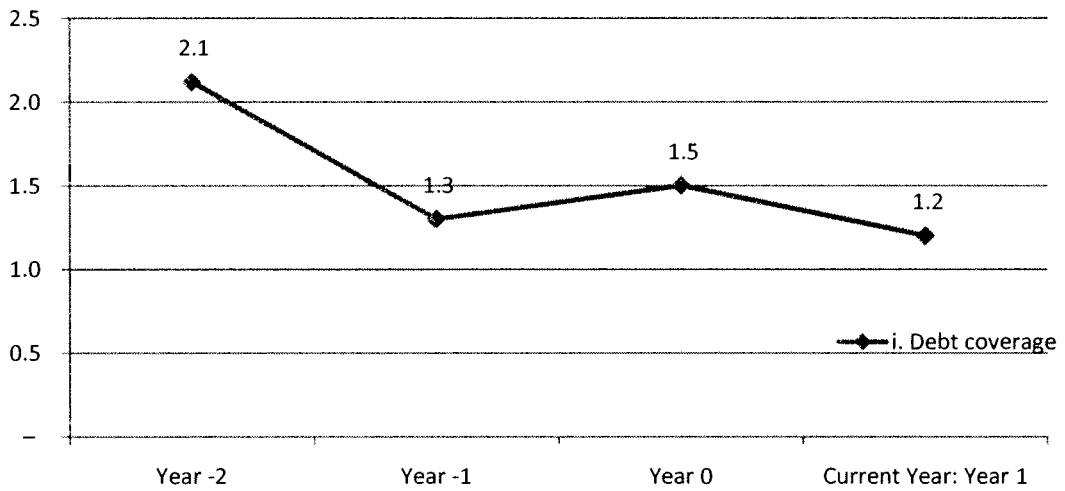


Total Outstanding Service Debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better.

Data used from MBRR SA8

T5.4.3

Debt Coverage

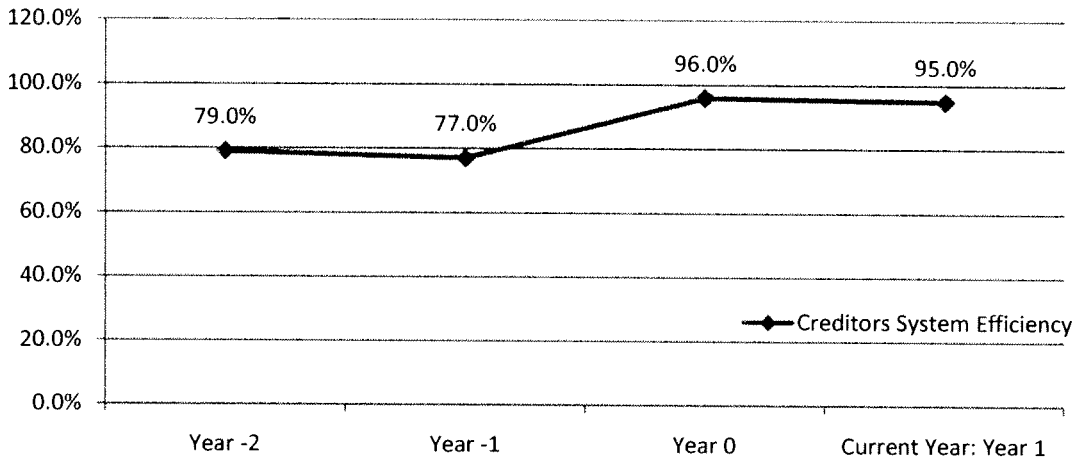


Debt Coverage– The number of times debt payments can be accomodated within Operating revenue (excluding grants) . This in turn represents the ease with which debt payments can be accomodated by the municipality

Data used from MBRR SA8

T5.4.4

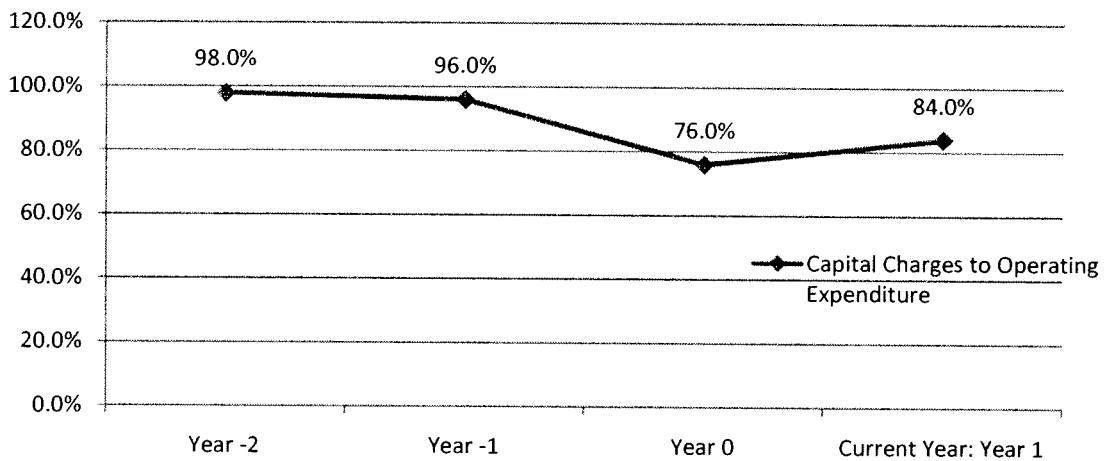
Creditors System Efficiency



Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases

Data used from MBRR SA8 T5.4.5

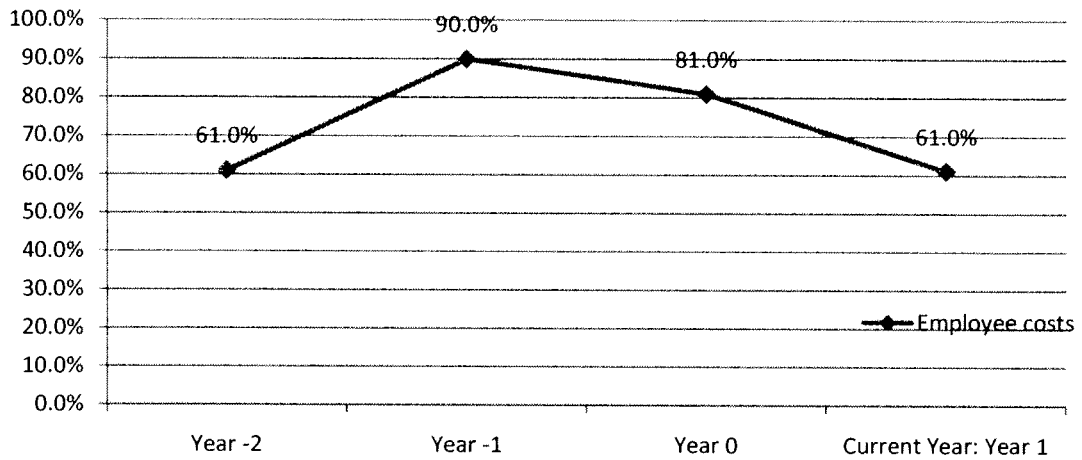
Capital Charges to Operating Expenditure



Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

Data used from MBRR SA8 T5.4.6

Employee Costs

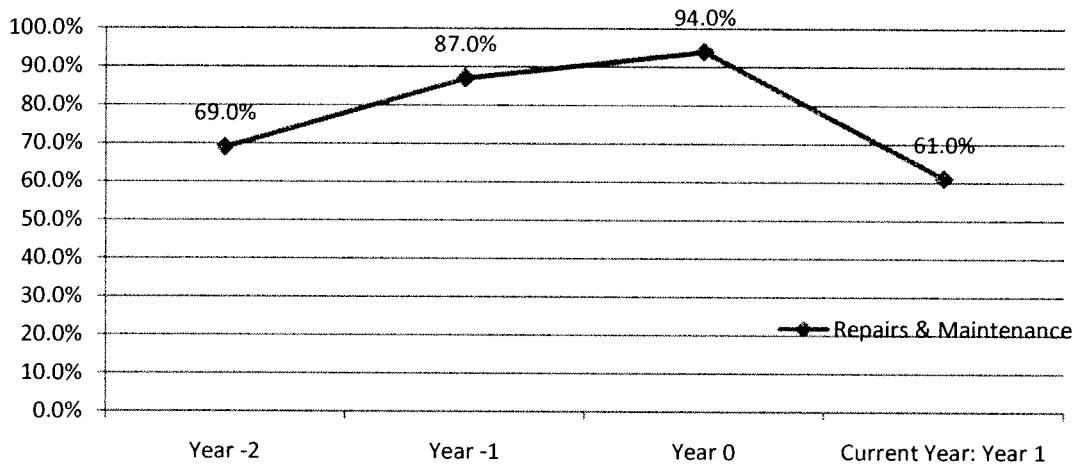


Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

Data used from MBRR SA8

T5.4.7

Repairs & Maintenance



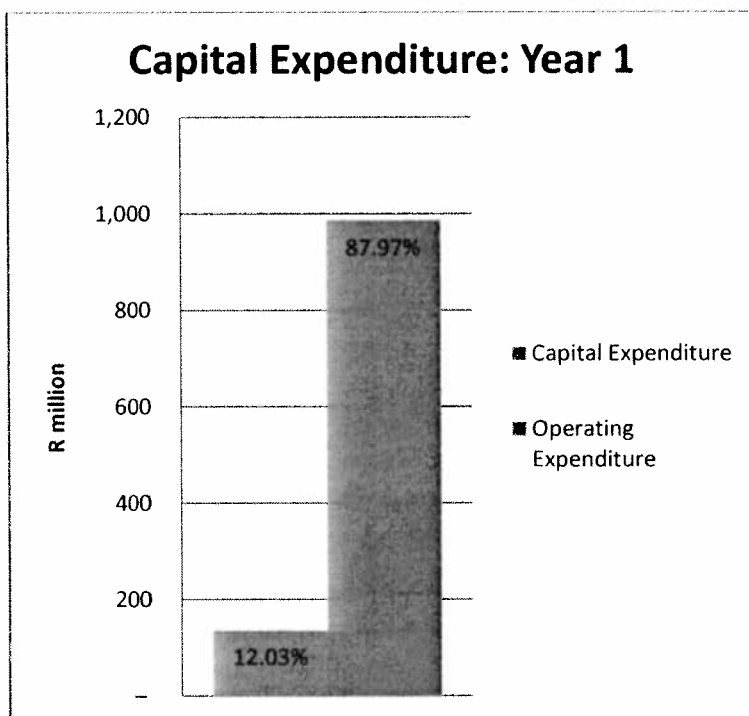
Repairs and Maintenance – This represents the proportion of operating expenditure spent and is calculated by dividing the total repairs and maintenance.

Data used from MBRR SA8

T5.4.8

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.5 CAPITAL EXPENDITURE



Use table below to populate the info for the graph

R million	Original Budget	Adjustment Budget	Un-audited Full Year Total	Original Budget variance	Adjusted Budget Variance
Capital Expenditure	138	135	133	4.0%	1.5%
	138	135	133	4.0%	1.5%
Operating Expenditure	982	986	987	-0.5%	-0.1%
	982	986	987	-0.5%	-0.1%
Total expenditure	1,120	1,121	1,119	0.1%	0.1%
Water and sanitation	69	70	70	-1.1%	0.4%
Electricity	47	48	48	-0.7%	0.0%
Housing	5	5	5	-3.5%	0.0%
Roads, Pavements, Bridges and storm water	16	14	14	15.3%	5.5%
Other	6	6	6	4.0%	0.0%
	138	135	133	4.0%	1.5%
External Loans	30	31	31	-3.3%	0.0%

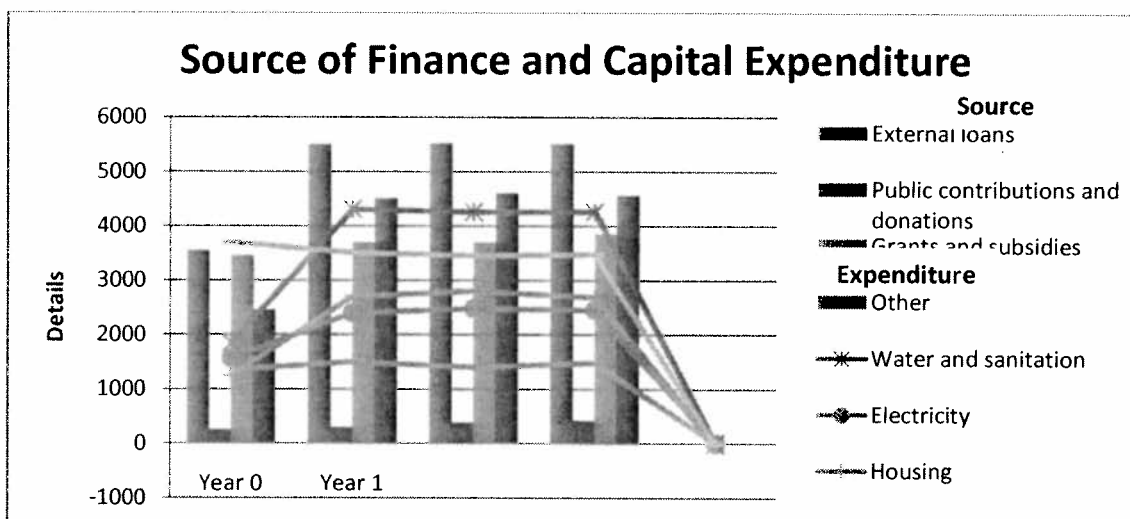
Internal contributions	42	34	34	19.9%	0.0%
Grants and subsidies	66	76	76	-14.9%	0.0%
Other	–	–			
	138	141	141	-1.8%	0.0%
External Loans	35	35	35	0.0%	0.0%
Grants and subsidies	162	162	62	0.0%	0.0%
Investments Redeemed	30	48	48	-59.9%	0.0%
Statutory Receipts (including VAT)	85	87	88	-4.1%	-1.3%
Other Receipts	870	856	858	1.3%	-0.2%
	1,182	1,189	1,192	-0.8%	-0.2%
Salaries, wages and allowances	313	311	311	0.8%	0.0%
Cash and creditor payments	550	527	532	3.4%	-0.8%
Capital payments	102	142	141	-38.1%	0.7%
Investments made	–	54	43		20.8%
External loans repaid	56	64	64	-14.6%	0.2%
Statutory Payments (including VAT)	93	92	92	1.7%	0.1%
Other payments	–	8	1		89.9%
	1,115	1,198	1,183	-6.1%	1.3%
	Original Budget	Adjustment Budget	Un-audited Full Year Total	Original Budget variance	Adjusted Budget Variance
Property rates	164	164	164	-0.3%	-0.1%
Service charges	604	604	604	-0.1%	0.0%
Other own revenue	214	215	215	-0.5%	0.0%
	982	984	984	-0.2%	0.0%
Employee related costs	303	300	301	0.6%	-0.1%
Provision for working capital	–	–	–		
Repairs and maintenance	51	52	52	-2.3%	-0.1%
Bulk purchases	291	293	293	-0.9%	0.0%
Other expenditure	338	340	340	-0.8%	-0.2%
	982	986	987	-0.5%	-0.1%
Service charges: Electricity	314	322	324	-2.9%	-0.3%
Grants & subsidies: Electricity	7	11	12	-75.7%	-11.9%
Other revenue: Electricity	22	22	22	-2.5%	-0.2%
	343	356	358	-4.4%	-0.7%
Employee related costs: Electricity	13	13	13	3.7%	1.5%
Provision for working capital: Electricity	–	–	–		
Repairs and maintenance: Electricity	17	19	19	-17.0%	0.4%
Bulk purchases: Electricity	179	184	184	-3.0%	0.0%
Other expenditure: Electricity	34	50	51	-51.7%	-2.7%
	242	266	267	-10.3%	-0.4%

Service charges: Water	138	139	140	-1.9%	-0.9%
Grants & subsidies: Water	27	26	26	7.1%	0.0%
Other revenue: Water	12	14	14	-21.0%	-0.9%
	177	178	180	-1.8%	-0.8%
Employee related costs: Water	13	14	14	-4.1%	0.1%
Provision for working capital: Water	-	-	-		
Repairs and maintenance: Water	9	9	9	-10.2%	-0.7%
Bulk purchases: Water	86	88	89	-3.2%	-0.2%
Other expenditure: Water	49	45	45	8.2%	0.2%
	156	156	157	-0.1%	-0.1%
					T5.5.1

5.6 SOURCES OF FINANCE

Capital Expenditure - Funding Sources Year 0 to Year 1							R' 000
Details	Year 0	Year 1					
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)	
Source of finance							
External loans	3542	5500	5520	5511	0.36%	0.20%	
Public contributions and donations	248	300	390	421	30.00%	40.33%	
Grants and subsidies	3451	3700	3700	3856	0.00%	4.22%	
Other	2451	4500	4600	4565	2.22%	1.44%	
Total	9692	14000	14210	14353	32.59%	46.19%	
Percentage of finance							
External loans	36.5%	39.3%	38.8%	38.4%	1.1%	0.4%	
Public contributions and donations	2.6%	2.1%	2.7%	2.9%	92.1%	87.3%	
Grants and subsidies	35.6%	26.4%	26.0%	26.9%	0.0%	9.1%	
Other	25.3%	32.1%	32.4%	31.8%	6.8%	3.1%	
Capital expenditure							
Water and sanitation	1845	4300	4250	4256	-1.16%	-1.02%	
Electricity	1562	2400	2480	2453	3.33%	2.21%	

	Housing	1243	2700	2800	2685	3.70%	-0.56%
	Roads and storm water	1352	1500	1400	1486	-6.67%	-0.93%
	Other	3690	3500	3450	3473	-1.43%	-0.77%
Total		9692	14400	14380	14353	-2.22%	-1.08%
<i>Percentage of expenditure</i>							
	Water and sanitation	19.0%	29.9%	29.6%	29.7%	52.4%	95.2%
	Electricity	16.1%	16.7%	17.2%	17.1%	-150.1%	-205.4%
	Housing	12.8%	18.8%	19.5%	18.7%	-166.8%	51.7%
	Roads and storm water	13.9%	10.4%	9.7%	10.4%	300.2%	86.8%
	Other	38.1%	24.3%	24.0%	24.2%	64.3%	71.7%
							T5.6.1



5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure of 5 largest projects*					
Name of Project	Current Year: Year 1			Variance Current Year: Year 1	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
	R' 000				
A - Upgrading of pipelines	5,332	8,832	8,889	- 0.67	- 0.66
B - Reservoirs	3,000	4,211	4,211	- 0.40	- 0.40
C - Pipelines	104	13,500	13,500	- 128.81	- 128.81
D - Fire Fighting Equipment	162	908	1,301	- 7.03	- 4.60
E - Valves	569	1,449	1,500	- 1.64	- 1.55
* Projects with the highest capital expenditure in Year 1					

Name of Project - A	
Objective of Project	Bulk water supply
Delays	None
Future Challenges	None
Anticipated citizen benefits	Access to basic services

Name of Project - B	
Objective of Project	Bulk water supply
Delays	None
Future Challenges	None
Anticipated citizen benefits	Access to basic services

Name of Project - C	
Objective of Project	Bulk water supply
Delays	None
Future Challenges	None
Anticipated citizen benefits	Access to basic services

Name of Project - D	
Objective of Project	Disaster relief
Delays	None

Future Challenges	None
Anticipated citizen benefits	Public safety

Name of Project - E	
Objective of Project	Bulk water supply
Delays	None
Future Challenges	None
Anticipated citizen benefits	Access to basic services
T5.7.1	

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

Municipal Infrastructure Grant (MIG)* Expenditure Year 1 on Service backlogs						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Infrastructure - Road transport				%	%	
<i>Roads, Pavements & Bridges</i>				%	%	
<i>Storm water</i>				%	%	
Infrastructure - Electricity				%	%	
<i>Generation</i>				%	%	
<i>Transmission & Reticulation</i>				%	%	
<i>Street Lighting</i>				%	%	
Infrastructure - Water				%	%	
<i>Dams & Reservoirs</i>				%	%	
<i>Water purification</i>				%	%	
<i>Reticulation</i>				%	%	
Infrastructure - Sanitation				%	%	
<i>Reticulation</i>				%	%	
<i>Sewerage purification</i>				%	%	
Infrastructure - Other				%	%	
<i>Waste Management</i>				%	%	
<i>Transportation</i>				%	%	
<i>Gas</i>				%	%	
Other Specify:				%	%	
				%	%	
				%	%	
				%	%	
Total				%	%	

* MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Expenditure on new, upgraded and renewed infrastructure is set out at Appendix M; note also the calculation of the variation. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

T5.8.3

5.9 CASH FLOW

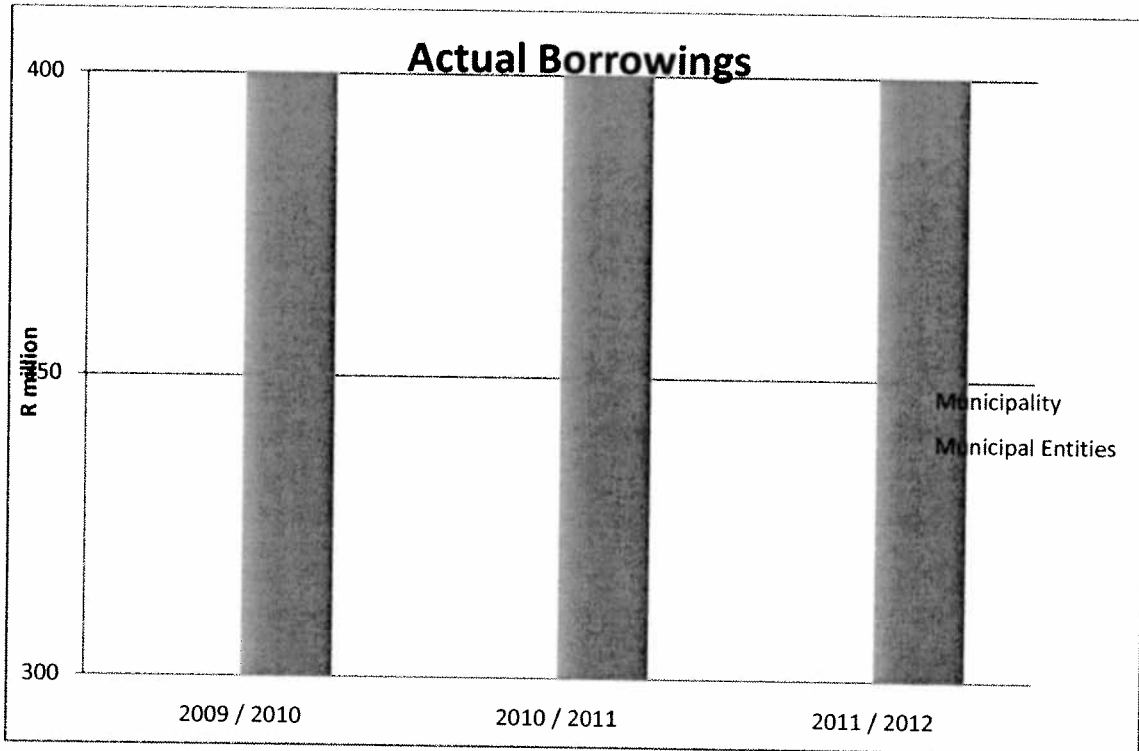
Cash Flow Outcomes				
Description	R'000			
	2010 / 2011	2011 / 2012		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	227,395	126,450		237,684
Government - operating		133,754		
Government - capital				
Interest	9,549			8,076
Dividends				
Payments				
Suppliers and employees	199,625	206,809		248,702
Finance charges	8,173			11,164
Transfers and Grants				
NET CASH FROM/(USED) OPERATING ACTIVITIES	29,146	53,395	-	(14,106)
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	(62,830)			4,097
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables				
Decrease (increase) in non-current investments				
Payments				
Capital assets		30,810		
NET CASH FROM/(USED) INVESTING ACTIVITIES	(62,830)	(30,810)	-	4,097
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	29,454			(7,075)
Borrowing long term/refinancing				
Increase (decrease) in consumer deposits				
Payments				
Repayment of borrowing		5,972		
NET CASH FROM/(USED) FINANCING ACTIVITIES	29,454	(5,972)	-	(7,075)

NET INCREASE/ (DECREASE) IN CASH HELD	(4,230)	16,613	-	(17,084)
Cash/cash equivalents at the year begin:	155,554	161,601		151,324
Cash/cash equivalents at the year end:	151,324	178,214	-	134,240
Source: MBRR SA7				T5.9.1

5.10 BORROWING AND INVESTMENT

Actual Borrowings Year -1 to Year 1			
	R' 000		
Instrument	2009 / 2010	2010 / 2011	2011 / 2012
Municipality			
Long-Term Loans (annuity/reducing balance)	68,759	98,165	91,090
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Municipality Total	68,759	98,165	91,090
Municipal Entities			
Long-Term Loans (annuity/reducing balance)			
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Entities Total			

T5.10.2



Municipal and Entity Investments			
			R' 000
Investment* type	2009 / 2010	2010 / 2011	2011 / 2012
	Actual	Actual	Actual
<u>Municipality</u>			
Deposits - Bank			
FNB	6,364,492	2,129,652	14,764,222
ABSA	50,000,000	27,254,565	-
ABSA	50,000,000	53,148,602	56,252,378
NEDBANK	30,000,000	31,880,975	33,761,346
INVESTEC		10,591,826	-
STANDBANK			20,678,199
Municipality Total	136,364,492	125,005,620	125,456,145
T5.10.4			

5.12 SUPPLY CHAIN MANAGEMENT

The West Coast District Municipality has established a fully operational SCM Unit in line with the approved SCM Policy.

No councillor of the municipality is a member of a municipal bid committee or any other committee evaluating or approving tenders, quotations, contracts or other bids, nor attend such meeting as an observer.

The Municipal Regulations on Minimum Competency Levels only indicates the minimum competency levels for Heads and Managers in Supply Chain Management and do not make reference to the minimum competency levels for SCM officials who are not in management positions.

The SCM Manager and two (2) SCM Practitioners comply with the prescribed minimum competency levels.

The other SCM officials has the required minimum years of relevant SCM working experience as required by their job functions. They also have the qualifications related to their job functions and has a general understanding of the Municipality's SCM Policy and SCM procedures.

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

INTRODUCTION

The Constitution S188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA S45 states that the results of performance measurement must be audited annually by the Auditor-General.

**REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL PARLIAMENT
AND THE COUNCIL ON WEST COAST DISTRICT MUNICIPALITY**

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the West Coast District Municipality, which comprise the statement of financial position as at 30 June 2011 and the 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 information, as set out on pages 3 to 58.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Local Government: Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA), and the Division of Revenue Act of South Africa, 2010 (Act No. 1 of 2010) (DoRA), and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor-General's responsibility

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 and section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with International Standards on Auditing and *General Notice 1111 of 2010* issued in *Government Gazette 33872 of 15 December 2010*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
6. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.



Opinion

7. In my opinion, the financial statements present fairly, in all material respects, the financial position of the West Coast District Municipality as at 30 June 2011, and its financial performance and cash flows for the year then ended in accordance with SA Standards of GRAP and the requirements of the MFMA and DoRA.

Emphasis of matters

8. I draw attention to the matters below. My opinion is not modified in respect of these matters:

Restatement of corresponding figures

9. As disclosed in note 26 to the financial statements, the corresponding figures for 30 June 2010 have been restated as a result of errors discovered during the 2010-11 financial year in the financial statements of the West Coast District Municipality at, and for the year ended, 30 June 2010.

Material losses

10. As disclosed in note 44 to the financial statements the municipality incurred water losses amounting to R2 852 653 (11,68%) during the year under review (2009-10: R1 767 139 (7,75%)).

Disestablishment of the district management areas (DMA)

11. As disclosed in note 47 to the financial statements, the DMAs are being disestablished and are to be incorporated in superseding municipalities with effect from 1 July 2011.

Additional matter

12. I draw attention to the matter below. My opinion is not modified in respect of this matter:

Material inconsistencies in other information included in the annual report

13. No material inconsistencies between the draft annual report and financial statements were identified. The final printer's proof of the annual report will be reviewed and any material inconsistencies then identified will be communicated to management. Should the inconsistencies not be corrected, it may result in the matter being included in the audit report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

14. In accordance with the PAA and in terms of *General notice 1111 of 2010*, issued in *Government Gazette 33872 of 15 December 2010*, I include below my findings on the annual performance report as set out on pages xx to xx and material non-compliance with laws and regulations applicable to the municipality.

Predetermined objectives

15. There are no material findings on the annual performance report.

Compliance with laws and regulations

16. There are no findings concerning material non-compliance with laws and regulations applicable to the municipality.



INTERNAL CONTROL

17. In accordance with the PAA and in terms of *General notice 1111 of 2010*, issued in *Government Gazette 33872 of 15 December 2010*, I considered internal control relevant to my audit, but not for the purpose of expressing an opinion on the effectiveness of internal control. There are no significant deficiencies in internal control that could have resulted in a qualification of the auditor's opinion on the financial statements, findings on predetermined objectives and material non-compliance with laws and regulations.

Auditor - General

Cape Town

30 November 2011



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence



AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS 2011/2012

Attach Report

COMMENTS ON AUDITOR-GENERAL'S OPINION 2011/2012

Provide comments from the Municipal Manager / CFO on the Auditor-General's opinion. Include comments on 2010/2011 if it provides useful context

COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief financial officer states that these data sets have been returned according to the reporting requirements/ with the exception of those items and for those reasons given at **Appendix S** (*delete '/...' if not applicable*).

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give " <i>full and regular</i> " reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe " <i>what we do</i> ".
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are " <i>what we use to do the work</i> ". They include finances, personnel, equipment and

	buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	One of the main segments into which a budget of a municipality is divided for

	<p>appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>
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APPENDIX A - COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated and Council Attendance					
Council Members	Full Time / Part Time	Committees Allocated	Ward and/or Party Represented	Council Meetings Attendance	Apologies for non-attendance
J Swart	Proportional	Portfolio Committee Corporate Services Rules Committee	ANC	8	
R Skei	Proportional	Portfolio Committee Technical Services Rules Committee	ANC	8	
C Ovies	Proportional	Portfolio Committee Finance	ANC	5	1
NG Delpont	Proportional	Portfolio Committee Community Services Portfolio Committee Technical Services Oversight Committee	ANC	8	
CH Heyns	Proportional	Portfolio Committee Community Services Portfolio Committee Technical Services SALGA: Economic Development Chairperson: District Assessment Committee (DAC)	DA	6	2
M Koen	Proportional	Executive Mayoral Committee Member Chairperson: Portfolio Committee Corporate Services Local Labour Forum SALGA: Human Resource Management IDP: Local Municipalities (Saldanha Bay Municipality) West Coast Regional Tourism Organisation (RTO)	DA	8	
JJ Josephus	Proportional	Executive Deputy Mayor - Executive Mayoral Committee Member Ex Officio : All Portfolio Committees Local Labour Forum IDP Coordinating Committee (IDPCC) IDP: Local Municipalities (Bergrivier Municipality) Appeal Authority	DA	8	
WD Loff	Proportional	Portfolio Committee Community Services Portfolio Committee Finance IDP: Local Municipalities (Bergrivier Municipality) Provcom/ProvTech	DA	8	
AP Mouton	Proportional	Executive Mayoral Committee Member Chairperson: Portfolio Committee Finance Local Labour Forum SALGA: Municipal Finance and Administration IDP Coordinating Committee (IDPCC)	DA	8	
MR Smit	Proportional	Portfolio Committee Corporate Services Portfolio Committee Community Services Rules Committee West Coast Biosphere Reserve West Coast Regional Tourism Organisation (RTO) Oversight Committee Regional Health Forum	DA	8	

IF Julies	Appointed Matzikama Municipality	Executive Mayoral Committee Member Chairperson: Portfolio Committee Community Services Local Labour Forum SALGA: Community Development Rules Committee	DA	7	1
EL Mginqi	Appointed Matzikama Municipality	None	ANC	1	1
JJ Fransman	Appointed Cederberg Municipality	None	ANC	5	3
J Barnard	Appointed Cederberg Municipality	Portfolio Committee Finance Portfolio Committee Community Services IDP: Local Municipalities (Cederberg Municipality) Greater Cederberg Biodiversity Corridor	DA	1	
C Snyders	Appointed Bergrivier Municipality	Portfolio Committee Technical Services Portfolio Committee Corporate Services District Assessment Committee (DAC)	DA	4	4
SR Claassen	Appointed Bergrivier Municipality	Portfolio Committee Finance Portfolio Committee Corporate Services	ANC	6	2
A Kruger	Appointed Saldanha Bay Municipality	Speaker Ex Officio: Executive Mayoral Committee Ex Officio: All Portfolio Committees Chairperson: Rules Committee Appeal Authority	DA	8	
JJ Cillie	Appointed Saldanha Bay Municipality	Portfolio Committee Finance Portfolio Committee Technical Services	DA	8	
ST Vries	Appointed Saldanha Bay Municipality	Portfolio Committee Community Services Portfolio Committee Corporate Services Rules Committee West Coast Coastal Management Committee	DA	8	
NV Mgoqi	Appointed Saldanha Bay Municipality	None	ANC	4	4
JH Cleophas	Appointed Swartland Municipality	Executive Mayor Ex Officio: All Portfolio Committees SALGA: Governance-, International- and Intergovernmental Relations IDP Coordinating Committee (IDPCC) Appeal Authority Member: West Coast Business Development Centre	DA	7	1

NJA Rust	Appointed Swartland Municipality	Portfolio Committee Corporate Services Portfolio Committee Finance Local Labour Forum IDP: Local Municipalities (Swartland Municipality) Oversight Committee	DA	8	
BJ Stanley	Appointed Swartland Municipality	Executive Mayoral Committee Member Chairperson: Portfolio Committee Technical Services SALGA: Municipal Services and Infrastructure Expanded Public Works Programme (EPWP)	DA	8	
NS Zatu	Appointed Swartland Municipality	None	ANC	7	1

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Comprehensive political oversight is within the municipality currently.

As committee members have, or are able to, develop specialised skills, the quality of the work done by committees is potentially of a higher standard than larger structures. A committee's composition is normally representative of all of the political parties

Section 79 and 80 Committees

Sections 79 and 80 create non-executive and executive committees: Section 79 committees are non-executive committees that may be established for the effective and efficient performance of any of a municipal council's functions, or the exercise of any of its powers, provided that the municipal council determines the functions of a committee and delegates duties and powers to it. The council must appoint the chairperson, and may authorise a committee to co-opt advisory members who are not members of the council within the limits determined by the council. The council may also determine a committee's procedure.

Section 80 committees are provided for to assist the executive committee or executive mayor. If a municipal council has an executive committee or executive mayor, it may appoint, in terms of section 79, committees of councillors to assist the executive committee or executive mayor. Such committees may not in number exceed the number of members of the executive committee or mayoral committee. The executive committee or executive mayor appoints a chairperson for each committee from the executive committee or mayoral committee, and may delegate any powers and duties of the executive committee or executive mayor to the committee. Section 80 committees must report to the executive committee or executive mayor in accordance with the directions of the executive committee or executive mayor.

Oversight Committee

The Oversight Committee at the West Coast DM is established in terms of Section 79 of the Municipal Structures Act. Only non-executive members serve on the Oversight Committee.

The composition of the Oversight Committee follows the MFMA Circular 32 guidance on the oversight process when considering the Annual Report and producing the Oversight Report.

The Oversight committee could be responsible for the detailed analysis and review of the annual report and then drafting an oversight report that may be taken to full council for discussion. Such a committee may receive and review made by the public and also seeks inputs from other councillors and council portfolio committees.

Circular 32 provides the following additional guidelines with regard to the role and functions of the oversight committee, many of which may be also relevant to the terms of reference of an MPAC:

An oversight committee should be established under sections 33 and 79 of the Municipal Structures Act 1998;

The oversight committee is responsible for the detailed analysis and review of the *annual report* and then drafting an *oversight report* to be taken to full council for discussion;

☐ The oversight committee may receive and review representations made by the public and also seek inputs from other councillors and council portfolio committees;

The oversight committee should be made up of non-executive councillors only, and representatives of the community, and can be formed each year to deal with the annual report (officials cannot be members of an oversight committee);

Assistance from the municipality's Audit Committee in the review process is also recommended as a major source of independent specialist advice;

All meetings of Council and the oversight committee at which an annual report is considered must be open to the public;

Representatives of the AGSA are entitled to attend and to speak at any meetings held to discuss the annual report;

Timely notice of meetings should be given to enable representations to be made (making representations to the oversight committee should not necessarily preclude representations by the same individuals to the full council as this promotes transparency in the process);

As a parallel process, other councillors should also be conducting their own reviews of the report, which can include discussions with constituents, ward committees and ward representatives to encourage inputs and comments and to prepare for the full council meeting that considers the annual report and oversight report;

Municipalities should take into account all costs of the various mechanisms (oversight committee and other meetings) for reviewing the annual report and preparing an oversight report – the cost needs to be balanced against the need for transparency, good governance practice and accountability, the capacity of the municipality and the need for an effective process within the time allowed.

Audit Committee

Section 166 (1) of the Municipal Finance Management Act, Act 56 of 2003 (MFMA) states *“that each municipality or municipal entity must have an Audit Committee”* and Section 166(4) (a) of the MFMA that *“an Audit Committee must consist of at least three persons with appropriate experience”* The Audit Committee is an independent advisory body and currently consists of five members that are appointed by the Council. With reference to the West Coast District Municipality Audit Charter the Committee assist the Council by providing inputs to ensure effective systems that complement service delivery, safeguarding of municipal assets the maintenance of financial records, risk management, corporate governance and an effective internal control system. The Audit Committee also investigates matters within the scope of the Committee’s duties if referred to by Council or the Municipal Manager.

Provides independent specialist advice on financial performance, efficiency and effectiveness, performance management and compliance with legislation

APPENDIX C-THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Office of the Municipal Manager	Senior Manager: Strategic Services Senior Manager: Human Resources Manager: Community and Social Development Manager: Tourism
Administration and Community Services	Senior Manager: Municipal Environmental Health Manager: Air Quality Control Manager: Administration Manager: Disaster Management Chief: Fire Services
Financial Services	Senior Manager: Financial Management and Control Manager: Income and Expenditure Manager: Supply Chain Management Manager; Information Technology
Technical Services	Senior Manager: Roads Senior Manager: Water Supply Manager: Projects Manager: Roads Construction and Maintenance
	T C

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

MUNICIPAL FUNCTION		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
Constitution Schedule 4, Part B functions		
Air Pollution	Yes	NOT APPLICABLE
Building regulations	Yes	
Child care facilities		
Electricity and gas reticulation		
Fire fighting services	Yes	
Local Tourism	Yes	
Municipal airports		
Municipal Planning	Yes	
Municipal Health Services	Yes	
Municipal Public Transport		
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other Pontoon, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related		
Storm water management systems in built-up areas		
Trading regulations		
Water and sanitation services limited to potable water supply systems and domestic waste water and sewage disposal systems	Yes	
Beaches and amusement facilities	Yes	
Billboards and the display of advertisements in public places		
Cemeteries, funeral parlours and crematoria		
Cleansing		
Control of public nuisances	Yes	
Control of undertakings that sell food to the public	Yes	
Facilities for the accommodation, care and burial of animals		
Fencing and fences		
Licensing of dogs		
Control of undertakings that sell food to public	Yes	
Local amenities		
Local sport facilities		
Markets		
Municipal abattoirs		
Municipal parks and recreation		
Municipal roads		
Noise pollution	Yes	
Pounds		
Public places		
Refuse removal, refuse dumps and solid waste disposal	Yes	
Street trading		
Street lightning		
Traffic and parking		
*If municipality: indicate (Yes or No)		

APPENDIX E – WARD REPORTING

Not applicable to the District Municipality

APPENDIX F – INFORMATION

Not applicable to the District Municipality

APPENDIX G – RECOMMENDATIONS OF THE AUDIT COMMITTEE

Date of Committee	Committee recommendations during 2011/2012	Recommendation adopted (Yes) Not adopted (provide explanation)
19/04/2012	<p>APPOINTMENT OF CHAIRPERSON AND DEPUTY CHAIRPERSON OF THE AUDIT COMMITTEE</p> <ol style="list-style-type: none"> 1. That Mr J van Dyk be appointed as Chairperson of the Audit Committee; 2. That the Deputy Chairperson be appointed as needed at meetings when the Chairperson is unavailable; and 3. That the resolution be submitted to Council for final ratification. 	<p>In process</p> <p>Tabled to Council for approval at the 70th General Council meeting of the West Coast District Municipality on 29 August 2012.</p>
19/04/2012	<p>WEST COAST DISTRICT MUNICIPALITY – DRAFT RULES OF ORDER</p> <p>That the West Coast District Municipality Audit Committee's Draft Rules of Order be approved.</p>	<p>In process.</p> <p>Tabled to Council for approval at the 70th General Council meeting of the West Coast District Municipality on 29 August 2012.</p>

APPENDIX H- LONG TERMS CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Long Contracts (20 Largest Contracts Entered into 2011/2012)					
Name of Service Provider (Entity of Municipal Department)	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry Date of Contract	Project Manager	Contract Value R' 000
Verso Financial Services	Group Life Insurance Scheme from 1 November 2011 to 30 June 2014	01/11/2011	30/06/2014	Dr H Brand	R 3 400 000.00
JVZ Construction CC	Construction of an additional bulk water supply pipeline of 610 mm diameter steel pipes from Swartland Water Treatment Works.	01/05/2012	30/06/2013	N Faasen	R 33 241 995.63
Malmesbury Security Officers	Supply and delivery of security services at Ganzekraal Holiday Resort from 1 June 2012 to 30 June 2013	01/06/2012	30/06/2013	R de Bruyn	R 302 328.00

No Public Private Partnerships at the West Coast District Municipality.

APPENDIX I – SERVICE PROVIDER INFORMATION



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Summary Report: Contract(s) Awarded
From: 12/8/2011 12:00:00 AM
To: 6/30/2012 12:00:00 AM

Department	Contract Identifier	Commodity Description	Supplier	BEE Status	Source Method	Contract Value	Lowest Acceptable Bid Value	Premium Paid Value
Municipalities/Western Cape/Western Cape	6/5/2/111	Adult Basic Education Training	Siphakame Skills Development	Level 3	Price Quotations	R 200 000.00	R 200 000.00	-
	6/5/2/211	Blading of gravel roads at Rietpoort area	Tierkloof Boerdery	Non-compliant contributor	Price Quotations	R 140 000.00	R 140 000.00	-
	6/5/2/211	Blading of Gravel roads at VanRhynsdorp/Vredendal area	Tierkloof Boerdery	Non-compliant contributor	Price Quotations	R 115 000.00	R 115 000.00	-
	6/5/2/211	Blading of Gravel roads in Van Rhynsdorp area	Brainwave Projects	Level 4	Price Quotations	R 105 000.00	R 105 000.00	-
	6/5/2/211	Blading of road in Moorreesburg	Entsha Henra	Level 4	Price Quotations	R 108 000.00	R 108 000.00	-
	6/5/2/128	Construction of Wingwalls and slabs at Warmbad (Citrusdal)	Corkon (Pty) Ltd	Non-compliant contributor	Price Quotations	R 143 640.00	R 143 640.00	-
	6/5/2/50	Credit Rating Services	Global Credit Rating CO	Non-compliant contributor	Price Quotations	R 176 700.00	R 176 700.00	-
	6/5/2/26	Fire Fighting Foam	F.E.S Manufacturing	Level 4	Price Quotations	R 173 036.16	R 173 036.16	-
	6/5/2/4	Grader Blades	Rocktech Earthmoving Wearparts Cape	Non-compliant contributor	Price Quotations	R 110 010.00	R 110 010.00	-
	6/5/2/56	Hire of Machine(Padfoot)	Smit Ingenieurswerke	Non-compliant contributor	Price Quotations	R 108 528.00	R 108 528.00	-
	6/5/2/105	Internal Audit Services	Sizwe Ntsaluba Gobodo	Level 2	Price Quotations	R 181 214.40	R 169 500.00	R 11 714.40
	14/2/2/5/1	Misverstand Pump station: Refurbishment of 1000mm outlet Butterfly valve	Allweld Marine & Industrial	Non-compliant contributor	Deviations	R 238 807.53	R 238 807.53	-
	4/14/1	Physical verification and Unbundling of assets in compliance with the Standards of Grap 16,17 & 102	Pricewaterhouse Coopers	Non-compliant contributor	Deviations	R 320 218.02	R 320 218.02	-
	WDM 16/2012	Security services at Ganzekraal Holiday Resort 01 June 2012 - June 2013	Malmesbury Security Officers	Level 4	Competitive Bids	R 302 328.00	R 302 328.00	-
	WDM 17/2012	Short-term Insurance for the Period 01 July 2012 - 30 June 2014	Aon South Africa	Level 3	Competitive Bids	R 317 221.00	R 317 221.00	-
6/5/2/43	Supply and Delivery of Barbed Wire	AWV Project Management	Level 3	Price Quotations	R 199 441.86	R 199 441.86	-	

WDM 27/2011	Supply and Delivery of Crushed stone for reseal works	Afrifell	Non- compliant contributor	Competitive Bids	R 233 718.24	R 233 718.24	-
6/5/2/34	Supply and Delivery of Concrete pipes	Haroldene Suppliers	Level 3	Price Quotations	R 152 068.88	R 152 068.88	-
WDM 28/2011	Supply and Delivery of Fencing material	AWVProject Management	Level 3	Competitive Bids	R 1 582 057.34	R 1 582 057.34	-
6/5/2/43	Supply and Delivery of Fencing Material	Haroldene Suppliers	Level 3	Price Quotations	R 139 982.88	R 139 982.88	-
6/5/2/19	Supply and Delivery of Fire Fighting Equipment	Fire Raiders	Level 8	Price Quotations	R 164 998.65	R 164 998.65	-
6/5/2/4	Supply and Delivery of Grader Blades	AWV Project Management	Level 3	Price Quotations	R 164 084.76	R 151 620.00	R 12 464.76
6/5/2/4	Supply and Delivery of Grader Blades in Moorreesburg	Rocktech Earthmoving Wearparts	Non- compliant contributor	Price Quotations	R 110 010.00	R 110 010.00	-
6/5/2/221	Supply and Delivery of Single Size Crushed Stone	Afrifell	Non- compliant contributor	Price Quotations	R 186 975.60	R 186 975.60	-
6/5/2/165	Supply and Delivery of steel at Koekenaap	Haroldene Suppliers	Level 3	Price Quotations	R 162 795.42	R 162 795.42	-
6/5/2/43	Supply and Delivery of W-type Gates	AWV Project Management	Level 3	Price Quotations	R 148 195.44	R 148 195.44	-
5/2/2/1	Supply and Installation of Telecommunication Services	Telkom	Level 3	Competitive Bids	R 593 489.13	R 593 489.13	-
6/5/2/165	Supply of Cement	Ganyani	Level 3	Price Quotations	R 107 250.00	R 100 659.00	-
WDM 26/2011	Supply, Delivery and Application of Bituminous products for reseal works	Colas	Level 7	Competitive Bids	R 1 550 834.40	R 1 550 834.40	-
WDM 19/2012	Supply, Delivery, Fitting and Commissioning on Twelve (12) Actuators and Twelve (12) Wafer-type Butterfly valves at Swartland Water Purification Plant	Auma South Africa	Non- compliant contributor	Competitive Bids	R 248 729.76	R 248 729.76	-
6/5/2/228	Supply, Installation and Commissioning of overhaul kit for split Mechanical seal	Sizonke Trading	Level 4	Price Quotations	R 127 765.73	R 127 765.73	-
6/5/2/111	Training for National Certificate: Horticulture	BC Landscaping Training & Consultancy CC	Non- compliant contributor	Price Quotations	R 181 294.20	R 181 294.20	-
6/5/2/70	Transport and Tipping of gravel at Burgerspan road	Sibathatu Mining	Non- compliant contributor	Price Quotations	R 200 000.00	R 200 000.00	-
6/5/2/70	Transport and Tipping of gravel at Elizabethfontein	Smit Ingenieurswerke	Non- compliant contributor	Price Quotations	R 187 500.00	R 187 500.00	-
Total					R 9 180 895.40	R 9 150 125.24	R 24 179.16

APPENDIX J – FINANCIAL DISCLOSURE OF COUNCILLORS

Disclosure of Financial Interest		
Period 1 July 2011 to 30 June 2012		
Position	Name	Description of Financial interest
Executive Mayor	JH Cleophas	Shares and Security: Sasol - Azalo
Member of Executive Mayoral Committee	JJ Josephus	Shares and Security: Porterville Bouers en Josephus Bouers Directorship: Porterville Bouers en Josephus Bouers Employment and Remuneration: Receive allowance as shareholder of abovementioned company
	M Koen	Shares and Security: Boetmar Beleggings (Edms) Pty Directorship: Boetmar Beleggings (Edms) Pty Membership - Close Corporation: Netmar Beleggings BK Trust: Boet Koen Family Trust Financial interest in Business Enterprises: De Huizemark Eiendomme
	BJ Stanley	None
	IF Julies	None
	AP Mouton	None
Speaker	A Kruger	Shares and Security: Sanlam Shares and Security: Old Mutual
Councillor	J Swart	Membership - Close Corporation: Ports Pub - Porterville
	R Skei	Shares and Security: Phuthuma investments / Media 24
	C Ovies	None
	NG Delpont	None
	CH Heyns	Shares and Security: Paardeberg Wynboere Koöperasie Directorship: Perdeverg Wynboere Koöperasie Beperk Trust: Heyns Family Trust - Arnaud Partnership: PJ Heyns (Father) and CH Heyns - Arnaud
	WD Loff	None
	M Smit	None
	CJ Snyders	None
	SR Claassen	Membership - Close Corporation: SR Claassen Consulting CC Membership - Close Corporation: TWC Consulting (TWC Peak IV CC)
	J Barnard	None
	JJ Fransman	None
	EL Mgingqi	None
	JJ Cilliè	None
	ST Vries	Directorship: Inyameko Trading CC
	NV Mgoqi	Membership - Close Corporation: Ezakwantu Creations Shares and Security: NV Mgoqi Transport
NJA Rust	Shares and Security: SK Handelshuis, Pioneer Foods, ABSA, Nedcor, Old Mutual, RMBH Trust: Rust Family Trust	
	NS Zatu	None



APPENDIX K – FINANCIAL DISCLOSURE OF SECTION 57 OFFICIALS

Disclosure of Financial Interest		
Period 1 July 2011 to 30 June 2012		
Position	Name	Description of Financial interest
Municipal Manager	HF Prins	Yizani (Naspers) River 5 cc
Chief Financial Officer	J Koekemoer	None
Director Administration and Community Services	W Markus	Yizani (Naspers)
Director Technical Services	IAB van der Westhuizen	Swartkop Farming CC

VOLUME I – ANNUAL PERFORMANCE REPORT

CHAPTER: ANNUAL PERFORMANCE REPORT 2011-2012

4.1 INTRODUCTION

This chapter deals with how services were delivered during the 2011/12 financial year and indicates the performance against the KPA's for the 2011/12 financial year based on the IDP processes followed as explained in Chapter 1 of this report.

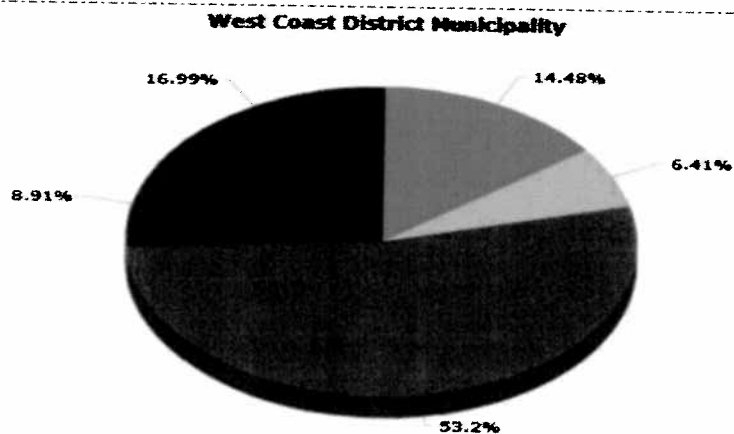
The performance of the Municipality is reported against the five strategic Key Performance Areas for Local Government as indicated in the IDP and the performance agreements of the departmental heads. The chapter also highlights the main KPA's for 2011/12.

Service Delivery Key Municipal performance for the 2011/12 financial year and measures taken to improve performance

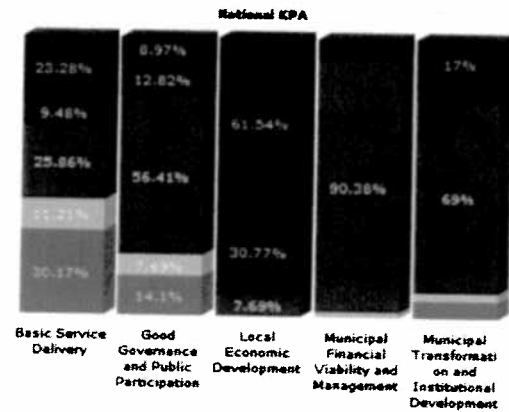
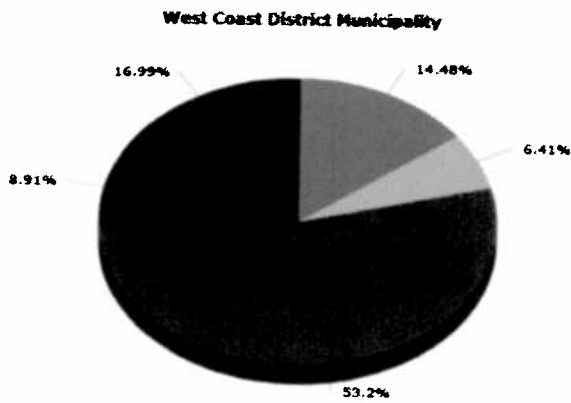
4.2 Strategic performance

Strategic performance of the municipality is measured in terms of the municipality's performance on its key performance indicators set in the Top Layer SDBIP.

(i) Overall performance

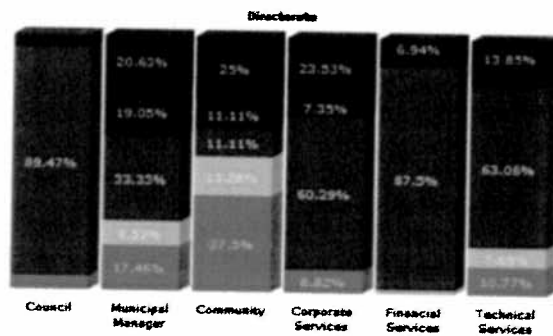
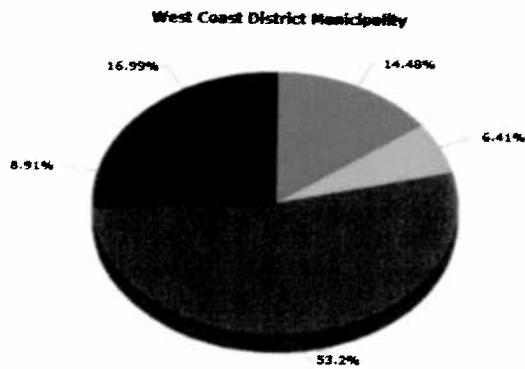


■ KPI Not Met	52 (14.5%)
■ KPI Almost Met	23 (6.4%)
■ KPI Met	191 (53.2%)
■ KPI Well Met	32 (8.9%)
■ KPI Extremely Well Met	61 (17.5%)
Total:	359



	West Coast District Municipality	National KPA				
		Basic Service Delivery	Good Governance and Public Participation	Local Economic Development	Municipal Financial Viability and Management	Municipal Transformation and Institutional Development
■ KPI Not Met	52 (14.5%)	35 (30.2%)	11 (14.1%)	-	-	6 (6%)
■ KPI Almost Met	23 (6.4%)	13 (11.2%)	6 (7.7%)	-	1 (1.9%)	3 (3%)
■ KPI Met	191 (53.2%)	39 (33.9%)	44 (56.4%)	1 (7.7%)	47 (90.4%)	69 (69%)
■ KPI Well Met	32 (8.9%)	11 (9.5%)	19 (23.8%)	4 (30.8%)	2 (3.8%)	5 (5%)
■ KPI Extremely Well Met	61 (17%)	27 (23.3%)	7 (9%)	8 (61.5%)	2 (3.8%)	17 (17%)
Total:	359	116	78	13	52	100

(ii) Overall strategic performance per directorate



	West Coast District Municipality	Directorate					
		Council	Municipal Manager	Community & Social Services	Corporate Services	Financial Services	Technical Services
■ KPI Not Met	52 (14.5%)	1 (5.2%)	11 (17.5%)	27 (37.5%)	6 (8.8%)	-	7 (10.8%)
■ KPI Almost Met	23 (6.4%)	-	6 (9.5%)	11 (15.3%)	-	1 (1.4%)	5 (7.7%)
■ KPI Met	191 (53.2%)	17 (89.5%)	21 (33.3%)	8 (11.1%)	41 (60.3%)	63 (87.5%)	41 (63.1%)
■ KPI Well Met	32 (8.9%)	1 (5.3%)	12 (19%)	8 (11.1%)	5 (7.4%)	2 (4.2%)	3 (4.6%)
■ KPI Extremely Well Met	61 (17%)	-	13 (20.6%)	18 (25%)	16 (23.5%)	5 (6.9%)	2 (3.0%)
Total:	359	19	63	72	68	72	65

(iii) Actual strategic performance and corrective measures that will be implemented

a. Basic Service Delivery

The National Key Performance Area Basic Service Delivery is linked to the like named Municipal Key Performance Area. The IDP Objectives linked to Basic Service Delivery are spread over *Development of the natural and built environment, Creation of a safe environment, Infrastructure development in the region, Co-operation amongst stakeholders and Human well-being.*

KPI	Unit of Measurement	Baseline	Overall Performance for Sep 2011 to Jun 2012			Corrective measures
			Target	Actual	R	
Disaster risk awareness promoted at schools and in communities at risk	Awareness initiatives per annum	4	4	0	R	Transferred to line function due to budgetary constraints.
Develop an implementation plan for the Gender Policy Framework by the end of June 2012	Plan completed	New kpi	1	0	R	Plan to be drafted in new financial year.
Monitor food to ensure compliance with the required legislative standards	No of samples taken per quarter	800	800	1,663	B	
Monitoring of dairies to ensure compliance with the required legislative standards	No of inspections per quarter	46	100	126	G2	
Monitoring of farms measured in terms of the number of inspections in the district	No of inspections per quarter	255	600	1,085	B	
Monitoring of food production and/or handling sites complying with the required standards measured in terms of the number of inspections per site	No of inspections per quarter	581	1,000	3,170	B	
Provide health education to the community in terms of health awareness training sessions	No of training sessions held	20	20	0	R	To be implemented in new financial year.

KPI	Unit of Measurement	Baseline	Overall Performance for Sep 2011 to Jun 2012			Corrective measures
			Target	Actual	R	
Establish and maintain proper control over the disposal of medical and health care risk waste to ensure compliance with the required legislative requirements	No of inspections	51	100	159	B	
Establish and maintain proper control over the disposal of industrial and hazardous waste to ensure compliance with the required legislative requirements	No of inspections per annum	8	8	0	R	Function not applicable; to be deleted.
Exercise Environmental Pollution Control to ensure compliance with the required legislative standards	No of visits	80	80	424	B	
Monitor the quality of river/sea water to ensure compliance with the legislative standards	No of samples taken per quarter	560	400	565	G2	
Monitoring of sewerage treatment sites that comply with the required legislative standards	No of inspections per quarter	80	200	539	B	
Report monthly to the National Department of Health (Sinjani)	No of reports submitted	12	12	12	G	To be managed by department.
Assess disaster readiness of local municipalities by evaluating Level 3 Disaster Management Plans by the end of June 2012	No of local municipality Disaster Management Plans assessed	Annual assessment	5	1	R	To be managed by department.
Develop District Disaster Management Framework by the end of December 2011	Framework developed by the end of Dec 2011	No existing framework	1	0	R	To be managed by department.
Effective facilitation of disaster management in the District measured in terms of the number of advisory forum meetings held	No of meetings per annum	2	2	1	R	To be managed by department.

KPI	Unit of Measurement	Baseline	Overall Performance for Sep 2011 to Jun 2012			Corrective measures
			Target	Actual	R	
Facilitate and co-ordinate meetings to standardise fire service delivery in the district	No of meetings held per annum	4	4	0	R	To be managed by department.
Monitoring of waste water quality in the district in terms of the identified sample as per monitoring program	Number of samples per quarter complying with SANS 241	160	100	303	B	
Monitor effective transfer of all DMA functions	Quarterly meetings held	New kpi	4	2	R	Target reached earlier.
Annual plan compiled for the comprehensive maintenance of provincial roads	Submission of Annual Performance Plan to Provincial Government by the end November	Plan is annually submitted	1	1	G	
Provincial roads is maintained in terms of the percentage of the maintenance budget spent	% of the budget spent	100%	100%	100%	G	
Monitor integrated public transport plans by the various B municipalities and the District municipality for the financial year	No of ITP's by 30 March	6	6	0	R	Function not applicable; to be deleted.
Facilitate and co-ordinate bi-annual integrated waste management forum meetings with B-municipalities	No of meetings held per annum	2 per annum	2	0	R	KPI not practical and is to be deleted.
Development of the Regional Solid Waste Disposal Site for Matzikama and Cederberg	Completion of the EIA by 30 June 2012	Identified in the Master plan	100%	50%	R	To be managed by department.
Revision of the District Integrated Waste Management Plan by 30 June 2012	Approved plan by 30 June 2012	Annual update of the master plan	100%	100%	G	To be managed by department.
Bulk water quality as per SANS 241	% water quality compliant	100%	100%	100%	G	

KPI	Unit of Measurement	Baseline	Overall Performance for Sep 2011 to Jun 2012			Corrective measures
			Target	Actual	R	
Development of the Desalination Plant as an alternative water source for Bulk system	Completion of the EIA by 30 June 2012	Completed study to identify alternative water sources	100%	50%	R	To be managed by department.
Percentage water losses	KL billed/ KL produced by municipality	15%	15%	5.19%	B	
Update Bulk Water System Master Plan (GLS) by the end of June 2012	Plan updated by 30 June 2012	Master plan updated every second year	100%	0%	R	To be managed by department.
Percentage spent of the approved bulk water capital projects	% spent of approved water capital projects	Capital projects as per Master plan	100%	100%	G	
Water assets is maintained in terms of the maintenance budget available	% of maintenance budget of water spent	100%	100%	100%	G	

b. Good Governance and Public Participation

The National Key Performance Area Good Governance and Public Participation are linked to the like named Municipal Key Performance Area. The IDP Objectives linked to Good Governance and Public Participation are *operation amongst stakeholders, Development of the natural and built environment and Human resource development.*

KPI	Unit of Measurement	Baseline	Overall Performance for Sep 2011 to Jun 2012			Corrective measures
			Target	Actual	R	
Revise by-laws to ensure effective and up to date by-laws	No of By-laws revised annually	3	3	1	R	To be managed by department.

KPI	Unit of Measurement	Baseline	Overall Performance for Sep 2011 to Jun 2012			Corrective measures
			Target	Actual	R	
The adjustment budget is approved by Council by the legislative deadline	Approval of adjustments budget before the end of February	1	1	1	G	
The main budget is approved by Council by the legislative deadline	Approval of Main budget before the end of May	1	1	1	G	
The SDBIP is approved by the Mayor within 28 days after the budget has been approved	SDBIP approved before the end of June	1	1	1	G	
Define roles and responsibilities of each political structure, office bearer and of the municipal manager in terms of Sec 53 of the Municipal Systems Act through approval of roles and responsibilities and delegation system	Delegation of authority approved	0	1	1	G	
Effective functioning of council measured in terms of the number of council meetings per annum	No of council meetings per annum	4	4	4	G	
Effective functioning of the committee system measured by the number of committee meetings per committee per quarter	No of sec 80 committee meetings per committee per annum	11	11	11	G	
Facilitation of IGR in the district measured by the number of DCF meetings held	No of meetings per forum per quarter	4 DCF's for the year	4	4	G	
Implementation of the Employment Equity Act measured by the number of people from employment equity target groups employed in the TASK level 13 to section 56 levels of management in compliance with a municipality's approved employment equity plan	People employed in the TASK level 13 to section 56 levels of management as % of total posts on those levels	51	40%	40%	G	

KPI	Unit of Measurement	Baseline	Overall Performance for Sep 2011 to Jun 2012			Corrective measures
			Target	Actual	R	
Integrated development planning measured by the alignment of the municipal spending with IDP	The percentage of a municipality's capital budget spent on capital projects identified in the IDP	98	90%	100%	G2	
Annual report and oversight report of council submitted before the end of January	Report submitted to Council	100%	100%	100%	G	
Functional performance audit committee measured by the number of meetings per annum	No of meetings held per quarter	4	4	5	G2	
Institutional Performance management system in place and implemented down to TASK level 12	No of levels Implemented down to TASK level 12	1	100%	100%	G	
No of Section 57 performance agreements signed by the end of July	No of performance agreements signed	5	5	4	O	Only 4 performance contracts entered into.
Approved Risk based audit plan elements identified, audited by year end	% of elements identified, audited by year end	Approved risk based audit plan	80%	57%	R	To be managed by department.
Comprehensive IDP compiled that complies with all the required legislative requirements	No of required sectoral plans included	Existing IDP	8	8	G	
Conduct a good governance survey by the end of June to determine level of public perception	Number of surveys conducted	No survey conducted yet	1	0	R	To be managed by department.
Determine the potential regional shared services required with the completion of the readiness audit by the end of December	Final report on the potential services identified	New kpi	1	1	G	
Development of partnerships to enhance resource mobilisation	Number of formalised partnerships formed	New kpi	2	2	G	

KPI	Unit of Measurement	Baseline	Overall Performance for Sep 2011 to Jun 2012			Corrective measures
			Target	Actual	R	
Enhance integrated planning in the district in terms of regular district IDP Co-ordinating meetings	Number of meetings held per annum	4	4	4	G	
Enhancement of integrated planning in the district by developing a district IDP framework by end of August 2011	Framework developed by the end of August 2011	Existing Framework needs to be revised	100%	100%	G	
Facilitation of IGR in the district measured by the number of DCF (Tech) meetings held	No of meetings per forum per quarter	4 DCF Tech's for the year	4	3	O	To be managed by department.
IDP consulted with B municipalities and advertised for public comment	No of B municipalities consulted by the end of March	5	5	5	G	
Implementation of the risk management policy measured by the number of risks quarterly managed by each directorate	Number of risks quarterly managed by each directorate	4 risks per directorate per quarter	4	3	O	To be managed by department.
New 5 year IDP approved by the end of May	IDP approved by the end of May	Existing IDP	100%	100%	G	
Quarterly submission of fraud declaration by Municipal Manager, directors and internal auditor	Number of declarations per quarter	Existing approved anti-corruption policy	6	4.25	R	Targeted individuals decreased over reporting period.
Shared support provided in the district	Number of actual support/Number of requests received	Support services provided - 3 out of every 4 received	75%	100%	G2	

c. Local Economic Development

The National Key Performance Area Local Economic Development is linked to the like named Municipal Key Performance Area. The IDP Objective that is linked to Local Economic Development is *Economic Development and Human well-being*.

KPI	Unit of Measurement	Baseline	Overall Performance for Sep 2011 to Jun 2012			Corrective measures
			Target	Actual	R	
Value of contracts assigned to SMME's to enhance economic development	% R-value of contracts assigned	20% of total procurement	20%	39.99%	B	
Regional Economic Development (RED) strategy focus operational as part of the operational plan implementation	Number of focus areas addressed	1	2	3	B	
Regional tourism development activities completed	Percentage of all tourism development activities completed	New kpi	165%	368%	B	
Regional tourism marketing activities completed	Percentage of all tourism marketing activities completed	New kpi	165%	349%	B	
Regional Tourism reporting to council	Number of regional tourism reports submitted to council	New kpi	10	13	G2	

d. Municipal Financial Viability Management

The National Key Performance Area Municipal Financial Viability and Management are linked to the like names Municipal Key Performance Area. The IDP Objective that is linked to Municipal Financial Viability and Management is *Infrastructure development in the region and Co-operation amongst stakeholders*.

KPI	Unit of Measurement	Baseline	Overall Performance for Sep 2011 to Jun 2012			Corrective measures
			Target	Actual	R	
Financial viability measured in terms of the available cash to cover fixed operating expenditure	Cost coverage ((Available cash+ investments)/ Monthly fixed operating expenditure	20%	20%	20.50%	G2	
Financial viability measured in terms of the municipality's ability to meet its service debt obligations	Debt coverage ((Total operating revenue-operating grants received)/debt service payments due within the year)	90%	95%	95%	G	
Financial viability measured in terms of the outstanding service debtors	Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)	22%	22%	22%	G	
Approved financial statements submitted by 31 August	Approved financial statements submitted	Approved financial statements annually	1	1	G	
Compliance with GRAP 16, 17 & 102 to ensure effective asset management	0 findings in the audit report on non-compliance	Unqualified audit opinion in 2009/10	0	0	G	
Compliance with the SCM Act measured by the limitation of successful appeals against the municipality	0 successful appeals	1	0	0	G	
Improvement in capital conditional grant spending measured by the % spent	% of the grant spent	100%	100%	100%	G	
Improvement in operational conditional grant spending measured by the % spent	% of the grant spent	90%	90%	100%	G2	
Root causes of issues raised by AG in AG report of the previous financial year addressed to promote a clean audit in 2013	% of Root causes addressed	Emphasis of matters in 2009/10 audit report	100%	100%	G	

e. Municipal Transformation and Institutional Development

The National Key Performance Area Municipal Transformation and Institutional Development are linked to the Municipal Key Performance Area namely Municipal Transformation and Organisational Development. The IDP Objective that is linked to Municipal Transformation and Institutional Development is *Human Resource Development and Co-operation amongst stakeholders.*

KPI	Unit of Measurement	Baseline	Overall Performance for Sep 2011 to Jun 2012			Corrective measures
			Target	Actual	R	
Targeted skills development measured by the R-value of budget spent for the implementation of the workplace skills plan	R-value of the budget spent on implementation of the WSP	R 1,000,000	R 1,200,000	R 1,200,000	G	
Effective labour relations by facilitating regular LLF meetings per annum	No of meetings of the LLF per annum	10	10	6	R	To be managed by department.
Revise identified HR policies by the end of June to ensure compliant and up to date HR policies	No of policies revised	3	3	1	R	To be managed by department.
Implementation of skills development plan with targeted skills development	No of personnel actually trained/ No of personnel identified for training	70%	75%	100%	G2	
% Vacancy level as % of approved organogram to create an effective institution with sustainable capacity	% Vacancy level	National norm between 10-15%	10%	10%	G	

VOLUME II – ANNUAL FINANCIAL STATEMENTS



**WEST COAST DISTRICT MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012**

WEST COAST DISTRICT MUNICIPALITY
Annual Financial Statements for the year ended 30 June 2012

General Information

Mayoral committee

Executive Mayor

Deputy Executive Mayor

Speaker

Cllr. J H Cleophas

Cllr. J J Josephus

Cllr. A Kruger

Cllr. A P Mouton

Cllr. I F Julies

Cllr. M Koen

Cllr. B J Stanely

Cllr. J Swart

Cllr. R Skei

Cllr. J Barnard

Cllr. N G Delport

Cllr. C H Heyns

Cllr. W D Loff

Cllr. M Smit

Cllr. C J Snyders

Cllr. S R Claassen

Cllr. E L Mgingqi

Cllr. J J Fransman

Cllr. N V Mgogi

Cllr. J J Cillie

Cllr. S T Vries

Cllr. N J A Rust

Cllr. N S Zatu

Cllr. C Ovies

Other Councillors

Grading of local authority

Grade 4

Auditors

AUDITOR GENERAL

Bankers

FIRST NATIONAL BANK

62001436014

FIRST NATIONAL BANK

53060007920

Credit rating

LONG TERM : A-

SHORT TERM : A1-

Registered office

58 LONG STREET

MOORREESBURG

7310

Postal address

P O BOX 242

MOORREESBURG

7310

Telephone

022 - 433 8400

Fax

086 692 6113

Accounting Officers

H F Prins

WEST COAST DISTRICT MUNICIPALITY
Annual Financial Statements for the year ended 30 June 2012

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Appendix B: Analysis of Property, Plant and Equipment (2011 and 2012 Audited Supplementaries)	
Appendix C: Segmental analysis of Property, Plant and Equipment (Unaudited Supplementaries)	
Appendix D: Segmental Statement of Financial Performance (Unaudited Supplementaries)	
Appendix E(1): Actual versus Budget (Revenue and Expenditure) (Unaudited Supplementaries)	
Appendix E(2): Actual versus Budget (Acquisition of Property, Plant and Equipment) (Unaudited Supplementaries)	
Appendix F: Disclosure of Grants and Subsidies in terms of the Municipal Finance Management Act (Unaudited Supplementaries)	

I am responsible for the preparation of these annual financial statements, which are set out on pages 3 to 59, 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 21 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 Office Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.



H F Prins
Municipal Manager - 31 August 2012



J Koekemoer
Chief Financial Officer - 31 August 2012

WEST COAST DISTRICT MUNICIPALITY
Annual Financial Statements for the year ended 30 June 2012

Statement of Financial Position

Figures in Rand

	Note(s)	2012	2011
Assets			
Current Assets			
Inventories			
Other trade receivables	12	1,425,527	1,193,926
VAT receivable	14	7,771,985	4,798,469
Trade receivables	15	1,661,807	2,811,102
Current portion of long-term receivable	13	5,528,968	6,291,647
Cash and cash equivalents		-	-
	16	134,240,446	151,324,852
		150,628,733	166,419,996
Non-Current Assets			
Investment property			
Property, plant and equipment	10	4,931,161	5,033,409
Intangible assets	9	311,803,125	334,012,578
	11	445,455	657,537
		317,179,741	339,703,524
		467,808,474	506,123,520
Liabilities			
Current Liabilities			
Trade payables			
Other payables	7	25,577,071	32,713,895
Employee benefits accrual	46	1,407,739	2,320,024
Current portion of long-term liabilities	4	215,004	248,448
	3	7,944,149	7,049,641
		35,143,963	42,332,008
Non-Current Liabilities			
Employee benefit accrual			
Provisions	5	56,176,139	50,098,553
Long-term liabilities	4	-	158,042
	3	83,146,335	91,115,816
		139,322,474	141,372,411
		174,466,437	183,704,419
		293,342,037	322,419,101
Net Assets			
Net Assets			
Accumulated surplus	28	293,342,037	322,419,101

WEST COAST DISTRICT MUNICIPALITY
Annual Financial Statements for the year ended 30 June 2012

Statement of Financial Performance

Figures in Rand

	Note(s)	2012	2011
Revenue			
Property rates			
Service charges	17	-	867,789
Income for agency commission	18	80,575,030	74,341,062
Government grants & subsidies		-	5,618,203
Other revenue	8	78,036,919	81,516,905
Fees earned		10,656,637	8,951,856
Other revenue		48,000	-
Infrastructure grants	19	5,516,479	3,782,466
Interest received - investment		64,439,430	64,699,203
		8,075,903	9,549,126
Total Revenue		247,348,398	249,326,610
Expenditure			
Employee related costs			
Remuneration of councillors	20	(66,123,568)	(64,817,894)
Depreciation and amortisation	21	(3,652,009)	(4,699,812)
Finance costs		(19,525,862)	(18,350,515)
Repairs and maintenance	23	(11,163,905)	(8,173,633)
Bulk purchases	22	(21,140,936)	(65,431,059)
General Expenses	24	(7,628,846)	(7,332,445)
	25	(115,269,819)	(81,239,805)
Total Expenditure		(244,504,945)	(250,045,163)
Gain on disposal of assets and liabilities		425,603	124,736
Discontinued operations	47	(34,219,816)	-
Deficit for the year		(30,950,760)	(593,817)

WEST COAST DISTRICT MUNICIPALITY
Annual Financial Statements for the year ended 30 June 2012

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Opening balance as previously reported	317,693,487	317,693,487
Adjustments		
Correction of error	704,433	704,433
Balance at 01 July 2010 as restated	318,397,920	318,397,920
Changes in net assets		
Changes in accounting estimate due to adoption of GRAP 17	4,560,276	4,560,276
Prior period adjustments	54,722	54,722
Net income (losses) recognised directly in net assets	4,614,998	4,614,998
Surplus for the year	(593,817)	(593,817)
Total recognised income and expenses for the year	4,021,181	4,021,181
Total changes	4,021,181	4,021,181
Opening balance as previously reported	322,419,101	322,419,101
Adjustments		
Correction of error	787,611	787,611
Balance at 01 July 2011 as restated	323,206,712	323,206,712
Changes in net assets		
Surplus for the year	(30,950,760)	(30,950,760)
Change in accounting estimate	1,086,085	1,086,085
Total changes	(29,864,675)	(29,864,675)
Balance at 30 June 2012	293,342,037	293,342,037

Capital Expenditure Year 1: Financial Services					
R' 000					
Capital Projects	2011 / 2012				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	20	-	19	0.05	-
Other	20	-	19	0.05	19
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T3.70.6

COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL

The proportion of account value billed is calculated by taking the total value of the year's revenues collected against the bills raised in the year by the year's billed revenues.



3.71 HUMAN RESOURCE SERVICES

Introduction

(a) **Strategic Human Resources and Building of Human Capital (Internally)**

To address the shortage in adequately trained and qualified personnel in management positions in municipalities, regulations were passed using the MFMA to regulate that all senior managers, middle management, SCM managers, CFO's and Municipal Managers comply with the minimum competency levels by 1 January 2013.

WCDM initiated the process on behalf of the DCFTECH to identify suitable training and training providers for the municipalities in the district and even in the province. Currently, four groups are undergoing the training in the West Coast District Region. This will have a significant impact on standardizing and raising qualification levels of senior staff in municipalities across the district.

(b) **Corporate Training and Development in the District**

Training initiatives are rolled out in the district which includes apprenticeships in the electrical and mechanical trade as well as learnerships in horticulture, water reticulation and the construction of roads. Training for Fire personnel is a priority in the district, and recruits are appointed and sent for the necessary training.

(c) **Employee Wellness and Assistance**

The Human Resources division will, through the Employee Assistance Programme, provide an organisational environment that supports effective and efficient service delivery, while taking employee's personal circumstances into account as far as reasonably possible, including disability, HIV and AIDS and other health issues, by establishing and promoting the concept of "wellness".

WCDM also recognizes and acknowledges that human capital is the most important resource in the institution, and any loss in human resources will result in a loss of productivity and service delivery.

It is accepted that problems (social, emotional, personal or work-related) may influence work performance and that the employer is obliged to provide assistance where required and also to provide programmes that promote employees' general health and wellbeing.

The following principles will underpin the approach to manage the EAP within the WCDM:

- Accessibility – the programme must be available to all employees who qualify;
- Accountability – emphasis will be on ensuring cost-effective resourcing;
- Balanced approach – both employer and employee will take responsibility for employee wellbeing;
- Confidentiality – information provided in counselling will remain strictly confidential;
- Consistency – all participants in the programme must be treated equally;
- Responsibility – employees are encouraged to take responsibility for self-referral to the programme;
- Sensitivity – management / line managers and Councillors must be sensitive towards employees' needs.



(d) **Occupational Health and Safety**

The Occupational health and Safety Act (1993) requires the employer to bring about and maintain, as far as reasonably practicable, a work environment that is safe and without risk to the health of the workers. This means that the employer must ensure that the workplace is free of hazardous substances, such as benzene, chlorine and micro-organisms, articles, equipment, processes, etc. that may cause injury, damage or disease. Where this is not possible, the employer must inform workers of these dangers, how they may be prevented and how to work safely, and provide other protective measures for a safe workplace.

However, it is not expected of the employer to take sole responsibility for health and safety. The act is based on the principle that dangers in the workplace must be addressed by communication and cooperation between the workers and the employer. The workers and the employer must share the responsibility for health and safety in the workplace. Both parties must pro-actively identify dangers and develop control measures to make the workplace safe.

Ongoing training is given to Health and Safety Representatives to ensure they are skilled in dealing with health and safety challenges in the day-to-day working environment.

(e) **Recruitment and Selection of appropriately qualified staff**

Recruitment and staffing provide the overall framework for the process of planning, recruiting, selecting and appointing employees. The goal of recruitment and staffing is to identify the smartest, most versatile employees one can find. Retention of one's best employees starts with one's effective recruitment and staffing process, strategies, policies and procedures. Recruitment and staffing are the focus of these resources.

Each post at WCDM are linked to a job description that contains the job responsibilities, essential qualifications and skills, special conditions attached to the post and the authority of the post. The job description is linked to a TASK grading that determines the remuneration package.

(f) **Employment Equity**

WCDM strives to be an employer among workers and a leader in the development of human resources and human capital. This drive is underpinned by the development and training of employees from the designated groups as determined by the Employment Equity Act in order to ensure that, over time, the municipality's workforce, at all levels, will become representative of the demographics of South Africa.

(g) **Talent Management**

As a service delivery organization which is highly people intensive and within this context, the management of employees working in the municipality is a critical function. The continued success of any organization in this regard is dependent upon the employees' contribution and commitment. Success can no longer be measured alone by the amount of money a company has. The talent it possesses in the form of its employees' skills and competencies leading the organisational capability have become the key to success in today's highly competitive business environment. Talent generates high performance, which in turn attracts new talent and creates the means to reward it. Talent drives improvements in productivity, quality, innovation and customer satisfaction, which in turn feed into the bottom-line results. Through continuous learning and development, the WCDM is enhancing



talent management within. Annual competency assessments are also carried out by managers.

(h) **Leadership and Succession**

WCDM's approach to succession management provides for the following:

- An effective leadership team that meets organisational objectives.
- Reduce variance and improve performance in leadership and management positions.
- Identify and leverage the leadership talent that already exists.

WCDM's approach to leadership development and succession management focuses on getting the right people in the right roles at all levels:

- Identify the best internal candidates for each position.
- Reduce attrition among top performers at all levels.
- Develop potential successors in ways that best fit their greatest strengths.
- Concentrate key resources on succession planning and talent development to yield a greater return on investment.

Human Resource Policy Objectives Taken From IDP					
Service Objective	Outline Service Targets	2011/2012		2012/2013	
		Target	Actual	Target	Actual
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)
Service Objectives xxx					
Ensuring Good Governance	Appointing candidates in vacant posts according to EE numerical goals and targets	29	23	29	TBA
Ensuring Good Governance	Training and development of personnel	311	290	340	TBA
Ensuring Financial Viability	Compliance with Minimum competency levels according to MFMA Regulation 493	18	28	7	TBA
Ensuring Environmental Integrity	Budget for and Appointing of Air Quality Personnel	3	2	1	TBA
					T3.71.3



Employees: Human Resources				
2011/2012				
Job Level	Employees	Posts	Vacancies	Vacancies (as a % of total posts)
	No.	No.	No.	No.
1 - 3	180	236	56	12.2%
4 - 5	41	59	18	3.92%
6 - 8	125	150	25	5.44%
9 - 11	73	88	15	3.27%
12 - 13	21	31	10	2.18%
14 - 16	15	20	5	1.09%
S57	4	4	0	0%
				T3.71.4

Financial Performance Year 1: Human Resource Services					
					R'000
Details	Year 0	Year 1			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue	2	1,000	1,000	-	1.00
Expenditure:					
Employees	5,009	2,051	2,051	1,718	0.19
Repairs and Maintenance	-	-	-	-	-
Other	1,505	3,069	3,064	1,401	1.19
Total Operational Expenditure	6,514	5,120	5,115	3,119	0.64
Net Operational Expenditure	6,512	4,120	4,115	3,119	0.32
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					T3.71.5



3.72 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

INTRODUCTION

Information Technology (IT) in all its forms have become essential to manage the transactions, information and knowledge necessary to ensure that citizens' demand for service delivery and administrative and operational efficiencies are met. IT is so pervasive that it is essential for West Coast District Municipality ("WCDM") to ensure that the function delivers its intended benefits, that risks are managed and that its resources are managed efficiently

Financial Performance Year 1: ICT Services					
					R'000
Details	2010 / 2011	2011 / 2012			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue	-	-	-	-	0%
Expenditure:					
Employees	-	-	651	596	100%
Repairs and Maintenance	-	-	510	18	100%
Other	-	-	20	529	100%
Total Operational Expenditure	-	-	1,181	1,143	100%
Net Operational Expenditure	-	-	1,181	1,143	100%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					T3.72.5



CHAPTER 4 ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

Introduction

The Municipality's organizational development function is as follows:

- (a) **Office of the Municipal Manager**
- Human Resources
 - Internal Auditing
 - Strategic Services
 - Social and Community Development
 - Tourism
- (b) **Department: Administration and Community Services**
- Administration
 - Municipal Environmental Health
 - Municipal Environmental Integrity
 - Disaster Management
 - Fire Services
 - Public Relations
- (c) **Department: Financial Services**
- Financial Management and Control
 - Income
 - Expenditure
 - Supply Chain Management
 - Information Technology
 - Ganzekraal Resort
- (d) **Department: Technical Services**
- Town and Regional Planning
 - Roads Construction and Maintenance
 - Mechanical Workshops
 - Water Purification
 - Water Distribution
 - Civil Engineering Projects



4.1 Employee Totals, Turnover and Vacancies

Description	Employees			
	2011/2012			
	Approved Posts No.	Employees No.	Vacancies No.	Vacancies %
Water	118	87	31	26.27%
Roads	267	195	72	26.97%
Planning	4	3	1	25%
Planning (Strategic and Regulatory)	12	11	1	8.33%
Community and Social Services	93	80	13	13.98%
Environmental Protection	42	33	9	21.42%
Corporate Policy Offices and Other	52	50	2	3.85%
				T4.1.1

Designations	Vacancy Rate 2011/2012		
	Total Approved Posts No.	Variations No.	Variations %
	Municipal Manager	1	0
CFO	1	0	0%
Other S57 Managers (excl. Finance Posts)	3	0	0%
Other S57 Managers (Finance Managers)	0	0	0%
Fire Fighters	68	9	13.24%
Senior Management: Levels 13- 16 (excl. Finance Posts)	25	6	24%
Senior Management: Levels 13- 16 (Finance Posts)	3	0	0%
Highly Skilled supervision: Levels 9-12 (excl. Finance posts)	108	28	25.9%
Highly Skilled supervision: Levels 9-12 (Finance posts)	6	0	0%
			T4.1.2



Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate
	No.	No.	
2011/2012	35	34	0.07%
			T4.1.3

Most of the vacancies at West Coast District Municipality reside in the Roads Section. West Coast District Municipality acts as the agent and therefore does not have the authority to fill these posts on its own discretion, but need to get approval from the Provincial Roads Department.

No Section 57 posts were vacant during the 2011/2012 financial year, as the post of Director: Community Services were integrated in the post of Director: Corporate Services and is now known as Director: Administration and Community Services.



4.2 Policies

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1.	Induction Policy	100		2008/08/24
2.	Recruitment and Selection Policy	100		2012/04/24
3.	Study Bursary Policy	100		2011/09/01
4.	Private Work Policy	100		2008/08/24
5.	Education, Training and Development Policy	100		2008/08/24
6.	Succession Planning Career Pathing Policy	100		2008/08/24
7.	Student Assistance Policy	100		2008/08/24
8.	Travel and Removal Expenses Policy	100		2008/08/24
9.	Disciplinary & Grievances Procedure	100		2008/08/24
10.	Whistleblowing Policy	100		2008/08/24
11.	Nepotism Policy	100		2008/08/24
12.	Confidentiality Policy	100		2008/08/24
13.	Overtime Policy	100		2008/08/24
14.	Manage Poor Work Performance	100		2008/08/24
15.	Attendance and Punctuality Policy	100		2008/08/24
16.	Unpaid Leave Policy	100		2008/08/24
17.	Sexual Harassment Policy	100		2008/08/24
18.	Use of Official Vehicle Policy	100		2008/08/24
19.	Staff Statements to the media Policy	100		2008/08/24
20.	Internet & E-Mail Policy	100		2008/08/24
21.	Chronic Illness Policy	100		2008/08/24
22.	Substance Abuse Policy	100		2008/08/24
23.	Occupational Health & Safety Policy	100		2008/08/24
24.	Smoking Policy	100		2008/08/24
25.	Uniform & Protective Clothing Policy	100		2008/08/24
26.	HIV/AIDS Policy	100		2008/08/24
27.	Employment Assistance Programme	100		2008/08/24
28.	Scarce Skills Policy	100		2011/11/23
29.	Travel and Subsistence Policy	100		2010/03/24
30.	Extra Services Allowance Policy		80	

T4.2.1

Currently all Human Resources Policies are being reviewed for amendments and improvements.



4.3 Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average injury leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	257	24	9.80%	10.7	
Temporary total disablement	0	0	0	0	
Permanent disablement	0	0	0	0	
Fatal	0	0	0	0	
Total	257	24	9.80%	10.7	

T4.3.1

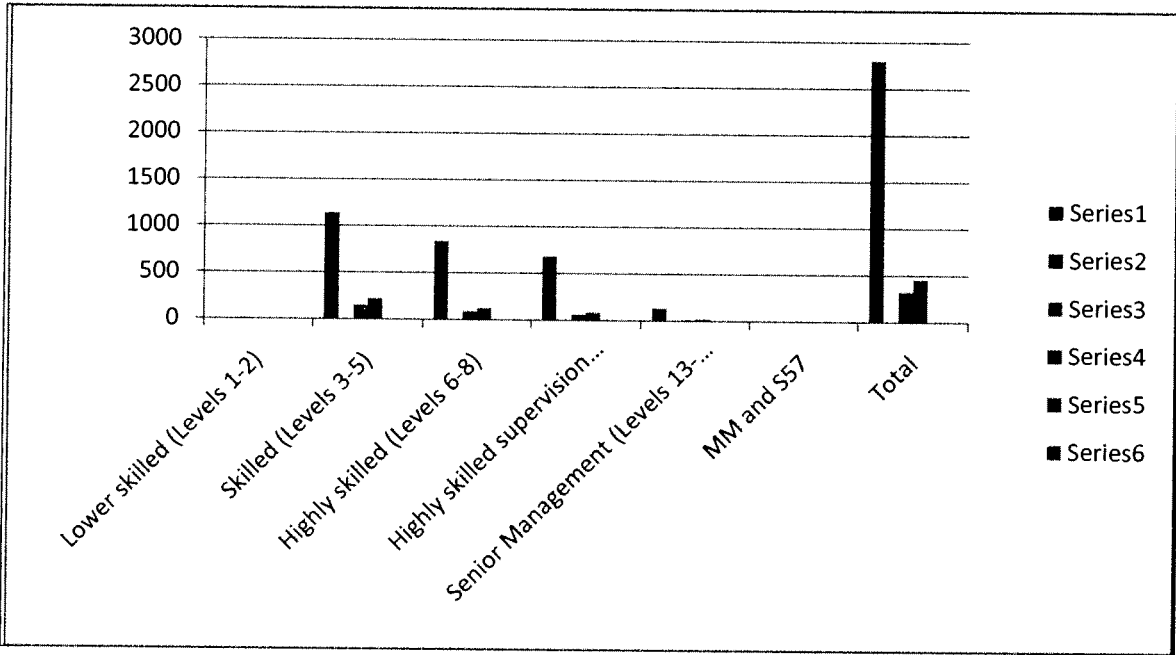
Number of Days and Cost of Sick Leave (excl. injuries on duty)						
Designations	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per employee	Estimated Cost
	Days	%	No.	No.	Days	R'000
Lower skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (Levels 3-5)	1141	10%	154	220	5	
Highly skilled (Levels 6-8)	840	5%	93	125	6.72	
Highly skilled supervision (Levels 9-12)	682	3%	66	86	7.93	
Senior Management (Levels 13-16)	138	2%	13	22	6.27	
MM and S57	1	0	1	4	0.25	
Total	2802	20%	327	457	6.13	

T4.3.2

*-Number of employees in post at the beginning of the year.

* Average calculated by taking sick leave in column 2 divided by total employees in column 5.





Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not finalised	Date finalised
General Assistant	Insubordination	N/A	Final written warning	2011/09/26
General Assistant	Insubordination / intimidation	N/A	Final written warning	2011/09/28
General Assistant	Absent without leave	N/A	Employment terminated	2011/10/21
Fire Fighter	Insubordination / negligence	N/A	Employment terminated	2011/12/07
Fire Fighter	Insubordination	N/A	Final written warning	2011/12/07
Principal Clerk	Insubordination / intimidation	2012/02/07	Suspended for 10 working days	2012/02/21
General Assistant	Absent without leave	N/A	Voluntary resignation	2012/03/01
Grader Operator	Negligence	N/A	Final written warning	2012/05/23
General Assistant	Absent without leave and assault	N/A	Employment terminated	2012/06/12

T4.3.5

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date finalised
None			

T4.3.6



4.5 SKILLS DEVELOPMENT AND TRAINING

Introduction to Workforce Capacity Development

Training initiatives are rolled out in the municipality which includes apprenticeships in the electrical and mechanical trade as well as learnerships in horticulture, water reticulation and the construction of roads. Training for Fire personnel is a priority in the district, and recruits are appointed and send for the necessary training. Short courses to up-skill skilled employees are rolled out annually according to the Workplace Skills Plan that is linked to the Strategic Objectives of the West Coast District Municipality.

Skills Matrix						
Management Level	Gender	Employees in post as at 30 June 2012 No.	Number of skilled employees required and actual as at 30 June 2012			
			Received Training		Percentage	
			Original	Actual	Original	Actual
Legislators	Female	4	0	0	0%	0%
	Male	19	0	0		
Directors and Corporate Managers	Female	4	4	4	82.53%	111.76%
	Male	13	10	15		
Professionals	Female	17	4	18	29.79%	95.83%
	Male	31	10	28		
Technicians and associate professionals	Female	6	2	5	61.67%	66.67%
	Male	51	35	33		
	Male	154	74	53		
Total		299	139	156	43.50%	68.57%

T4.5.1



Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by the municipality	B. Total number of officials employed by municipal entities	Consolidated Total of A and B	Consolidated: Competency assessments completed for A and B	Consolidated: Total number of officials whose performance agreements comply with Regulation 16	Consolidated: Total number of officials that meet prescribed competency levels
Financial Officials						
<i>Accounting Officer</i>	1	0	1	1	1	1
<i>Chief Financial Officer</i>	1	0	1	1	1	1
<i>Senior Managers</i>	2	0	2	2	2	2
<i>Any other financial official</i>	4	0	4	3	N/A	3
SCM Officials						
<i>Heads of SCM units</i>	0	0	0	0	0	0
<i>SCM Senior Manager</i>	1	0	1	1	N/A	1
Total	9	0	9	8	4	8
*This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulation (June 2007). T4.5.2						



Skills Development and Expenditure							R'000
Management Level	Gender	Employees in post as at 30 June 2012 No.	Total Number of Employees who Received Training and Percentage				
			Received Training		Percentage		
			Original	Actual	Original	Actual	
Legislators	Female	4	0	0	0%	0%	
	Male	19	0	0			
Directors and Corporate Managers	Female	4	4	4	82.53%	111.76%	
	Male	13	10	15			
Professionals	Female	17	4	18	29.79%	95.83%	
	Male	31	10	28			
Technicians and associate professionals	Female	6	2	5	61.67%	66.67%	
	Male	51	35	33			
Clerical and Administrative Workers	Female	31	7	20	65.96%	60.42%	
	Male	17	51	9			
Community and Personal Services Workers	Female	8	23	4	86.57%	80.33%	
	Male	53	8	45			
Machine operators and drivers	Female	0	7	0	64.81%	69.81%	
	Male	53	51	37			
Elementary occupations	Female	29	25	19	50.00%	39.34%	
	Male	154	74	53			
Total		490	311	290	58.42%	59.18%	
							T4.5.3

Total Actual Training Spend for the Year: R1 162 415



CHAPTER 5: FINANCIAL PERFORMANCE

INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of three components:

- **Component A:** Statement of Financial Performance
- **Component B:** Spending Against Capital Budget
- **Component C:** Other Financial Matters

Delete Directive note once comment is complete - Please explain how your municipality sought to contain inflationary pressures during the financial year. Take the 5 most expensive consultancy arrangements in 2008/09 and explain the costs, the reasons for the engagements and the results. Include such other introductory remarks as you wish

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

Note: Statements of Revenue Collection Performance by vote and by source are included at **Appendix K**

FINANCIAL SUMMARY						
<i>R' 000</i>						
Description	Year 0	Current Year: Year 1			Year 1 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Financial Performance						
Property rates	868			–	%	%
Service charges	74,341	77,500		82,381	%	%
Investment revenue	9,549	8,000		8,076	%	%
Transfers recognised - operational	146,216	73,012		142,476	%	%
Other own revenue	18,353	65,626		11,492	%	%
Total Revenue (excluding capital transfers and contributions)	249,327	224,138	–	244,425	%	%
Employee costs	64,818	68,606		66,124	%	%
Remuneration of councillors	4,700	4,145		3,652	%	%
Depreciation & asset impairment	18,351	21,716		19,526	%	%
Finance charges	8,174	7,498		11,164	%	%
Materials and bulk purchases	7,332	56,120		7,629	%	%
Transfers and grants					%	%
Other expenditure	146,671	115,470		133,903	%	%



Total Expenditure	250,045	273,555	-	241,998	%	%
Surplus/(Deficit)	(719)	(49,417)	-	2,427	%	%
Transfers recognised - capital					%	%
Contributions recognised - capital & contributed assets		5,257			%	%
Surplus/(Deficit) after capital transfers & contributions	(719)	(44,160)	-	2,427	%	%
Share of surplus/ (deficit) of associate					%	%
Surplus/(Deficit) for the year	(719)	(44,160)	-	2,427	%	%
Capital expenditure & funds sources						
Capital expenditure	-	-	-	-	%	%
Transfers recognised - capital	-	-	-	-	%	%
Public contributions & donations					%	%
Borrowing					%	%
Internally generated funds					%	%
Total sources of capital funds	-	-	-	-	%	%
Financial position						
Total current assets	166,420	197,185	-	146,793	%	%
Total non current assets	339,704	372,771	-	317,180	%	%
Total current liabilities	42,332	19,693	-	31,724	%	%
Total non current liabilities	141,372	152,802	-	139,322	%	%
Community wealth/Equity	322,419	397,460	-	292,926	%	%
Cash flows						
Net cash from (used) operating	29,146	31,801	-	14,106	%	%
Net cash from (used) investing	(62,830)	(45,766)	-	4,097	%	%
Net cash from (used) financing	29,454	16,765	-	(7,075)	%	%
Cash/cash equivalents at the year end	151,325	222,710	-	134,240	%	%
Cash backing/surplus reconciliation						
Cash and investments available	-	-	-	-	%	%
Application of cash and investments	-	-	-	-	%	%
Balance - surplus (shortfall)	-	-	-	-	%	%



Asset management						
Asset register summary (WDV)	-	-	-	-	%	%
Depreciation & asset impairment	-	-	-	-	%	%
Renewal of Existing Assets	-	-	-	-	%	%
Repairs and Maintenance	-	-	-	-	%	%
Free services						
Cost of Free Basic Services provided	-	-	-	-	%	%
Revenue cost of free services provided	-	-	-	-	%	%
Households below minimum service level						
Water:	-	-	-	-	%	%
Sanitation/sewerage:	-	-	-	-	%	%
Energy:	-	-	-	-	%	%
Refuse:	-	-	-	-	%	%
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A1</i>						T5.1.1

Financial Performance of Operational Services						
R '000						
Description	Year 0	Year 1		Year 1 Variance		
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Operating Cost						
Water	26,485	23,572	28,075	23,042	-2.30%	-21.84%
Waste Water (Sanitation)	8,541	8,285	9,054	8,456	2.02%	-7.07%
Electricity	12,355	10,254	12,478	13,219	22.43%	5.61%
Waste Management	14,232	13,235	13,662	12,097	-9.41%	-12.94%
Housing	6,542	5,496	5,954	6,346	13.40%	6.19%
Component A: sub-total	1,865	1,622	1,865	1,510	-7.41%	-23.46%
Waste Water (Stormwater Drainage)	5,643	5,530	5,925	5,304	-4.26%	-11.70%
Roads	5,643	5,530	5,925	5,304	-4.26%	-11.70%
Transport	5,322	4,470	5,747	4,630	3.45%	-24.14%



WEST COAST DISTRICT MUNICIPALITY
Annual Financial Statements for the year ended 30 June 2012

Cash Flow Statement

Figures in Rand

	Note(s)	2012	2011
Cash flows from operating activities			
Receipts			
Cash receipts from rate payers, government and other		237,233,608	227,395,200
Interest income		8,075,903	9,549,126
		<u>245,309,511</u>	<u>236,944,326</u>
Payments			
Cash paid to suppliers and employees		(248,251,859)	(199,624,731)
Finance costs		(11,163,905)	(8,173,633)
		<u>(259,415,764)</u>	<u>(207,798,364)</u>
Net cash flows from operating activities	29	<u>(14,106,253)</u>	<u>29,145,962</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	9	(31,657,836)	(62,951,585)
(Proceeds) / Loss from sale of property, plant and equipment	9	35,767,962	134,398
Purchase of other intangible assets	11	(13,306)	(13,288)
		<u>4,096,820</u>	<u>(62,830,475)</u>
Net cash flows from investing activities			
Cash flows from financing activities			
New loan raised		(7,074,973)	29,454,466
		<u>(17,084,406)</u>	<u>(4,230,047)</u>
Net increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at the beginning of the year		151,324,852	155,554,899
Cash and cash equivalents at the end of the year	16	<u>134,240,446</u>	<u>151,324,852</u>

WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2012

Accounting Policies

1. Basis of Preparation

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP) prescribed by the Minister of Finance in terms of Section 91 of the Public Finance Management Act, 1999 (Act number 1 of 1999) including any interpretations, guidelines and directives issued by the Accounting Standards Board in terms of Section 89 where applicable.

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

A summary of the Standards of GRAP, which have been consistently applied, are disclosed below:

- GRAP 1 Presentation of financial statements
- GRAP 2 Cash flow statement
- GRAP 3 Accounting policies, changes in accounting estimates and errors
- GRAP 4 The Effects of Changes in Foreign Exchange Rates
- GRAP 5 Borrowing Costs
- GRAP 6 Consolidated and Separated Financial Statements
- GRAP 7 Investment in Associates
- GRAP 8 Investment in Joint Ventures
- GRAP 9 Revenue from Exchange Transactions
- GRAP 10 Financial Reporting in Hyperinflationary Economies
- GRAP 11 Construction Contracts
- GRAP 12 Inventories
- GRAP 13 Leases
- GRAP 14 Events After the Reporting Date
- GRAP 16 Investment Property
- GRAP 17 Property, Plant and Equipment
- GRAP 19 Provisions, Contingent Liabilities and Contingent Assets
- GRAP 100 Non-current Assets Held for Sale and Discontinued Operations
- GRAP 101 Agriculture
- GRAP 102 Intangible Assets

The accounting policies for transactions and events that are not specifically covered by the GRAP standards listed above have been developed in accordance with the requirements of paragraphs 7, 11 and 12 of GRAP 3 and the guidance as set out in Directive 5.

These accounting policies and the applicable disclosures have been based on the South African Statements of Generally Accepted Accounting Practices (SA GAAP) including any interpretations of such Statements issued by the Accounting Practices Board.

The standards are summarised as follows:

- IAS 19 (AC 116) Employee benefits - Defined benefit accounting as far as it relates to defined benefit plans accounted for as defined contribution plans and the defined benefit obligation disclosed by narrative information. (IAS 19.29, 48 - 119 and 120A (c) - (q))
- IFRS 7 / AC 144 Financial Instruments: Disclosures - Entire standards to be replaced by IAS 32 (AC 125) issued August 2006 and effective for financial statements covering periods beginning on or after 1 January 1998.
- IAS 32 (AC 125) Financial Instruments: Presentation
- IAS 39 (AC 129) Financial Instruments: Recognition and measurement - Initially measuring financial assets and liabilities at fair value. (IAS 39.43, AG 79, AG 64 - AG 65 and SAICA circular 9/06)

1.1 Presentation currency

These annual financial statements are presented in South African Rand which is the municipality's functional currency. All financial information has been rounded to the nearest Rand.

WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2012

Accounting Policies

1.2 Going concern assumption

These annual financial statements are prepared on the going concern basis.

1.3 Property, plant and equipment

Items of Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Where an asset is acquired at no cost, or for a nominal cost, its cost is its fair value as at date of acquisition.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

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

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

Assets under construction

The cost of assets under construction includes all expenditure related directly to specific projects still in progress at period end.

Incomplete construction work is stated as historic cost.

Property, plant and equipment is carried at revalued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

Any increase in an asset's carrying amount, as a result of a revaluation, is credited directly to a revaluation surplus. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited in revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

Depreciation is recognised in surplus or deficit, using the straight line method, over the estimated useful lives of the assets. Assessment of residual values are performed at acquisition date. Assets under construction are only depreciated once fully completed. The depreciation rates are based on the following:

ASSETS	ESTIMATED USEFUL LIFE
Land	0
Buildings	25 to 30
Other Structures (Infrastructure)	0 to 100
Investment property	0
Intangible Assets	5
Heritage	0
Other	2 to 22

Disposal and retirement of assets

Accounting Policies

1.3 Property, plant and equipment (continued)

Assets are written off on disposal or retirement or when no future economic benefits or service potential is expected from its continued use or disposal.

The difference between the net book value of assets (cost less accumulated depreciation and impairment losses) and the sales proceeds is reflected as a gain or loss in the surplus or deficit.

Borrowing costs

Borrowing costs are treated in accordance with the provisions of GRAP 5. In accordance with these provisions borrowing costs are interest and other costs incurred in connection with the borrowing of money. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset can be capitalised. Borrowing costs incurred other than on qualifying assets must be recognised as an expense in surplus or deficit when incurred. The amount of borrowing costs capitalised is limited to the actual borrowing costs incurred on the borrowing less any investment income on the temporary investment of those borrowings.

Residual value and useful lives

Residual value is the estimated amount that is obtained from the disposal of an asset, after deducting the estimated cost of disposal. Useful life is the period over which an asset is expected to be available for use. Residual values, useful lives and depreciation methods are reviewed annually in accordance with the provisions provided in GRAP 17. If the expectations differ from previous estimates the change is accounted for as a change in accounting estimate.

1.4 Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods and services or for administrative purposes. Investment property is measured at cost less accumulated depreciation and accumulated impairment losses.

Where investment property is acquired at no cost or for a nominal cost, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Depreciation is calculated using the depreciable amount, which is the cost of the asset less its residual value.

Cost model

The estimated useful lives for the current and comparative periods are as follows:

Item	Useful life
Property - beach development	25 to 30

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

WEST COAST DISTRICT MUNICIPALITY

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Accounting Policies

1.5 Intangible assets

An intangible asset is defined as an identifiable non - monetary asset without physical substance held for use in the production or supply of goods or services, for rental to others, or for administrative purposes. Intangible assets are treated in accordance with the provisions of GRAP 102. In accordance with these provisions intangible assets are initially recorded at their cost price and are subsequently amortised over their expected useful lives. The intangible assets under the control of the Municipality, such as computer software (5 years), are amortised according to the straight line method.

After the initial measurement of intangible assets subsequent expenditure is only capitalised if future economic benefits or service potential over the total life of the intangible assets, in excess of the most recently assessed standard of performance of the existing intangible assets, will flow to the Municipality. Identifiable non-monetary assets without physical substance held for use in the production or supply of goods or services, for rental to others, or for administrative purposes are classified and recognised as intangible assets in accordance with the policies below.

Other intangible assets that are acquired by the municipality and have finite useful lives are initially recognised at cost and subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Where an intangible asset is acquired at no cost, or for a nominal cost, the cost is deemed to be its fair value as at the date of acquisition. Servitudes created through the exercise of legislation are not recognised as intangible assets and any costs incurred to register these servitudes are expensed. Servitudes, however, that are created through an agreement (contract) are recognised as intangible assets.

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in surplus or deficit on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

Item	Useful life
Other intangible assets	5

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

The estimated useful life of an intangible asset in a service concession arrangement is the period from when the municipality is able to charge the public for the use of the infrastructure to the end of the concession period.

1.6 Financial instruments

Classification

The municipality classifies financial instruments, or their component parts, on initial recognition as financial assets, a financial liabilities or equity instruments in accordance with the substance of the contractual arrangement.

Non - derivative financial assets

The municipality initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated at fair value through surplus or deficit) are recognised initially on the trade date at which the economic entity becomes a party to the contractual provisions of the instrument.

The municipality derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the economic entity is recognised as a separate asset or liability..

The municipality has the following classes and categories of financial assets as reflected on the face of the statement of financial position or in the notes thereto:

Class of financial asset IAS 39 category

Investments in fixed deposits (banking institutions, etc) Held-to-maturity

Trade and other receivables from exchange transactions (consumer debtors) Loans and receivables

Short-term investment deposits Held-to-maturity

WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2012

Accounting Policies

1.6 Financial instruments (continued)

Cash and cash equivalents Loans and receivables

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are

Cash includes cash-on-hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. Bank overdrafts that are repayable on demand and form an integral part of the municipality's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Non - derivative financial liabilities

The municipality initially recognises financial liabilities, including liabilities designated at fair value through surplus or deficit, on the trade date at which the municipality becomes a party to the contractual provisions of the instrument.

The municipality derecognises a financial liability when its contractual obligations are discharged, cancelled or expire. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in surplus or deficit.

The municipality has the following classes of financial liabilities as reflected on the face of the statement of financial position or in the notes thereto:

- Loans and borrowings
- Trade and other payables from exchange transactions
- Current portion of loans and borrowings

The above financial liabilities form part of the "other financial liabilities carried at amortised cost" category per IAS 39 and are recognised initially at fair value plus any directly attributable transaction costs.

Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

Finance income and expenses

Finance income comprises interest income on funds invested and dividend income. Interest income is recognised as it accrues in surplus or deficit, using the effective interest method. Dividend income is recognised in surplus or deficit on the date that the economic entity's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, impairment losses recognised on financial assets (other than trade receivables). Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in surplus or deficit using the effective interest method.

Accounting Policies

1.6 Financial Instruments (continued)

Cash and cash equivalents

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

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks and investments in financial instruments, net of bank overdrafts.

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

Financial Assets

Trade receivables

Trade receivables are recognised initially at fair value and measured at amortised cost using the effective interest rate method, less a provision for impairment. This provision is based on a review of all outstanding amounts at year end and is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Bad debts are written off during the year in which they are identified. Subsequent recoveries of amounts previously written off are credited against the relevant revenue stream in the statement of financial performance.

Financial Liabilities

Trade payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using effective interest method.

Long-term liabilities

Long term financial liabilities are classified as financial liabilities that are measured at amortised cost.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence of impairment of Financial assets. If there is such evidence the recoverable amount is estimated and an impairment loss is recognised in accordance with IAS 39.

Initially, accounts receivable are measured at fair value and subsequently carried at amortised cost using the effective interest method. An estimate is made for doubtful debt using the amount outstanding at year end as a percentage of the total amount charged for the year and applying this to the accounts receivable balance at year end. Bad debts are written off the year in which they are identified as irrecoverable. Amounts receivable within 12 months from the date of reporting are classified as current.

A provision for impairment of trade receivables is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. An impairment loss is recognised in surplus or deficit and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount.

Consumer Debtors are measured at amortised cost less provision for bad debts. The provision is made in accordance with IAS 39.64 whereby the recoverability of Consumer Debtors is assessed collectively after grouping the assets in financial assets with similar credit risks characteristics. Government accounts are not provided for as such accounts are regarded as payable.

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Accounting Policies

1.6 Financial instruments (continued)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the surplus or deficit.

In a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the surplus or deficit to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Impairment of non-financial assets

The carrying amounts of non-financial assets, other than investment property and inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets.

An impairment loss is recognised if the carrying amount of an assets or cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit and loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.7 Inventories

Cost

The cost of inventories comprises all costs of purchase, cost of conversion and other cost incurred in bringing the inventory to its present location and condition. Where inventories are acquired at no cost, or for nominal consideration, the cost is deemed to be the fair value as at the date of acquisition. Cost is generally determined using the weighted - average principle except where stated otherwise.

The cost of agricultural produce harvested from biological assets is initially measured at fair value less estimated point of sale costs.

Subsequently measurements

Consumable stores, raw materials, work-in-progress and finished goods are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories are measured at the lower of cost and current replacement cost where they are held for:
distribution at no charge or for a nominal charge; or
consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Current replacement cost is the cost the economic entity incurs to acquire the asset on the reporting date.

WEST COAST DISTRICT MUNICIPALITY
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Accounting Policies

1.7 Inventories (continued)

The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Water inventory

Water inventory represents water housed in dams within the municipal area and is measured at the lower of cost, which is deemed to be fair value, and net realisable value. In the absence of a market that trades in water outside of local government, the fair value utilised to quantify water inventory is based on the unit reference value. The unit reference value is determined by a formula that is utilised in the engineering department to calculate the development cost of new water resources.

The water levels in the dams are based on cubic meter capacity taking into account the capacity of the dam, based on land surveying reports and the curve of the dam.

Readings of water levels are taken at year-end, which is quantified at the above fair value.

Water and purified effluent are measured at the lowest of purified cost and net realisable value insofar as it is stored and controlled in reservoirs at year-end.

1.8 Unutilised conditional grants

Revenue from conditional grants is recognised when it is probable that the economic benefits or service potential will flow to the municipality, the amount of the revenue can be measured reliably and to the extent that there has been compliance with any restrictions associated with the grant.

- Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor. If it is the Municipality's interest it is recognised as interest earned in the Statement of Financial Performance.

Unutilised conditional grants are reflected on the Statement of Financial Position as a creditor – Unspent Conditional Grants. They represent unspent government grants, subsidies and contributions from the public. This creditor always has to be backed by cash. The following provisions are set for the creation and utilisation of this creditor:

- The cash which backs up the creditor is invested until it is utilised.
- Whenever an asset is purchased out of the unutilised conditional grant an amount equal to the cost price of the asset purchased is transferred from the Unutilised Conditional Grant into the statement of financial performance as revenue.

1.9 Value added tax

The municipality accounts for Value Added Tax on the cash basis. The Municipality is liable to account for Value Added Tax at the standard rate (14%) in terms of section 7 (1) (a) of the VAT Act, in respect of the supply of goods or services except where the supplies are specifically zero-rated in terms of section 11, exempted in terms of section 12 of the VAT Act or out of scope for VAT purposes. The timing of payments to / from the South African Revenue Service is the last day of each of the twelve months of the financial year.

1.10 Revenue recognition

Revenue

Revenue from exchange transactions includes revenue from trading activities and other services provided while revenue from non-exchange transactions includes rates levied, fines, donations and grants from other spheres of government.

Revenue from exchange transactions

Revenue is generally recognised when it is probable that future economic benefits or service potential will flow to the municipality and these benefits or service potential can be measured reliably, except when specifically stated otherwise. Revenue from the rendering of services is recognised in surplus or deficit in proportion to the stage of completion of the transaction at the reporting date.

WEST COAST DISTRICT MUNICIPALITY
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Accounting Policies

1.10 Revenue recognition (continued)

Revenue is measured at the fair value of the consideration received or receivable, net of value added tax, estimated returns, rebates and discounts.

Service charges

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

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

Service charges from sewerage and sanitation services are based on the type of service and the number of sewer connections on all all developed property, using the tariffs approved by Council. Revenue is recognised on a monthly basis.

Services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Pre-paid electricity

Revenue is recognised at the point-of-sale. Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Interest, royalties and dividends

Interest earned and rentals received

Interest is recognised, in surplus or deficit as it accrues, using the effective interest method.

Rental income from operating leases is recognised on a straight line basis over the lease term.

Other

Tariff charges

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

Agency commission

Commission for agency services is recognised when a actual expense incure. This is due to a change in the policy by the Agent.

Revenue from non-exchange transactions

Accounting Policies

1.10 Revenue recognition (continued)

Revenue from non-exchange transactions is recognised when it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, the amount of the revenue can be measured reliably and, if applicable, there has been compliance with the relevant legal requirements or restrictions.

Rates and taxes

Revenue from rates, including collection charges and penalty interest, is recognised on a monthly basis when the taxes are levied as this is regarded to be the date when it is probable that the economic benefits or service potential will flow to the municipality, the amount of the revenue can be measured reliably and there has been compliance with the relevant legal requirements.

Donations and contributions

Revenue from donations is recognised when it is probable that the economic benefits or service potential will flow to the municipality, the amount of the revenue can be measured reliably and any restrictions associated with the donation have been met.

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

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

Unconditional grants and receipts

Revenue from unconditional grants is recognised when it is probable that the economic benefits or service potential will flow to the municipality the amount of the revenue can be measured reliably. Since these grants are unconditional and there are no attached stipulations, the grants are recognised as revenue or, if the recognition criteria had been met, as assets in the reporting period in which they are received or receivable.

Conditional grants and receipts

Revenue from conditional grants is recognised when it is probable that the economic benefits or service potential will flow to the municipality the amount of the revenue can be measured reliably and to the extent that there has been compliance with any restrictions associated with the grant.

Interest earned is recognised as interest earned in the statement of financial performance.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability.

Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

WEST COAST DISTRICT MUNICIPALITY

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Accounting Policies

1.10 Revenue recognition (continued)

Taxes

The municipality recognises an asset in respect of taxes when the taxable event occurs and the asset recognition criteria are met.

Resources arising from taxes satisfy the definition of an asset when the municipality controls the resources as a result of a past event (the taxable event) and expects to receive future economic benefits or service potential from those resources. Resources arising from taxes satisfy the criteria for recognition as an asset when it is probable that the inflow of resources will occur and their fair value can be reliably measured. The degree of probability attached to the inflow of resources is determined on the basis of evidence available at the time of initial recognition, which includes, but is not limited to, disclosure of the taxable event by the taxpayer.

The taxable event for property tax is the passing of the date on which the tax is levied or, if the tax is levied on a periodic basis, the period for which the tax is levied.

Transfers

Apart from services in kind, which are not recognised, the municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

Services in-kind

Services in-kind are recognised as revenue and as assets. Revenue from unconditional grants is recognised when it is probable that the economic benefits or service potential will flow to the municipality the amount of the revenue can be measured reliably. Since these grants are unconditional and there are no attached stipulations, the grants are recognised as revenue or, if the recognition criteria had been met, as assets in the reporting period in which they are received or receivable.

1.11 Provisions

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Site restoration

In accordance with applicable legal requirements, a provision for site restoration in respect of landfill sites is recognised when the land is contaminated. The related expense is capitalised against the cost of the landfill sites.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

- changes in the liability alter the revaluation surplus or deficit previously recognised on that asset, so that:
 - a decrease in the liability is credited directly to revaluation surplus in net assets, except that it is recognised in surplus or deficit to the extent that it reverses a revaluation deficit on the asset that was previously recognised in surplus or deficit; and
 - an increase in the liability is recognised in surplus or deficit, except that it is debited directly to revaluation surplus in net assets to the extent of any credit balance existing in the revaluation surplus in respect of that asset;

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Accounting Policies

1.12 Employee benefits

Short-term employee benefits

The cost of all short-term employee benefits are recognised during the period in which the employee renders the related service.

The provisions for employee entitlements to salaries, performance bonuses and annual leave represents the amounts which the Municipality has a present obligation to pay as a result of employees' services provided to the balance sheet date. The provisions have been calculated at undiscounted amounts based on current salary levels at the reporting date

Pension / Retirement Fund

The municipality and its employees contribute to various Pension and Retirement Funds and its councillors contribute to the Pension Fund for Municipal Councillors. These funds provide retirement benefits to such employees and councillors.

The retirement benefits are calculated in accordance with the rules of the funds. Full actuarial valuations are performed on a regular basis.

Current contributions are charged against the operating account of the municipality at a percentage of the pensionable remuneration paid to employees or councillors.

Defined benefit plans - Medical Aid: Continued Members

The municipality provides certain post retirement medical benefits by funding the medical aid contributions of certain retired members. According to the rules of the medical aid funds, with which municipality is associated, a member (who is on the current condition of service), on retirement, is entitled to remain a continued member of such medical aid fund, in which case the member is liable for 30% or 40% of the medical aid membership fee, and the municipality for the remaining 70% or 60%. The municipality adopted a policy whereby the age of staff appointed under the new conditions of service would determine their portion of contribution to the medical aid on retirement.

An Actuarial valuation was performed and a liability was determined as a result of the actuarial valuation. The actuarial valuation will be revised on an annual basis.

The actuarial valuation was calculated based on the following assumptions:

Discount rate of 8.08%, Health care cost inflation rate 6.89% and a net effective discount of 1.11%.

The Council's obligation to provide post-retirement medical aid benefits are defined benefit obligations. The obligation is calculated by estimating the amounts of the future benefit that qualifying employees have earned in return for their service in the current and prior periods. This benefit is discounted to determine its present value, using a discount rate based on market yields, at the balance sheet date, on high quality bonds with maturity dates that most closely match the terms of maturity of the municipality's obligation. The calculation is performed by a qualified actuary using the projected unit credit method. The portion of benefits relating to past service by employees is recognised as an expense on a straight-line basis over the average vesting period. To the extent that the benefits are already vested, past service costs are recognised immediately.

The municipality recognises actuarial gains or losses from defined benefit plans immediately in profit or loss.

Past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested past service costs are recognised immediately.

The amount recognised is the excess determined above divided by the expected average remaining working lives of the employees participating in the that plan.

Accrued Leave Pay

Liabilities for annual leave are recognised as they accrue to employees. Accrual is based on the total amount of leave days due to employees at year end and also on the total remuneration package of the employee.

Provision for Performance Bonuses

The Municipality makes provision for bonuses payable owing to officials in terms of performance agreements.

WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2012

Accounting Policies

1.13 Unauthorised expenditure

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

1.14 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance. If the expenditure is not condoned by the relevant authority, it is treated as a receivable until it is recovered or written off as irrecoverable.

1.15 Fruitless and wasteful expenditure

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

1.16 Leases

Operating leases - municipality as lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

Operating leases - municipality as lessee

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

Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

1.17 Critical accounting estimates and judgements

Impairment of trade and other receivables

The impairment of the municipality's trade and other receivables is based on incurred losses in accordance with the requirements of IAS 39. The historical loss experience of the economic entity, based on observable data through the passage of time, is used to estimate the impairment of trade and other receivables. Any changes in the payment status of customers in a specific group or national or local economic conditions that correlate with defaults on the assets in the group will have an impact on the impairment of trade and other receivables.

Provisions

The provisions raised by the municipality are detailed in note 2. These provisions represent management's best estimate of the municipality's exposure. The probability that an outflow of economic resources will be required to settle the obligation must be assessed and a reliable estimate must be made of the amount of the obligation. Actual results may, however, differ from these estimates.

Allowance for slow moving, damaged and obsolete stock

WEST COAST DISTRICT MUNICIPALITY
Annual Financial Statements for the year ended 30 June 2012

Accounting Policies

1.17 Critical accounting estimates and judgements (continued)

Management has made estimates of the selling price and direct cost to sell of certain inventory items to calculate the allowance to write stock down to the lower of cost or net realisable value. The write down is zero.

Post retirement benefits

The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions, which include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

Depreciation and the carrying value of items of property, plant and equipment

The estimation of the useful lives of assets is based on management's judgement. Any material adjustment to the estimated remaining useful lives of items of property, plant and equipment will have an impact on the carrying value of these items.

Determination of the recoverable amount of cash-generating assets

Where impairment indicators exist, the determination of the recoverable amount of assets or cash generating units require management to make assumptions to determine the fair value less costs to sell. Key assumptions on which management has based its determination of fair values less costs to sell include projected revenues, earnings multiple, capital expenditure and market share. The judgements, assumptions and methodologies used can have a material impact on the fair value and ultimately the amount of the impairment.

Determination of the recoverable service amount of non-cash generating assets

Where impairment indicators exist, the determination of the recoverable service amount of a non-cash generating asset requires management to make assumptions to determine the fair value less costs to sell and the value in use based on the depreciated replacement cost model. Key assumptions include the current replacement cost of non-cash generating assets and in certain instances an assumption about the commissioning date which determines the depreciated replacement cost of the non-cash generating asset.

Provision for impairment of receivables

An estimate for the impairment of receivables is made when collection of the full amount is no longer probable. The provision for doubtful debt shall be calculated on trade receivables only, i.e. service debtors, levy debtors and housing rentals. The total impairment provision of the municipality shall be calculated per risk category.

1.18 Comparative figures and prior period errors

Comparative figures

Comparative figures have been restated to disclose the effect of the changes in accounting policies.

Prior period errors

Prior period errors have been corrected in terms of GRAP 3, Accounting policies changes in accounting estimates and errors, in the period in which they occurred, or the earliest period reported.

WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2012

Notes to the Annual Financial Statements

2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

The following standards expected to be applicable to the municipality have been issued, but are not yet effective:

The GRAP standards below will be applied by the municipality from the effective date determined by the Minister of Finance. The effective dates are currently unknown. International Financial Reporting Standards will be applied from the effective date of the Standard as indicated below.

GRAP 18: Segment Reporting

Segments are identified by the way in which information is reported to management, both for purposes of assessing performance and making decisions about how future resources will be allocated to the various activities undertaken by the municipality. The major classifications of activities identified in budget documentation will usually reflect the segments for which an entity reports information to management.

Segment information is either presented based on service or geographical segments. Service segments relate to a distinguishable component of an entity that provides specific outputs or achieves particular operating objectives that are in line with the municipality's overall mission. Geographical segments relate to specific outputs generated, or particular objectives achieved, by an entity within a particular region.

The impact of the standard is set out in note Changes in Accounting Policy.

GRAP 25: Employee benefits

The objective of GRAP25 is to prescribe the accounting and disclosure for employee benefits. The Standard requires an municipality to recognise:

- a liability when an employee has provided service in exchange for employee benefits to be paid in the future; and
- an expense when an municipality consumes the economic benefits or service potential arising from service provided by an employee in exchange for employee benefits.

GRAP25 must be applied by an employer in accounting for all employee benefits, except share based payment transactions.

The standard also includes detailed requirements to be applied in the accounting for:

- Post-employment benefits;
- Other long-term employee benefits;
- Termination benefits.

The impact of the standard is set out in note Changes in Accounting Policy.

GRAP 104: Financial Instruments

The standard prescribes recognition, measurement, presentation and disclosure requirements for financial instruments. Financial instruments are defined as those contracts that results in a financial asset in one municipality and a financial liability or residual interest in another municipality. A key distinguishing factor between financial assets and financial liabilities and other assets and liabilities, is that they are settled in cash or by exchanging financial instruments rather than through the provision of goods or services.

One of the key considerations in initially recognising financial instruments is the distinction, by the issuers of those instruments, between financial assets, financial liabilities and residual interests.

Financial assets and financial liabilities are distinguished from residual interests because they involve a contractual right or obligation to receive or pay cash or another financial instrument.

Residual interests entitle an municipality to a portion of another municipality's net assets in the event of liquidation and, to dividends or similar distributions paid at management's discretion.

The standard contains further detailed guidance on the initial recognition, measurement and subsequent measurement of financial instruments and mainly distinguished between those financial instruments carried at fair value and those at amortised cost.

The impact of the amendment is set out in note Changes in Accounting Policy.

Notes to the Annual Financial Statements

2. New standards and interpretations (continued)

IFRIC 14: IAS 19 - The Limit on Defined Benefit Asset, Minimum Funding Requirements - Amendment - Prepayments of minimum funding requirements

The amendments to IFRIC 14 (AC 447) address the accounting treatment for prepayments made when there is a minimum funding requirement.

The amendment is effective for annual periods beginning on or after 1 January 2011.

The amendments will be adopted by the municipality for the first time for its financial reporting period ending 30 June 2012.

The impact of the is set out in note Changes in Accounting Policy.

IAS 39: Financial Instruments: Recognition and Measurement - Amendment - Treating loan prepayment facilities as closely related embedded derivatives

The amendments provide additional guidance on determining whether loan prepayment penalties result in an embedded derivative that needs to be separated. If an exercise price of an embedded prepayment option reimburses the lender for an amount not exceeding the approximate present value of the lost interest for the remaining term of the host contract, then the economic characteristics and risks of the prepayment option embedded in a host debt or host insurance contract are closely related to the host contract and the embedded derivative is not separated from the host contract.

The amendments are to be applied prospectively to all unexpired contracts for annual periods beginning on or after 1 January 2010.

The impact of the is set out in note Changes in Accounting Policy.

IFRS 7: Financial Instruments: Disclosures - Amendments to disclosures

IFRS 7 is amended to add an explicit statement that the qualitative disclosure should be made in the context of the quantitative disclosures to better enable users to evaluate an entity's exposure to risks arising from financial instruments.

The existing disclosure requirements of IFRS 7 are amended as follows:

IFRS 7 is amended to state that clarification that disclosure of the amount that best represents an entity's maximum exposure to credit risk is required only if the carrying amount of a financial asset does not reflect such exposure already.

Additional requirement to disclose the financial effect of collateral held as security and other credit enhancements in respect of a financial instrument. An example of such disclosure is quantification of the extent to which credit risk is mitigated by the collateral and other credit enhancements obtained. This disclosure is in addition to the existing requirement to describe the existence and nature of such collateral.

IFRS 7 is amended to state that clarification that disclosure in respect of collateral taken possession off by the entity is required only in respect of such collateral held at the end of the reporting period.

The following requirements have been removed from IFRS 7:

Disclosure of the carrying amount of financial assets that would have been past due or impaired if their terms had not been renegotiated.

Disclosure of a the description and fair value of collateral held as security and other credit enhancements in respect of financial assets that are past due but not impaired and in respect of financial assets that are individually determined to be impaired.

Additionally, the clause stating that quantitative disclosures are not required when a risk is not material has been removed from IFRS 7.

The general materiality considerations continue to apply to all disclosures required by IFRS 7 in the same way as they apply to other IFRSs.

The amended is effective for annual periods beginning on or after 1 January 2011.

The amendments will be adopted by the municipality for the first time for its financial reporting period ending 30 June 2012.

WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2012

Notes to the Annual Financial Statements

2. New standards and Interpretations (continued)

The impact of the standard is not material.

3. Long term liabilities

Local Registered Stock Loans	91,090,484	98,165,457
Less : Current portion transferred to current liabilities	-	-
Total External Loans	(7,944,149)	(7,049,641)
	83,146,335	91,115,816

The Municipality has an unsecured external loan at Sanlam. The redeemable date for the loan is 29 June 2018. The loan is redeemed on a half-yearly basis as at 31 December and 30 June of each financial year. The amount borrowed in terms of the loan was to provide finance for capital projects within the Water Provisions Department. The loan is at a fixed rate of 12.54%

The Municipality has an unsecured external loan at The Development Bank of South Africa at a fixed rate of 13.38 & 6.75%. The redeemable date for the loan is 30 June 2020. The loan is redeemed on a half-yearly basis as at 31 December and 30 June of each financial year. The amount borrowed in terms of the loan was to provide finance for capital projects within the Water Provisions Department.

The Municipality has an unsecured external loan at ABSA at a fixed rate of 10.87%. The redeemable date for the loan is 31 January 2021. The loan is redeemed on a half-yearly basis as at 31 January and 31 July of each financial year. The amount borrowed in terms of the loan was to provide finance for capital projects within the Water Provisions Department. Refer to Appendix A for more detail on long - term liabilities

4. Provisions

Reconciliation of provisions - 2012

	Opening Balance	Additions	Utilised during the year	Total
Reclamation of refuse landfill site	158,042	-	(158,042)	-
Employee benefits accrual	248,448	169,238	(202,682)	215,004
	406,490	169,238	(360,724)	215,004

Reclamation of refuse landfill site	-	158,042
	-	158,042

Reclamation of refuse landfill site

In terms of the licencing of the landfill refuse site, the Municipality will incur rehabilitation costs of R250 000 to restore the site at the end of its economic life, estimated to be in 2019. Provision has been made for the net present value of this cost. The discount rate includes risk associated with cash flow is estimated at 5.90%.

Reconciliation of provisions

Opening balance	158,042	149,237
Additions	-	8,805
Utilised during the year	-	-
Reversed during the year	-	-
Unwinding of discount factor	(158,042)	-
Closing balance	-	158,042
	-	158,042

WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011
5. Employee benefits		
Defined benefit plan	56,176,139	37,520,762
Change in Liability		
Opening balance	49,009,950	37,167,381
Service Cost	1,284,505	1,329,131
Interest Cost	4,104,431	3,278,394
Recognised actuarial gains	3,639,677	9,229,024
Benefits Paid	(1,862,424)	(1,993,980)
Closing balance	56,176,139	49,009,950
Unrecognised actuarial gains/(losses)		
Opening Balance	-	353,380
Corridor Maximum	3,639,677	8,875,644
New gains / (losses)	(3,639,677)	(9,229,024)
	-	-
Statement of Financial Position		
Projected Benefit Obligation	49,009,950	49,009,950
Plan Assets	-	-
Net Obligation/(Asset)	7,166,189	-
Unrecognised past service cost	-	-
Unrecognised transitional obligation	-	-
Net Obligation/(Asset) in Statement of Financial Position	56,176,139	49,009,950
Net expense recognised in the statement of financial performance		
Service cost	1,284,505	1,329,131
Interest cost	4,104,431	3,278,394
Recognised actuarial losses/(gains)	3,639,677	8,875,644
Past recognised actuarial gains / (losses)	(1,262,469)	-
Total included in employee related costs	7,766,144	13,483,169
Carrying value		
Opening value	-	-
Employer contribution	50,272,419	38,783,230
Amount recognised in Statement of Financial Performance	(1,862,424)	(1,993,980)
Closing value	56,176,139	50,272,419
Key assumptions used		
Discount rates used	8.08 %	8.55 %
Medical inflation rate	6.89 %	7.29 %

The basis used to determine the health care cost inflation rate is as follow: The assumed rate of retail inflation was derived by subtracting the long-term index linked bond yield (the R197) from a fixed coupon bond yield with a roughly similar term (the R186) and allowing for a 0.5% inflation risk premium. The corresponding rates for the two bonds were 2.07% and 8.08% at 30 June 2012. The retail inflation rate was therefore set at 5.39% per annum, in line with the market's expectation. South Africa has experienced high health care cost inflation in excess of retail inflation in recent years and we have assumed that health care cost inflation will exceed general inflation by about 1.5% per annum. The health care cost inflation rate was therefore set at 6.89% per annum.

WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2012

Notes to the Annual Financial Statements

Figures in Rand

2012 2011

5. Employee benefits (continued)

The basis used to determine pre-retirement mortality is as follows: The SA85/90 ultimate mortality table was used in the valuation for the mortality of current employees. This is the most recent South African Life table and is also the table most often used by Live Insurance.

The basis used to determine post-retirement mortality is as follows: The PA90 ultimate mortality table rated down by one year was used in the valuation for the mortality of pensioners. For the post-retirement mortality of active members, the PA90 ultimate mortality table rated down by one year was also used in the valuation.

The basis used to determine normal retirement age is as follows: The assumption was made that males will retire at age 60 and females at 55. It is possible for employees to take early retirement from age 50, and still qualify for the subsidy. For current employees and pensioners it was assumed that males were four years older than their female spouses. For current employees it was assumed that 80% of them would be married when the subsidy commences.

The basis on which the discount rate has been determined is as follows: GRAP 25 requires that the Municipality's liabilities be discounted with reference to the yield on high quality corporate debt. In South Africa there is not a liquid market in corporate debt and therefore we have used the gross government R186 long-term bond yield which was equal to 8.08% effective per annum as at 30 June 2012. This valuation interest rate has been used to determine the present value of future benefit payments before and after retirement. Note that in the valuation as at 30 June 2011 a gross yield of 8.55% per annum was used. Using the assumed discount rate of 8.08% and the assumed health care cost inflation rate of 6.89% means that the net effective discount rate amounts to 1.11% per annum.

Adjustments to subsidies is as follows: An increase of 4% in current subsidies was allowed for to reflect the valuation date being in the middle of the calendar year over which the standard medical aid contribution rates apply.

Experience adjustment

(A) Plan liabilities		8.000
(B) Plan assets	-	-

Sensitivity Analysis

The actual liability faced by the Municipality in the future will depend on the actual experience in respect of these assumptions. The liabilities were recalculated to illustrate the impact that changes in some of the major assumption will have on the liabilities. The following changes were made:

	One percentage point increase	One percentage point decrease
Effect on the aggregate of the service cost		
Effect on defined benefit obligation	(21)	28
	(13)	16

Defined contribution plan

The Cape Joint Pension fund is a defined benefit multi-employer plan which is accounted for as a defined contribution plan. Consequently, any deficit identified is required to be recognised as a liability in the period in which it arises. The portion of the deficit relating to West Coast District municipality needs to be recognised when identified by The Cape Joint Pension fund. At the 30 June 2011, the shortfall relating to the portion allotted to West Coast District Municipality totalled R942 672. The interest on the allotted portion are for the period February 2010 to August 2011,

	-	942,672
	-	145,930

6. Employee benefits accrual

Performance bonus		215,004
	-	248,448

Performance bonuses accrue to employees on a yearly basis, subject to certain conditions. The provision is 14% of the actual salary package of the employees.

WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2012

Notes to the Annual Financial Statements

Figures in Rand

	2012	2011
6. Employee benefits accrual (continued)		
Reconciliation of provisions		
Balance at beginning of year		
Transfers	248,448	229,027
Contributions to provision	-	-
Interest on Investments	169,237	194,804
Expenditure incurred	-	-
Balance at end of year	(202,681)	(175,383)
	215,004	248,448
7. Trade payables		
Trade payables		
Payments received in advanced - contract in process	7,061,056	4,247,668
Accrued leave pay	24,409	46,719
Retentions	3,779,139	3,563,528
Sundry creditors	3,189,784	5,397,875
Deferred operating lease payments	6,712,823	16,770,550
	4,809,860	2,687,555
Trade creditors	25,577,071	32,713,895

WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2012

Notes to the Annual Financial Statements

Figures in Rand

	2012	2011
8. Government grants and subsidies		
Equitable share		
RBIG Funds	-	6,291,637
DMA Electricity	4,057,808	3,788,000
Prov Management Support Grant	2,157,567	696,888
Vuna Awards	167,643	-
Wupperthal - RDP Water	-	953,845
MSIG	-	88,092
Finance Management Grant	790,000	775,220
Development Unit	1,579,360	1,192,953
Capacity Building: Global Fund	-	69,560
Western Gateway	-	705,715
WCDM Tourism Road Signage	-	5,853
LEGSETA	-	4,043
Drought Relief Programme	-	161,373
Gateway Vanrhynsdorp	15,705	976,873
Drought Relief Programme Kliprand	-	221,135
Training of Housing Officials	-	128,435
Bulk Water Master Plan	8,565	175,682
Social Development Projects	-	500,000
Alternative Water Reserve Study	-	49,175
Rural Area Water	-	213,584
Asset Management Bulk Water	-	308,186
Bucket Eradication Chatsworth	75,068	35,912
Knersvlakte Biosphere	-	63,682
Ignite Assist	148,058	-
Sportsgrounds DMA	423,018	208,532
Thuson Centre	-	739,454
Cederberg Biosphere	98,277	61,723
Donations Mayor	27,931	9,051
Other Government Grants and Subsidies	30,599	-
	68,457,320	63,092,302
	78,036,919	81,516,905
8.1) Equitable share		
Balance unspent at the beginning of the year		
Current year receipts	-	1,658,995
Current year interest	-	4,540,103
Conditions met - transferred to revenue	-	92,539
Other	-	(6,291,637)
Conditions still to be met - transferred to liabilities	-	-
8.2) RBIG Funds		
Balance unspent at the beginning of the year		
Current year receipts	-	-
Current year interest	4,520,100	3,788,000
Conditions met - transferred to revenue	-	-
Other	(4,057,808)	(3,788,000)
Conditions still to be met - transferred to liabilities	-	-
	462,292	-

WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2012

Notes to the Annual Financial Statements

Figures in Rand

	2012	2011
8. Government grants and subsidies (continued)		
8.3) DMA Electricity		
Balance unspent at the beginning of the year		
Current year receipts	101,353	797,641
Current year interest	2,056,213	600
Conditions met - transferred to revenue	-	-
Other	(2,157,567)	(696,888)
Conditions still to be met - transferred to liabilities	(1)	101,353
8.4) Vuna Award		
Balance unspent at the beginning of the year		
Current year receipts	-	953,845
Current year interest	-	-
Conditions met - transferred to revenue	-	-
Other	-	(953,845)
Conditions still to be met - transferred to liabilities	-	-
8.5) Wupperthal - RDP Water		
Balance unspent at the beginning of the year		
Current year receipts	-	88,092
Current year interest	-	-
Conditions met - transferred to revenue	-	-
Other	-	(88,092)
Conditions still to be met - transferred to liabilities	-	-

WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2012

Notes to the Annual Financial Statements

Figures in Rand

	2012	2011
8. Government grants and subsidies (continued)		
8.6) MSIG		
Balance unspent at the beginning of the year	-	25,220
Current year receipts	790,000	750,000
Current year interest	-	-
Conditions met - transferred to revenue	-	-
Other	(790,000)	(775,220)
Conditions still to be met - transferred to liabilities	-	-
8.7) Finance Management Grant		
Balance unspent at the beginning of the year	-	-
Current year receipts	329,360	522,313
Current year interest	1,250,000	1,000,000
Conditions met - transferred to revenue	-	-
Other	(1,579,360)	(1,192,953)
Conditions still to be met - transferred to liabilities	-	329,360
8.8) Development Unit		
Balance unspent at the beginning of the year	-	-
Current year receipts	-	69,560
Current year interest	-	-
Conditions met - transferred to revenue	-	-
Other	-	(69,560)
Conditions still to be met - transferred to liabilities	-	-
8.9) Capacity Building: Global Fund		
Balance unspent at the beginning of the year	-	705,715
Current year receipts	-	-
Current year interest	-	-
Conditions met - transferred to revenue	-	-
Other	-	(705,715)
Conditions still to be met - transferred to liabilities	-	-
8.10) Western Gateway		
Balance unspent at the beginning of the year	-	5,853
Current year receipts	-	-
Current year interest	-	-
Conditions met - transferred to revenue	-	-
Other	-	(5,853)
Conditions still to be met - transferred to liabilities	-	-
8.11) WCDM Tourism Road Signage		
Balance unspent at the beginning of the year	-	-
Current year receipts	-	4,043
Current year interest	-	-
Conditions met - transferred to revenue	-	-
Other	-	(4,043)
Conditions still to be met - transferred to liabilities	-	-
8.12) LEGSETA		

WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011
8. Government grants and subsidies (continued)		
Balance unspent at the beginning of the year	-	161,373
Current year receipts	-	-
Current year interest	-	-
Conditions met - transferred to revenue	-	-
Other	-	(161,373)
Conditions still to be met - transferred to liabilities	-	-
8.13) Drought Relief Programme		
Balance unspent at the beginning of the year	15,705	992,578
Current year receipts	-	-
Current year interest	-	-
Conditions met - transferred to revenue	(15,705)	(976,873)
Other	-	-
Conditions still to be met - transferred to liabilities	-	15,705
8.14) Gateway Vanrhynsdorp		
Balance unspent at the beginning of the year	-	221,134
Current year receipts	-	-
Current year interest	-	-
Conditions met - transferred to revenue	-	-
Other	-	(221,134)
Conditions still to be met - transferred to liabilities	-	-
8.15) Drought Relief Kllprand		
Balance unspent at the beginning of the year	-	128,435
Current year receipts	-	-
Current year interest	-	-
Conditions met - transferred to revenue	-	-
Other	-	(128,435)
Conditions still to be met - transferred to liabilities	-	-
8.16) Paternoster Archeo - Tourism trail		
Balance unspent at the beginning of the year	-	-
Current year receipts	-	-
Current year interest	-	-
Conditions met - transferred to revenue	-	-
Other	-	-
Conditions still to be met - transferred to liabilities	-	-
8.17) Training of Housing Officials		
Balance unspent at the beginning of the year	8,565	184,246
Current year receipts	-	-
Current year interest	-	-
Conditions met - transferred to revenue	(8,565)	(175,682)
Other	-	-
Conditions still to be met - transferred to liabilities	-	8,564
8.18) Bulk Water Master Plan		
Balance unspent at the beginning of the year	-	-
Current year receipts	-	500,000
Current year interest	-	-
Conditions met - transferred to revenue	-	(500,000)
Conditions still to be met - transferred to liabilities	-	-

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	2012	2011
8. Government grants and subsidies (continued)		
8.19) Social Development Projects		
Balance unspent at the beginning of the year	-	49,175
Current year receipts	-	-
Current year interest	-	-
Conditions met - transferred to revenue	-	(49,175)
Other	-	-
Conditions still to be met - transferred to liabilities	-	-
8.20) Alternative Water Reserve Study		
Balance unspent at the beginning of the year	-	213,584
Current year receipts	-	-
Current year interest	-	-
Conditions met - transferred to revenue	-	(213,584)
Other	-	-
Conditions still to be met - transferred to liabilities	-	-
8.21) Cederberg Biosphere		
Balance unspent at beginning of year	27,931	36,982
Current-year receipts	-	-
Conditions met - transferred to revenue	(27,931)	(9,051)
Other	-	-
Conditions still to be met - transferred to liabilities	-	27,931
8.22) Knersvlakte Biosphere		
Balance unspent at beginning of year	148,058	148,058
Current-year receipts	-	-
Conditions met - transferred to revenue	(148,058)	-
Other	-	-
Conditions still to be met - transferred to liabilities	-	148,058
8.23) Thusong Centre		
Balance unspent at beginning of year	98,277	-
Current-year receipts	-	160,000
Conditions met - transferred to revenue	(98,277)	(61,723)
Other	-	-
Conditions still to be met - transferred to liabilities	-	98,277
8.24) Provincial Management Support Grant		
Balance unspent at beginning of year	1,000,000	-
Current-year receipts	-	-
Conditions met - transferred to revenue	(167,643)	1,000,000
Other	-	-
Conditions still to be met - transferred to liabilities	832,357	1,000,000
8.25) Donations Mayor		
Balance unspent at beginning of year	-	-
Current-year receipts	-	-
Conditions met - transferred to revenue	51,000	-
Other	(30,599)	-
Conditions still to be met - transferred to liabilities	20,401	-

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8. Government grants and subsidies (continued)		
8.26) Ignite Assist		
Balance unspent at beginning of year	468,566	677,099
Current-year receipts	-	-
Conditions met - transferred to revenue	(423,018)	(208,533)
Other	-	-
Conditions still to be met - transferred to liabilities	45,548	468,566
8.27) Asset Management Bulk Water		
Balance unspent at beginning of year	122,209	158,121
Current-year receipts	-	-
Conditions met - transferred to revenue	(75,068)	(35,912)
Other	-	-
Conditions still to be met - transferred to liabilities	47,141	122,209

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8. Government grants and subsidies (continued)

Summary of Government Grants and Subsidies

PAWC and State Funds: Various Projects (See note 46)	1,387,338	2,218,671
Other balances not included in Developers or Public Contributions	1,387,338	2,218,671
Developers Contributions - Electricity (See note 46)	-	101,353
Public Contributions (See note 46)	20,401	-
Donations Mayor	20,401	-
	-	-
	1,407,739	2,320,024

9. Property, plant and equipment

	2012			2011		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	15,241,364	-	15,241,364	17,388,231	-	17,388,231
Buildings	59,403,483	(13,660,628)	45,742,855	71,187,431	(12,043,536)	59,143,895
Infrastructure	279,570,685	(48,834,912)	230,735,773	276,569,002	(45,146,164)	231,422,838
Other	53,923,239	(33,840,106)	20,083,133	53,167,201	(27,109,587)	26,057,614
Total	408,138,771	(96,335,646)	311,803,125	418,311,865	(84,299,287)	334,012,578

Please refer to the detailed schedule B of Property, Plant and Equipment.

10. Investment property

	2012			2011		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Ganzekraal beach development	5,474,271	(543,110)	4,931,161	5,474,271	(440,862)	5,033,409

Reconciliation of investment property - 2012

Land	Opening balance	Other changes, movements	Total
	5,033,409	(102,248)	4,931,161

Reconciliation of investment property - 2011

Land	Opening balance	Other changes, movements	Total
	5,125,003	(91,594)	5,033,409

Fair value of investment properties - 8,881,850

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10. Investment property (continued)

The municipality owns a beach development (Ganzekraal). The property is 2332.6578 hectares and the municipality receives rental income (camping fees).

11. Intangible assets

	2012			2011		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Intangible assets	1,164,606	(719,151)	445,455	1,151,300	(493,763)	657,537

Reconciliation of intangible assets - 2012

Carrying values at 1 July	-	-
Cost at the beginning of the period	-	-
Correction of Error	1,151,300	1,152,312
Additions for the period:	-	(14,300)
Cost at the end of the period	<u>1,164,606</u>	<u>1,151,300</u>
Accumulated amortisation at the beginning of the period	-	-
First time recognition on implementation of GRAP 102	496,155	266,659
Correction of Error	-	(1,400)
Current amortisation	-	-
Less: Accumulated amortisation at the end of the period	<u>719,151</u>	<u>493,763</u>
Impairment losses recognised in profit or loss during the period	-	-
Impairment losses reversed in profit or loss during the period	-	-
Assets classified as held for sale	-	-
Disposals	-	-
Carrying values at 30 June	<u>445,455</u>	<u>657,537</u>

Other information

The municipality acquired intangible assets with finite useful lives of five years. The straight-line method of amortisation will be used to allocate the depreciable amount of an asset on a systematic basis over its useful life.

12. Inventories

Consumable stores - at cost	750,602	638,687
Water - at cost	674,925	555,239
	<u>1,425,527</u>	<u>1,193,926</u>

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	2012	2011
13. Trade receivables		
Gross balances		
Rates		
Electricity	-	47,557
Water	30,088	45,170
Sewerage	6,629,623	6,323,502
Housing rental	6,181	29,912
Other	108,555	47,557
	-	11,972
	6,774,447	6,505,670
Provision for debt impairment		
Provision for bad debts	(1,245,479)	(255,432)
Net balance		
Electricity		
Water	30,088	45,170
Sewerage	6,629,623	6,323,502
Housing rental	6,181	29,912
Housing Rental	-	47,557
Other (specify)	108,555	88,966
Provision for bad debts	-	11,972
	(1,245,479)	(255,432)
Net balance	5,528,968	6,291,647
Service debtors		
Current (0 -30 days)		
31 - 60 days	6,352,722	6,110,984
61 - 90 days	207,682	241,970
91 - 120 days	59,805	90,055
121 - 365 days	16,080	23,431
	29,603	80,639
	6,665,892	6,547,079
Housing Rental		
Current (0 -30 days)		
31 - 60 days	68,698	76,707
61 - 90 days	18,505	11,011
91 - 120 days	8,437	1,146
121 - 365 days	4,228	102
	8,687	-
	108,555	88,966
Rates		
121 - 365 days		47,557
	-	-
Summary of debtors by customer classification		
Consumers		
Current (0 -30 days)		
31 - 60 days	6,421,421	6,110,984
61 - 90 days	226,187	241,970
91 - 120 days	68,242	90,055
121 - 365 days	20,307	23,431
> 365 days	38,290	80,639
	-	-
	6,774,447	6,547,079
Less: Provision for debt impairment	(1,245,479)	(255,432)
	5,528,968	6,291,647

WEST COAST DISTRICT MUNICIPALITY

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Figures in Rand	2012	2011
13. Trade receivables (continued)		
Reconciliation of debt impairment provision		
Balance at beginning of the year		
Contributions to provision	255,432	421,053
Debt impairment written off against provision	1,300,326	245,824
	(310,279)	(411,445)
	1,245,479	255,432

The maximum exposure to credit risk at the reporting date is the fair value of each class of loan mentioned above.

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	2012	2011
14. Other trade receivables		
Other		
Insurance claim	7,752,859	4,776,579
	19,126	21,890
Total other debtors	7,771,985	4,798,469

15. VAT receivable

VAT	1,661,807	2,811,102
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VAT is payable on the receipts basis. Only once payments is received from debtors is VAT paid over to SARS.

Reconciliation of VAT accounts

VAT 201 returns as at 30 June	1,252,143	3,591,798
VAT not paid on VAT 201 return	-	(28,132)
VAT not claimed on VAT 201 return	1,755,641	45,623
VAT Output	(1,345,977)	(798,187)
	1,661,807	2,811,102

16. Cash and cash equivalents

Cash and cash equivalents included in the cash flow statement comprise the following statement of amounts indicating financial position:

Cash book balances	8,783,850	26,318,782
Short-term investments		
Floats	125,456,146	125,005,620
	450	450
Total cash and cash equivalents	134,240,446	151,324,852

The municipality had the following bank accounts

Account number / description	Bank statement balances		Cash book balances	
	30 June 2012	30 June 2011	30 June 2012	30 June 2011
First National Bank - Current Account - Account Number 62001436014	8,011,164	23,443,148	8,011,164	23,443,148
First National Bank - Current Account - Account Number 53060007920	812,866	2,899,929	772,686	2,875,634
Floats	450	450	450	450
Short-term investments	125,456,146	125,005,620	125,456,146	125,005,620
Total	134,280,626	151,349,147	134,240,446	151,324,852

The short-term investments included are as follows:

First National Bank (Account no : 61306816905)	14,764,222	2,129,653
Investec (Account no: 1100459205620)		
Absa Bank (Account no : 2069279971)	-	10,591,825
Nedcor (Account no : 03 / 7881714522 / 62)	56,252,379	53,148,602
Absa Bank (Account no : 2069279939)	33,761,346	31,880,975
Standard Bank (Account no: 288730844)	-	27,254,565
	20,678,199	-
Total Investment Deposits	125,456,146	125,005,620

Average Rate of Return on Investments
6.03%

Fixed deposits amounting to R7 944 149 (2011 : R7 049 641) has been ring - fenced for the purpose of repaying long - term liabilities as set out in Note 30.

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2012 2011

17. Property rates

Actual

Residential	-	867,789
Commercial	-	-
State	-	-
Total assessment rates	-	867,789

Valuations

Residential	-	853,999,650
Commercial	-	-
State	-	-
Total property valuation	-	853,999,650

Valuations on land and buildings are performed every four years. The last valuation came into effect on 1 July 2007.

18. Service charges

Sale of electricity	274,918	1,185,564
Sale of water	80,229,388	72,570,504
Sewerage and sanitation charges	70,724	584,994
Fire fighting services	-	-
	80,575,030	74,341,062

19. Other revenue

Non - exchange transactions

Sundry overpayments	49,820	25,727
Permit fees (inland water)	112,140	114,400
Liquidated damages	-	2,240
Interest on debtors	30,367	14,084
Cemetery fees	-	240
Building plan fees	116,230	1,591
Search fees	-	1,415
Sundry income	5,207,922	3,622,769
	5,516,479	3,782,466

Exchange transactions

Resort income	2,535,550	2,443,719
Rent	2,896,686	1,246,279
Water services	5,224,401	5,261,858
	10,656,637	8,951,856

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20. Employee related costs

EMPLOYEE RELATED COSTS

Employee related costs - Salaries and Wages	-	-
Employee related costs - Contributions for UIF, pensions and medical aids	46,779,106	44,034,597
Bonus	16,698,910	8,656,811
Bonus (Roads)	3,015,769	2,947,489
Travel, motor car, accommodation, subsistence and other allowances	1,251,134	-
Overtime payments	9,971,795	8,298,957
Long-service awards	4,021,155	4,712,840
Long Service Awards (Roads)	283,999	157,561
Housing benefits and allowances	107,061	-
Less: Employee costs included in other expenses	535,348	320,911
	<u>(16,540,709)</u>	<u>(4,311,272)</u>
	66,123,568	64,817,894

Remuneration of municipal manager

Annual Remuneration	1,162,116	1,080,648
Car Allowance	195,576	195,273
Performance Bonuses	65,381	48,216
Contributions to UIF, Medical and Pension Funds	29,433	31,701
	<u>1,452,506</u>	<u>1,355,838</u>

Remuneration of deputy municipal manager

Annual Remuneration	-	130,816
Car Allowance	-	4,153
Performance Bonuses	-	-
Contributions to UIF, Medical and Pension Funds	-	850,578
	<u>-</u>	<u>985,547</u>

Remuneration of chief financial officer

Annual Remuneration	772,368	728,400
Car Allowance	26,876	26,448
Performance Bonuses	45,766	33,951
Contributions to UIF, Medical and Pension Funds	171,744	160,487
	<u>1,016,754</u>	<u>949,286</u>

Remuneration of individual executive directors - Technical Services

Annual Remuneration	810,000	763,200
Car Allowance	13,640	13,212
Performance Bonuses	45,766	33,951
Contributions to UIF, Medical and Pension Funds	147,348	253,403
Other Allowances	101,250	-
	<u>1,118,004</u>	<u>1,063,766</u>

Remuneration of individual executive directors - Corporate Services

Annual Remuneration	800,400	753,600
Car Allowance	24,968	24,540
Performance Bonuses	45,766	33,951
Contributions to UIF, Medical and Pension Funds	145,620	137,195
	<u>1,016,754</u>	<u>949,286</u>

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20. Employee related costs (continued)

Remuneration of Individual executive directors - Community Services

Annual Remuneration	-	888,000
Car Allowance	-	12,065
Performance Bonuses	-	25,313
Contributions to UIF, Medical and Pension Funds	-	15,270
	-	940,648

21. Remuneration of councillors

Executive Major	451,773	605,088
Deputy Executive Mayor	508,273	484,071
Speaker	324,705	484,071
Councillors and Secretarial support	671,150	1,787,213
Councillors' pension contribution	157,220	327,575
Executive Committee Members	1,538,888	1,011,794
	3,652,009	4,699,812

In-kind benefits

The Executive Mayor, Deputy Executive Mayor, Speaker and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.

22. Repairs and maintenance

Repairs and Maintenance consist of the following:

Executive and Council	-	1,301
Finance and Administration	1,179,101	551,278
Health	23,371	9,020
Community and Social Services	-	375,706
Housing	162,084	147,849
Public Safety	500,687	552,258
Road Transport	15,767,427	60,774,657
Water Services	3,508,266	2,897,192
Electricity Services	-	121,798
	21,140,936	65,431,059

23. Finance costs

Long term liabilities	11,163,905	8,173,633
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24. Bulk purchases

Electricity	-	1,277,673
Water	7,628,846	6,054,772
	7,628,846	7,332,445

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	2012	2011
25. General expenses		
Advertising	424,119	522,367
Assessment rates & municipal charges	432,994	407,819
Auditors remuneration	1,617,316	1,456,023
Administration	43,088,045	-
Computer expenses	559,602	587,949
Delivery expenses	160,070	-
Insurance	173,068	174,285
Rental offices	1,336,133	192,074
Water demand management	131,534	85,880
Lease rentals on operating lease	10,649,015	10,679,356
Magazines, books and periodicals	30,537	-
Medical aid fund	7,238,723	6,011,172
Vehicle: petrol & oil	252,779	199,129
Leave fund	793,657	447,857
Contribution to free municipal service	539,431	1,471,953
Fuel and oil	2,449,666	1,923,425
Printing and stationery	760,919	695,844
Project maintenance costs	1,266,542	1,442,035
Security officers	340,955	423,144
Telephone and fax	1,263,936	1,757,284
Transport and freight	2,195,955	2,039,280
Subsistence allowances	773,535	857,287
Electricity	13,079,658	10,660,889
Water and milk samples	261,424	251,033
Chemicals	5,110,983	4,892,799
Skills development levy	528,740	542,858
Exhibitions	418,555	648,680
Contributions and grants	729,692	787,633
Professional service	2,076,057	1,954,479
Interest transfer	3,713	214,814
Housing operators	323,227	376,854
Other operating expenses	16,259,239	29,535,603
	115,269,819	81,239,805

26. Correction of error

26.1) PROPERTY, PLANT AND EQUIPMENT

Depreciation

During the current financial year the municipality corrected an error. Depreciation of R673 295 was incorrectly deducted in the annual financial statements as first time adoption of GRAP 17.

	Opening balance before reclassification	Adjustment	Balance After adjustment
	(85,233,911)	673,295	(84,560,616)

26.2) VAT

During the current financial year the municipality corrected a error. Amount of R31 614 relating to Input VAT was not claimed from the South African Revenue Service in the financial statements for the year ended 30 June 2011.

	-	-	-
	-	(31,614)	-

26.3) Defined contribution plan

During the current financial year the municipality corrected a error. An amount of R145 930 related to interest was reversed in the financial statements. This was due to a shortfall relating to a liability identified by the Cape Joint Pension fund totalling R942 672

	-	-	-
	(145,930)	145,930	-
	(85,379,841)	787,611	(84,560,616)

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26. Correction of error (continued)

CORRECTION OF ERROR - 30 June 2012

Opening accumulated surpluses as previously reported Surplus		322,419,101
		787,611
Correction of error Depreciation		673,295
Correction of Defined contribution plan		145,930
Correction of VAT expense		(31,614)
		323,206,712

27. Change in accounting estimate

Property, plant and equipment

Cost

The following change in estimate amounting to R 1 086 085 (2011: R 224 976) was made to cost reported in the financial statements of this Municipality and is applied prospectively.

The change in accounting estimate is due to the efforts of this Municipality to comply with GRAP 17 (Property, plant and equipment) within the transitional provisions provided by the Accounting Standards Board. The municipality had noted that these assets had a zero book value at year end and then had re-assessed the value and useful life of these assets.

Cost Adjustment		1,086,085	224,976
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The following change in accounting policy amounting to R 4 335 300 (2009: R 0) was made to cost reported in the financial statements of this Municipality and is applied retrospectively.

The change in accounting policy is due to the efforts of this Municipality to comply with GRAP 17 (Property, plant and equipment) within the transitional provisions provided by the Accounting Standards Board. Previously these assets had a cost of zero or depreciated to zero. These assets have now had their useful lives re-evaluated and been revalued based on the condition of the asset and the depreciable replacement cost.

Cost Adjustment		-	4,335,300
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Net effect on the Accumulated Surplus		1,086,085	4,560,276
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28. Accumulated surplus

Balance as at 1 July 2011 previously reported		322,419,101
Correction of Error		787,611
		323,206,712
Restated Balance as at 1 July 2011		323,206,712
Change in accounting estimate due to adoption of GRAP 17 and PY Adjustment		1,086,085
Net income/loss for the period		(30,950,760)
Balance at 30 June 2012		293,342,037

29. Cash (used in) generated from operations

Deficit	(30,950,760)	(593,817)
Adjustments for:		
Depreciation and amortisation	19,525,862	18,350,515
Loss on PPE	(425,603)	(124,736)
Error note	1,232,014	5,291,120
Changes in working capital:		
Inventories	(231,601)	(58,294)
Other debtors	(2,973,516)	(3,000,766)
Debtors	762,679	(3,945,035)
Trade payables	(7,136,825)	7,165,463
VAT	1,117,682	1,137,459
Benefits accrual	(33,444)	19,421
Other payables	(912,285)	(6,593,361)
Provisions	(158,042)	8,805
Employee benefit	6,077,586	11,489,188
	(14,106,253)	29,145,962

30. Utilisation of Long-term liabilities reconciliation

Long - term liabilities (see Note 3)	91,090,484	98,165,457
Used to finance property, plant and equipment	(91,090,484)	(98,165,457)
Cash set aside for the repayment of long-term liabilities	7,944,149	7,049,641
Cash invested for repayment of long - term liabilities	7,944,149	7,049,641

Long-term liabilities have been utilized in accordance with the Municipal Finance Management Act. Sufficient cash has been set aside to ensure that long-term liabilities can be repaid on redemption date.

31. Unauthorised expenditure

Reconciliation of Unauthorised expenditure		
Opening balance	-	-
Unauthorised expenditure current year	-	-
Approved by Council or condoned	-	-
Unauthorised expenditure awaiting authorisation	-	-

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32. Fruitless and wasteful expenditure

Reconciliation of Fruitless and wasteful expenditure

Opening balance

Unauthorised expenditure current year

Condoned or written off by Council

- -
- -
- -

Fruitless and wasteful expenditure awaiting condonement

- -

33. Irregular expenditure

Opening balance

Less: Amounts not recoverable (not condoned)

- 2,622,741
- (2,622,741)

Irregular expenditure awaiting condonement

- -

The irregular expenditure will be submitted to council for condonement

34. Additional disclosure in terms of Municipal Finance Management Act

34.1) Contributions to organised local government

Opening balance

Council subscriptions

Amount paid - current year

Amount paid - previous years

- -
420,713 203,573
(420,713) (203,573)

Balance unpaid (Included in creditors)

- -

34.2) Audit fees

Opening balance

Current year audit fee

Amount paid - current year

Amount paid - previous years

- -
1,617,316 1,456,022
(1,617,316) (1,456,022)

Balance unpaid (included in creditors)

- -

34.3) PAYE and UIF

Opening balance

Current year payroll deductions

Amount paid - current year

Amount paid - previous years

- -
13,188,802 11,892,435
(13,188,802) (11,892,435)

Balance unpaid (Included in creditors)

- -

34.4) Pension and Medical Aid Deductions

Opening balance

Current year payroll deductions and Council Contributions

Amount paid - current year

Amount paid - previous years

- -
11,369,995 8,645,425
(11,369,995) (8,645,425)

Balance unpaid (included in creditors)

- -

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34. Additional disclosure in terms of Municipal Finance Management Act (continued)

34.5) VAT

VAT receivable	1,661,807	2,811,102
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VAT inputs receivables and VAT output receivables are shown in note 15.

All VAT returns have been submitted by the due date throughout the year.

34.6) Councillors' arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days at 30 June 2012:

	Outstanding less than 90 days R	Outstanding more than 90 days R	Total R
30 June 2012			
Cllr. C Ovies	-	-	-
30 June 2011			
Cllr. C Ovies	98	-	98

During the year the following Councillors' had arrear accounts outstanding for more than 90 days.

35. Capital Commitments

Authorised capital expenditure

Commitments in respect of capital expenditure

Approved and contracted for	46,016,126	12,700,570
Other Structures (Infrastructure)	46,016,126	12,700,570
Other	-	-
	46,016,126	12,700,570

This expenditure will be funded from the External Loan and Accumulated Surplus. Capital commitments are specific capital projects approved per tender and budget but still in progress at period end.

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36. Retirement Benefit Information

The Municipality provides retirement benefits for all its permanent employees through a defined contribution plan, which is subject to the Pension Fund Act, 1956 as amended. The Municipality's contributions to the plan during the year were:

Cape Joint Pension Fund	333,613	296,528
Cape Joint Pension Fund shortfall	942,672	942,672
Cape Joint Retirement Fund	13,911,839	13,205,169
Councillors Pension Fund	324,108	627,852
Defined contribution plan	15,512,232	15,072,221

Cape Joint Pension fund, which is a defined multi - employer contribution fund. Contribution ratio employees 9% and Council 18%.

Cape Joint Retirement Fund, which is a defined multi - employer contribution fund. Contribution ratio employees 9% and Council 18 %.

Councillors of the West Coast District Municipality are members of the Municipal Councillors Pension Fund, which is a defined contribution plan. Contribution ratio Councillors 13.75% and Council 15%.

Multi employer funds are treated as defined contribution funds.

Shortfall

Amount outstanding from the Cape Joint Pension Fund.

The amount was calculated using the following variables.

Rule 17(5) of the fund

- 942,672

-

37. Related parties

The following related parties exist:

National Treasury
 Provincial Treasury
 Department of Water Affairs and Forestry
 Sanlam Credit
 Development Bank of South Africa (DBSA)
 ABSA Bank
 H F Prins (Municipal Manager)
 J Koekemoer (Chief Financial Officer)
 W Markus (Director: Corporate Services)
 I A B van der Westhuizen (Director: Technical Services)

Related party balances

Grants received from related parties

National Treasury	2,328,000	6,037,999
Provincial Treasury	5,218,258	2,703,499
Department of Water Affairs and Forestry	-	600,000
Private donations	2,056,813	600

Loan from related parties

Sanlam Credit	22,579,669	24,988,271
Development Bank of South Africa (DBSA)	35,598,185	38,177,185
ABSA Bank	32,912,629	35,000,000

Purchases of goods and services from related parties

Department of Water Affairs and Forestry	7,628,846	6,054,772
Eskom	-	1,278,422

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38. Leases

The total future minimum operating lease payments payable under existing operating lease arrangements are categorised as follows:

a) Within one year of the reporting date	6,789,094	5,347,866
b) More than one year but less than five years of the reporting date, and	41,394,899	37,027,570
c) More than five years of the reporting date	16,592,885	26,286,700
Total future minimum operating lease payments	64,776,878	68,662,136

The municipality entered into an operating lease for the rental of two photocopiers and 1 fax machines for five years with Mdluli Sharp. The date of inception was December 2007 with no escalation clause. The equipment numbers of the photocopiers are AR 1161

The municipality entered into an operating lease for the rental of five photocopiers for a five year period with Minolta. The serial numbers of the photocopiers are 21765659,217656611,21718750,21718734 and 21765621. There are no escalation clause.

The municipality entered into an operating lease for the rental of photo-copiers with Cape Office Machines. The serial numbers of the photo-copiers are 3639688703 and 3639688720. There are no escalation clause

An operating lease transaction exists between the Council and the West Coast Financing Partnership for a ten year period. The payments are payable every six months. The properties is section 36 of the farm Yzervarkensrug number 125 and section 3 of division Malmesbury farm number 91.

The municipality entered into an operating lease for the rental of a emergency and disaster management information system. The lease is between Africon and the municipality. The contract is for a 1 year and 6 month period.

The municipality entered into an operating lease for the rental of two offices. The lease is between Frank Family Trust and the Municipality. The contract is for a 1 year period. The property involved is Voortrekker Road 47 Malmesbury

The municipality entered into an operating lease for the rental of offices. The lease is between Zandbou Constructions and the Municipality. The contract is for a 1 year period. The property involved is erf 859 Riebeek-West.

The municipality entered into an operating lease for the rental of offices. The lease is between Jan & Marcelle Ellis and the Municipality. The contract is for a 3 year period. The property involved is "Soetkysie Centre 28 Piketberg".

The municipality entered into an operating lease for the rental of offices. The lease is between Carit Estate and the Municipality. The contract is for a 3 year period. The property involved is erf 6429 Vredenburg.

The municipality entered into an operating lease for the rental of offices. The lease is between J F J Swart and the Municipality. The contract is for a 3 year period. The property involved is erf 1472 Clanwilliam.

The municipality entered into a new operating lease for the rental of offices. The lease is between Carit Estate and the Municipality. The contract is for a 1 year period. The property involved is erf 6429 Vredenburg.

The municipality entered into an operating lease for the rental of offices. The lease is between Pelican Harbour and the Municipality. The contract is for a 2 year period. The property involved is site number 4.

The municipality entered into an operating lease for the rental of offices. The lease is between Pelican Harbour and the Municipality. The contract is for a 3 year period. The property involved is site West Coast Farmstal corner of R27 and R315, Yzerfontein.

The municipality entered into two operating leases agreements with Telkom SA which will take effect as soon as the services are delivered. The contract is for a 5 year period with no escalation clause.

The municipality entered into an operating lease for the rental of storage capacity. The lease is between D Joubert and the Municipality. The contract is for a 5 month period. The property involved is erf 859 Riebeek-West.

The municipality entered into an operating lease for the rental of offices. The lease is between Saldanha Municipality and this Municipality. The contract is for a month to month period. The property involved is erf 860 Langebaan.

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39. Financial risk management

Overview

The Municipality has exposure to the following risks from its use of financial instruments:

Credit risk
Liquidity risk
Market risk

The council has overall responsibility for the establishment and monitoring of the Municipality's risk management policies and procedures which have been established to identify and analyse the risks faced by the municipality to set appropriate risk limits and controls and to monitor risks and adherence to the limits. Risk management policies and procedures are reviewed regularly to reflect changes in market conditions and the municipality's activities.

Liquidity risk

Liquidity risk is the risk that the Municipality will not be able to meet its financial obligations as they fall due. The Municipality's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Municipality monitors cash flow requirements and has arranged credit facilities with its suppliers.

Interest rate risk

The Municipality finances its operations through a combination of credit from suppliers, and retained reserves and generally adopts a policy of ensuring that its exposure to changes in interest rates is on a fixed rate basis. The Municipality does not utilise derivative financial instruments to hedge its interest rate risk exposures.

Credit risk

Credit risk is the risk of financial loss to the Municipality if a consumer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Municipality's receivables from consumers.

The municipality's exposure to credit risk is influenced mainly by the individual characteristics of consumer. There is no significant concentration of unsecured credit risk.

An allowance for bad debt is established based on managements' estimate of identified incurred losses in respect of specific trade and other receivables. Bad debts identified are written off on a yearly basis.

Reputable financial institutions are used for investing and cash handling purposes.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rate will affect the Municipality's income. The objective of market risk management is to manage and rate will affect the Municipality's income. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the return.

The policy of the Council is to maintain a strong capital base so as to maintain market confidence and to sustain future development of the business. There were no changes in the Municipality's approach to capital management during the year.

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40. Financial Instruments

40.1) Credit risk

The carrying amount of receivables and loans represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Trade and other receivables	13,300,953	10,690,363
	-	-
	13,300,953	10,690,363

The ageing of trade and other receivables at the reporting date was:

Current		
30 Days	14,193,406	10,509,700
60 Days	226,187	241,970
90 Days	68,242	90,055
120 Days plus	20,307	23,431
	38,290	80,639
Provision for bad debt	14,546,432	10,945,795
	(1,245,479)	(255,432)
	13,300,953	10,690,363

The movement in the allowance for bad debt in respect of trade receivables over the year was:

Balance at the beginning of the year		255,432		421,053
Contributions to provision		1,293,979		214,247
Interest on Investment		6,347		31,577
Expenditure incurred		(310,279)		(411,445)
Balance at the end of the year		1,245,479		255,432

The allowance for bad debts in respect of trade receivables is used to record impairment losses until the Municipality is satisfied that no recovery of the amount owing is possible. At that point the amount is considered irrecoverable and written off directly against the financial assets.

40.2) Liquidity risk

The following are contractual maturities of financial liabilities, including interest payments and excludes the impact of netting agreements:

Non-derivative financial assets	Carrying Amount	Contractual Cash Flows	Within 1 Year	2 - 5 Years	More than 5 Years
2012					
Trade and other receivables	13,300,953	13,300,953	13,300,953	-	-
Cash and cash equivalents	134,240,446	134,240,446	134,240,446	-	-
	147,541,399	147,541,399	147,541,399	-	-
Non-derivative financial liabilities					
2012					
Trade and other payables	21,797,932	21,797,932	21,797,932	-	-
Deferred Grants	1,407,739	1,407,739	1,407,739	-	-
Long term liabilities	91,090,484	91,090,484	7,944,149	56,428,960	26,717,374
	114,296,155	114,296,155	31,149,820	56,428,960	26,717,375

40.3) Interest rates risks

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The Municipality's exposure to interest rate risk and the effective interest rates on financial instruments at balance sheet date are as follows:

Non-derivative financial assets	Interest rate	Within 1 Year	2 - 5 Years	More than 5 Years
2012				
Assets				
Trade and other receivables	8.5%	13,300,953	-	-
Cash and cash equivalents - Short term investments	6.03%	125,456,146	-	-
Cash and cash equivalents - Cash book balances	3.5% floating	8,783,850	-	-
-		<u>147,540,949</u>	-	-
Non-derivative financial liabilities	Interest rate	Within 1 Year	2 - 5 Years	More than 5 Years
2012				
Liabilities				
Trade and other payables	Interest free	21,797,932	-	-
Deferred Grants	Interest free	1,407,739	-	-
Long term liabilities	12.54%, 11.73% and 9.69%	7,944,149	56,428,960	26,717,375
-		<u>31,149,820</u>	<u>56,428,960</u>	<u>26,717,374</u>

Sensitivity analysis

An increase of 1% in interest rates at 30 June would have increased/(decreased) financial assets and profit or loss by the amounts shown below. A decrease of 1% in interest rates at 30 June would have had the equal but opposite effect on the above financial instruments, on the basis that all other variables remain constant.

Non-derivative financial liabilities	Statement of Financial Position	Profit or loss	-
2012			
Trade and other receivables	13,300,953	133,010	-
Cash and cash equivalents - Short term investments	125,456,146	1,254,561	-
Cash and cash equivalents - Cash book balances	<u>8,783,850</u>	<u>87,839</u>	-
	<u>147,540,949</u>	<u>1,475,410</u>	-

4) Fair values

Due to their short maturities the fair values of all financial instruments are substantially identical to the values reflected in the balance sheet.

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41. Accounting Policy Developments

The Minister of Finance has, in terms of Section 91 of the Public Finance Management Act, 1999 (Act number 1 of 1999), prescribed the following Standards set by the Accounting Standards Board in terms of Section 89:

At the date of authorization of these financial statements, the following Standards were in issue but not yet effective for this financial year..

- GRAP 18 - Segment Reporting
- GRAP 21 - Impairment of non-cash-generating assets
- GRAP 23 - Revenue from non-exchange transactions (taxes and transfers)
- GRAP 24 - Presentation of budget information in financial statements
- GRAP 26 - Impairment of cash generating assets
- GRAP 103 - Heritage assets
- GRAP 104 - Financial Instruments

The effective date of these Standards are for periods beginning on or after a date to be determined by the Minister of Finance in a regulation to be published in accordance with section 91 (1)(a) of the Public Finance Management Act, Act No.1 of 1999 as amended if applicable.

Management began with a programme to establish the fair value of assets initially recognised at a nominal value during first time adoption of Generally Recognised Accounting Practice. This programme has been in progress for two years and management should ensure that this is completed by 30 June 2012.

Management has evaluated all of these Standards and the impact on future financial statements and has come to the conclusion that the impact of implementation of the above Standards are not significant.

42. Contingent Liabilities

The municipality is being sued by M J Visagie for injuries sustained in an accident in 2004. Council is contesting the claim based on legal advice. The legal experts believe that the Municipality has a reasonable chance of success. The case number is 8871 and 8872/2002.

The Municipality is being sued by P Juries. Council is contesting the claim based on legal advice. The legal experts believe the Municipality has a reasonable chance of success. The case number is 16035/2010.

The municipality is being sued by Tredoux, wife and on behalf of her minor (child) for injuries sustained in an accident within the boundaries of the WCDM. Council is contesting the claim based on legal advice. The legal experts believe that the municipality has a reasonable chance of success. The case number is 6660/08 and 7243/08. This is a High Court matter. The amount includes estimated legal fees and possible losses.

The municipality is being sued by Mr J A Kock an ex-worker for injuries contained while in the service of the municipality. Council is contesting the claim based on legal advice. The legal experts believe the municipality has a strong chance of success. The amount includes estimated legal fees and possible losses. Case number 18073/08

	-	-
	-	-
	-	1,263,161
	-	850,000
	-	2,113,161

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43. Additional Disclosures in terms of Supply Chain Management Regulation

1. In terms of the Supply Chain Regulations No. 27636 - 30 May 2005 section 36 (1 - 3) a municipality is allowed to deviate from, and ratification of minor breaches of, the supply chain management processes. As per the reporting period the municipality had the following deviations from, and ratification of the supply chain management processes:

321 Design	16,000	-
Flex-it	46,925	-
Flex-it	65,879	-
Perdeberg Motors	10,415	-
Moorreesburg Koringboere	2,592	-
Moorreesburg Koringboere	2,219	-
Perdeberg Motors	2,606	-
African Oxygen LTD	10,561	-
Liplekker Take Aways	3,311	-
Brtiz Motors	5,882	-
Fidelity Security Services	46,369	-
Fidelity Security Services	53,788	-
Bio-Systems	51,500	-
Maxal Projects	2,592	-
High Angle Rescue and Access	37,620	-
High Angle Rescue and Access	39,600	-
Argent Steel Group	2,672	-
Endress & Hauser	8,156	-
Isuzu Truck Centre	2,801	-
Bearing Man LTD	2,387	-
ELB	4,223	-
Sure Swartland Travel	3,634	-
LPS Trekkeronderdele	2,850	-
Kimru IT Logix	1,800	-
Imperial Trucks	2,481	-
Enviroserv	5,328	-
Fire Raiders	507,318	-
Your Travel Companion	5,700	-
Monster Plumbing College	27,710	-
Hino (Imperial Truck)	7,132	-
Two Oceans Aquarium	4,400	-
Auma South Africa (Pty) Ltd	20,000	-
Flex-it	4,181	-
Becker Auto	3,500	-
Bell Equipment	24,632	-
Safety Mecca	152,178	-
Mapux Training Solutions	8,550	-
Tramco (Pty) Ltd	4,452	-
Imperial Trucks	2,932	-
GLS Consulting	9,485	-
Fidelity Security Services	53,788	-
Fidelity Security Services	53,788	-
Element Consulting Engineers	66,524	-
Two Oceans Aquarium	945	-
Spannies	10,000	-
Vag Riko	2,000	-
Moorreesburg Koringboere	10,000	-
Afrox	10,000	-
Auma	16,832	-
Sulzer	76,627	-
Barloworld Equipment	6,892	-
Emit - Environmental Management	3,800	-
Colas SA	5,962	-
Namaqua Garage	7,028	-
Saaymans Springworks CC	4,395	-
Britz Motors	9,478	-

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43. Additional Disclosures in terms of Supply Chain Management Regulation (continued)		
Imperial Trucks	5,806	-
Wear Check Africa	8,618	-
Department of Transport and Public Works	16,000	-
Enviroserv	5,700	-
Elizabethfontein Primêr	450	-
Clanwilliam Living Landscape	2,500	-
Bulshoekdam	2,040	-
South African Value Education	22,822	-
High Angle Rescue and Access	27,086	-
Boland Diesel	10,810	-
Barloworld Equipment	2,459	-
Engine & Gearbox Exchange CC	6,270	-
Wear Check Africa	8,618	-
Imperial Trucks	5,653	-
Rubber Products & Mouldings	3,374	-
Reflect All Compressors	8,447	-
CK Rumboll & Vennote	5,360	-
Imperial Trucks	7,492	-
Perdeberg Motors	2,782	-
Perdeberg Motors	5,877	-
Isuzu Truck Centre	2,505	-
Beeld Holidaymakers Expo	36,006	-
High Angle Rescue and Access	37,620	-
JB Nissan	2,235	-
Master Truck Centre	3,767	-
Komatsu	14,090	-
High Angle Rescue and Access	33,744	-
Petrosa	39,672	-
Mzantsi Koloni Electronics	298,304	-
Escom	14,060	-
Geelbek restaurant	1,365	-
Herold Gie Attorneys	8,000	-
Porterville Tyre and Exhuast	2,779	-
Saaymans Springworks CC	3,323	-
Calculus Chartered Accountants	52,435	-
Water & Drain	925	-
Allweld Marine & Industrial	210,919	-
Sulzer SA	447,958	-
BP Atlantic	10,067	-
Enviroserv	5,000	-
Appliances Doctor	5,000	-
Steve's Electrical	2,280	-
Modimo African Safari's	8,772	-
E J van Wyk	5,700	-
Universal Steel Enterprises	5,000	-
LH Marthinusen	444,544	-
Boland Diesel	12,688	-
Boland Diesel	11,439	-
EL Conradie	5,153	-
Perdeberg Motors	2,400	-
Sizonke Trading	25,000	-
Namibia Tourism Expo	17,226	-
The Conference Zone	7,523	-
Vissershok Waste Management	30,000	-
Intratec Data Recovery	5,230	-
Allweld Marine & Industrial	238,807	-
Imperial Trucks - Cape Town	4,537	-
Boland Diesel	11,439	-
Ramsay, son & Parker	33,636	-
Britz Motors	9,562	-
Institute of Internal Auditors	2,337	-

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43. Additional Disclosures in terms of Supply Chain Management Regulation (continued)		
Weskus Elektries	2,752	-
Bell Equipment co	5,316	-
V,I Instruments	3,531	-
ELB Equipment LTD	4,318	-
Department of Transport and Public Works	8,761	-
Barloworld Equipment	6,171	-
Tienie Petroleumdienste	24,218	-
Dillion Welding	2,485	-
Capman (Pty) Ltd	25,000	-
Pricewaterhouse Coopers	320,218	-
University of Stellenbosch	216,300	-
Bell Equipment co	6,741	-
Master Airbrake Truck Services	2,549	-
Southern African Emergency Services	3,420	-
Southern Business School	8,155	-
Herold Gie Attorneys	30,000	-
Peninsula Elevate Services	3,581	-
Origiline	135,000	-
G J Towing & Recovery	13,595	-
Moorreesburg Golfklub	20,723	-
Global Africa Network (Pty) Ltd	188,340	-
Global Africa Network (Pty) Ltd	91,200	-
Ignite Advisory Services	15,732	-
Cape Media Corporation	10,260	-
Porterville Distribution	-	6,000
MCB Marketing and Engineering	-	5,000
J & E Electrical	-	2,110
Emil's Place	-	2,160
Lambertsbay Hotel	-	6,250
West Coast Safari's and Quads	-	3,900
JB's Nissan	-	4,638
ELB	-	2,253
Gourmet Coffee Roasters	-	2,301
Daniel Brink Motors	-	7,576
Malmesbury Motors	-	2,873
Quantec	-	22,252
Excelcom	-	2,838
Steve's Electrical	-	1,020
AAD Truck and Bus	-	3,775
J J J Electical	-	1,871
Oasys Innovations	-	11,192
K Coetzee	-	8,550
West Coast Escape Magazine	-	6,000
Business Engineering	-	107,559
Enviroserv (Waste Tech)	-	5,328
Reflect All Compressors	-	4,332
Centeq Networking	-	513
J J J Electical	-	829
Ons Kontrei	-	2,261
Fire Raiders	-	39,959
Hidro-Tech Systems	-	2,236
Auma	-	6,240
Weskus Media	-	12,027
Weskus Media	-	3,006
Motolec	-	2,849
Flexit	-	1,995
Daniel Brink Motors	-	3,203
Water and Drain	-	1,200
B P Atlantic	-	5,387
Samras	-	6,612
Brubin Pumps	-	15,335

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43. Additional Disclosures in terms of Supply Chain Management Regulation (continued)		
Syntell	-	6,840
Dillion Welding	-	13,680
Auma	-	42,919
FFA Group of Companies	-	3,149,869
West Coast Petroleum	-	2,648
Trentyre	-	4,047
Marine and General Cleaning Services	-	2,821
Sizonke Trading	-	78,811
Smit Engineerswerke	-	4,104
ELB	-	4,009
SSE	-	3,933
Brand Nissan Vredendal	-	2,389
ELB	-	2,253
FFA Group of Companies	-	223,309
Gemtronics	-	3,904
DC Engineering	-	11,040
Malmesbury Toyota	-	6,640
Greater Cederberg FPA Ground Team	-	19,913
Engine & Gearbox Master	-	61,145
Waste Tech	-	5,328
Maxal Projects	-	3,214
National Laboratory Association	-	12,312
Selectech	-	8,873
LH Marthinusen	-	85,000
Endress and Hauser	-	19,972
Kelcom (Pty) Ltd	-	3,500
3-2-1 Design	-	3,000
Tjeka Training	-	15,900
Ferobrake	-	4,554
Capman (Pty) Ltd	-	120,000
Precision Diesel	-	2,506
Malmesbury Toyota	-	7,262
MKB Hyundai	-	2,769
Palama	-	11,524
Witch and Wizard Creative	-	157,828
EuroSA Tourism - France	-	5,000
DEHTEQ	-	17,403
Maxal Projects	-	2,331
Boland Diesel	-	4,745
Saayman's Springworks	-	5,643
PAWC	-	14,116
Gholf Club Moorreesburg	-	5,000
Nortern Hydrualic Centre	-	2,984
ELB	-	9,246
Swartland Garage Doors	-	2,000
Water and Drain	-	2,640
Moorreesburg Spar	-	270
Brand Nissan	-	3,617
LJH Rix	-	19,200
West Coast Plant Hire	-	4,339
Engine and Gearbox Master	-	9,952
Moorreesburg Spar	-	320
D E Smit Verkoelingsdienste	-	1,003
J J Verkoeling	-	900
PMR Africa	-	2,800
F.E.S	-	2,241
Perdeberg Motors	-	2,822
Malmesbury Toyota	-	3,002
Trentyre	-	7,433
Saayman's Springworks	-	4,292
Paradigm	-	11,029

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43. Additional Disclosures in terms of Supply Chain Management Regulation (continued)		
ELB	-	2,253
Hino Parow	-	2,679
Moorreesburg Verkoeling	-	2,500
Cummins	-	2,517
Vredendal Volkswagen	-	2,578
ELB	-	2,253
Duma	-	5,760
I Like	-	8,925
Man Cape Town	-	15,500
SABS Commercial	-	1,185
SABS Commercial	-	5,216
Witch and Wizard	-	2,240
Malmesbury Toyota	-	3,062
Bell Equipment	-	2,529
SSE Cape	-	21,856
Endress + Hauser	-	8,816
FFA Aviation	-	536,837
ELB Equipment	-	2,934
Moorreesburg Verkoeling	-	3,000
JB's Nissan	-	2,058
Tour & Safari	-	4,293
Sustainable Living Projects	-	2,000
99FM	-	2,000
Malmesbury Toyota	-	3,435
Man Truck and Bus SA	-	14,120
Atlas Copco Compressor	-	51,314
Perdeberg Motors	-	1,375
Komatsu	-	2,856
Tour and Safari	-	715
Bytes System Intergration	-	29,184
Hitachi	-	8,666
Komatsu	-	3,380
IMPESA Conference	-	18,000
Protea Hotel	-	14,925
Capman	-	8,550
Imperial Group	-	5,454
The Badge Company	-	5,696
J J J Elektries	-	3,487
J Dreyer BK	-	825
Hitachi	-	3,113
Blue Fame	-	2,352
Boland Diesel	-	6,966
J J J Elektries	-	3,000
GIST	-	2,315
PG Glass	-	518
Citrusdal Bande	-	744
Supa Quick	-	3,226
Engine & gearbox Master	-	12,982
FFA Group of Companies	-	232,460
SLP	-	6,430
Spannies	-	759
	4,973,997	5,665,412

2. In terms of the Supply Chain Regulations No. 27636 - 30 May 2005 section 45 a municipality is allowed to make awards to close family members of persons in the service of the state, or who have been in the service of the state in the previous twelve months. As per the reporting period the municipality made the following awards:

The transactions were concluded in full compliance with the municipality's Supply Chain Management Policy and the transactions are considered to be at arm's length.

WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011
43. Additional Disclosures in terms of Supply Chain Management Regulation (continued)		
Cummins South Africa (Pty) Ltd - Mr Xavier Borel - MPU Parks and Tourism	173	3,692
Baievlei Diesel - Mr Lourens Smith - South African Police Services	19,700	288,189
Anka Spyseniering - Mr Andre Frans - West Coast District Municipality	14,350	41,299
Blackbird Trading CC - Mrs Marlene Smit - Swartland Municipality	119,700	379,503
MACW Catering Services - Mr Willem de Vries - West Coast District Municipality	1,650	11,730
KM Pest & Hygiene Control - Mr Kobus Marias - Swartland Municipality	-	1,980
Liplekker Take Aways - Mr Elvin Pedro - Emergency Services	38,621	28,462
Golden Rewards 1873 CC - Mr Raynard De Jager - WC: Department of Education	30,880	27,550
Elaine's Take Aways & Catering - Mr Edward Marais - West Coast District Municipality	19,941	38,410
SwartlandPC.Com - Mr Craig Hoggarth - EMS Swartland Hospital	46,800	-
Catiza Training & Skills Development CC - Mrs Swartz - City of Cape Town	21,500	-
Fasfacts - Mrs Nelly Fanie - Marcus Mbetha Secure School	5,930	-
	319,245	820,815

WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2012

Notes to the Annual Financial Statements

Figures in Rand	2012	2011
44. Reticulation Losses		
1 Water		
Kilolitres purchased - after purification	23,692,176	24,433,665
Kilolitres sold	(22,490,474)	(21,581,012)
Reticulation loss	1,201,702	2,852,653
Percentage	5.07%	11.68%

The norm for water losses is 10%. The losses occurred due to burst pipes and leaks from the reservoirs to consumers.

2 Electricity

No reticulation losses were incurred.

The services provided by the municipality relating to electricity are limited to the installation of electricity points in the area.

45. Reconciliation between budget and statement of financial performance

Reconciliation of budget surplus/deficit with the surplus/deficit in the statement of financial performance:

Net deficit per the statement of financial performance	(30,950,760)	(593,817)
Adjusted for:		
Property rates	-	(31,368)
Services charges	2,703,147	3,721,502
Investment revenue	75,903	4,114,169
Transfers recognised - operational	(9,238,315)	16,919,714
Other own revenue	46,437,632	(3,608,136)
Employee cost	(7,392,447)	(7,117,360)
Remuneration of councillors	-	(2,261,587)
Depreciation & asset impairment	2,219,897	(4,621,055)
Finance charges	(3,665,424)	142,653
Materials and bulk purchases	(128,845)	(67,555)
Transfers and grants	-	-
Other expenditure	13,148,922	18,568,414
Net surplus per approved budget	13,209,710	25,165,574

46. Other payables

See note 8 for reconciliation of grants from other spheres of government.

These amounts are invested in a ring-fenced investment until utilised.

Unspent conditional grants and receipts comprises of:

Kliprand Electricity	-	101,353
Financial Management Grant	-	329,360
Drought Relief Programme	-	15,705
Thusong Centre	-	98,277
Training of Housing Officials	-	8,565
Provincial Management Support Grant	832,357	1,000,000
Asset Management Support Grant	47,141	122,209
Ignite Assist	45,548	468,566
Cederberg Biosphere	-	27,931
Knersvlakte Biosphere	-	148,058
Donations Mayor	20,401	-
R.BIG Funds	462,292	-
	1,407,739	2,320,024

WEST COAST DISTRICT MUNICIPALITY

Annual Financial Statements for the year ended 30 June 2012

Notes to the Annual Financial Statements

Figures in Rand

2012

2011

47. Discontinued operations or disestablishment of the district management areas (DMA)

The Provincial Minister of Local Government, Environmental Affairs and Development Planning Mr A W Bredell issued the West Coast District Municipality (DC1) establishment sixth amendment in Provincial Notice 6851 (25 February 2011). This notice gives transitional measures to facilitate the disestablishment of the District Management Area and the incorporation of the areas concerned in superseding municipalities. Provincial Treasury recommended in Treasury Circular Mun No 24/2011 (3.3 and 4) that the transfer date of the District Management Area be set at 1 July 2011. This includes assets, liabilities, expenditure and income.

The financial implications related to assets, liabilities, expenditure and income are as follows:

Surplus / Deficit

Revenue	-	5,523,414
Expenses	34,219,816	(5,988,558)
net surplus / (deficit)	34,219,816	(465,144)

Assets and liabilities

Non-current assets

Property, plant and equipment	34,219,816	-
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Reconciliation of Property, plant and equipment

Land and Buildings (Cost)	1,246,867	-
Infrastructure (Cost)	25,886,678	-
Buildings (Cost)	11,785,674	-
Other Assets (Cost)	1,711,477	-
Infrastructure (Depreciation)	(3,983,714)	-
Buildings (Depreciation)	(1,208,505)	-
Other Assets (Depreciation)	(1,218,661)	-
	34,219,816	-

Non - current liabilities

Reclamation of refuse landfill site	158,042	-
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Current liabilities

Other Payables	98,277	-
Other Payables	101,000	-
Employee Benefits Accrual	180,518	-

West Coast District Municipality
Appendix A

Schedule of external loans as at 30 June 2012

Loan Number	Redeemable	Balance at 30 June 2011	Received during the period	Redeemed written off during the period	Balance at 30 June 2012	Carrying Value of Property, Plant & Equip	Other Costs in accordance with the MIFMA
		Rand	Rand	Rand	Rand	Rand	Rand
External Loans							
Sanlam Credit Conduit (Pty) Ltd	1	24,988,272	-	2,408,603	22,579,669	-	-
DBSA	1	38,177,185	-	2,579,000	35,598,185	-	-
ABSA	1	35,000,000	-	2,087,370	32,912,630	-	-
		98,165,457	-	7,074,973	91,090,484	-	-
Total external loans							
External Loans		98,165,457	-	7,074,973	91,090,484	-	-
		98,165,457	-	7,074,973	91,090,484	-	-

**West Coast District Municipality
West Coast District Municipality
Appendix B**

**Analysis of property, plant and equipment as at 30 June 2011
Cost/Revaluation**

Accumulated depreciation

	Opening Balance Rand	Additions Rand	Disposals Rand	Transfers Rand	Revaluations Rand	Other changes, movements Rand	Closing Balance Rand	Opening Balance Rand	Disposals Rand	Transfers Rand	Depreciation Rand	Impairment loss Rand	Closing Balance Rand	Carrying value Rand
Land and buildings														
Land	13,009,883	-	(9,662)	-	4,335,300	-	13,000,221	-	-	-	-	-	-	13,000,221
Undeveloped land	52,710	-	-	-	-	-	4,388,010	-	-	-	-	-	-	4,388,010
	13,062,593	-	(9,662)	-	4,335,300	-	17,388,231	-	-	-	-	-	-	17,388,231
Infrastructure														
Roads, Pavements & Bridges	4,144,695	3,335,545	-	-	-	-	7,480,240	(8,363)	-	-	(42,416)	-	(8,363)	7,429,461
Electricity supply / Reticulation	21,521	-	-	-	-	-	21,521	(5,363)	-	-	(1,075)	-	(6,458)	15,063
Transformers	275,667	-	-	-	-	-	275,667	(49,822)	-	-	(9,073)	-	(58,895)	216,772
Lines overhead	5,180,903	-	-	-	-	-	5,180,903	(1,618,572)	-	-	(309,514)	-	(1,928,086)	3,252,817
Cables	181,753	-	-	-	-	-	181,753	(5,575)	-	-	(4,036)	-	(9,611)	172,142
Mini sub stations	243,615	-	-	-	-	-	243,615	(66,402)	-	-	(9,703)	-	(76,105)	167,510
Water Purification	22,170,100	45,000	-	-	-	-	22,215,100	(6,813,441)	-	-	(1,160,843)	-	(7,774,284)	14,440,815
Water Reticulation	103,891,388	4,593,662	-	-	-	-	108,485,050	(12,820,801)	-	-	(2,829,291)	-	(13,650,092)	92,834,958
Dams	4,061,733	1,590,961	-	-	-	-	5,652,694	(962,061)	-	-	(63,135)	-	(1,046,196)	4,607,498
Pump Stations	6,290,846	1,155,920	-	-	-	-	7,446,766	(954,289)	-	-	(251,132)	-	(1,205,431)	6,241,335
Reservoirs	65,856,215	36,827,737	-	-	-	-	102,683,952	(13,704,595)	-	-	(1,780,128)	-	(15,484,723)	87,199,229
Sewer /Reticulation	3,794,296	2,430,033	-	-	-	-	6,224,329	(9,056,714)	-	-	(166,956)	-	(6,224,329)	6,224,329
Waste Purification	7,099,452	1,956,262	-	-	-	-	9,055,714	(1,689,548)	-	-	-	-	(1,856,504)	7,199,210
Landfill Sites	1,421,688	-	-	-	-	-	1,421,688	-	-	-	-	-	-	1,421,688
	224,633,882	51,935,120	-	-	-	-	276,569,002	(38,498,862)	-	-	(6,647,302)	-	(45,146,164)	231,422,838
Buildings														
Residences (Personnel)	5,427,659	-	-	-	-	-	5,427,659	(1,184,026)	-	-	(315,947)	-	(1,499,975)	3,927,684
Sportsfields and Stadiums	11,998	-	-	-	-	-	11,998	(3,178)	-	-	(879)	-	(4,188)	7,840
Clinics and community health	2,633,125	-	-	-	-	-	2,633,125	(492,278)	-	-	(111,615)	-	(603,893)	2,029,232
Community halls	8,516,237	1,666,592	-	-	-	-	10,182,829	(582,172)	-	-	(332,034)	-	(914,206)	9,268,623
Fire stations	37,328,032	-	-	-	-	-	37,328,032	(4,363,383)	-	-	(1,462,513)	-	(5,825,896)	31,502,136
Recreational facilities	1,351,102	-	-	-	-	-	1,351,102	(53,504)	-	-	(45,030)	-	(98,634)	1,252,468
Hospitals and ambulance stations	657,487	-	-	-	-	-	657,487	(18,962)	-	-	(17,521)	-	(36,483)	621,004
Laboratories	911,222	-	-	-	-	-	911,222	(2,401)	-	-	(630)	-	(8,191)	903,031
Public buildings	8,265,000	-	-	-	-	-	8,265,000	(1,468,877)	-	-	(429,898)	-	(1,898,775)	6,366,225
Public parking	588,690	-	-	-	-	-	588,690	(126,083)	-	-	(33,069)	-	(159,182)	429,508
Warehouses	1,067,041	-	-	-	-	-	1,067,041	(244,926)	-	-	(50,570)	-	(295,496)	771,545
None residential perimeter protection	821,721	-	-	-	-	-	821,721	(212,478)	-	-	(92,300)	-	(304,779)	516,942
Abolition / public facilities	421,045	-	-	-	-	-	421,045	(37,866)	-	-	(16,096)	-	(53,961)	367,084
Other	2,420,480	-	-	-	-	-	2,420,480	(253,231)	-	-	(91,816)	-	(345,067)	2,075,413
	69,520,839	1,666,592	-	-	-	-	71,187,431	(8,043,488)	-	-	(3,000,048)	-	(12,043,536)	59,143,895

Analysis of property, plant and equipment as at 30 June 2011 Cost/Revaluation

	Opening Balance		Additions		Disposals		Transfers		Revaluations		Other changes, movements		Closing Balance		Opening Balance		Disposals		Transfers		Depreciation		Impairment loss		Closing Balance		Carrying value		
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	
Other assets																													
General vehicles	29 324 324		2 949 920		-		-		8 722					32 282 966	(10 579 424)							(5 014 611)				(16 594 035)		16 688 931	
Audiovisual equipment	315 896		56 178		-		-		13 309					385 384	(151 235)							(61 928)				(203 163)		182 221	
Computer equipment	3 328 025		187 960		-		-		42 674					3 558 679	(1 543 168)							(670 190)				(2 213 358)		1 345 321	
Domestic equipment	1 384				-		-		151					48 294	(10 731)							(11 042)				(21 773)		26 521	
Electrical wire and power distribution	3 144 421				-		-		5 760					3 150 181	(1 953 394)							(628 158)				(2 581 652)		568 629	
Office equipment	746 771		21 531		-		-		59					768 361	(335 006)							(94 625)				(429 631)		338 730	
Emergency / rescue equipment	184 363		12 072		-		-		696					197 131	(2 090)							(20 433)				(22 523)		174 608	
Elevator systems	6 398				-		-		-					6 398	(4 799)							(799)				(5 598)		800	
Fire fighting equipment	1 484 924		482 975		-		-		-					1 967 899	(59 515)							(313 430)				(372 945)		1 594 954	
Gardening equipment	66 697				-		-		-					66 697	(4 799)							(18 488)				(47 673)		30 601	
Security equipment and systems	93 294		9 428		-		-		8 577					102 722	(29 185)							(18 832)				(22 988)		79 734	
Kitchen appliances	453 783		18 280		-		-		11 576					483 639	(4 156)							(87 258)				(229 842)		253 797	
Laboratory equipment	164 554		94 024		-		-		1 728					260 306	(53 874)							(41 745)				(95 319)		164 987	
Medical and allied equipment	153 795				-		-		-					153 795	(96 773)							(16 704)				(113 477)		40 318	
Pumps / plumbing	175 101				-		-		-					175 101	(98 776)							(41 210)				(99 986)		75 115	
Radio equipment	1 157 342		217 156		-		-		1 062					1 375 560	(190 117)							(226 440)				(416 557)		959 003	
Road construction and maintenance	24 877				-		-		-					24 877	(5 009)							(9 387)				(3 528 066)		15 490	
Office furniture	5 789 455		92 307		-		-		86 114					5 967 876	(2 668 809)							(859 257)				(654 423)		2 439 810	
Workshop equipment and loose tools	772 716		6 478		-		-		39 394					818 588	(535 497)							(118 926)				(654 423)		164 165	
Air conditioners	467 455		52 879		-		-		5 154					525 488	(100 129)							(127 099)				(227 228)		298 260	
Other	248 678		587 004		-		-		-					835 682	(202 548)							(17 515)				(220 063)		615 619	
Intangible assets	48 152 628		4 789 597		-		-		224 976				53 167 201	(18 726 519)								(8 383 068)				(27 109 587)		26 057 614	
Computer software	1 138 012		13 288		-		-		-				1 151 300	(265 259)								(228 504)				(493 763)		657 537	
	1 138 012		13 288		-		-		-				1 151 300	(265 259)								(228 504)				(493 763)		657 537	
Investment properties																													
Investment property (Ganzekraal)	5 474 271		-		-		-		-				5 474 271	(349 267)								(91 595)				(440 862)		5 033 409	
	5 474 271		-		-		-		-				5 474 271	(349 267)								(91 595)				(440 862)		5 033 409	
Total																													
Land and buildings	13 062 593				-		-		4 335 300				17 388 231															17 388 231	
Infrastructure	224 633 882				-		-		-			276 569 002	(38 498 862)									(6 647 302)				(45 146 164)		231 422 838	
Buildings	68 520 839		51 935 120		-		-		-			71 187 431	(9 043 488)									(3 000 048)				(12 043 636)		59 143 895	
Other assets	48 152 628		1 666 592		-		-		-			53 167 201	(18 726 519)									(8 383 068)				(27 109 587)		26 057 614	
Intangible assets	1 138 012		4 789 597		-		-		224 976				1 151 300	(265 259)								(118 926)				(654 423)		657 537	
Investment properties	5 474 271		13 288		-		-		-			5 474 271	(349 267)									(127 099)				(227 228)		298 260	
	361 982 225		58 404 597		-		-		4 560 276			424 937 436	(66 883 395)									(18 350 517)				(85 233 812)		339 703 524	

**West Coast District Municipality
West Coast District Municipality
Appendix B**

**Analysis of property, plant and equipment as at 30 June 2012
Cost/Revaluation**

	Opening Balance Rand	Additions Rand	Disposals Rand	Transfers Rand	Revaluations Rand	Other changes, movements Rand	Closing Balance Rand	Opening Balance Rand	Disposals Rand	Transfers Rand	Depreciation Rand	Impairment loss Rand	Closing Balance Rand	Carrying value Rand
Land and buildings														
Land	13,000,221	-	(618,157)	-	-	-	12,382,064	-	-	-	-	-	-	12,382,064
Undeveloped land	4,388,010	-	(1,528,710)	-	-	-	2,859,300	-	-	-	-	-	-	2,859,300
	17,388,231	-	(2,146,867)	-	-	-	15,241,364	-	-	-	-	-	-	15,241,364
Infrastructure														
Roads, Pavements & Bridges	7,480,240	-	(7,437,131)	-	-	-	43,109	(50,779)	96,816	-	(56,548)	-	(10,511)	32,598
Electricity supply / Reticulation	21,521	581,688	(581,688)	-	-	-	21,521	(6,458)	80	-	(1,158)	-	(7,536)	13,985
Transformers	275,667	-	(17,771)	-	-	-	257,896	(58,896)	5,996	-	(10,321)	-	(63,220)	194,676
Lines overhead	5,180,903	-	(5,180,903)	-	-	-	-	(1,928,085)	2,058,373	-	(130,288)	-	-	-
Cables	181,753	-	-	-	-	-	181,753	(9,612)	-	-	(4,047)	-	(13,659)	168,094
Mini sub stations	243,615	3,814	(42,891)	-	-	-	200,524	(76,104)	14,506	-	(11,003)	-	(72,601)	128,023
Water Purification	22,226,377	-	(84,862)	-	-	-	22,141,529	(7,772,721)	24,761	-	(3,370,738)	-	(9,192,720)	12,952,809
Water Reticulation	108,485,050	22,600,999	(169)	-	-	-	131,085,880	(15,650,092)	75	-	(140,896)	-	(19,020,755)	112,065,125
Dams	5,652,693	-	-	-	-	-	5,652,693	(1,045,197)	-	-	(281,019)	-	(1,196,093)	4,466,600
Pump Stations	7,446,766	1,391,978	(77,859)	-	-	-	8,760,885	(1,081,174)	17,745	-	(2,219,989)	-	(1,324,448)	7,436,437
Reservoirs	102,683,953	4,298,605	(6,224,329)	-	-	-	106,771,181	(15,484,724)	81,648	-	(147,514)	-	(17,823,065)	89,148,116
Sewer / Reticulation	6,224,329	-	(5,488,366)	-	-	-	735,963	(1,856,503)	1,683,714	-	-	-	(320,303)	3,247,046
Waste Purification	9,055,715	-	(539,432)	-	-	-	8,516,283	-	-	-	-	-	-	852,266
Landfill Sites	1,421,698	-	-	-	-	-	1,421,698	-	-	-	-	-	-	-
	276,580,280	28,877,084	(25,886,678)	-	-	-	279,570,686	(45,020,344)	3,983,714	-	(7,798,281)	-	(48,834,911)	230,735,775
Buildings														
Residences (Personnel)	5,427,659	-	(188,750)	-	-	-	5,238,909	(1,499,975)	54,974	-	(344,879)	-	(1,789,880)	3,449,029
Sportsfields and Stadiums	11,998	-	(11,998)	-	-	-	-	(4,158)	4,528	-	(370)	-	-	-
Clinics and community health	2,633,125	-	(326,854)	-	-	-	2,306,271	(603,893)	95,197	-	(112,473)	-	(621,169)	1,685,102
Community halls	10,182,828	-	(9,045,490)	-	-	-	1,137,338	(914,207)	735,341	-	(199,463)	-	(378,349)	758,989
Fire stations	37,328,032	-	-	-	-	-	37,328,032	(5,825,896)	-	-	(1,437,089)	-	(7,262,885)	30,065,047
Recreational facilities	1,351,102	-	(1,124,158)	-	-	-	226,944	(98,634)	83,607	-	(23,649)	-	(38,876)	188,268
Hospitals and ambulance stations	657,487	-	-	-	-	-	657,487	(36,483)	-	-	(17,569)	-	(54,052)	603,435
Laboratories	11,222	1,728	(11,222)	-	-	-	1,728	(3,030)	3,268	-	(296)	-	(58)	1,670
Office buildings	8,265,000	-	(409,363)	-	-	-	7,855,637	(1,898,775)	119,228	-	(457,673)	-	(2,237,220)	5,618,417
Public parking	588,690	-	(17,306)	-	-	-	571,384	(159,182)	5,040	-	(36,233)	-	(190,376)	381,009
Warehouses	1,067,041	-	(40,305)	-	-	-	1,026,736	(295,496)	11,739	-	(56,857)	-	(340,614)	686,122
None residential perimeter protection	821,721	-	(80,113)	-	-	-	741,608	(304,779)	6,050	-	(40,388)	-	(339,117)	402,491
Ablution / Public facilities	421,045	-	(315,249)	-	-	-	105,796	(53,960)	27,625	-	(10,147)	-	(36,451)	69,314
Other	2,420,480	-	(214,867)	-	-	-	2,205,613	(345,067)	61,908	-	(88,492)	-	(371,651)	1,833,962
	71,187,430	1,728	(11,785,675)	-	-	-	59,403,483	(12,043,635)	1,208,505	-	(2,825,598)	-	(13,660,828)	45,742,656

Analysis of property, plant and equipment as at 30 June 2012 Cost/Revaluation

	Opening Balance		Additions		Disposals		Transfers		Revaluations		Other changes, movements		Closing Balance		Opening Balance		Disposals		Transfers		Depreciation		Impairment loss		Closing Balance		Carrying value		
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	
Other assets																													
General vehicles	32,282,966	26,369	(1,270,754)	-	-	-	-	-	-	-	-	-	-	31,038,581	(15,346,811)	797,903	-	-	-	-	(5,172,364)	-	-	-	(19,721,272)	11,317,309			
Audiovisual equipment	385,114	58,035	(3,868)	-	-	-	-	-	-	-	-	-	439,281	(191,950)	1,833	-	-	-	-	-	(78,935)	-	-	-	(261,052)	178,229			
Computer Equipment	3,559,449	376,699	(131,919)	-	-	-	-	-	-	-	-	-	3,804,229	(2,118,723)	108,287	-	-	-	-	-	(632,430)	-	-	-	(2,642,866)	1,161,363			
Domestic Equipment	48,294	1,380	(2,762)	-	-	-	-	-	-	-	-	-	46,912	(21,774)	1,656	-	-	-	-	-	(13,146)	-	-	-	(33,264)	13,648			
Electrical wire and power distribution	3,125,163	10,079	(15,716)	-	-	-	-	-	-	-	-	-	3,119,516	(2,535,275)	11,819	-	-	-	-	-	(127,727)	-	-	-	(2,651,183)	468,333			
Office Equipment	765,434	596,108	(82,270)	-	-	-	-	-	-	-	-	-	1,281,272	(408,624)	72,249	-	-	-	-	-	(192,162)	-	-	-	(48,323)	752,735			
Emergency / rescue equipment	197,131	53,489	(2,012)	-	-	-	-	-	-	-	-	-	248,608	(22,523)	34	-	-	-	-	-	(23,834)	-	-	-	(202,285)	202,285			
Elevator systems	6,398	-	-	-	-	-	-	-	-	-	-	-	6,398	(5,598)	-	-	-	-	-	-	(80)	-	-	-	(5,678)	720			
Fire fighting equipment	1,967,899	764,031	(9,652)	-	-	-	-	-	-	-	-	-	2,722,278	(372,945)	493	-	-	-	-	-	(457,652)	-	-	-	(830,104)	1,892,174			
Gardening equipment	76,274	11,980	(3,418)	-	-	-	-	-	-	-	-	-	86,836	(47,673)	2,870	-	-	-	-	-	(21,058)	-	-	-	(65,861)	20,975			
Security equipment and systems	102,722	-	-	-	-	-	-	-	-	-	-	-	102,722	(22,987)	-	-	-	-	-	-	(20,768)	-	-	-	(43,755)	58,967			
Kitchen appliances	479,400	22,044	(52,013)	-	-	-	-	-	-	-	-	-	449,431	(223,062)	25,485	-	-	-	-	-	(81,157)	-	-	-	(278,734)	170,697			
Laboratory equipment	267,562	106,257	(3,702)	-	-	-	-	-	-	-	-	-	370,117	(105,639)	2,035	-	-	-	-	-	(66,958)	-	-	-	(170,561)	199,596			
Medical and allied equipment	153,795	62,117	(197)	-	-	-	-	-	-	-	-	-	215,715	(113,477)	94	-	-	-	-	-	(18,458)	-	-	-	(131,841)	83,874			
Pumps / plumbing	172,962	114,195	(6,880)	-	-	-	-	-	-	-	-	-	280,277	(98,870)	3,385	-	-	-	-	-	(50,267)	-	-	-	(145,752)	134,525			
Radio equipment	1,356,808	257,547	(8,503)	-	-	-	-	-	-	-	-	-	1,607,852	(408,645)	7,293	-	-	-	-	-	(288,902)	-	-	-	(690,254)	917,598			
Road construction and maintenance	24,877	-	-	-	-	-	-	-	-	-	-	-	24,877	(9,387)	-	-	-	-	-	-	(4,147)	-	-	-	(13,634)	11,343			
Office furniture	5,995,086	244,776	(293,302)	-	-	-	-	-	-	-	-	-	5,946,560	(3,538,240)	166,021	-	-	-	-	-	(974,732)	-	-	-	(4,346,981)	1,596,609			
Workshop equipment and loose tools	823,428	40,396	(77,788)	-	-	-	-	-	-	-	-	-	786,036	(558,393)	71,879	-	-	-	-	-	(105,713)	-	-	-	(592,227)	193,808			
Air conditioners	525,488	29,644	(36,526)	-	-	-	-	-	-	-	-	-	518,606	(213,065)	17,315	-	-	-	-	-	(118,188)	-	-	-	(313,966)	204,670			
Other	835,683	1,878	(10,426)	-	-	-	-	-	-	-	-	-	827,135	(196,058)	5,656	-	-	-	-	-	(136,063)	-	-	-	(328,423)	500,712			
	53,156,923	2,779,024	(2,011,708)	-	-	-	-	-	-	-	-	-	53,923,239	(26,569,719)	1,296,350	-	-	-	-	-	(8,576,739)	-	-	-	(33,840,108)	20,083,131			
Intangible assets																													
Computer software	1,151,300	13,306	-	-	-	-	-	-	-	-	-	-	1,164,606	(496,155)	-	-	-	-	-	-	(222,996)	-	-	-	(719,151)	445,455			
	1,151,300	13,306	-	-	-	-	-	-	-	-	-	-	1,164,606	(496,155)	-	-	-	-	-	-	(222,996)	-	-	-	(719,151)	445,455			
Investment properties																													
Investment property (Ganzekraal)	5,474,271	-	-	-	-	-	-	-	-	-	-	-	5,474,271	(440,862)	-	-	-	-	-	-	(102,248)	-	-	-	(543,110)	4,931,161			
	5,474,271	-	-	-	-	-	-	-	-	-	-	-	5,474,271	(440,862)	-	-	-	-	-	-	(102,248)	-	-	-	(543,110)	4,931,161			
Total																													
Land and buildings	17,388,231	-	(2,146,867)	-	-	-	-	-	-	-	-	-	15,241,364	(45,020,344)	3,983,714	-	-	-	-	-	(7,798,281)	-	-	-	(48,834,911)	15,241,364			
Infrastructure	276,580,280	28,877,084	(25,886,678)	-	-	-	-	-	-	-	-	-	279,570,686	(45,020,344)	3,983,714	-	-	-	-	-	-	(7,798,281)	-	-	-	(48,834,911)	230,735,775		
Buildings	71,187,430	1,728	(11,785,675)	-	-	-	-	-	-	-	-	-	59,403,483	(12,043,535)	1,208,505	-	-	-	-	-	(2,825,598)	-	-	-	(13,660,628)	45,742,865			
Other assets	53,156,923	2,779,024	(2,011,708)	-	-	-	-	-	-	-	-	-	53,923,239	(26,569,719)	1,296,350	-	-	-	-	-	(8,576,739)	-	-	-	(33,840,108)	20,083,131			
Intangible assets	1,151,300	13,306	-	-	-	-	-	-	-	-	-	-	1,164,606	(496,155)	-	-	-	-	-	-	(222,996)	-	-	-	(719,151)	445,455			
Investment properties	5,474,271	-	-	-	-	-	-	-	-	-	-	-	5,474,271	(440,862)	-	-	-	-	-	-	(102,248)	-	-	-	(543,110)	4,931,161			
	424,937,435	31,671,142	(41,830,928)	-	-	-	-	-	-	-	-	-	414,777,649	(84,560,615)	6,486,569	-	-	-	-	-	(19,525,862)	-	-	-	(97,597,908)	317,179,741			

West Coast District Municipality
Appendix C

Segmental analysis of property, plant and equipment as at 30 June 2012
Accumulated Depreciation

Municipality	Opening Balance		Additions		Disposals		Transfers		Revaluations		Other changes, movements		Closing Balance		Opening Balance		Disposals		Transfers		Depreciation		Impairment deficit		Closing Balance		Carrying Value	
	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand	Rand
Executive and Council	494,500		12,011		-		-		-		-		-	506,511	(274,934)	-	-	-	-	-	(95,281)	-	-	-	(370,215)	136,296		
Finance and Administration	76,398,563		1,022,857		(6,849,602)		-		-		-		70,571,818	(17,926,791)	1,024,965		-	-	-	-	(3,981,359)	-	-	-	(20,883,185)	49,688,633		
Health / Clinics	2,816,151		65,291		(1,078)		-		-		-		2,910,364	(768,861)	368		-	-	-	-	(247,704)	-	-	-	(1,016,187)	1,894,167		
Community & Social / Libraries and archives	10,630,712		99,273		(7,091,471)		-		-		-		3,638,514	(2,343,258)	1,017,502		-	-	-	-	(1,098,144)	-	-	-	(2,423,900)	1,214,614		
Public safety / Police	44,025,688		1,220,534		(300,231)		-		-		-		44,945,991	(11,030,188)	77,689		-	-	-	-	(4,818,791)	-	-	-	(15,771,290)	29,174,701		
Sport and recreation	1,440,838		-		(1,387,309)		-		-		-		53,528	(80,565)	95,995		-	-	-	-	(21,643)	-	-	-	(6,603)	46,926		
Waste water management / Sewerage	2,458,622		-		(619,052)		-		-		-		1,839,570	(746,320)	76,634		-	-	-	-	(47,218)	-	-	-	(716,904)	1,122,626		
Road transport / Roads	7,673,951		19,740		(7,437,131)		-		-		-		256,560	(210,450)	96,815		-	-	-	-	(92,830)	-	-	-	(206,464)	50,096		
Water / Water distribution	272,093,452		28,603,218		(12,321,661)		-		-		-		288,375,009	(48,447,305)	2,019,546		-	-	-	-	(8,815,861)	-	-	-	(65,243,520)	233,131,489		
Electricity distribution	6,875,823		596,463		(5,823,353)		-		-		-		1,648,933	(2,718,252)	2,078,954		-	-	-	-	(298,418)	-	-	-	(937,716)	711,217		
Other	29,135		1,755		-		-		-		-		30,890	(13,301)	-		-	-	-	-	(8,613)	-	-	-	(21,914)	8,976		
Total	424,937,435		31,671,142		(41,830,928)								414,777,649	(84,560,615)	6,488,569						(19,525,862)				(97,597,908)	317,179,741		
Municipality	424,937,435		31,671,142		(41,830,928)								414,777,649	(84,560,615)	6,488,569						(19,525,862)				(97,597,908)	317,179,741		
Total	424,937,435		31,671,142		(41,830,928)								414,777,649	(84,560,615)	6,488,569						(19,525,862)				(97,597,908)	317,179,741		

West Coast District Municipality
Appendix D

Segmental Statement of Financial Performance for the year ended
30 June 2011

Actual Income Rand	Actual Expenditure Rand	Surplus /(Deficit) Rand	Actual Income Rand	Actual Expenditure Rand	Surplus /(Deficit) Rand
219,932	14,689,411	(14,469,479)	47,536	10,249,504	(10,201,968)
89,909,445	49,330,648	40,578,797	81,800,184	71,525,064	10,275,120
653,456	4,780,151	(4,126,695)	15,000	3,725,964	(3,710,964)
4,434,768	13,877,361	(9,442,593)	5,045,479	14,689,597	(9,644,118)
106,084	572,760	(466,676)	-	-	-
1,464,786	481,811	982,975	1,473,606	500,234	973,372
3,398,648	27,947,134	(24,548,486)	6,442,220	28,072,193	(21,629,973)
2,465,169	3,752,944	(1,287,775)	2,561,591	3,186,958	(625,367)
1,488,130	723,054	765,076	-	-	-
64,699,204	65,169,703	(470,499)	64,443,143	64,443,143	-
78,595,177	65,167,313	13,427,864	85,945,242	80,803,723	5,141,519
2,015,748	2,014,497	1,251	-	-	-
800	1,538,377	(1,537,577)	-	1,528,381	(1,528,381)
249,451,347	250,045,164	(593,817)	247,774,001	278,724,761	(30,950,760)
Municipality					
Municipal Owned Entities					
Other charges					
249,451,347	250,045,164	(593,817)	247,774,001	278,724,761	(30,950,760)
249,451,347	250,045,164	(593,817)	247,774,001	278,724,761	(30,950,760)

West Coast District Municipality
Appendix E(1)

Actual versus Budget(Revenue and Expenditure) for the year ended 30 June 2012

	Act. Bal.	Bud. Amt	Variance	Explanation of Significant Variances greater than 10% versus Budget
	Rand	Rand	Rand	
Revenue				
Property rates	80,575,030	77,500,000	3,075,030	-
Service charges	8,075,903	8,000,000	75,903	4.0 Increase in consumption
Interest earned - external investments	48,000	455,000	(407,000)	0.9
Fees earned	78,036,919	91,635,000	(13,598,081)	(89.5) Less income then expected
Government grants & subsidies	16,173,116	14,886,000	1,287,116	(14.8) Transfer from PAWC
Other revenue	64,439,430	55,485,000	8,954,430	8.6 Implementation of GRAP
Infrastructure Grant	247,348,398	247,961,000	(612,602)	16.1 Transfer from PAWC
				(0.2)
Expenses				
Personnel	(66,123,568)	(68,606,000)	2,482,432	(3.6)
Remuneration of councillors	(3,652,009)	(4,145,000)	492,991	(11.9) Vacant position
Depreciation	(19,525,862)	(21,716,000)	2,190,138	(10.1) Implementation of GRAP
Finance costs	(11,163,905)	(7,498,000)	(3,665,905)	48.9 New loan repayments
Repairs and maintenance - General	(21,140,936)	(48,619,000)	27,478,064	(56.5) Reclassification of Agency expenditure
Bulk purchases	(7,628,846)	(7,500,000)	(128,846)	1.7
Loss on disposal of PPE	(34,219,816)	(45,000,000)	10,780,184	(24.0) Transfer of DMA to Local Municipalities
General Expenses	(115,269,819)	(89,037,000)	(26,232,819)	29.5 Due to water and an increase in contributions made to medical aid provision. Redress Agency expenditure.
Other revenue and costs	(278,724,761)	(292,121,000)	13,396,239	(4.6)
Gain or loss on disposal of assets and liabilities	425,603	-	425,603	-
Net surplus/ (deficit) for the year	(30,950,760)	(44,160,000)	13,209,240	(29.9)

West Coast District Municipality
Appendix E(2)

Budget Analysis of Capital Expenditure 30 June 2012
Yearly

	Additions		Revised Budget		Variance		Variance		Explanation of significant variances from budget
	Rand		Rand		Rand	%			
Municipality									
Executive & Council/Mayor and Council	12,011		12,000		(11)			-	
Finance & Admin/Finance	1,123,885		779,900		(343,985)			(44) Price projection increases / GRAP	
Health/Clinics	95,291		80,000		(15,291)			(19) Price projection increases / GRAP	
Public Safety/Police	1,220,534		1,568,400		347,866			22 Saving on project	
Road Transport/Roads	19,740		-		(19,740)			- GRAP implementation	
Water/Water Distribution	29,199,681		28,370,000		(829,681)			(3) Price projection increases / GRAP	
Total	31,671,142		30,810,300		(860,842)			(3)	

West Coast District Municipality
 West Coast District Municipality
 Appendix F
 Disclosures of Grants and Subsidies in terms of Section 123 MFMA, 56 of 2003

Name of Grants	Quarterly Receipts			Quarterly Expenditure					
	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar
Cederberg Biosphere	-	-	-	-	9,051	-	-	20,577	-
West Coast Biosphere	-	-	-	-	-	-	15,000	13,741	26,069
Global Fund WCD Community	-	-	-	-	-	161,315	16,630	-	135,265
Training of Housing Officials	-	-	-	-	-	152,037	2,103	-	-
MSIG	-	-	790,000	-	201,639	3,324,530	479,068	-	274,006
Ebenehezer New Farmers project	-	450	-	-	-	-	-	-	-
Gateway Vanrhynsdorp	-	-	-	2,019,896	-	61,726	98,277	2,019,896	1,451,155
Paternalist Archeo - Tourism trail	-	160,000	-	-	-	-	-	-	-
Prov management grant	1,000,000	-	-	-	-	-	-	-	-
Main Street Program -	-	-	-	-	-	-	-	-	-
Goedverwach	-	-	-	-	-	-	-	-	-
C MIP / RBIG Control Account	288,000	-	-	-	194,806	415,123	288,838	920,371	-
Financial Management Grant	-	-	1,250,000	-	269,255	-	-	-	336,975
Vuna Rewards	-	-	-	-	-	-	-	-	-
Rural Area - Water	-	-	-	-	-	-	-	-	-
Wuppenthal - HOP Water	-	-	-	-	-	21,240	1,070	-	-
Development Unit	-	-	-	-	-	-	-	-	-
WCDM ECO.DEV (Cederberg Gateway)	-	-	-	-	-	-	-	-	-
DMA - Halls	-	-	-	-	-	-	-	-	-
Wester Gateway	-	-	-	-	-	-	-	-	-
WCDM - Tourism Road Signage	-	-	-	-	-	-	-	-	-
Committee Summit	-	-	-	-	-	-	-	-	-
LEGSETA	-	-	-	-	-	72,891	47,360	27,800	-
Ignite Assist	-	-	-	-	88,529	-	-	-	66,049
Drought Relief Programme	-	-	-	-	7,655	-	-	-	11,796
Drought Relief Kliprand	-	-	-	-	-	-	-	-	-
Alternative Water Reserve Study	-	-	-	-	153,275	57,450	2,859	-	-
Social Development Projects	-	-	-	-	-	-	-	-	-
Bucket Eradication Chatsworth	-	-	-	-	63,683	-	-	-	-
Sportgrounds DMA	-	-	-	-	-	39,390	2,501	-	-
Bulk Water Master Plan	-	-	-	-	-	-	-	-	-
Asset Management Bulk Water	-	-	-	-	1,346	321,524	378,526	610,772	-
Kliprand Electricity	600	-	543,575	1,512,638	-	-	-	-	-
Pakhuispas Farmers	-	-	-	-	-	441,086	-	-	-
GIS DBSA	-	-	-	-	-	605,754	340,751	3,909	-
Capacity Building Globang Fund	-	-	-	-	34,596	-	-	-	-
	1,288,600	160,450	1,793,575	2,809,896	1,023,835	5,674,066	1,672,983	3,617,066	2,301,315

CHAPTER: ANNUAL PERFORMANCE REPORT 2011-2012

4.1 INTRODUCTION

This chapter deals with how services were delivered during the 2011/12 financial year and indicates the performance against the KPA's for the 2011/12 financial year based on the IDP processes followed as explained in Chapter 1 of this report.

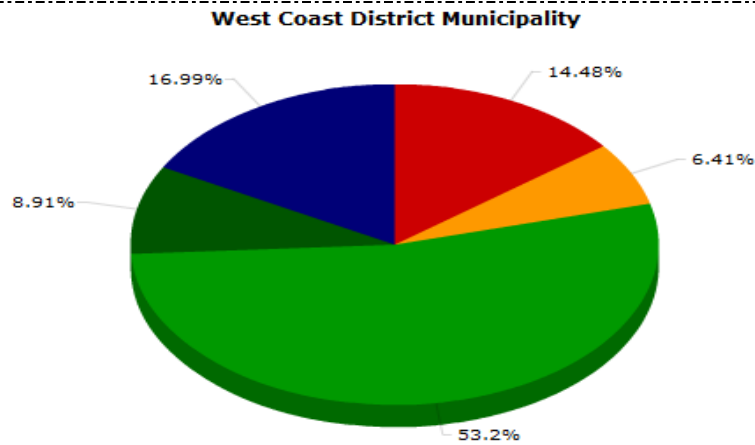
The performance of the Municipality is reported against the five strategic Key Performance Areas for Local Government as indicated in the IDP and the performance agreements of the departmental heads. The chapter also highlights the main KPA's for 2011/12.

Service Delivery Key Municipal performance for the 2011/12 financial year and measures taken to improve performance

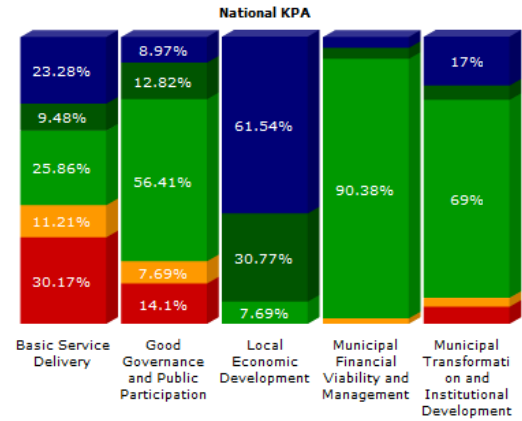
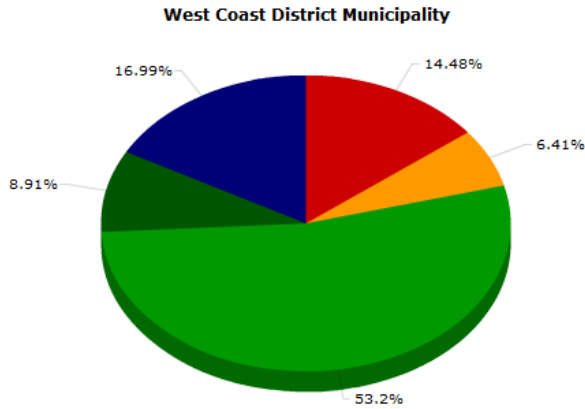
4.2 Strategic performance

Strategic performance of the municipality is measured in terms of the municipality's performance on its key performance indicators set in the Top Layer SDBIP.

(i) Overall performance

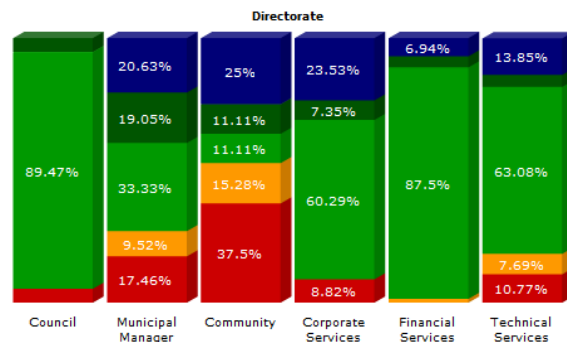
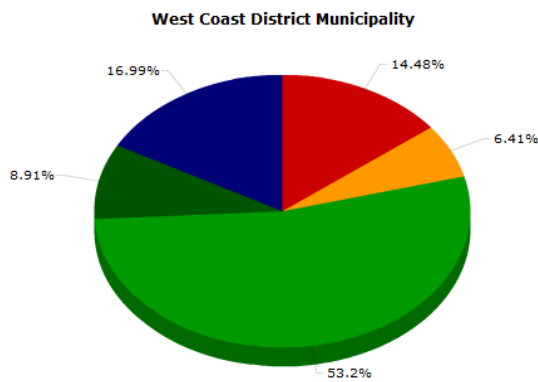


KPI Not Met	<u>52 (14.5%)</u>
KPI Almost Met	<u>23 (6.4%)</u>
KPI Met	<u>191 (53.2%)</u>
KPI Well Met	<u>32 (8.9%)</u>
KPI Extremely Well Met	<u>61 (17%)</u>
Total:	359



	West Coast District Municipality	National KPA				
		Basic Service Delivery	Good Governance and Public Participation	Local Economic Development	Municipal Financial Viability and Management	Municipal Transformation and Institutional Development
KPI Not Met	52 (14.5%)	35 (30.2%)	11 (14.1%)	-	-	6 (6%)
KPI Almost Met	23 (6.4%)	13 (11.2%)	6 (7.7%)	-	1 (1.9%)	3 (3%)
KPI Met	191 (53.2%)	30 (25.9%)	44 (56.4%)	1 (7.7%)	47 (90.4%)	69 (69%)
KPI Well Met	32 (8.9%)	11 (9.5%)	10 (12.8%)	4 (30.8%)	2 (3.8%)	5 (5%)
KPI Extremely Well Met	61 (17%)	27 (23.3%)	7 (9%)	8 (61.5%)	2 (3.8%)	17 (17%)
Total:	359	116	78	13	52	100

(ii) Overall strategic performance per directorate



	West Coast District Municipality	Directorate					
		Council	Municipal Manager	Community & Social Services	Corporate Services	Financial Services	Technical Services
KPI Not Met	52 (14.5%)	1 (5.3%)	11 (17.5%)	27 (37.5%)	6 (8.8%)	-	7 (10.8%)
KPI Almost Met	23 (6.4%)	-	6 (9.5%)	11 (15.3%)	-	1 (1.4%)	5 (7.7%)
KPI Met	191 (53.2%)	17 (89.5%)	21 (33.3%)	8 (11.1%)	41 (60.3%)	63 (87.5%)	41 (63.1%)
KPI Well Met	32 (8.9%)	1 (5.3%)	12 (19%)	8 (11.1%)	5 (7.4%)	3 (4.2%)	3 (4.6%)
KPI Extremely Well Met	61 (17%)	-	13 (20.6%)	18 (25%)	16 (23.5%)	5 (6.9%)	9 (13.8%)
Total:	359	19	63	72	68	72	65

(iii) Actual strategic performance and corrective measures that will be implemented

a. Basic Service Delivery

The National Key Performance Area Basic Service Delivery is linked to the like named Municipal Key Performance Area. The IDP Objectives linked to Basic Service Delivery are spread over *Development of the natural and built environment, Creation of a safe environment, Infrastructure development in the region, Co-operation amongst stakeholders and Human well-being.*

KPI	Unit of Measurement	Baseline	Overall Performance for Sep 2011 to Jun 2012			Corrective measures
			Target	Actual	R	
Disaster risk awareness promoted at schools and in communities at risk	Awareness initiatives per annum	4	4	0	R	Transferred to line function due to budgetary constraints.
Develop an implementation plan for the Gender Policy Framework by the end of June 2012	Plan completed	New kpi	1	0	R	Plan to be drafted in new financial year.
Monitor food to ensure compliance with the required legislative standards	No of samples taken per quarter	800	800	1,663	B	
Monitoring of dairies to ensure compliance with the required legislative standards	No of inspections per quarter	46	100	126	G2	
Monitoring of farms measured in terms of the number of inspections in the district	No of inspections per quarter	255	600	1,085	B	
Monitoring of food production and/or handling sites complying with the required standards measured in terms of the number of inspections per site	No of inspections per quarter	581	1,000	3,170	B	
Provide health education to the community in terms of health awareness training sessions	No of training sessions held	20	20	0	R	To be implemented in new financial year.

KPI	Unit of Measurement	Baseline	Overall Performance for Sep 2011 to Jun 2012			Corrective measures
			Target	Actual	R	
Establish and maintain proper control over the disposal of medical and health care risk waste to ensure compliance with the required legislative requirements	No of inspections	51	100	159	B	
Establish and maintain proper control over the disposal of industrial and hazardous waste to ensure compliance with the required legislative requirements	No of inspections per annum	8	8	0	R	Function not applicable; to be deleted.
Exercise Environmental Pollution Control to ensure compliance with the required legislative standards	No of visits	80	80	424	B	
Monitor the quality of river/sea water to ensure compliance with the legislative standards	No of samples taken per quarter	560	400	565	G2	
Monitoring of sewerage treatment sites that comply with the required legislative standards	No of inspections per quarter	80	200	539	B	
Report monthly to the National Department of Health (Sinjani)	No of reports submitted	12	12	12	G	To be managed by department.
Assess disaster readiness of local municipalities by evaluating Level 3 Disaster Management Plans by the end of June 2012	No of local municipality Disaster Management Plans assessed	Annual assessment	5	1	R	To be managed by department.
Develop District Disaster Management Framework by the end of December 2011	Framework developed by the end of Dec 2011	No existing framework	1	0	R	To be managed by department.
Effective facilitation of disaster management in the District measured in terms of the number of advisory forum meetings held	No of meetings per annum	2	2	1	R	To be managed by department.

KPI	Unit of Measurement	Baseline	Overall Performance for Sep 2011 to Jun 2012			Corrective measures
			Target	Actual	R	
Facilitate and co-ordinate meetings to standardise fire service delivery in the district	No of meetings held per annum	4	4	0	R	To be managed by department.
Monitoring of waste water quality in the district in terms of the identified sample as per monitoring program	Number of samples per quarter complying with SANS 241	160	100	303	B	
Monitor effective transfer of all DMA functions	Quarterly meetings held	New kpi	4	2	R	Target reached earlier.
Annual plan compiled for the comprehensive maintenance of provincial roads	Submission of Annual Performance Plan to Provincial Government by the end November	Plan is annually submitted	1	1	G	
Provincial roads is maintained in terms of the percentage of the maintenance budget spent	% of the budget spent	100%	100%	100%	G	
Monitor integrated public transport plans by the various B municipalities and the District municipality for the financial year	No of ITP's by 30 March	6	6	0	R	Function not applicable; to be deleted.
Facilitate and co-ordinate bi-annual integrated waste management forum meetings with B-municipalities	No of meetings held per annum	2 per annum	2	0	R	KPI not practical and is to be deleted.
Development of the Regional Solid Waste Disposal Site for Matzikama and Cederberg	Completion of the EIA by 30 June 2012	Identified in the Master plan	100%	50%	R	To be managed by department.
Revision of the District Integrated Waste Management Plan by 30 June 2012	Approved plan by 30 June 2012	Annual update of the master plan	100%	100%	G	To be managed by department.
Bulk water quality as per SANS 241	% water quality compliant	100%	100%	100%	G	

KPI	Unit of Measurement	Baseline	Overall Performance for Sep 2011 to Jun 2012			Corrective measures
			Target	Actual	R	
Development of the Desalination Plant as an alternative water source for Bulk system	Completion of the EIA by 30 June 2012	Completed study to identify alternative water sources	100%	50%	R	To be managed by department.
Percentage water losses	KL billed/ KL produced by municipality	15%	15%	5.19%	B	
Update Bulk Water System Master Plan (GLS) by the end of June 2012	Plan updated by 30 June 2012	Master plan updated every second year	100%	0%	R	To be managed by department.
Percentage spent of the approved bulk water capital projects	% spent of approved water capital projects	Capital projects as per Master plan	100%	100%	G	
Water assets is maintained in terms of the maintenance budget available	% of maintenance budget of water spent	100%	100%	100%	G	

b. Good Governance and Public Participation

The National Key Performance Area Good Governance and Public Participation are linked to the like named Municipal Key Performance Area. The IDP Objectives linked to Good Governance and Public Participation are *operation amongst stakeholders, Development of the natural and built environment and Human resource development.*

KPI	Unit of Measurement	Baseline	Overall Performance for Sep 2011 to Jun 2012			Corrective measures
			Target	Actual	R	
Revise by-laws to ensure effective and up to date by-laws	No of By-laws revised annually	3	3	1	R	To be managed by department.

KPI	Unit of Measurement	Baseline	Overall Performance for Sep 2011 to Jun 2012			Corrective measures
			Target	Actual	R	
The adjustment budget is approved by Council by the legislative deadline	Approval of adjustments budget before the end of February	1	1	1	G	
The main budget is approved by Council by the legislative deadline	Approval of Main budget before the end of May	1	1	1	G	
The SDBIP is approved by the Mayor within 28 days after the budget has been approved	SDBIP approved before the end of June	1	1	1	G	
Define roles and responsibilities of each political structure, office bearer and of the municipal manager in terms of Sec 53 of the Municipal Systems Act through approval of roles and responsibilities and delegation system	Delegation of authority approved	0	1	1	G	
Effective functioning of council measured in terms of the number of council meetings per annum	No of council meetings per annum	4	4	4	G	
Effective functioning of the committee system measured by the number of committee meetings per committee per quarter	No of sec 80 committee meetings per committee per annum	11	11	11	G	
Facilitation of IGR in the district measured by the number of DCF meetings held	No of meetings per forum per quarter	4 DCF's for the year	4	4	G	
Implementation of the Employment Equity Act measured by the number of people from employment equity target groups employed in the TASK level 13 to section 56 levels of management in compliance with a municipality's approved employment equity plan	People employed in the TASK level 13 to section 56 levels of management as % of total posts on those levels	51	40%	40%	G	

KPI	Unit of Measurement	Baseline	Overall Performance for Sep 2011 to Jun 2012			Corrective measures
			Target	Actual	R	
Integrated development planning measured by the alignment of the municipal spending with IDP	The percentage of a municipality's capital budget spent on capital projects identified in the IDP	98	90%	100%	G2	
Annual report and oversight report of council submitted before the end of January	Report submitted to Council	100%	100%	100%	G	
Functional performance audit committee measured by the number of meetings per annum	No of meetings held per quarter	4	4	5	G2	
Institutional Performance management system in place and implemented down to TASK level 12	No of levels Implemented down to TASK level 12	1	100%	100%	G	
No of Section 57 performance agreements signed by the end of July	No of performance agreements signed	5	5	4	O	Only 4 performance contracts entered into.
Approved Risk based audit plan elements identified, audited by year end	% of elements identified, audited by year end	Approved risk based audit plan	80%	57%	R	To be managed by department.
Comprehensive IDP compiled that complies with all the required legislative requirements	No of required sectoral plans included	Existing IDP	8	8	G	
Conduct a good governance survey by the end of June to determine level of public perception	Number of surveys conducted	No survey conducted yet	1	0	R	To be managed by department.
Determine the potential regional shared services required with the completion of the readiness audit by the end of December	Final report on the potential services identified	New kpi	1	1	G	
Development of partnerships to enhance resource mobilisation	Number of formalised partnerships formed	New kpi	2	2	G	

KPI	Unit of Measurement	Baseline	Overall Performance for Sep 2011 to Jun 2012			Corrective measures
			Target	Actual	R	
Enhance integrated planning in the district in terms of regular district IDP Co-ordinating meetings	Number of meetings held per annum	4	4	4	G	
Enhancement of integrated planning in the district by developing a district IDP framework by end of August 2011	Framework developed by the end of August 2011	Existing Framework needs to be revised	100%	100%	G	
Facilitation of IGR in the district measured by the number of DCF (Tech) meetings held	No of meetings per forum per quarter	4 DCF Tech's for the year	4	3	O	To be managed by department.
IDP consulted with B municipalities and advertised for public comment	No of B municipalities consulted by the end of March	5	5	5	G	
Implementation of the risk management policy measured by the number of risks quarterly managed by each directorate	Number of risks quarterly managed by each directorate	4 risks per directorate per quarter	4	3	O	To be managed by department.
New 5 year IDP approved by the end of May	IDP approved by the end of May	Existing IDP	100%	100%	G	
Quarterly submission of fraud declaration by Municipal Manager, directors and internal auditor	Number of declarations per quarter	Existing approved anti-corruption policy	6	4.25	R	Targeted individuals decreased over reporting period.
Shared support provided in the district	Number of actual support/Number of requests received	Support services provided - 3 out of every 4 received	75%	100%	G2	

c. Local Economic Development

The National Key Performance Area Local Economic Development is linked to the like named Municipal Key Performance Area. The IDP Objective that is linked to Local Economic Development is *Economic Development and Human well-being*.

KPI	Unit of Measurement	Baseline	Overall Performance for Sep 2011 to Jun 2012			Corrective measures
			Target	Actual	R	
Value of contracts assigned to SMME's to enhance economic development	% R-value of contracts assigned	20% of total procurement	20%	39.99%	B	
Regional Economic Development (RED) strategy focus operational as part of the operational plan implementation	Number of focus areas addressed	1	2	3	B	
Regional tourism development activities completed	Percentage of all tourism development activities completed	New kpi	165%	368%	B	
Regional tourism marketing activities completed	Percentage of all tourism marketing activities completed	New kpi	165%	349%	B	
Regional Tourism reporting to council	Number of regional tourism reports submitted to council	New kpi	10	13	G2	

d. Municipal Financial Viability Management

The National Key Performance Area Municipal Financial Viability and Management are linked to the like names Municipal Key Performance Area. The IDP Objective that is linked to Municipal Financial Viability and Management is *Infrastructure development in the region and Co-operation amongst stakeholders*.

KPI	Unit of Measurement	Baseline	Overall Performance for Sep 2011 to Jun 2012			Corrective measures
			Target	Actual	R	
Financial viability measured in terms of the available cash to cover fixed operating expenditure	Cost coverage ((Available cash+ investments)/ Monthly fixed operating expenditure	20%	20%	20.50%	G2	
Financial viability measured in terms of the municipality's ability to meet its service debt obligations	Debt coverage ((Total operating revenue-operating grants received)/debt service payments due within the year)	90%	95%	95%	G	
Financial viability measured in terms of the outstanding service debtors	Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)	22%	22%	22%	G	
Approved financial statements submitted by 31 August	Approved financial statements submitted	Approved financial statements annually	1	1	G	
Compliance with GRAP 16, 17 & 102 to ensure effective asset management	0 findings in the audit report on non-compliance	Unqualified audit opinion in 2009/10	0	0	G	
Compliance with the SCM Act measured by the limitation of successful appeals against the municipality	0 successful appeals	1	0	0	G	
Improvement in capital conditional grant spending measured by the % spent	% of the grant spent	100%	100%	100%	G	
Improvement in operational conditional grant spending measured by the % spent	% of the grant spent	90%	90%	100%	G2	
Root causes of issues raised by AG in AG report of the previous financial year addressed to promote a clean audit in 2013	% of Root causes addressed	Emphasis of matters in 2009/10 audit report	100%	100%	G	

e. Municipal Transformation and Institutional Development

The National Key Performance Area Municipal Transformation and Institutional Development are linked to the Municipal Key Performance Area namely Municipal Transformation and Organisational Development. The IDP Objective that is linked to Municipal Transformation and Institutional Development is *Human Resource Development and Co-operation amongst stakeholders*.

KPI	Unit of Measurement	Baseline	Overall Performance for Sep 2011 to Jun 2012			Corrective measures
			Target	Actual	R	
Targeted skills development measured by the R-value of budget spent for the implementation of the workplace skills plan	R-value of the budget spent on implementation of the WSP	R 1,000,000	R 1,200,000	R 1,200,000	G	
Effective labour relations by facilitating regular LLF meetings per annum	No of meetings of the LLF per annum	10	10	6	R	To be managed by department.
Revise identified HR policies by the end of June to ensure compliant and up to date HR policies	No of policies revised	3	3	1	R	To be managed by department.
Implementation of skills development plan with targeted skills development	No of personnel actually trained/ No of personnel identified for training	70%	75%	100%	G2	
% Vacancy level as % of approved organogram to create an effective institution with sustainable capacity	% Vacancy level	National norm between 10-15%	10%	10%	G	