



Swartland Municipality

REVISIONS TO THE
INTEGRATED DEVELOPMENT PLAN FOR 2017-2022

DRAFT - March 2019

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Forewords

Executive Mayor, Tijmen van Essen *[Update]*



This is the second revision of the fourth generation Integrated Development Plan (IDP) for the Swartland municipal area. The IDP serves as an enabler for mutual accountability towards the attainment of agreed development priorities; hence it constitutes a social contract between the Council and residents of the Swartland.

Many of our citizens exist in a self-perpetuating poverty trap. Many young and poor single mothers struggle to provide nutrition and basic healthcare for their children, often unaware of the basic services available to them. The lack of skills makes it hard to attract jobs to economically depressed areas which, in turn, deprives people of employment and leaves them dependant on the state. Furthermore, low incomes, poor living conditions and inadequate education levels increase the vulnerability of the poor to crime and social ills.

After 23 years of democracy, inequalities are growing, our life-supporting ecosystems continue to deteriorate at an alarming rate, unemployment remains high and poverty remains widespread and persists alongside affluence.

Local government is judged by its ability to deliver services, promote socio-economic development and govern effectively. As Executive Mayor I am aware of the numerous responsibilities bestowed on the Council to bring about fundamental changes to our region that will have a positive effect on the livelihoods of all our people. Local Government is both the most intimate sphere of government and the one that impacts most on the everyday lives of citizens.

With the approval of the fourth generation IDP in 2017, Swartland Municipality has embarked on a challenging journey towards excellent local government. The journey consists of five steps, each representing a level of achievement, from the lowest level of 'survival' to a level of 'actualisation'. I believe, however, that we cannot progress to a next more fulfilling level before the needs of the existing level have been met. **The five steps are:**

1. Providing excellent, democratic, transparent, and open government with zero tolerance for corruption at any level.
2. Getting the basics right. Provide for the most fundamental needs of our citizens by getting the basic service delivery right.
3. Putting heart into our communities to make them vibrant and safe. Provide excellent community facilities efficiently and effectively in order to provide places and services through which citizens can utilise their opportunities.
4. Helping our citizens to be successful by enabling opportunities and driving local economic growth.
5. Creating a better future for all by taking a firmly sustainable approach to our environment.

From the Municipality's side we will commit to:

- A professional service to every town, settlement and to the rural area;
- create a platform for local economic development that can result in job creation;
- create opportunities so that ordinary citizens can take responsibility and break free from the cycle of poverty;
- good financial planning and control, free of any form of corruption;
- the spending of municipal funds in a responsible and transparent manner; and
- a productive workforce with a high work ethic and a high standard of customer care.

I would like to take this opportunity to thank all the citizens who participated in the IDP/Budget revision process. This IDP is a product of a collective effort by various role players in the Swartland. I would also like to thank my fellow Councillors, the Municipal Manager, all Directors and the IDP team and support staff who worked tirelessly in meeting the challenge of compiling this document in-house successfully.

I wish to invite all of you – councillors, officials, citizens, business, government and non-government organisations - to become part of this journey. Join hands with us - together we can **SHAPE A BETTER FUTURE** for all our people!

Municipal Manager, Joggie Scholtz *[Update]*



Challenges in local government have fundamentally changed the way we go about doing our business. The demands set to municipalities by national and provincial government and the vast number of applicable Acts and Regulations are high, but the expectations of our community are even higher.

The Integrated Development Plan (IDP), which informs a municipality's budget and prioritises projects per the needs of the communities, is one of the important planning and management tools that modern-day municipalities have. The 2017-2022 IDP of Swartland Municipality is of great significance as it will form the basis of the governance term of the Council of Swartland, which took office in August 2016.

According to a recent Local Government Report, most municipalities in South Africa struggle with a number of service delivery and governance problems that include:

- Huge service delivery and backlog challenges
- Poor communication and accountability relationships with communities
- Corruption and fraud
- Poor financial management
- Weak civil society formations
- Insufficient municipal capacity due to lack of scarce skills

Although Swartland Municipality is still functioning on a high standard in most respects, we are also faced with serious challenges. We realised that a good strategy is necessary to counter any downward trend regarding the functioning of the Municipality and to move the organisation to even greater achievements.

During 2017/2018 Swartland experienced a severe water crisis due to poor rainfall during our 2017 winter season. Although relatively good rains in the 2018 winter season caused the level of our major water supply dam (Voëlmei Dam) to increase to 96.7% in October 2018 (compared to 28.4% in October 2017), we cannot go back to business as usual as if the drought situation has passed. Swartland as a whole must work together to make efforts with water saving initiatives. Regular drought occurrences seems to be the new normal and require all of us to radically change our thinking, over-reliance on rain water and our behaviour towards this scarce resource.

During our initial IDP process in 2016/2017 and in consultation with a wide spectrum of public stakeholders, the Municipality identified the most critical issues and risks that need to be addressed should the organisation wish to survive the challenges and continue to function effectively, efficiently and economical. This process led to the formulation of five strategic goals (*what we wish to achieve*):

- **PEOPLE:** - Improved quality of life for citizens
- **ECONOMY:** - Inclusive economic growth
- **ENVIRONMENT:** - Quality and sustainable living environment
- **INSTITUTIONS:** - Caring, competent and responsive institutions, organisations and business
- **SERVICES:** - Sufficient, affordable and well-run services

The successful implementation of the IDP is subject to the availability of sufficient financial resources as well as good management of these resources, bearing in mind that the Municipality derives the bulk of its income through rates and taxes paid by its constituents. It is therefore of the utmost importance that all citizens of Swartland meet their obligations towards the Municipality to ensure that the IDP is executed in the best interest of all Swartland residents.

The Municipality has up to the 2016/2017 financial year achieved **seven clean audits**, which confirms its reputation as one of the best managed municipalities in South Africa. This in itself speaks to and is proof of the dedication of management and personnel to meet and maintain high standards of performance at all times. The Annual Financial Statements for the 2017/18 year could however not be submitted to the Auditor-General by the deadline of 31 August 2018 due to the implementation of mSCOA which resulted in financial system challenges outside of the ambit of control of management. The Auditor-General deemed this late submission as “material non-compliance” which resulted in Swartland Municipality obtaining an unqualified audit with one matter. Management is not in agreement with the audit outcome as this will have a negative effect on the image and reputational risk of the municipality.

The average spending over the previous seven years was 95.9% of the capital budget and 94.3% of the operating budget. The Municipality has also managed to collect on average 101.5% of all revenue budgeted in the previous seven financial years, which is testimony to a good payment culture in the adverse economic climate in which the Municipality has had to operate for several years now.

On 16 April 2018 Ratings Afrika published its annual Municipal Financial Sustainability Index. The index covers a sample of the 100 largest local municipalities and the eight metros. Only three municipalities received a score of 80 or more with Mossel Bay and Swartland being the best scoring municipalities in 2017. According to Ratings Afrika Swartland improved its score from 61 in 2013 to 84 in 2017 to become one of the leading municipalities in South Africa.

Financial Sustainability Index	2013	2014	2015	2016	2017
Operating performance	19	27	29	40	71
Liquidity management	98	98	98	98	99
Debt governance	51	58	64	69	77
Budget position	49	52	59	70	76
Financial stability	61	65	68	74	84
Affordability	59	58	56	56	56
Infrastructure development	57	51	50	45	40
Sustainability Index score	60	62	63	66	72

The prospects for an improvement in the national economy and therefore the local economy too are not favourable. This will present the Municipality with special challenges, including limited resources, regarding the full and successful implementation of this IDP.

Swartland Municipality has the people and the will to overcome the challenges. Service delivery as well as the best interests of all residents of Swartland will, as always, continue to be the Municipality's priorities to ensure the effective implementation of this strategic plan. Resources are nevertheless limited and it is unfortunately inevitable that not all expectations raised at the IDP planning meetings will be met.

I wish to thank the Executive Mayor, the Speaker, and members of the Executive Mayoral Committee, Councillors, the IDP team and every person for their commitment, who contributed to the compilation of this document. We now need every role player, whether a councillor, member of the public or an official, to support the Municipality in the difficult journey that lies ahead.

Chapter 1: Introduction

1.6 The IDP and Area Plans *[Revise ward priorities]*













During September and October 2018 sessions were held with all 12 ward committees to revise and prioritise their top ten priorities. These priorities are listed below. A more detail description is provided for each of the priorities in the five area plans.

<i>Ward 1</i>	<i>Ward 2</i>	<i>Ward 3</i>	<i>Ward 4</i>
<ol style="list-style-type: none"> 1 Upgrading of road infrastructure 2 Upgrading of sewerage network (Moorreesburg) 3 Financial assistance for old aged homes and crèches 4 Promote tourism and LED 5 Cleaning of storm water systems 6 Disabled friendly buildings 7 Water security 8 Safety 9 Upgrading of parks 10 Promote recycling 	<ol style="list-style-type: none"> 1 Job creation 2 Parks to be developed and upgraded 3 Education 4 Better ambulance services 5 Upgrading of road infrastructure 6 Refuse removal 7 Facilities for informal traders 8 Award tenders to local businesses and support and promote local businesses 9 Youth development 10 Fixing of damaged RDP houses 	<ol style="list-style-type: none"> 1 Housing 2 Fire and Emergency services 3 Upgrading of roads/Tar of streets 4 Cricket field 5 Netball courts 6 Old age home for under-privileged elderly 7 Early childhood development centre 8 Trading Units 9 Promote tourism 10 New Thusong Centre 	<ol style="list-style-type: none"> 1 Upgrading of roads 2 New Multipurpose Centre for Chatsworth and Riverlands 3 Upgrading of the clinic 4 Upgrading of school in Chatsworth 5 Low cost housing in Riverlands 6 Promote and support economic opportunities 7 Sport and recreation facilities 8 Library for Riverlands / enlarge library in Chatsworth 9 More youth development programmes 10 Satellite police station for Chatsworth
<i>Ward 5</i>	<i>Ward 6</i>	<i>Ward 7</i>	<i>Ward 8</i>
<ol style="list-style-type: none"> 1 Tourism / agri-tourism 2 Promote business opportunities 3 Open areas in Darling North 4 Renewable energy 5 Sport and recreation facilities 6 Refuse removal 7 Safety / law enforcement 8 Refinement of valuation roll 9 Sidewalks in Darling North 10 Education (high school for Darling) 	<ol style="list-style-type: none"> 1 Stimulate economic development to create jobs 2 Housing 3 Regulating taverns and illegal spaza shops 4 Education (high school for Darling) 5 Security (Darling) 6 Refuse removal and promote recycling 7 Library 8 Fire and emergency services 9 Sport and recreation 10 Cleaning of storm water 	<ol style="list-style-type: none"> 1 Housing 2 Library for Kalbaskraal 3 Soccer field 4 Larger primary school in Abbotsdale 5 Tar roads 6 Recreational facilities 7 New multipurpose centre for Kalbaskraal 8 Better law enforcement services 9 Promote economic development in both towns 10 Disabled friendly buildings and Infrastructure 	<ol style="list-style-type: none"> 1 More Skills development programmes 2 Safety (Wesbank) 3 Substance abuse day facilities 4 Support and promote entrepreneurship 5 More accessible landfill sites 6 Removal of stray animals 7 Upgrading of library in Wesbank 8 Old age home 9 Disabled friendly municipal buildings

<i>Ward 9</i>	<i>Ward 10</i>	<i>Ward 11</i>	<i>Ward 12</i>
1 Job creation	1 Safety	1 Housing	1 Better health services
2 Library	2 Better health services	2 Assist with job creation through national programmes	2 Early childhood development
3 Youth / Skills development	3 Cleaning of storm water systems	3 Backyard dwellers	3 High school
4 Better health services	4 Education	4 Safety	4 New community hall
5 Fire and emergency services	5 Maintenance of parks	5 Illegal dumping of rubbish	5 Security
6 Electricity tariffs	6 Promote tourism	6 Improve storm water drainage	6 Housing
7 Promote and assist local economic development	7 Support entrepreneurship	7 Social awareness campaign	7 Youth development programmes
8 Better education	8 Need more trees	8 Removal of stray animals	8 Adult development
9 Better lighting	9 Disabled friendly buildings	9 Solar panels	9 Tourism and entrepreneurial support
10 Removal of stray animals		10 Land for churches	10 Refuse removal

Chapter 2: Context

2.1 Swartland municipal area at a glance *[Update with figures from the 2018 MERO and SEP reports]*

Total municipal area		Demographics in 2016 <i>(Stats SA 2016 Community Survey)</i>			
3 700 km ²		 Population: 133 762	Younger than 34: 61%	 Households: 39 139	
Education in 2017 <i>(Municipal Economic Review and Outlook (MERO), 2018)</i>					
 Learner-teacher ratio: 40.4	Gr12 dropout rate: 20.2	Matric pass rate: 83.5%	Number of schools: 31	Schools with libraries: 17	
Poverty in 2017 <i>(MERO, 2018)</i>					
 Gini Coefficient: 0.58	Human Development Index: 0.68	Households with no income: 10.4%	Indigent households (Jan 19): 8 895		
Access to basic services in 2016 <i>(Stats SA, 2016 Community Survey, minimum service level)</i>					
 Piped water: 92.8%	 Refuse removal: 83.5%	 Electricity: 98.7%	 Sanitation: 96.2%		
Economy <i>(MERO, 2018)</i>			Employment <i>(MERO, 2018)</i>		
 Average annual GDP growth 2006-2016: 2.9%			 Average annual employment growth 2006-2016: 0.74%		
Three largest sectors according to GDP contribution in 2016 <i>(MERO, 2018)</i>					
Manufacturing: 22.9%		Wholesale and retail trade, catering and accommodation: 17.5%		Agriculture, forestry and fishing: 15.9%	
Health in 2017 <i>(2018 Socio-economic profile, PGWC)</i>					
 Number of primary health care facilities: 13	Immunisation rate: 68.4%	Maternal deaths per 100 000 live births: 1.2	Registered patients receiving ART: 2 337	% babies born to mothers under 18: 13.3%	
Safety and security – Actual number of reported cases in 2018 <i>(2018 Socio-economic profile, PGWC)</i>					
 Residential burglaries: 789	Driving under the influence: 122	Drug-related crime: 2 621	Murders: 25	Sexual offences: 134	

Chapter 3: The planning process

3.4 Annual process followed between August 2018 and May 2019 *[Revise]*

Activity	Date	Groups involved
<i>Preparation and process</i>		
Approval of the time schedule that guided the revision of the IDP	30 Aug	The Council and management of the Municipality
<i>Revision of strategy</i>		
IDP / Budget sessions with ward committees	25 Sep - 3 Oct	Ward councillors, ward committee members, management of the Municipality
Strategy discussions on necessary changes to the IDP and area plans	22 Oct	Management, Mayoral Committee and ward councillors
Follow-up strategy discussions	9 Nov	Management
Prioritisation session	22 Nov	Management, Mayoral Committee and ward councillors
Internal strategy discussions with all municipal departments	Nov	Management of the Municipality
Swartland Municipal Advisory Forum Meeting (SMAF)	3 Dec	Councillors, management of the Municipality, 2 ward committee members from each ward and invited stakeholders
Meeting with Department of Education regarding the planning for schools in the Swartland area	31 Jan	Councillors, management of the Municipality and delegates from the Department of Education
<i>Completing the draft documents</i>		
Completion of the IDP document and Area Plans	Feb + Mar	Management of the Municipality
Consideration of the IDP document, area plans and budget by the Mayoral Committee	20 March	Mayoral Committee
Approval of the IDP document, area plans and budget by the Council as a draft	28 March	Council
<i>Community inputs and document refinement</i>		
Publish for public comment and representations the draft budget, IDP document and Area Plans	9 & 10 April	Swartland community
Swartland Municipal Advisory Forum Meeting (SMAF)	April	Councillors, management of the Municipality, 2 ward committee members from each ward and invited stakeholders
<i>Final approval</i>		
Consideration of the IDP document, area plans and budget by the Mayoral Committee	22 May	Mayoral Committee
Final approval of the IDP document, Area Plans and budget by the Council	30 May	Council

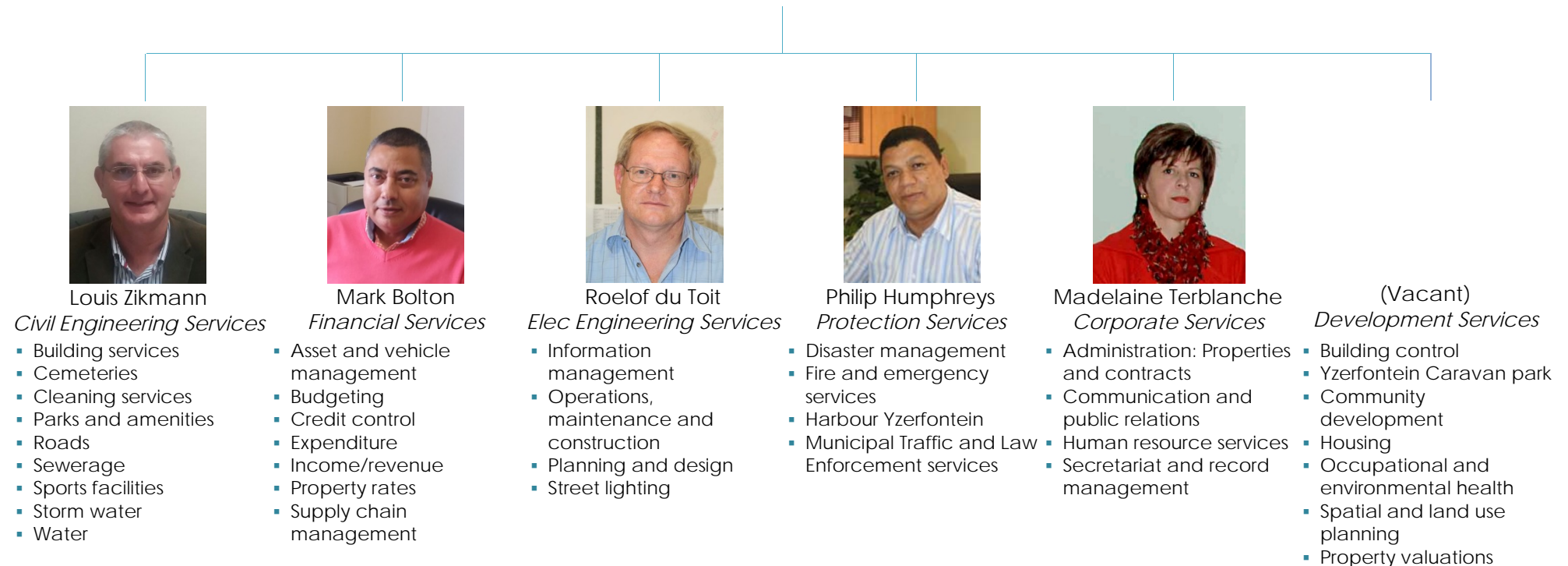
Chapter 4: The Organisation

4.3 The administration *[Update]*

The organisational structure and management team are shown below:



Joggie Scholtz
Municipal Manager



Chapter 6: Municipal level policy directives

6.5 Disaster Management Plan

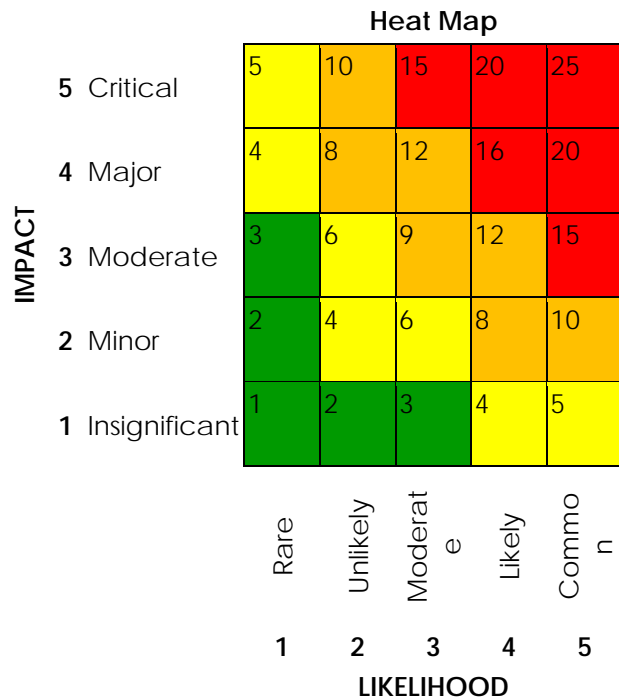
<<IF ANY CHANGES ARE MADE, A SUMMARY OF THE PLAN WILL BE ADDED IN MAY 2019>>

Chapter 7: The strategy unpacked

7.3 Terminology used

(d) RISKS [Add heat map]

The risk rating = impact score X likelihood score. Inherent risks are without any controls and residual risks are with controls. This can graphically be illustrated as follows:



Inherent risk ratings

Rating	Magnitude	Response
15 - 25	High	Unacceptable level of inherent risk. High level of control intervention required to achieve an acceptable level of residual risk.
8 - 14	Medium	Unacceptable level of inherent risk, except under unique circumstances or conditions. Moderate level of control intervention required to achieve an acceptable level of residual risk.
4 - 7	Low	Mostly acceptable level of inherent risk. Medium level of control intervention required.
1 - 3	Minimum	Acceptable level of inherent risk. Low level of control intervention required, if any.

Residual risk ratings

Rating	Magnitude	Response
15 - 25	High	Unacceptable level of residual risk. Implies that the controls are either fundamentally inadequate (poor design) or ineffective (poor implementation). Controls require substantial redesign or a greater emphasis on proper implementation.
8 - 14	Medium	Unacceptable level of residual risk. Implies that the controls are either inadequate (poor design) or ineffective (poor implementation). Controls require some redesign, or a more emphasis on proper implementation.
4 - 7	Low	Mostly acceptable level of residual risk. Requires minimal control improvements.
1 - 3	Minimum	Acceptable level of residual risk. Adequate controls implemented and adhered to.

7.4 The Municipality's five year strategy *[Update and revise]*

STRATEGIC GOAL 1: IMPROVED QUALITY OF LIFE FOR CITIZENS

(a) CURRENT STATE OF AFFAIRS

Education:

The area had 31 public ordinary schools in 2017 which accommodated 17 647 learners. Learner enrolment increased from 16 933 in 2015 to 17 356 in 2016 and to 17 647 in 2017. The proportion of no-fees schools was 71.0% in 2017.

The drop-out rates for learners within Swartland municipal area increased from a low 20.1% in 2015 to 23.2% in 2016 and then decreased again to 20.2% in 2017. The Swartland matric pass rate increased from 86.5 in 2015 to 89.4 in 2016 and then dropped to 83.5 in 2017.

Health:

In 2017 primary healthcare facilities in the area consisted of 4 fixed clinics, 9 mobile/satellite clinics, 1 community day centre and 1 district hospital (Malmesbury).

In 2017 anti-retroviral treatment (ART) was provided to 2 337 patients. Tuberculosis (TB) cases declined from 915 in 2016/17 to 842 in 2017/18.

Children immunised as a % of the total number of children less than one year of age has declined from 73.2% in 2016/17 to 68.4% in 2017/18.

The number of malnourished children under five years was 2.3 per 100 000 people in 2016/17 and 3.0 in 2017/18.

The number of babies dying before reaching the age of 28 days, per 1 000 live births in a given year, was 0.0 in 2016/17 and 1.2 in 2017/18.

(e) ACTION PLAN

<i>Strategic Objectives</i>	<i>Strategic Initiatives</i>	<i>Key Performance Indicators</i>	<i>Targets</i>
<i>1.1 Facilitate access to the economy - Strategic Objective, Initiative, KPI and target moved to Manager: Community Development</i>			
1.2 Promote childcare facilities and early child development (0-6 years)	Develop ECD information guidelines in respect of childcare facilities	ECD information guidelines approved	Yes (by June 2019 2020)
<i>1.3 Increase the number of legal childcare facilities - Strategic Objective, Initiative, KPI and target moved to Manager: Community Development</i>			
<i>1.4 Promote child development (7-14 years) - Strategic Objective, Initiative, KPI and target moved to Manager: Community Development</i>			
<i>1.5 Facilitate youth development - Strategic Objective, Initiative, KPI and target moved to Manager: Community Development</i>			
1.6 Coordinate social development internally and externally with partners.	Promote the coordination of social development through partnerships:		
	<ul style="list-style-type: none"> ▪ Internally: Internal Social Development Committee to identify additional action plans in each department that contributes to social development ▪ Externally: Local Drug Action Committee to compile a Local Drug Action Plan that must be reviewed every two years 	Agreement reached on additional action plans in each department	Yes (by June annually)
1.7 Lobby for the basic needs and rights of	Develop guidelines for assistance to persons	Guidelines approved	Yes (by June 2020)

<i>Strategic Objectives</i>	<i>Strategic Initiatives</i>	<i>Key Performance Indicators</i>	<i>Targets</i>
vulnerable groups	with disabilities		
1.8 Increase the effectiveness of the municipal traffic & law enforcement service	Effective traffic and law enforcement execution by using an Automated Number Plate Recognition (ANPD) Bus	Report on progress submitted to the portfolio committee	Yes (monthly - 10 per annum))
1.9 Integrated Crime Prevention / Safety stakeholder collaboration	Effective safety partnerships in terms of the Integrated Safety Strategy through an MOU with all role-players, especially SAPS	Report on progress submitted to the Mayoral Committee	Yes (annually by June)
1.10 Prevent and manage land invasion. Monitor informal settlements.	Effective operation and monitoring by Traffic and Law Enforcement Division	Report on progress submitted to the Portfolio Committee	Yes (monthly - 10 per annum)
1.11 Ensure that infrastructure development, resources and equipment are available to deliver an effective and efficient Fire and Rescue Service to all communities in the Swartland	An effective operational Fire and Rescue Service	Secure budget to expand the current firefighting and emergency resources	Yes (annually by November)
		A fire and rescue strategic plan developed	Yes (by September 2018)
		Disaster Management Plan and Disaster Recovery and Business Continuity Plan reviewed	Yes (annually by June)
		Fire Safety By-law reviewed	Yes (annually by June)
1.12 Extension of service delivery of Protection Services Department	Extension of learners licence centres for Darling and Riebeek Valley	Learners licence centres operational in Darling and Riebeek Valley	Yes Darling: July 2020 Riebeek Valley: July 2021
1.13 Establishment of a Swartland Safety Initiative	Facilitate the establishment of a Swartland Community Safety Forum	Report on progress submitted to the Portfolio Committee	Yes (Bi-annually)
	Facilitate the establishment of four Community Police Forums (one per SAPS office)	Community Police Forums accredited, registered and trained	Yes (By June 2019)
	Facilitate the establishment of four Neighbourhood watches (one per CPF)	Neighbourhood watches accredited, registered and trained	Yes (4 By June 2019 and another 4 by June 2020)

(f) STRATEGIC RISKS LINKED TO STRATEGIC GOAL 1

<i>Risk Description</i>	<i>Likelihood Impact</i>	<i>Inherent Risk Rating</i>	<i>Current Controls</i>	<i>Control Effectiveness</i>	<i>Residual Risk exposure</i>
Land Invasion	5 5	25	<ul style="list-style-type: none"> Housing pipeline Human Settlement Plan Law enforcement 	0.6 (Average)	15
Community Safety and Law Compliance	5 5	25	<ul style="list-style-type: none"> Annual major law enforcement awareness campaigns Annual review of current by-laws and fines applicable to traffic and law enforcement service Enforce municipal by-laws and traffic legislation Quarterly interaction with the judicial system 	0.44 (Average)	11
Insufficient preparation for disasters	4 5	20	<ul style="list-style-type: none"> Annual awareness campaigns regarding disaster management plan Annual review of the approved disaster management plan Disaster recovery and business continuity plan Updated, approved and annual review of the Firefighting by-law 	0.41 (Average)	8.2

(g) CAPITAL BUDGET LINKED TO STRATEGIC GOAL 1

<i>Strategic Objective</i>	<i>Strategic Initiatives</i>	<i>2019/2020</i>	<i>2020/2021</i>	<i>2021/2022</i>	<i>2022/2023</i>	<i>2023/2024</i>
Manage Development Services	Manage Community Development	150 000	0	0	0	0
	Manage Multi-Purpose Centres	700 000	7 231 168	0	0	0
Subtotal		850 000	7 231 168	0	0	0
Manage Protection Services	Manage Protection Services	104 000	106 000	108 000	100 000	100 000
	Manage Licensing and Registration Services	0	396 360	871 360	608 880	0
	Manage Traffic and Law Enforcement	782 850	342 360	0	148 500	743 750
	Manage Fire and Emergency Services	115 000	961 000	125 000	130 000	135 000
Subtotal		1 001 850	1 805 720	1 104 360	987 380	978 750
Total Goal 1		1 851 850	9 036 888	1 104 360	987 380	978 750

(h) OPERATING BUDGET LINKED TO STRATEGIC GOAL 1

<i>Strategic Objective</i>	<i>Strategic Initiatives</i>	<i>2019/2020</i>	<i>2020/2021</i>	<i>2021/2022</i>	<i>2022/2023</i>	<i>2023/2024</i>
Manage Development Services	Manage Community Development	3 388 292	3 716 857	4 017 031	4 301 488	4 411 319
	Manage Multi-Purpose Centres	1 424 250	1 658 562	1 692 991	1 782 661	1 914 627
	Manage Environmental and Occupational Health	1 592 988	1 663 258	1 803 042	2 020 471	2 050 211
Subtotal		6 405 530	7 038 677	7 513 064	8 104 619	8 376 157
Manage Protection Services	Manage Protection Services	2 205 302	2 269 948	2 487 483	2 648 445	2 819 741
	Manage Civil Protection	300 000	300 000	300 000	300 000	300 000
	Manage Licensing and Registration Services	8 092 901	8 596 599	9 491 556	10 062 889	10 756 488
	Manage Traffic and Law Enforcement	55 360 842	57 969 863	61 984 466	63 272 420	66 916 561
	Manage Fire and Emergency Services	4 396 729	4 597 256	4 950 697	5 285 145	5 528 589
	Manage the Harbour Yzerfontein	80 061	84 535	89 266	103 354	109 435
Subtotal		70 435 835	73 818 201	79 303 468	81 672 252	86 430 815
Total Goal 1		76 841 365	80 856 878	86 816 532	89 776 871	94 806 972

STRATEGIC GOAL 2: INCLUSIVE ECONOMIC GROWTH

(a) CURRENT STATE OF AFFAIRS

In 2016 Swartland contributed 27.1% to the West Coast District's GDP. The GDP growth averaged 2.9% per annum over the period 2006-2016. This is marginally above the District average of 2.7%. Swartland employed almost 45 000 people in 2016 and employment growth remained fairly stagnant, averaging 0.74% per annum between 2006 and 2016.

In 2016 the majority (50.1%) of the formally employed workforce of the Swartland operated within the low-skill sector, which had stagnated at 0.0% per annum on average since 2006. The semi-skilled sector employed 34.6% of the Swartland's workforce, and grew by 1.4% per annum on average since 2006. The skilled sector employed only 15.2% of the workforce and grew at a rate of 2.8% per annum since 2006.

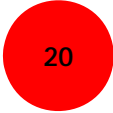



The main contributing sectors to the Swartland's GDP and employment in 2015 were -

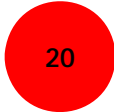

	GDP contribution	Employment contribution
Agriculture, forestry and fishing	15.9%	30.3%
Manufacturing	22.9%	10.8%
Wholesale and retail trade, catering and accommodation	17.5%	19.0%
Finance, insurance, real estate and business services	9.6%	8.6%
General government	11.5%	11.5%

(e) ACTION PLAN

<i>Strategic Objectives</i>	<i>Strategic Initiatives</i>	<i>Key Performance Indicators</i>	<i>Targets</i>
2.1 Relevant stakeholders systematically improve local competitive advantages	Gain commitment from key stakeholders to collaborate systematically to strengthen local competitive advantages.	Number of key stakeholder groups (see note) actively contributing to improved competitive advantage	5 by end of 2018 10 by end of 2020 15 by end of 2022
2.2 Well located, serviced sites and premises available for commercial and industrial investors	Ensure adequate supply of land and services for commercial and industrial premises.	Number of well located, serviced industrial sites available.	10 by end of 2018 15 by end of 2020 20 by end of 2022
2.3 The specific opportunities and benefits for investors are actively promoted	Establish an investment promotion and facilitation system.	An investment promotion and facilitation system established	Yes (by June 2019)
2.4 Local markets work better to increase opportunity for local small businesses	Establish a local business opportunity network incl. a local business directory	Number of opportunities advertised / shared with Swartland businesses.	20 by end of 2018 50 by end of 2020 100 by end of 2022
2.5 Easier for farmers to add and grow new / promising business models	New (more enabling) Spatial Development Framework	Number of key constraints to growth removed.	1 by end of 2018 2 by end of 2020 3 by end of 2022
2.6 Easier for local citizens to access economic opportunity	Establish an information portal pointing to best information sources including local support services	Number of unique visitors (local, with more than 1 page view)	100 by end of 2018 300 by end of 2020 400 by end of 2022
2.7 Increase tourism visitors and brand as a good place to live	Develop a more effective tourism destination marketing and development business model	Study done and revised tourism business model finalised.	Yes (by end of 2018 June 2020)

(f) STRATEGIC RISKS LINKED TO STRATEGIC GOAL 2

<i>Risk Description</i>	<i>Likelihood Impact</i>	<i>Inherent Risk Rating</i>	<i>Current Controls</i>	<i>Control Effectiveness</i>	<i>Residual Risk exposure</i>
Insufficient information for potential developers to invest in the Swartland (choose to invest elsewhere)	4 5		<ul style="list-style-type: none"> Investors are made aware of specific opportunities and the benefits of investing in the Swartland The information that will attract business investment to Swartland is easily accessible online. Key persons are trained and committed to respond to investment enquiries. 	0.45 (Average)	
No developments of networks and support centres addressing common needs to help businesses implement new technologies and business practises	4 4		<ul style="list-style-type: none"> Developments of network and support centres within communities to help small businesses implement new business practices Local business opportunity network including a local business directory Stakeholders committed to support strengthening of local competitive advantages Continuous engagements with business chamber 	0.55 (Average)	

<i>Risk Description</i>	<i>Likelihood Impact</i>	<i>Inherent Risk Rating</i>	<i>Current Controls</i>	<i>Control Effectiveness</i>	<i>Residual Risk exposure</i>
Expansion in waste, pollution, road congestion and increasing pressure on existing infrastructure	4 5		<ul style="list-style-type: none"> ▪ Continuous monitoring of waste at highlands site by external auditors ▪ Implementation of master planning and annual review of the master plan in respect of electricity, water, sewerage and roads services ▪ Greenest Municipality monitoring ▪ Continuous monitoring of infrastructure capacity 	0.4 (Good)	

(g) CAPITAL BUDGET LINKED TO STRATEGIC GOAL 2

<i>Strategic Objective</i>	<i>Strategic Initiatives</i>	<i>2019/2020</i>	<i>2020/2021</i>	<i>2021/2022</i>	<i>2022/2023</i>	<i>2023/2024</i>
Facilitate economic development in the municipal area	Facilitate economic development in the municipal area	0	0	0	0	0
Total Goal 2		0	0	0	0	0

(h) OPERATING BUDGET LINKED TO STRATEGIC GOAL 2

<i>Strategic Objective</i>	<i>Strategic Initiatives</i>	<i>2019/2020</i>	<i>2020/2021</i>	<i>2021/2022</i>	<i>2022/2023</i>	<i>2023/2024</i>
Facilitate economic development in the municipal area	Facilitate economic development in the municipal area	300 000	150 000	150 000	150 000	150 000
Total Goal 2		300 000	150 000	150 000	150 000	150 000

STRATEGIC GOAL 3: QUALITY AND SUSTAINABLE LIVING ENVIRONMENT

(a) CURRENT STATE OF AFFAIRS

Housing:

In 2016 the majority of households (94.6%) lived in formal dwellings, compared to 90.9% in 2011. The remainder of households lived in traditional dwellings (0.9%), informal dwelling/shack (4.1%) and other dwelling types (0.4%). In 2017 there were 14 300 people on the housing waiting list.

Urbanization:

Because of urbanization, with Cape Town as one of the three metropolitans experiencing the highest growth, the development potential of Swartland increased. The Swartland population increased from 72 115 (2001) to 113 782 (2011) and 133 762 (2016) as new people urbanize and in-migrate. As a high percentage of these people are dependent on state subsidized housing, the challenge is to create compact liveable urban areas.

Urban Edges:

The guide and control orderly development of the built environment are demarcated for five (5) and twenty (20) periods years in accordance with the planning principles as advocated in SPLUMA and LUPA. The urban edges of the towns in the Swartland protects high value agricultural land and encourage compact urban form, spatial integration (Malmesbury and Abbotsdale) whilst providing for additional land to address the future urban growth.

Socio-economic:

In an effort to eliminate poverty and reduce inequality, the National Development Plan has set the objective of having zero households earn less than R418 per month by 2030. The Swartland is still behind this target with approximately 12.2% of the 30 276 households that earn less than R400 in 2011. Lower levels of household income increase the dependency on municipal support which strains municipal resources in an effort to provide free basic services. The most significant challenge in alleviating poverty is to achieve easy access to the economy for poor people.

Resources:

The present drought situation following the below average rainfall for the current and previous rainfall season necessitates a holistic approach towards water provision. The transferring of bulk water supply from the West Coast District Municipal area to local municipalities has been considered, however the financial implications thereof will add to the existing challenge of raising capital finance. The electrical bill for transferring the water accumulates to an additional 7.26 million per year for the Swartland Municipality's expenditure on operating costs.

Climate Change:

Climate change causes changes to precipitation, seasons, micro-climates and habitat stability and it is projected that the changes will impact negatively on the region and thus on the economy, natural resources and social sectors in the Swartland.

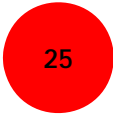
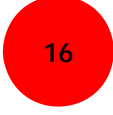

World nature conservation initiatives:

The proposed West Coast Conservation Corridor from the West Coast National Park on the northern boundary (Saldanha Municipality) along the Swartland coastline towards the south to the Blaauwberg Conservancy in the Cape Metropolitan area.

(e) ACTION PLAN

Strategic Objectives	Strategic Initiatives	Key Performance Indicators	Targets
3.1 Maximise economic opportunities and comparative advantage	Facilitate economic sector growth (including mining, agriculture and tourism) of Swartland wards in accordance with their potential.	Develop economic growth models (EGM) for Swartland growth towns (subject to availability of funds)	By December 2018
	Spatially strengthen mobility and economic links.	An economic mobility spatial plan developed and integrated into LED and EGM (subject to availability of funds).	By June 2020
<i>3.2 Enable sustainable rural and agricultural development - Strategic Objective, Initiative, KPI and target deleted</i>			
3.3 Enhance conservation and biodiversity	Finalise stewardship programme	Registration of stewardship programme with Cape Nature on municipal land	By June 2019 2020
<i>3.4 Protect cultural and built heritage landscape - Strategic Objective, Initiative, KPI and targets moved to Manager: Built Environment</i>			
<i>3.5 Spatially enable sustainable settlements - Strategic Objective, Initiative, KPI and targets moved to Manager: Built Environment</i>			
<i>3.6 Enhance safe, healthy, liveable and sustainable communities and neighbourhoods - Strategic Objective, Initiative, KPI and targets moved to Manager: Human Settlements</i>			
3.7 Provide the whole spectrum of government subsidised housing (Integrated Residential Development Programme (IRDP), Upgrading of Informal Settlements Programme (UISP) and Community Residential Unit Programme (CRU))	Facilitate land availability, bulk infrastructure provision and the implementation of the Housing Pipeline	Targets achieved as per project approval by DHS	Annually
3.8 Increase access for citizens in new settlements to urban amenities, work, schools, clinics, parks, etc.	Do new housing developments in terms of the Social economic Facility Policy and the Spatial Development Framework (SDF) Secure funding for the social facilities	Council approval of budget and implementation for social facilities in terms of the project approval by DHS	Annually
3.9 Maintain a balance between non-paying and paying households through the increased provision of affordable housing, Finance Linked Individual Subsidy Programme (FLISP) housing, Gap housing and social housing.	Identify suitable pockets of land for (FLISP) housing, Gap housing and social housing	Land identified	By November 2018
	Obtain land use rights and secure funding for (FLISP) housing, Gap housing and social housing	Funding secured	By December June 2019
	Appoint credible housing institution to build and manage social housing	Appointment finalised	By December 2019 2018

(f) STRATEGIC RISKS LINKED TO STRATEGIC GOAL 3

<i>Risk Description</i>	<i>Likelihood Impact</i>	<i>Inherent Risk Rating</i>	<i>Current Controls</i>	<i>Control Effectiveness</i>	<i>Residual Risk exposure</i>
Immigration and Population growth	5 5		<ul style="list-style-type: none"> Effective planning (SDF, Human settlements plan, Social development plan, Master services plan) Law enforcement Timeous management response 	0.65 (Average)	
Imbalance between the three pillars of sustainable development i.e. environment, economy and people	4 4		<ul style="list-style-type: none"> Annual review of relevant IDP indicators and targets for the next financial year Application for the LED strategy Appointed Environmental management inspector Approved social development policy and strategy Consultation with external social development committee Implementation and annual review of the integrated human settlement plan Regular Environmental impact assessments SDF implementation 	0.3 (Good)	

(g) CAPITAL BUDGET LINKED TO STRATEGIC GOAL 3

<i>Strategic Objective</i>	<i>Strategic Initiatives</i>	<i>2019/2020</i>	<i>2020/2021</i>	<i>2021/2022</i>	<i>2022/2023</i>	<i>2023/2024</i>
Manage Development Services	Manage Development Services	36 000	38 000	40 000	42 000	44 000
	Manage Planning and Valuations	5 000 000	2 000 000	0	0	0
	Manage Human Settlements	32 780 000	24 800 000	0	0	0
	Manage the Caravan Park Yzerfontein	1 230 000	30 000	30 000	30 000	32 000
Total Goal 3		39 046 000	26 868 000	70 000	72 000	76 000

(h) OPERATING BUDGET LINKED TO STRATEGIC GOAL 3

<i>Strategic Objective</i>	<i>Strategic Initiatives</i>	<i>2019/2020</i>	<i>2020/2021</i>	<i>2021/2022</i>	<i>2022/2023</i>	<i>2023/2024</i>
Manage Development Services	Manage Development Services	2 106 002	2 254 999	2 452 700	2 643 491	2 798 632
	Manage Planning and Valuations	7 634 710	7 091 696	7 439 071	8 223 841	8 176 277
	Manage Building Control	2 965 963	3 163 441	3 449 212	3 706 985	3 937 099
	Manage Human Settlements	3 655 028	5 756 652	8 438 639	8 542 835	8 640 710
	Manage the Caravan Park Yzerfontein	2 133 894	2 339 767	2 518 398	2 719 267	2 895 355
Total Goal 3		18 495 597	20 606 556	24 298 020	25 836 419	26 448 074

STRATEGIC GOAL 4: CARING, COMPETENT AND RESPONSIVE INSTITUTIONS, ORGANISATIONS AND BUSINESS

(a) CURRENT STATE OF AFFAIRS

Educational institutions:

In 2017 Swartland had 31 schools which accommodated 17 647 learners. The proportion of no-fee schools was 71.0% in 2017. The number of schools equipped with libraries remained constant at 17 across the 2015 to 2017 period. Swartland also has the West Coast FET College Campus in Malmesbury that accommodated 1 266 students at the start of 2017.

Healthcare facilities:

In 2017/18 Swartland had 4 fixed clinics and 9 mobile primary healthcare clinics. In addition, there was also 1 community day centre, 1 district hospital, 13 ART and 18 TB treatment clinics/ sites.

Swartland Municipality:

Swartland Municipality has the following buildings:

- 6 municipal offices (Moorreesburg, Riebeek West, Riebeek Kasteel and Yzerfontein)
- 3 town halls (Malmesbury, Riebeek West and Moorreesburg)
- 5 community halls (Moorreesburg, Darling, Wesbank, Abbotsdale and Yzerfontein)
- 1 Thusong centre (Ilinge Lethu)
- 9 libraries (Malmesbury, Wesbank, Riebeek West, Riebeek Kasteel, Chatsworth, Abbotsdale, Darling, Darling North and Moorreesburg)
- 4 museums (Malmesbury, Moorreesburg, Darling, and Riebeek Kasteel)
- 5 tourism offices (Darling, Moorreesburg, Malmesbury, Riebeek Kasteel and Yzerfontein)

Other Institutions:

Swartland has a variety of institutions which include:

- 5 police stations - Darling, Malmesbury, Moorreesburg, Riebeek Kasteel and Riebeek West
- 4 community policing forums - Darling, Malmesbury, Moorreesburg and Riebeek West;
- 1 fire brigade - Malmesbury and 2 satellite fire brigades - Moorreesburg and Darling
- 3 traffic departments - Darling, Malmesbury and Moorreesburg
- 2 motor vehicle testing centres - Malmesbury and Moorreesburg
- 3 motor vehicle registration centres - Darling, Malmesbury and Moorreesburg
- 2 driving licence testing centres - Malmesbury and Moorreesburg
- 4 post offices - Darling, Malmesbury, Moorreesburg and Riebeek Kasteel
- 1 disaster management centre - Moorreesburg
- 3 holiday resort and camping facilities - Yzerfontein Caravan Park, Ganzekraal and Misverstand Dam Resort
- 46 Early Childhood Development (ECD) facilities
- 2 child and youth care centres - Malmesbury and Moorreesburg
- 5 old age homes - Darling, Malmesbury, Moorreesburg and Riebeek Kasteel
- 8 service centres for the elderly - Abbotsdale, Darling, Kalbaskraal, Malmesbury, Moorreesburg and Riverlands
- 1 shelter for homeless adults - Malmesbury

Financial:

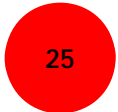

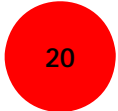

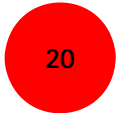

The current state of affairs in respect of Swartland Municipality's finances is contained in Chapter 8 Paragraph 8.1.

(e) ACTION PLAN

<i>Strategic Objectives</i>	<i>Strategic Initiatives</i>	<i>Key Performance Indicators</i>	<i>Targets</i>
4.1 A redesigned organisation structure that effectively facilitate the strategic objectives and purpose of the organisation	Review the organisation design in light of the IDP Strategy and recommend a new organisation design	Review completed	By June 2019
	Implement the redesigned organisation structure	Redesigned organisation structure implemented	During the 2019/2020 financial year
<i>4.2 Proactive succession and talent management that ensures consistent high levels of employee performance - Strategic Objective, Initiative, KPI and target deleted</i>			
4.3 Employment relations that create a climate of trust, cooperation and stability and accomplish a harmonious and productive workforce	Develop a programme of innovative interventions, e.g. diversity management and awareness, climate creation to ensure sound employee relations and practices	Programme developed for implementation during the 2019/2020 financial year Programme developed and implemented	By July ne 2019
4.4 More informed and effective ward councillors and ward committees	Compile, implement and monitor communication plans for individual ward councillors to enhance public participation	Annual communication Communication activities for ward councillors monitored in terms of PMS for councillors	Yes (Quarterly)
		Councillors' performance monitored by the Executive Mayor as part of the PMS for councillors.	Quarterly
4.5 An IT connectivity strategy for the Swartland	Develop an IT connectivity strategy and status quo report	Report finalised subject to Provincial Government's broadband project	By Jun 2019
4.6 Identify risks and implement preventative and corrective controls	Assign Risk Management responsibilities to Internal Audit as RM Shared Services contract ended	Updated Internal Audit Charter which include risk management facilitation role	By Jan 2019 and thereafter every second year
	Compile a Handover procedure to newly appointed Manager, Internal Audit	Complete handover procedure	By March 2019 2020
	Assign Disciplinary Committee responsibilities to four newly appointed members	Appointment of new members for the Disciplinary Committee over a period of six months for continuity	2 members by July 2020 and thereafter every three years
	Maintain an effective independent Performance, Risk and Financial Audit Committee as per legislation (Appoint for three years, but can extend for six years)	Appointment of new members for the PRF Committee over a period of three years for continuity	Annually by June
4.7 Sound long-term financial planning	Review the Long Term Financial Plan	Review completed	Annually by March

<i>Strategic Objectives</i>	<i>Strategic Initiatives</i>	<i>Key Performance Indicators</i>	<i>Targets</i>
including making the right investment decisions	Review budget related policies in line with the LTFP	Review completed	Annually by Feb
4.8 Sound financial management, budgeting and expenditure control	Each director to do a critical review of the cost drivers and implement a savings plan	Review completed	By Nov 2018
4.9 Broaden the tax/ revenue base	Create institutional capacity to facilitate this	Budget approved for critical interventions to give effect to increased revenue	By Mar 2019

(g) STRATEGIC RISKS LINKED TO STRATEGIC GOAL 4

<i>Risk Description</i>	<i>Likelihood Impact</i>	<i>Inherent Risk Rating</i>	<i>Current Controls</i>	<i>Control Effectiveness</i>	<i>Residual Risk exposure</i>
Insufficient fiscal governance and discipline	5 5		<ul style="list-style-type: none"> ▪ An implementation plan drawn up based on passed lessons learned at the vendor previous pilot sites ▪ Effective SDBIB monitoring ▪ Management monitoring of monthly reconciliations of control accounts (e.g. monthly VAT recon, debtors recon, bank recon) ▪ Monitoring of timelines to ensure the annual financial statements of the municipality is submitted in line with legislative requirements ▪ NT have provided high level awareness to key financial staff and delegated personnel from the various departments ▪ Own funds/ grant funding have been budgeted for the software upgrades if the current system is kept ▪ System upgrades have been happening on an ongoing basis and are in line with the NT hardware framework ▪ Yearly reconciliation of assets to the financial system 	0.50 (Average)	
Unauthorised, irregular, fruitless and wasteful expenditure	4 5		<ul style="list-style-type: none"> ▪ Reconciliation of Control Accounts ▪ Financial policies (SCM, cash and investment, budget, credit control and debt collection, Anti-corruption and fraud prevention) ▪ Functional disciplinary committee ▪ Sufficient separation of duties 	0.4 (Good)	
Theft, fraud and corruption	4 5		<ul style="list-style-type: none"> ▪ Anti-corruption and fraud prevention policy ▪ Audit processes ▪ Efficient oversight and decision making structures ▪ Hotline/ Awareness campaigns ▪ Oversight structures (MPAC and Audit Committee) ▪ Rewards policy ▪ Value system 	0.4 (Good)	

<i>Risk Description</i>	<i>Likelihood Impact</i>	<i>Inherent Risk Rating</i>	<i>Current Controls</i>	<i>Control Effectiveness</i>	<i>Residual Risk exposure</i>
Lack of appropriately skilled and productive staff	4 5	20	<ul style="list-style-type: none"> ▪ Bio- metric time keeping system ▪ Implement policy for the recognition of achievement ▪ Individual perception surveys with staff every second year ▪ Performance management systems in place ▪ Recruitment and selection policy ▪ Succession planning ▪ Training done in accordance with work skills plan ▪ Vetting of certificates and reference checks ▪ Work place skills plan 	0.4 (Good)	8
Inadequate management and IT systems	4 5	20	<ul style="list-style-type: none"> ▪ IT Steering Committee ▪ Electronic management systems ▪ Disaster recovery and business continuity plan ▪ Skilled and experienced personnel. ▪ Adequate budgets for capital and operations ▪ Training ▪ Annual review of ICT Governance framework ▪ Annual review of ICT strategic plan ▪ Reconciliations of change logs and change requests 	0.3 (Good)	6
Unsafe and unhealthy working conditions and environment	4 5	20	<ul style="list-style-type: none"> ▪ Safety representatives ▪ Bi-annual workplace safety awareness campaigns in all departments ▪ Health and safety training ▪ Health and Safety Committee ▪ Incident Reporting System ▪ Labour forum involvement ▪ Monthly declaration by directors of safety conditions ▪ Safety plans for construction projects ▪ Safety specifications and weekly monitoring ▪ Start card system (checklist) 	0.35 (Good)	7
Unstable governance caused by political interference	4 5	20	<ul style="list-style-type: none"> ▪ Adequately skilled management ▪ Training and development of new councillors ▪ Well defined roles and functions: section 53 role clarifications ▪ Effective ward committees ▪ System of delegations 	0.35 (Good)	7

<i>Risk Description</i>	<i>Likelihood Impact</i>	<i>Inherent Risk Rating</i>	<i>Current Controls</i>	<i>Control Effectiveness</i>	<i>Residual Risk exposure</i>
Insufficient revenue to meet the demand for quality services	4 4	16	<ul style="list-style-type: none"> ▪ Automated credit control system; ▪ Annual review of the credit control/ indigent policy; ▪ Application of the development contribution policy <p>Income modelling to secure cost reflective services in the main and efficiencies in expenditure management plus effective oversight by Senior Management team and Mayoral Committee and grasp of service delivery model when reviewing organisational structure.</p>	0.35 (Good)	5.6
Non-Compliance	4 4	16	<ul style="list-style-type: none"> ▪ Annual reviews of existing policies ▪ Audit processes/ Oversight structures (MPAC and Audit Committee, Efficient oversight and decision making structures) ▪ Automated system and exception reporting ▪ Enforcement of penalties and fines ▪ Legal compliance systems 	0.35 (Good)	5.6
Lack of good Governance	3 4	12	<ul style="list-style-type: none"> ▪ Annual evaluation of Audit Committee by Mayor and MM ▪ Annual review, updated and monitoring the implementation of the municipality's strategic plan (IDP) ▪ Anti-corruption and fraud prevention policy ▪ Audit processes/ oversight structures (MPAC and Audit Committee, Efficient oversight and decision making structures) ▪ Disciplinary board for investigation of irregular, unauthorised and fruitless and wasteful expenditure ▪ Implementation of risk management ▪ Strong and effective leadership ▪ Systems of delegation/ Performance management systems 	0.35 (Good)	4.2
Unsatisfied/ Uninvolved/ Uninformed clients	3 3	9	<ul style="list-style-type: none"> ▪ Adequately represented ward committees ▪ Amendment of ward committee rules and procedures ▪ Annual review of communication action plans and relevant IDP indicators and targets for next financial year ▪ Client satisfaction surveys ▪ Incident register and programme/ client services charter/ 24 hour service delivery 	0.4 (Good)	3.6

(h) CAPITAL BUDGET LINKED TO STRATEGIC GOAL 4

<i>Strategic Objective</i>	<i>Strategic Initiatives</i>	<i>2019/2020</i>	<i>2020/2021</i>	<i>2021/2022</i>	<i>2022/2023</i>	<i>2023/2024</i>
Manage Corporate Services	Manage Corporate Services, Secretariat and Records and Ward Committees	18 000	560 000	22 000	24 000	26 000
	Manage Properties, Contracts and Legal Administration	60 000	50 000	37 000	39 000	41 000
	Manage Libraries	50 000	0	0	0	0
<i>Subtotal</i>		<i>128 000</i>	<i>610 000</i>	<i>59 000</i>	<i>63 000</i>	<i>67 000</i>
Manage Electrical Engineering Services	Manage ICT Services	490 000	1 190 000	1 065 000	675 000	1 155 000
<i>Subtotal</i>		<i>490 000</i>	<i>1 190 000</i>	<i>1 065 000</i>	<i>675 000</i>	<i>1 155 000</i>
Manage the Office of the Municipal Manager	Manage the Office of the Municipal Manager	10 000	10 000	10 000	10 000	12 000
<i>Subtotal</i>		<i>10 000</i>	<i>10 000</i>	<i>10 000</i>	<i>10 000</i>	<i>12 000</i>
Manage Financial Services	Manage Financial Services	46 000	24 000	26 000	28 000	30 000
	Manage Finance (Credit Control, Income and Expenditure)	0	445 824	730 656	599 600	516 000
<i>Subtotal</i>		<i>46 000</i>	<i>469 824</i>	<i>756 656</i>	<i>627 600</i>	<i>546 000</i>
Manage council expenses	Manage council expenses	10 000	10 000	10 000	659 000	12 000
<i>Subtotal</i>		<i>10 000</i>	<i>10 000</i>	<i>10 000</i>	<i>659 000</i>	<i>12 000</i>
<i>Total Goal 4</i>		<i>684 000</i>	<i>2 289 824</i>	<i>1 900 656</i>	<i>2 034 600</i>	<i>1 792 000</i>

(i) OPERATING BUDGET LINKED TO STRATEGIC GOAL 4

<i>Strategic Objective</i>	<i>Strategic Initiatives</i>	<i>2019/2020</i>	<i>2020/2021</i>	<i>2021/2022</i>	<i>2022/2023</i>	<i>2023/2024</i>
Manage Corporate Services	Manage Corporate Services, Secretariat and Records and Ward Committees	10 114 151	10 629 771	11 272 512	12 134 827	12 702 632
	Manage Human Resource Services	5 512 322	5 462 671	5 933 508	6 457 744	6 736 437
	Manage Properties, Contracts and Legal Administration	3 987 005	4 268 764	4 636 984	4 983 649	5 312 260
	Manage Libraries	9 151 284	9 675 031	10 435 419	11 160 425	11 905 152
	Manage Marketing and Tourism	1 477 451	1 525 180	1 610 783	1 648 216	1 708 054
Subtotal		30 242 213	31 561 417	33 889 207	36 384 861	38 364 534
Manage Electrical Engineering Services	Manage ICT Services	12 317 676	13 490 029	14 529 296	15 355 573	16 184 839
Subtotal		12 317 676	13 490 029	14 529 296	15 355 573	16 184 839
Manage the Office of the Municipal Manager	Manage the Office of the Mun. Manager	3 039 001	3 245 876	3 638 583	3 793 540	4 032 802
	Manage Internal Audit	1 858 277	1 965 280	2 118 498	2 332 672	2 388 143
	Manage Strategic Services	2 011 059	2 148 210	2 368 700	2 488 821	2 670 469
Subtotal		6 908 337	7 359 365	8 125 780	8 615 033	9 091 413
Manage Financial Services	Manage Financial Administration	1 914 990	2 047 786	2 223 954	2 378 895	2 553 729
	Manage Supply Chain Management	6 019 317	6 395 882	6 995 338	7 487 096	7 973 630
	Manage the Budget and Treasury Office	2 170 368	1 825 333	1 963 784	2 049 208	2 145 921
	Manage Finance (Credit Control, Income and Expenditure)	37 997 764	40 151 649	43 286 512	46 546 476	49 034 367
	Manage Assets	1 181 286	1 175 479	1 298 109	1 364 766	1 450 397
	Manage Fleet	961 759	1 020 889	1 116 708	1 164 350	1 238 982
Subtotal		50 245 485	52 617 017	56 884 405	60 990 791	64 397 025
Manage Council Expenses	Manage Council Expenses	16 944 107	18 087 658	19 099 074	20 200 851	21 232 031
Subtotal		16 944 107	18 087 658	19 099 074	20 200 851	21 232 031
Total Goal 4		116 657 818	123 115 486	132 527 762	141 547 109	149 269 842

STRATEGIC GOAL 5: SUFFICIENT, AFFORDABLE AND WELL-RUN SERVICES

(a) CURRENT STATE OF AFFAIRS

Water:

92.8% of the Swartland households had access to piped water as their main source for drinking water in 2016. 84.0% had piped water inside the dwelling/house, 8.3% inside the yard and 0.3% on a community stand. A further 6.0% of the households had access to borehole water.

Bulk water provision:

Swartland Municipality is supplied with bulk water from the Voëlvlei and Misverstand dams. The ownership of these dams vests with the Department of Water and Sanitation. Increasing the licensed abstraction amount with the Department in order to ensure sufficient water availability in future remains an area of concern as previous attempts to achieve this was unsuccessful. Increased future water demand will also require the implementation of major capital projects. The ability to raise capital to implement these projects is a further area of concern.

Electricity:

In 2016 electricity from the mains was used as follows by Swartland households:

	Percentage of households	
	2016	2011
For cooking	96.1%	92.9%
For lighting	98.7%	97.8%
For water heating	96.5%	72.4%
For space heating	76.9%	72.4%

Sanitation:

The percentage of households with access to a flush toilet connected to sewage system or a chemical toilet improved from 91.0% in 2011 to 96.2% in 2016. 97.8% of the main toilet facilities were either in the dwelling/house or in the yard.

According to the 2016 Community Survey 989 households still made use of bucket toilets (emptied by the household). Of the 989 households 153 lived on farms (where the municipality does not deliver a sanitation service) and 836 in the urban area (where no official bucket system service is available). This is a cause for concern.

Refuse removal:

There has been a significant improvement between 2011 and 2016 in the percentage of households in the Swartland that receives refuse removal services by the local authority at least once a week - 83.5% households in 2016 enjoyed such services, compared to 76.2% in 2011.

Roads:

There are 316 km surfaced roads in the Swartland (2.06 billion m²) with a total asset value of R568.25 billion. The maintenance requirement is to reseal roads every 12 years. This equates to 171 400 m² or R21.77 million per year.

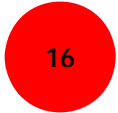



On average 39 500 m² are resealed per year and the average spending on resurfacing over the past 5 years was on average R3.99 million per year. In 2017 the annual backlog was 130 000 m² and the total backlog in resurfacing R269 million.

(e) ACTION PLAN

<i>Strategic Objectives</i>	<i>Strategic Initiatives</i>	<i>Key Performance Indicators</i>	<i>Targets</i>
5.1 Secure sufficient long term bulk water provision	Conduct a section 78 investigation	Section 78 investigation completed and report submitted to Portfolio Committee	Yes (by end of June 2019)
	Work with relevant role-players to commit to an agreed service delivery model.	An agreed service delivery model	Yes (by end of June 2020)
	Develop a water conservation and water demand management strategy (WCWDM Strategy)	Policy document completed and submitted to Portfolio Committee	Yes (by end of October 2019)
	Conduct an alternative water source study	Study completed and report submitted to Portfolio Committee	Yes (by end of June 2020)
5.2 Maintenance and upgrading that sustain and improve the current condition of surfaced roads	Investigate and report to council annually on the status quo condition of surfaced roads	Report submitted to the Portfolio Committee	Yes (by end of Sep annually)
	Inform budgetary processes of funding requirement for maintenance and upgrading of surfaced roads.	Budget requirements calculated and budget informed	Yes (by end of Nov annually)
5.3 Ensure sufficient civil services capacity for planned developments	Review and maintain master plans in accordance with the most recent growth model information	Master plans reviewed and maintained	Yes (annually by end of March)
5.4 Maintenance and upgrading that sustain the current condition of civil infrastructure	Inform budgetary processes of funding requirement for maintenance, renewal, upgrading, extension and refurbishment of civil infrastructure	Budget requirements calculated and budget informed	Yes (by end of November annually)
5.5 Ensure sufficient electricity capacity for planned developments (built environment) that are feasible	Review and maintain master plans	Master plans reviewed and maintained	Yes (annually by end of June)
	Secure available capacity for Yzerfontein	Capacity secured	By June 2019
5.6 Maintenance and upgrading that sustain and improve the current condition of electrical infrastructure	Inform budgetary processes of funding requirement for maintenance, renewal, upgrading, extension and refurbishment of electrical infrastructure	Budget and motivation submitted to budget office (minimum 6% of annual electricity revenue allocation is a Nersa license condition)	Yes (by end of November annually)
5.7 Provide electricity cost effectively	Provide competitive tariffs for industrial consumers in support of economic growth	Approval of tariffs by Nersa	Annually before end of June
	Maintain energy losses at an acceptable level	% total energy losses (technical + non-technical)	Maintain the annual average below 8%

(g) STRATEGIC RISKS LINKED TO STRATEGIC GOAL 5

<i>Risk Description</i>	<i>Likelihood Impact</i>	<i>Inherent Risk Rating</i>	<i>Current Controls</i>	<i>Control Effectiveness</i>	<i>Residual Risk exposure</i>
Ageing and poorly maintained infrastructure	5 5	25	<ul style="list-style-type: none"> ▪ Review of variance reports; ▪ Exception reporting of energy matters; ▪ Annual Budget provision for maintenance, renewal, upgrading and refurbishment of existing obsolete networks and equipment; ▪ Monthly monitoring of losses; ▪ Indigent household incidents are monitored and addressed within a specific time period; ▪ Maintenance plans for major infrastructure ▪ Updated and relevant master plans. ▪ Availability of reliable and specialised equipment. ▪ Scheduled inspections ▪ Continuous monitoring of infrastructure capacity ▪ Insurance of assets 	0.63 (Average)	15.75
Lack of capacity in respect of infrastructure	5 5	25	<ul style="list-style-type: none"> ▪ Implementation of master planning and annual review of the master plan with respect to water and sewerage services ▪ Implementation of master planning and annual review of the master plan with respect to electricity services ▪ Adequate budget provision/ pavement management system ▪ Application of the development contribution policy 	0.48 (Average)	12
Security of water supply	4 5	20	<ul style="list-style-type: none"> ▪ Water monitoring committee ▪ Water restrictions ▪ Prepaid water systems Pilot ▪ Awareness Campaigns (Printed Media, Social Networking, Posters, engaging with repeat high usage offenders) ▪ All water incidents recorded on Collaborator - Emergency repairs 	0.48 (Average)	9.6
Security of electricity supply	4 5	20	<ul style="list-style-type: none"> ▪ Adequate annual capital budget for upgrading and refurbishment ▪ Skilled and experienced personnel. ▪ Redundant network capacity. ▪ Strategic stock. ▪ Adequate operational budget 	0.3 (Good)	6

<i>Risk Description</i>	<i>Likelihood Impact</i>	<i>Inherent Risk Rating</i>	<i>Current Controls</i>	<i>Control Effectiveness</i>	<i>Residual Risk exposure</i>
Expensive and unaffordable services	4 4		<ul style="list-style-type: none"> Monitoring of the financial health of the Municipality against financial standards and scientific approach to budgeting and financial modelling inclusive of effective cash flow management and a grasp of realistic revenue generation capacity. Measurement and reporting to management team on financial performance against ratio`s and standards 	0.35 (Good)	
Inability to deliver mandate and basic services	3 4		<ul style="list-style-type: none"> Adequate budgeting processes Master planning services Adequate Town Planning SDF/ IDP/Review of the plans on an annual basis 	0.30 (Good)	

(h) CAPITAL BUDGET LINKED TO STRATEGIC GOAL 5

<i>Strategic Objective</i>	<i>Strategic Initiatives</i>	<i>2019/2020</i>	<i>2020/2021</i>	<i>2021/2022</i>	<i>2022/2023</i>	<i>2023/2024</i>
Manage Civil Engineering Services	Manage Civil Engineering Services	42 000	44 000	50 000	52 000	54 000
	Manage Cemeteries	0	0	0	0	0
	Manage Parks and Recreational Areas	848 000	1 518 800	1 280 000	2 032 000	2 164 000
	Manage Sewerage	54 000	662 800	2 354 000	9 254 000	2 070 000
	Manage Waste Water Treatment Works	38 898 409	51 656 998	26 753 000	6 961 248	500 000
	Manage Sportsgrounds	850 000	2 128 749	6 700 000	0	0
	Manage Streets	21 494 000	38 502 960	40 372 640	40 360 250	42 884 517
	Manage Storm water	1 876 000	58 000	1 060 000	12 062 000	3 791 284
	Manage Water Provision	0	0	0	0	0
	Manage Water Storage	6 644 913	401 400	8 450 200	38 289 000	23 199 657
	Manage Municipal Property	5 156 750	5 545 300	25 500	333 600	28 500
Manage Refuse Removal	6 518 000	2 816 000	8 109 200	10 682 900	1 351 000	
Subtotal		82 382 072	103 335 007	95 154 540	120 026 998	76 042 958
Manage Electrical Engineering Services	Manage Electrical Engineering Services	350 000	350 000	350 000	350 000	360 000
	Manage Electricity Distribution	19 793 650	24 450 000	25 229 000	12 298 000	11 500 000
Subtotal		20 143 650	24 800 000	25 579 000	12 648 000	11 860 000
Total Goal 5		102 525 722	128 135 007	120 733 540	132 674 998	87 902 958

(i) OPERATING BUDGET LINKED TO STRATEGIC GOAL 5

<i>Strategic Objective</i>	<i>Strategic Initiatives</i>	<i>2019/2020</i>	<i>2020/2021</i>	<i>2021/2022</i>	<i>2022/2023</i>	<i>2023/2024</i>
Manage Civil Engineering Services	Manage Civil Engineering Services	3 650 736	3 908 240	4 254 500	4 513 985	4 788 026
	Manage Cemeteries	625 319	648 666	675 363	702 253	732 960
	Manage Parks and Recreational Areas	15 796 016	16 257 490	17 721 514	18 916 239	20 101 231
	Manage Proclaimed Roads	10 888 055	327 973	8 520 371	361 590	383 285
	Manage Sewerage	44 940 196	46 343 548	46 501 593	47 182 952	48 189 818
	Manage Waste Water Treatment Works	7 027 515	7 461 359	7 974 917	8 469 374	9 028 691
	Manage Sportsgrounds	4 824 717	4 612 668	4 947 890	5 174 369	5 398 762
	Manage Streets	37 651 312	38 351 032	40 260 465	40 648 451	40 818 254
	Manage Storm water	16 174 034	17 379 392	18 458 347	19 666 706	21 138 602
	Manage Swimming Pools	2 282 239	2 433 778	2 621 903	2 804 531	3 059 479
	Manage Water Provision	64 258 667	61 817 546	65 058 186	68 520 561	71 862 486
	Manage Municipal Property	14 911 729	11 573 616	12 339 735	13 700 372	13 179 618
	Manage Refuse Removal	23 799 003	25 506 499	28 610 051	29 498 823	30 863 248
	Manage Street Cleaning	4 915 753	5 228 015	5 554 318	5 902 381	6 237 287
Manage Solid Waste Disposal (Landfill Sites)	6 506 615	6 817 712	7 284 067	7 655 686	7 997 542	
Subtotal		258 251 906	248 667 534	270 783 220	273 718 273	283 779 289
Manage Electrical Engineering Services	Manage Electrical Engineering Services	1 648 420	1 769 214	1 916 999	2 067 187	2 212 216
	Manage Electricity Distribution	261 683 882	298 071 132	339 376 844	386 099 895	438 819 766
	Manage Street Lighting	1 564 479	1 670 797	1 798 763	1 901 190	2 038 968
Subtotal		264 896 781	301 511 143	343 092 606	390 068 272	443 070 950
Total Goal 5		523 148 687	550 178 679	613 875 826	663 786 543	726 850 237

Chapter 8: Financial planning and budgets

8.1 Financial Plan *[Update]*

SECTION 1: PURPOSE AND KEY OUTCOMES OF THE LONG TERM FINANCIAL PLAN

Section 215 of the Constitution of the Republic of South Africa requires that all National, Provincial and Municipal budgets and budgetary processes promote the following principles -

- Transparency;
- Accountability; and
- The effective financial management of the economy, debt and the public sector.

In order to fulfil this constitutional obligation towards the citizens of South Africa, sound financial principles and policies should be adopted by all municipalities. These policies should ensure that municipalities remain financially viable while also delivering high quality basic services.

The Municipal Budget and Reporting Regulations (section 7) requires the Accounting Officer (Municipal Manager) to prepare, or take all reasonable steps to ensure the preparation of the Budget Related Policies of the municipalities which includes a policy relating to the long term financial plan. This indicates that there must be:

- A Long Term Financial Plan Policy which guides the preparation of a long term financial plan; and
- A Long Term Financial Plan.

The long term financial plan is considered to be one of the most important plans, as this plan does not only incorporate various development and implementation plans for the provision of basic services, it also aims to assist Municipal Councillors and Management to make informed decisions relating to the provision of basic services and capital programs and the funding thereof.

Goals and objectives, which constitute the core of the financial plan, should be established for the short term (12 months), medium term (2-5 years) as well as the long term (beyond 5 years). These goals and objectives should guide all budget and policy related decisions of the Municipality and should directly inform the Municipality's estimated expenditure over the medium to long term.

The long-term financial plan is influenced by various factors of which many are not solely under control of the Municipality. The following is the most significant factors impacting on the plan:

- Salary increases of around 6.5% excluding a further annual notch increase and other employee benefit increases such as housing subsidies, pension, medical aid contributions, etc. as determined at national bargaining level and outside the control of the Municipality;
- Preliminary increase of around 15.63% in Eskom's bulk purchase price;
- The impact on the economy and job losses as a result of poor economic growth;
- Impact of Eskom load shedding;
- Interest on capital costs to service the existing external loans;
- Compulsory statutory provisions for devaluation of assets, bad debt, and sufficient GRAP provision for post-employment medical contributions and long service awards;

- Service delivery challenges / demands;
- The socio-economic conditions and consumer profiles of communities.

All things remaining equal, tariff increases for the next five years are as follow:

- Property rates – average 7% per year. This is not necessarily a pure increase in tariffs, but also takes the expansion of the valuation base into consideration.
- Service charges – average 8.42% per year. The main reason for the relatively high increase is the electricity tariff increase that is determined by Nersa. Electricity represents approximately 54% to 55% of the total service charges (including free basic services).

The projection of collection rates for rates and service charges debtors remain unchanged at 95% for the current budget cycle except for water services that is 90%. This is a direct result of the current financial climate and the actual result the water restriction tariffs have on the current outstanding debtors. Although it can be considered to be very conservative it reflects the current reality within South Africa. It necessarily has a significant impact on cash flow projections as well as outstanding debtors' balances. The net result for the budgeted amounts for the five year period of this budget cycle is however still positive

Strategic objectives were developed for each focus area that are specifically linked to the multi-year budgets and is given effect to in the Service Delivery and Budget Implementation Plan. The municipality has also ensured that there is a distinction between municipal functions and those of other spheres of government.

To achieve the above, a balancing act is required between the set objectives and available financial resources, while taking into consideration the effect of tariff adjustments on the community as a whole, and more particularly the needs of the poor and vulnerable. In addition, like as in the rest of the country we have not escaped the downturn in the economy, which has had a considerable influence to not only disposable income levels in our area, but has further lowered the level of unemployment and growth prospects.

SECTION 2: STRATEGIC ALIGNMENT

The development of the Long Term Financial Plan is an output of financial and other strategies and aims to identify financial imbalances or opportunities and to develop strategies to counteract the imbalances.

The plan is informed, but not limited, to the following:

- Legislative framework within which the Municipality operates;
- Integrated Development Plan;
- Spatial Development Plan
- Municipal policies adopted;
- Master plans;
- National Development Plan;
- Provincial strategic plans;
- Sector plans; and
- By-laws.

The National Development Plan identified the following challenges that need to be addressed in all policies in the public sector:

- Too few people work;
- The quality of school education for black people is poor;
- Infrastructure is poorly located, inadequate and under-maintained;
- Spatial divides hobble inclusive development;
- The economy is unsustainably resource intensive;
- The public health system cannot meet demand or sustain quality;
- Public services are uneven and often of poor quality;
- Corruption levels are high; and
- South Africa remains a divided society.

The specific alignment of each IDP Strategic Goal with national and provincial plans and policies can be found in Chapter 7 of this IDP.

SECTION 3: CURRENT REALITIES

The demographic information and local economy reality can be found in Annexure 1 of this IDP. The following deductions are however important:

- While already faced with a housing and infrastructure backlog (similar to other municipalities in the country), the rapid population growth rate places enormous strain on the Municipality to keep up with the ever growing demand for housing and related services.
- The population growth, and through that the demand on services, exceeds the economic growth.
- In contrast to the surrounding municipalities across the West Coast District, Swartland has displayed resilient economic growth through some trying market conditions both locally and abroad.
- The municipality is rank in the top 10 municipalities in the country when it comes to the lowest unemployment rate.
- Swartland Municipality is ranked the top municipality in the country based on households having access to electricity and 5th based on access to piped water. However based on sewerage (Flush toilet connected to sewerage) and refuse (Weekly refuse removal) statistics there are still room for improvement, as the municipality is ranked 35th and 47th respectively in these categories.
- The municipality, at current population levels, requires funding for an additional 13 963 dwellings after the projected additions until 2019/20 have been taken into account. However, this does not include the expected population growth which in turn will increase this requirement significantly. The municipality is already under pressure to provide bulk services. Housing additions of this magnitude will increase this pressure on infrastructure development. Due to the high cost of infrastructure development, as well as the related maintenance cost, severe demands will be placed on the financial resources of the municipality.

SECTION 4: FINANCIAL OVERVIEW: REVENUE MANAGEMENT

Swartland derives approximately 84% to 91% of revenue (excluding conditional capital and operating grants) from the following sources:

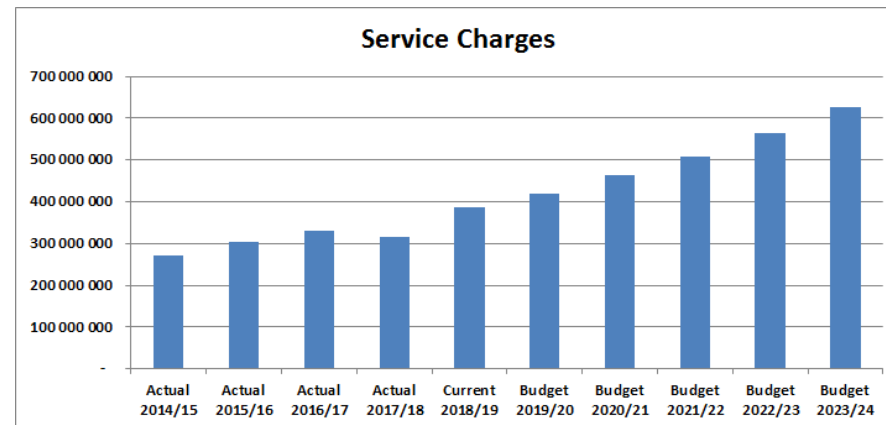
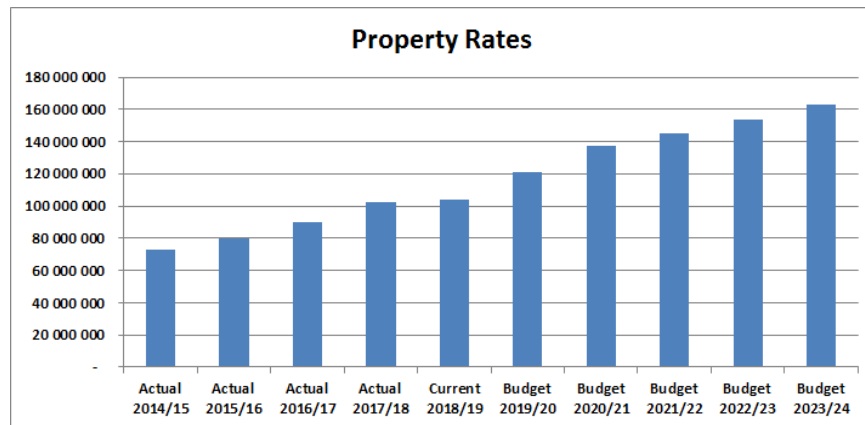
- Property rates
- Service charges
- Unconditional grant funding (equitable share)
- Fines

Total revenue (excluding conditional capital and operating grants) amounted to R429 662 million in 2014/2015 and is projected to grow to R 905 271 million in 2023/2024.

Main revenue streams will be analysed in more detail below.

4.1 Property Rates

During 2014/2015, property rates accounted for 13.7% of the total revenue of Swartland Municipality. This percentage is set to increase to 15.43% by 2023/2024. Translated into Rand, the revenue derived from property rates will increase from R73 331 million in 2014/2015 to R162 615 million in 2023/2024 as indicated in the *graph below left*.



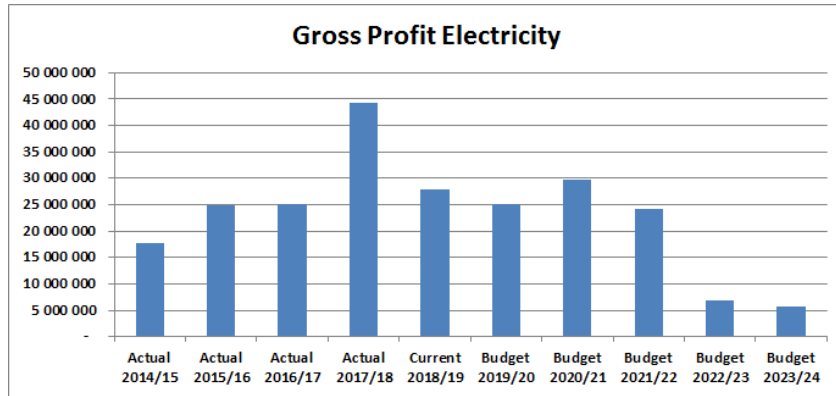
4.2 Service Charges (*graph above right*)

Service charges include Electricity-, Water-, Sewerage- and Refuse Revenue and accounted for R270 890 million or 50.6% of the total revenue in 2014/2015. It is projected that Service charges will increase to R627 725 million in 2023/2024. This represents 59.58% of the total revenue in 2023/2024.

4.2.1 Service Charges – Electricity

In 2014/2015 electricity service charges contributed 35.55% to total revenue. This contribution increases to 43.54% in 2023/2024.

Electricity service charges have historically been a “profit making” service for most municipalities. Surpluses generated in distributing electricity is utilised to cross-subsidise other functions of the municipality where services are unable to be cost effective. Tariff increases are however regulated by Nersa resulting in the gross profit derived from the electricity service decreasing initially over the ten-year period.



R thousand	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	2019/2020 (R'000)	2020/2021 (R'000)	2021/2022 (R'000)
Revenue – Electricity	271 186	302 372	344 716	381 867
Expenditure – Electricity	231 613	264 897	301 511	343 093
Net Surplus / (Deficit)	39 573	37 475	43 205	38 775
Net Surplus / (Deficit) %	15%	12%	13%	10%
Net Surplus / (Deficit) % (excl. unconditional and capital grants)	11%	8%	7%	5%

4.2.2 Service Charges – Water

R thousand	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	2019/2020 (R'000)	2020/2021 (R'000)	2021/2022 (R'000)
Revenue – Water Management	84 537	77 935	78 655	92 795
Expenditure – Water Management	59 118	64 259	61 818	65 058
Net Surplus / (Deficit)	25 419	13 676	16 837	27 737
Net Surplus / (Deficit) %	30%	18%	21%	30%
Net Surplus / (Deficit) % (excl. unconditional and capital grants)	(1%)	(11%)	1%	3%

4.2.3 Service Charges – Sanitation

R thousand	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	2019/2020 (R'000)	2020/2021 (R'000)	2021/2022 (R'000)
Revenue – Sanitation	71 876	83 932	92 086	85 655
Expenditure – Sanitation	45 322	51 968	53 805	54 477
Net Surplus / (Deficit)	26 554	31 965	38 281	31 179
Net Surplus / (Deficit) %	37%	38%	42%	36%
Net Surplus / (Deficit) % (excl. unconditional and capital grants)	(11%)	(18%)	(15%)	(9%)

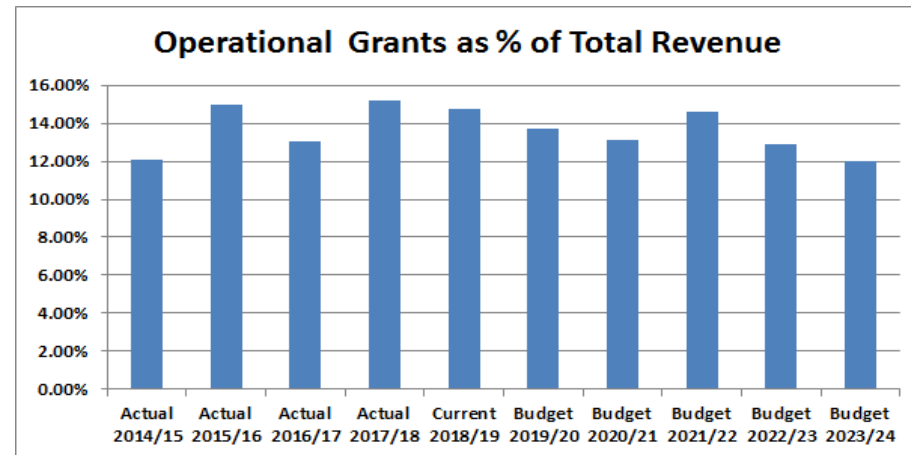
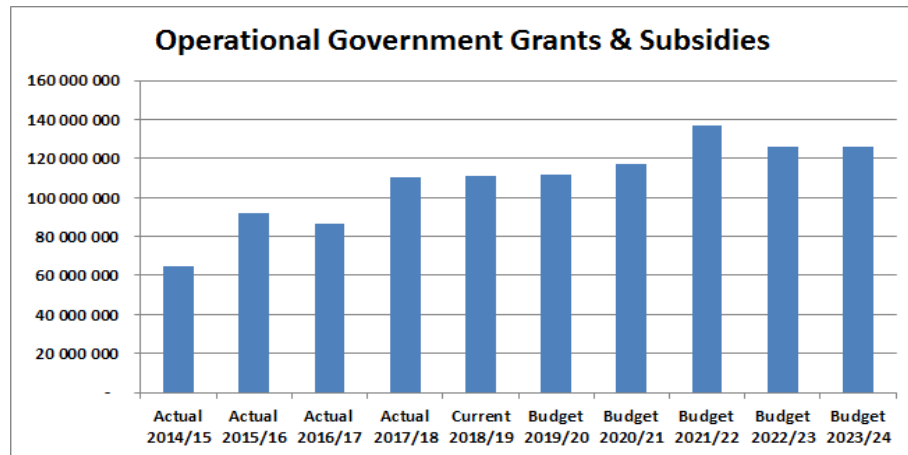
4.2.4 Service Charges – Refuse

R thousand	Current Year 2018/19	2019/20 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	2019/2020 (R'000)	2020/2021 (R'000)	2021/2022 (R'000)
Revenue – Refuse Removal	40 172	42 736	45 209	48 163
Expenditure – Refuse Removal	34 815	35 221	37 552	41 448
Net Surplus / (Deficit)	5 357	7 515	7 656	6 715
Net Surplus / (Deficit) %	13%	18%	17%	14%
Net Surplus / (Deficit) % (excl. unconditional and capital grants)	(29%)	(23%)	(23%)	(28%)

4.3 Grant Funding

Operational grant funding (including equitable share) has been received

Grant funding as percentage of total revenue



Due to a strong revenue base Swartland Municipality is not overly dependent on government grants.

SECTION 5: FINANCIAL OVERVIEW: EXPENDITURE MANAGEMENT

“Building on cost containment guidelines approved by Cabinet in October 2013, government at all levels will need to identify opportunities to increase efficiency and reduce waste. At a national level, the 2015 budget paid particular attention to reducing line items that are not critical to service delivery to reinforce cost containment. Municipalities are still urged to implement the cost containment measures...” - **Circular 82 – Cost Containment Measures**.

In the municipal environment, the following line items are considered to be the main cost drivers, as it represents more than 90% of the total operating expenditure of the Swartland Municipality:

- Employee related costs
- Debt impairment
- Depreciation and asset impairment
- Bulk purchases
- Other expenditure (including repairs and maintenance)

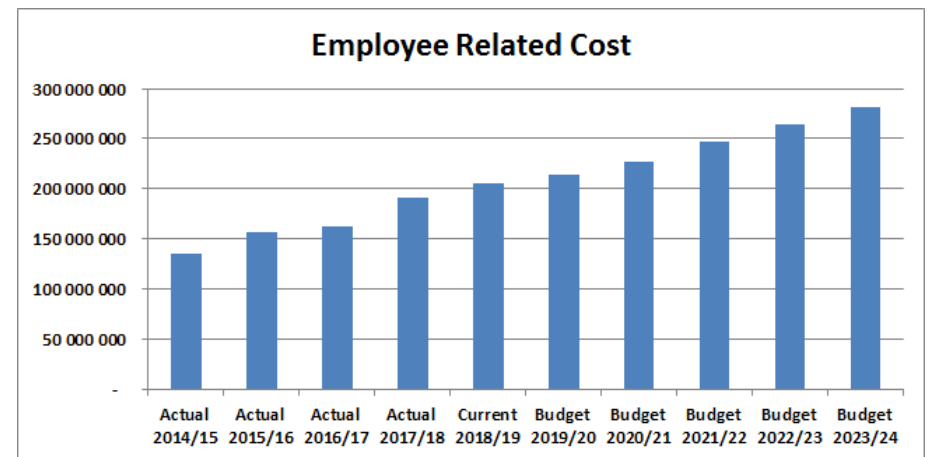
Total operating expenditure (excluding expenditure directly related to conditional grant funding) amounted to R494 690 million in 2014/2015. This figure is expected to increase to R974 945 million in 2023/2024 and are the major line items analysed in detail below.

5.1 Employee Related Costs

Employee related costs (including councillor remuneration) increase from 27.77% in 2014/2015 to 29.59% in 2023/2024. It is of the utmost importance to monitor this line item on a regular basis to ensure that it is within set limits. Excessive increases, without the corresponding increase in revenue, could negatively impact on the long-term sustainability of the municipality.

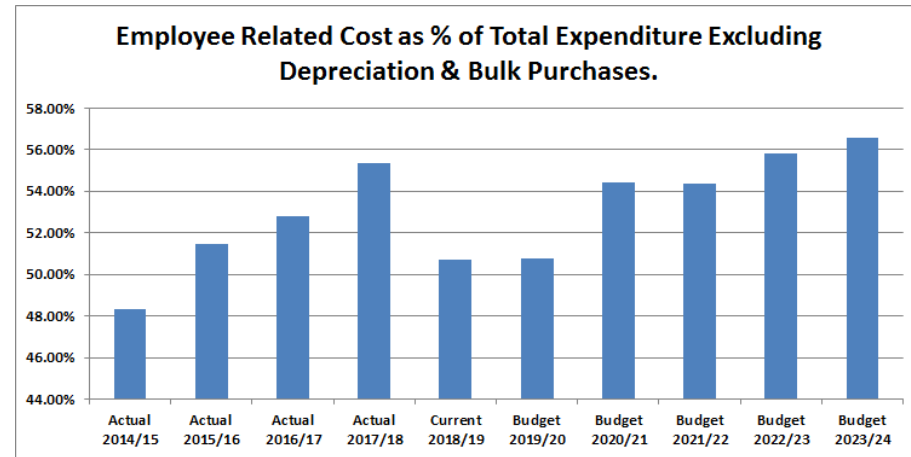
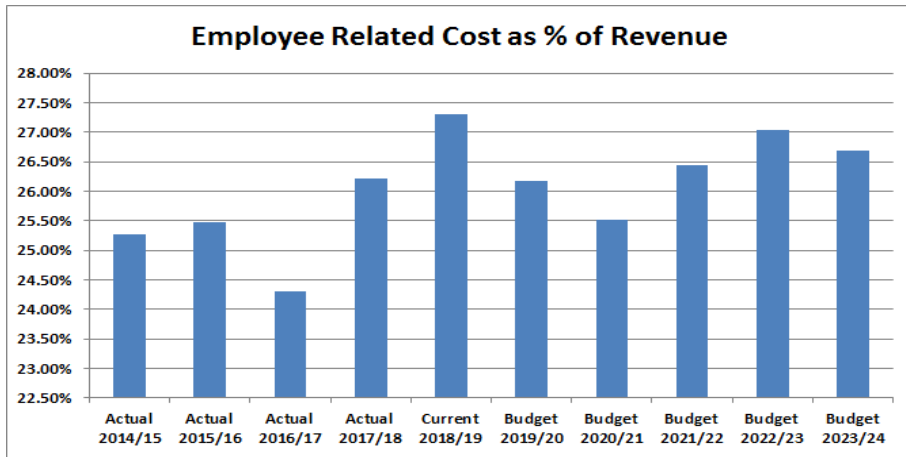
The total employee related costs of Swartland Municipality is set to increase from R143 404 million in 2014/2015 to R295 136 million in 2023/2024. This increase, which factors in proposed annual increases per Circular 91 of the National Treasury and are the increases illustrated in the **graph on the right**.

To evaluate the projected employee related cost figure, it is compared to certain benchmarks established in the Western Cape in recent years. Employee related cost is benchmarked against both revenue and expenditure to evaluate the appropriateness of the projected figures.



Firstly, Employee Related Costs is benchmarked against revenue. As indicated in the **graph below left**, the employee related costs as % of revenue is also well within the NT norm of 25% - 40%.

Fines revenue can have a significant effect on the ratio above and it is considered prudent to reduce fine revenue in line with actual receipts before reaching final conclusions.



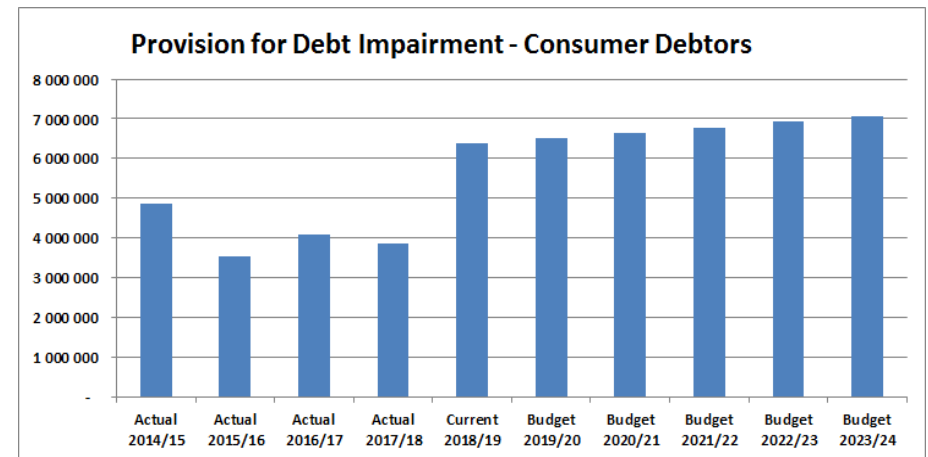
Secondly, Employee Related Costs is measured against an operating expense indicator. The *graph above right* excludes material items such as Depreciation and Bulk Purchases.

5.2 Debt Impairment

Although considered by many to be a non-cash item and not very important to include in the operating budget, it is very important to accurately budget for debt impairment to reduce the gross receivable balance to the net recoverable amount. It is also very important to factor any potential non-payment of debtors into the tariff structure of the municipality.

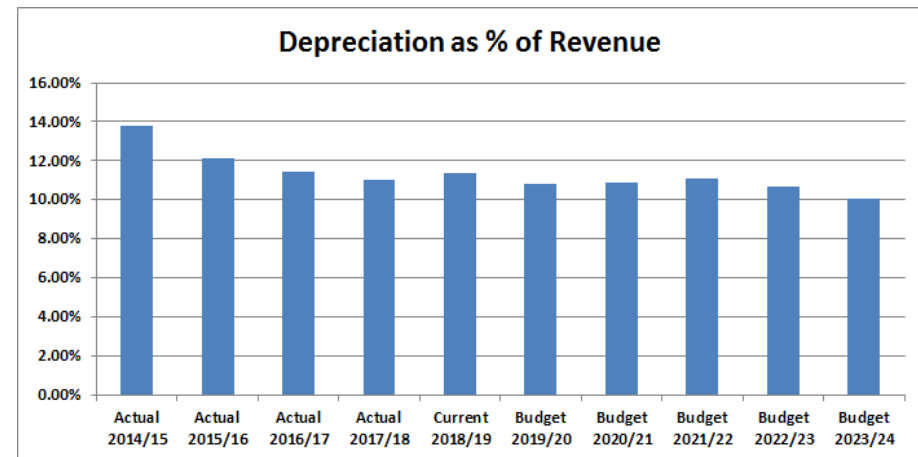
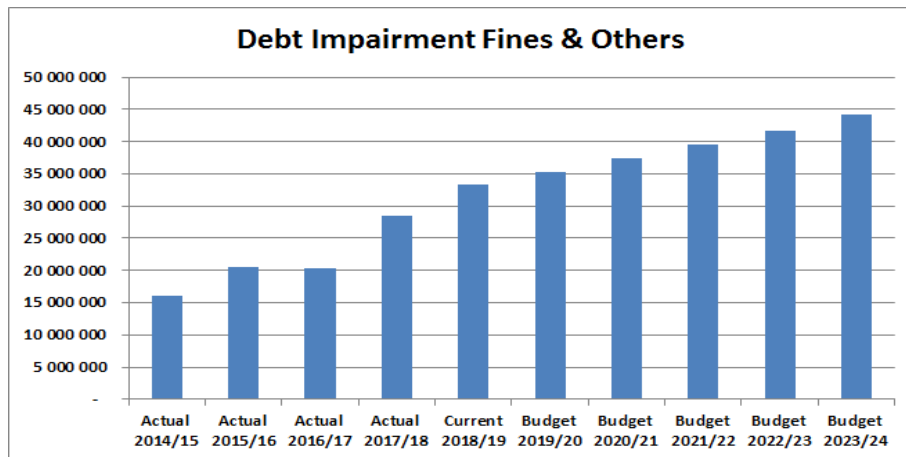
The debt impairment figure consist out of 2 significant items, namely the impairment charge relating to consumer debtors (including rates receivables) as well as the impairment charge relating to fines.

For budgeting purposes, the municipality utilized a payment ratio of 97.29% for the 2017/2018 financial year. In the new budget, the payment percentage of 95% will remain unchanged at 95% from 2019/2020 except for water that was adjusted downwards to 90%. This has a significant impact on future cash flow projections. If the current financial situation in South Africa is evaluated the 95 % is a much more realistic and conservative approach.



This "buffer" of 5% and 10% between the levied amounts and projected collection rate will be to the advantage of the municipality in future years. If the municipality can achieve to collect more than the projected 95% and 90% it can beat financial forecasts in the future which will allow the municipality to contribute the cash surpluses to the Capital Replacement Reserve and ensure that municipal assets can be renewed or replaced on their due date.

The significant increase in debt impairment relating to fines can be attributed to the changes in iGRAP 1 specifically relating to fines (non-exchange revenue). The municipality is encouraged to improve collection rates relating to fines. This will not only reduce the level of debt impairment charges to be recognized, but also significantly improve the net cash position of the municipality.



5.3 Depreciation and Asset Impairment

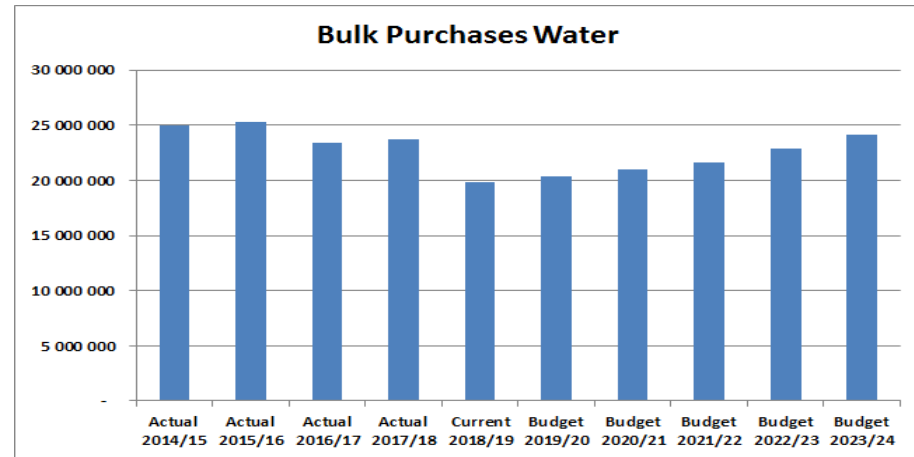
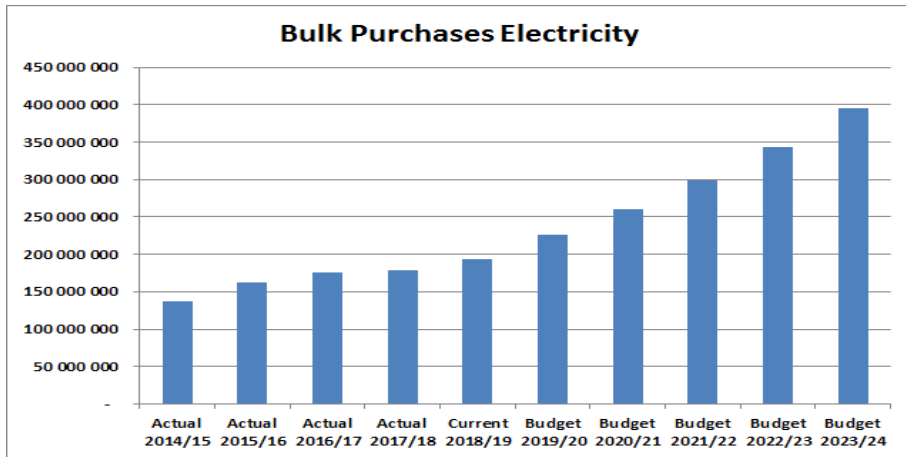
Depreciation is widely considered a proxy for the measurement of the rate of asset consumption. Although depreciation is a non-cash item, the expense should still be factored into the tariffs and rates charged by the municipality to ensure that sufficient resources are available when assets need to be replaced.

This relative high contribution that depreciation and asset impairment makes towards the total operating expenditure mix of the municipality can be attributed to the following:

- The continued large capital program employed by the Municipality; and
- The application of a deemed cost in terms of Directive 7 issued by the Accounting Standards Board for the valuation of infrastructure asset. This effect has however become more diluted over recent years.

5.4 Bulk Purchases

The increase in bulk purchases is largely beyond the control of the municipality, as this expenditure line item is linked to the level of consumption by consumers as well as increases passed onto the municipality by Eskom (bulk electricity) and the West Coast District Municipality (bulk water).



The municipality can however control internal consumption of water and electricity to a certain extent by applying strict measures that will ensure that departments within the municipality use these “commodities” sparingly. The municipality can control distribution losses to a certain extent by ensuring that infrastructure assets are well maintained, all consumers are billed accurately for water and electricity consumption and by implementing strict controls to limit illegal connections.

5.5 General Expenditure

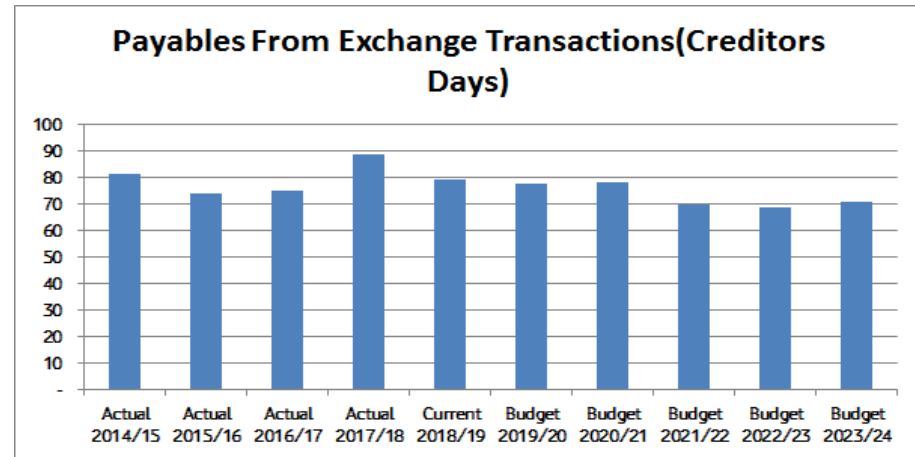
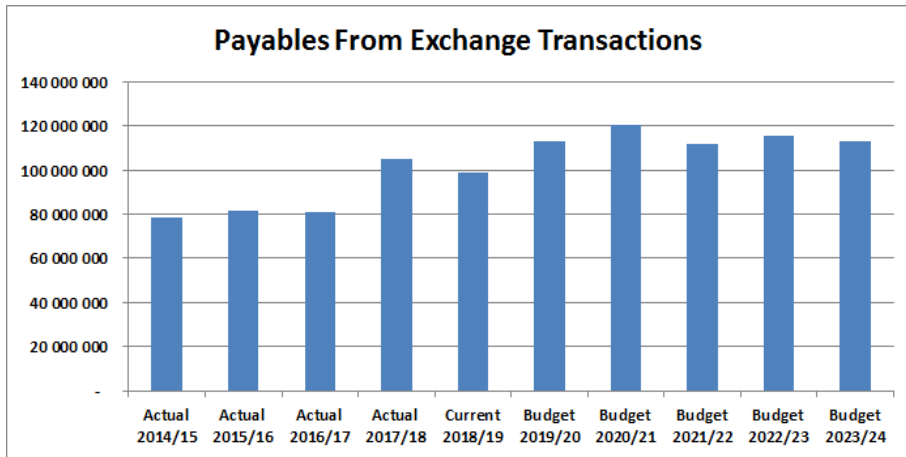
Significant changes were implemented in regards to general expenditure with the implementation of mSCOA on 1 July 2017. The categorization of expenditure was altered significantly resulting in no realistic comparison between previous years and budgeted years in regards to expenditure of this nature.

SECTION 6: FINANCIAL OVERVIEW: DEBTORS AND CREDITORS MANAGEMENT

Debtor and creditor management forms an integral part of any municipality’s long term financial strategy. Municipalities should ensure that they fully utilise credit terms (within the limits of the MFMA) provided to them by suppliers, while also ensuring that any money owing to them is collected as soon as possible. This will ensure that maximum cash levels are maintained at all times, which in turn will result in higher possible returns on money invested by the municipality.

The municipality has always managed to pay creditors when they become due and payable. It is assumed in the compilation of the budgeted figures for the period 019/2020 to 2023/2024 that the status quo will be maintained and for this reason payables are projected to move in line with estimated operating and capital expenditure programs.

The payment rate of the municipality is expected to be very consistent for the next 5 years. However, any decline in cash balances (refer to section 7) could negatively impact on this ratio.

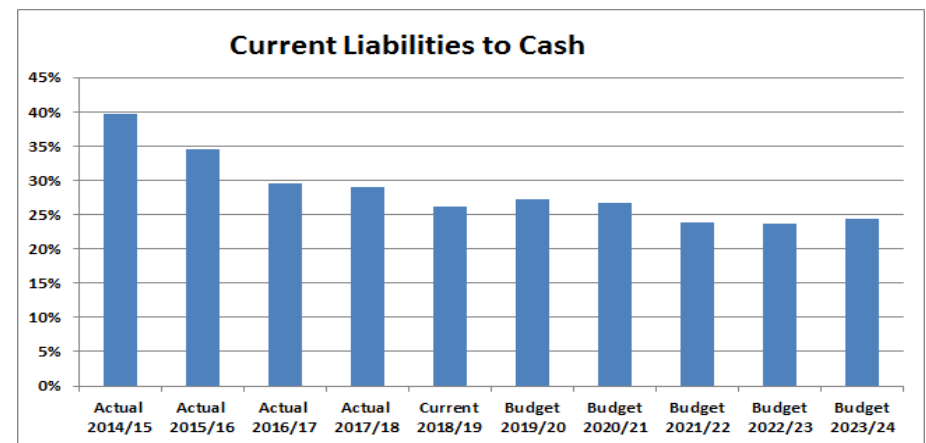


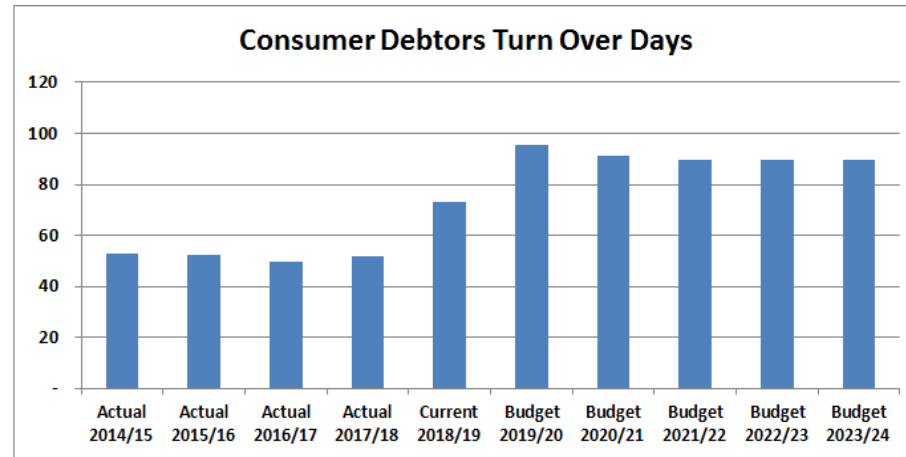
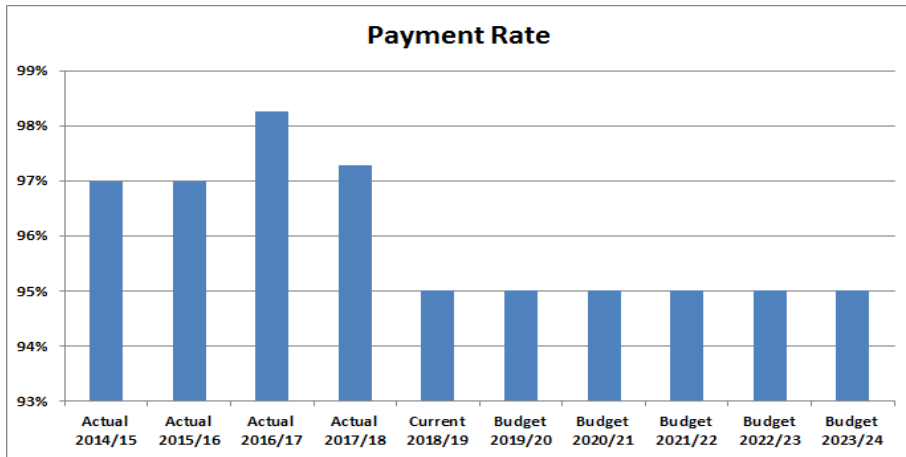
The ratio is above the norm of 30 days. This is not considered an immediate concern as long as payments are affected within MFMA limits. It should be noted that payables include items such as retentions and staff leave that will not necessarily be converted into cash within the norm of 30 days.

With reference to indicators that can be evaluated, the municipality should review the ratio between current liabilities and cash. This ratio initially had a negative trend, but it stabilized and indicates deterioration over the longer term as indicated in the *graph on the right*.

There is no real reason for concern, but the collection rate for debtors used for budget purposes is 95% and 90% for water. Although this is a downward adjustment from the 97.29% used in previous years it still needs to be achieved and maintained to ensure the future financial viability and sustainability of the municipality.

Debt collection is considered to be one of the major areas that contribute significantly to the financial well-being of any municipality. Although Swartland Municipality has, by applying strict collection measures, kept the outstanding debt for service charges and property rates in check it is still growing year on year.





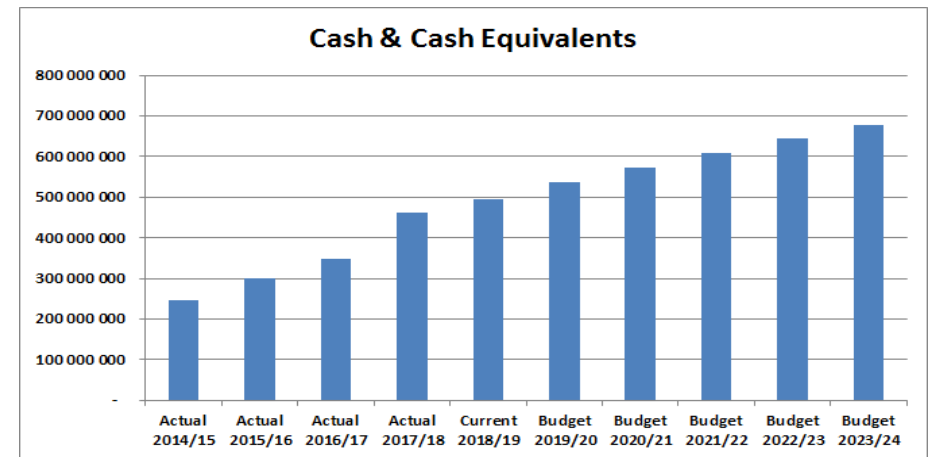
Although the debtors' turnover days are acceptable it is alarming that it is steadily increasing over the budget period

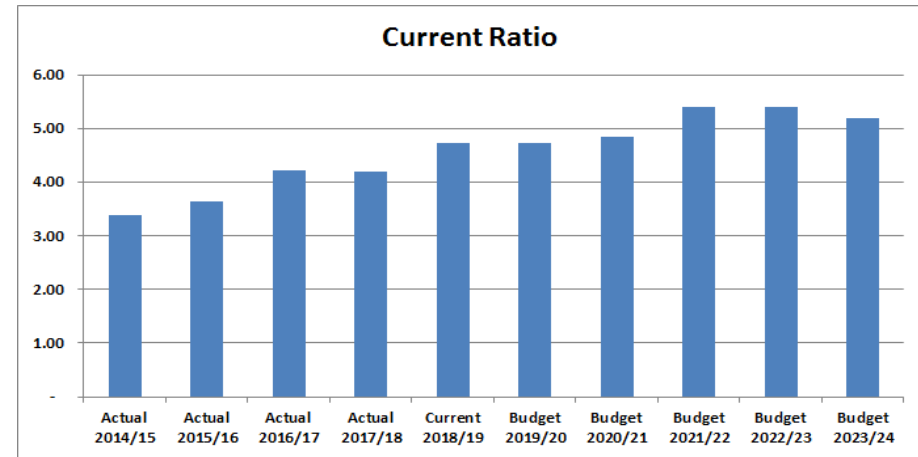
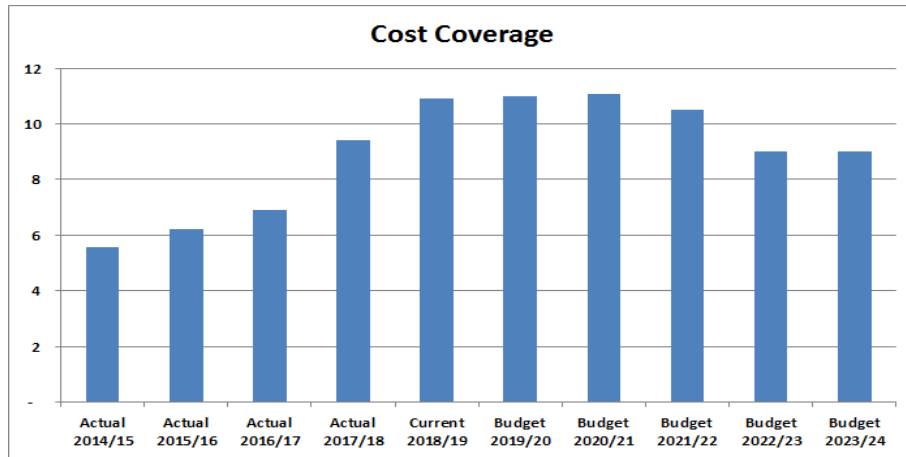
SECTION 7: FINANCIAL OVERVIEW: CASH MANAGEMENT

Cash management is the legal obligation to maximize all available resources and productivity levels and minimise ineffective expenditure and risks. This is done to accumulate sufficient cash and cash equivalents to secure the achievement of present and future constitutional objectives within the framework of the long-term financial plan as informed by the institution's integrated development plan.

On the assumption that the municipality will fully implement the capital and operating programs over the next 5 years, it is projected that the cash resources will increase during the 2019/2020 MTREF period (*graph on the right*).

The cost coverage calculates the number of months the municipality will be able to cover operational costs with the current available cash resources. The *graph below left* indicates that this is not a problem at this stage.



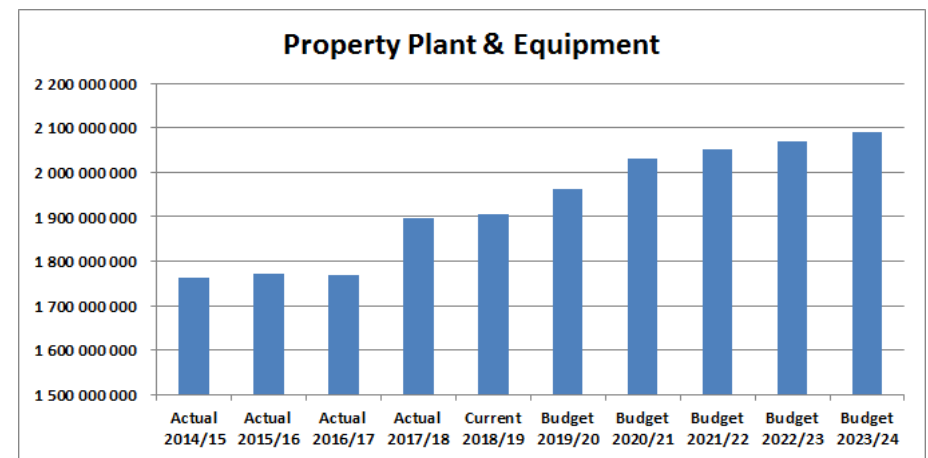


The current ratio measures the current assets to the current liabilities. The accepted norm for this ratio is 2:1. The higher the ratio, the better for the municipality. From the *graph above right* it is clear that Swartland Municipality is well above the norm. The Western Cape Provincial Treasury indicated that a ratio of 4:1 should be maintained at all times to ensure the financial sustainability of the municipality. The municipality manages to achieve this ratio for 2019/2020 to 2023/2024 budget period.

SECTION 8: FINANCIAL OVERVIEW: ASSET MANAGEMENT

Swartland Municipality has a large investment in property, plant and equipment (PPE). The carrying value of PPE is projected to be very constant over the period under review as capital additions is projected to be approximately in line with the annual depreciation charge (*graph on the right*).

This large investment in PPE is basically the result of a continued large capital program employed at the municipality to ensure that basic services are delivered at all times and service delivery backlogs are addressed. The municipality should however be conscious of the fact that a significant capital program, if not financed through a well-balanced mix (grants, long term liabilities and accumulated internal funds), can have a negative effect on the financial sustainability of the municipality. Not only does the outflow of cash (as a result of the acquisition) have a potential negative impact on the financial viability of the municipality, the maintenance burden placed on the municipality could also be significant.



It is projected that the municipality will employ the following capital program over the next 5 years (2019/2020 to 2023/2024):

Descriptor	2018/19 (R'000)	2018/19 %	2019/20 (R'000)	2019/20 %	2020/21 (R'000)	2020/21 %	2021/22 (R'000)	2021/22 %	2022/23 (R'000)	2022/23 %	2023/24 (R'000)	2023/24 %
Funded by:												
National Government	27 975	28%	31 301	22%	37 285	22%	40 429	33%	23 000	17%	22 294	25%
Provincial Government	21 747	22%	36 860	26%	34 651	21%	10	0%		0%		0%
Other transfers and grants	2 250	2%		0%		0%		0%		0%		0%
Borrowing		0%	22 631	16%	27 369	16%		0%		0%		0%
Internally generated funds	46 813	47%	53 315	37%	67 025	40%	83 370	67%	112 769	83%	68 456	75%
Total Capital Funding	98 785	100%	144 108	100%	166 330	100%	123 809	100%	135 769	100%	90 750	100%

To ensure that the above structure is affordable, the program should be evaluated against the municipality's ability to generate cash to meet the demand of the program:

R thousand	2018/19	2019/20	2020/21	2021/22
Cash generated by operations	136 025	150 856	214 934	170 662
Repayment of borrowing	(8 867)	(14 651)	(13 298)	(12 114)
Loans to be raised	–	50 000	–	–
	127 157	186 205	201 636	158 549
Proposed capital program	98 785	144 108	166 330	123 809
Surplus / (Deficit)	28 372	42 098	35 306	34 740

It is evident that sufficient funds are generated from operations to meet the demand of the capital program for the 2019/2020 MTREF.

SECTION 9: FINANCIAL OVERVIEW: FUNDING AND RESERVE STRATEGY

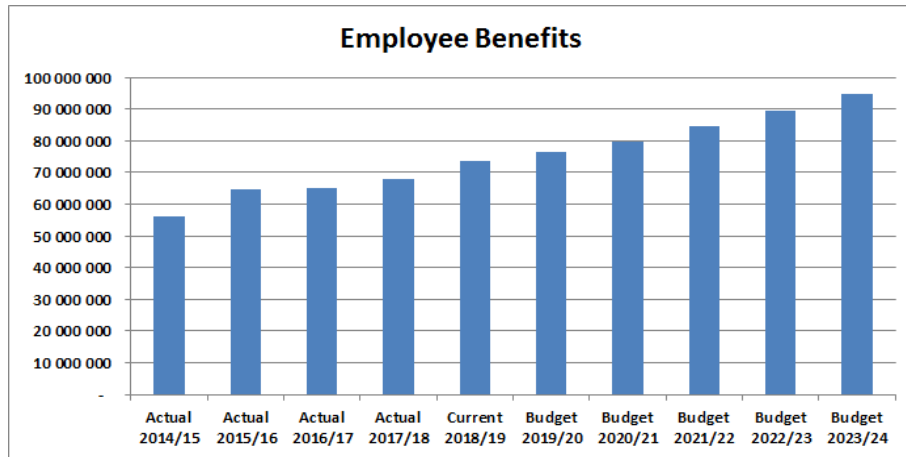
The funding and reserve strategy consists out of three components:

- Management of reserves
- Management of external debt
- Investment Strategy

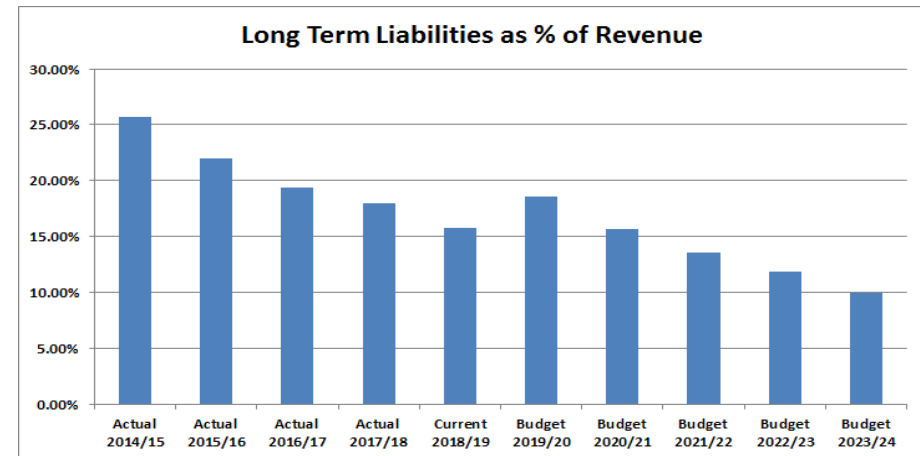
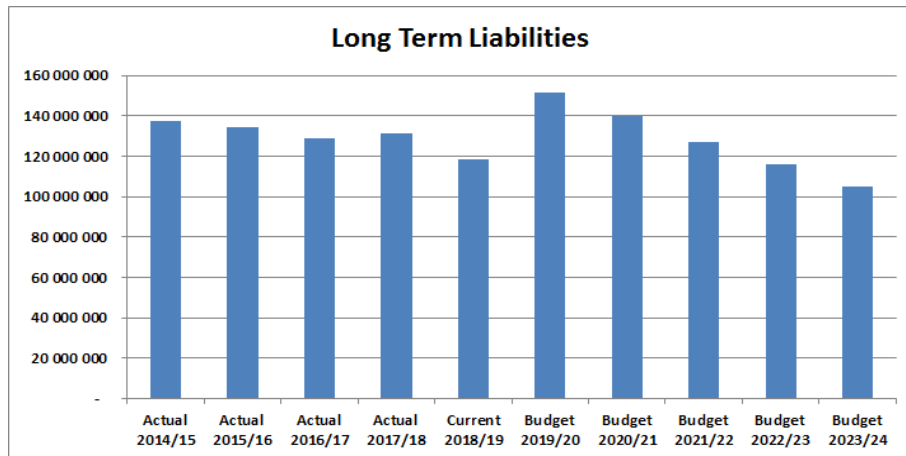
In order to maintain any form of reserve, the municipality needs to ensure that sufficient cash resources are available to back the reserve. With the huge investment in PPE and the rising costs of insurance the municipality should investigate the possibility of implementing a self-insurance reserve. Currently the municipality only utilises a Capital Replacement Reserve.

Apart from the Capital Replacement Reserve, that is utilised to provide funding for internally funded projects, the municipality should also recognise the need for other reserves to be created. With reference to the statement of financial position, the municipality has material non-current provisions in the form of Employee Benefit Provisions (Long term awards and Post-retirement medical benefits). There is currently no legal requirement to ensure that these provisions are cash-backed. However, the municipality should implement strategies that will enable the creation of reserves to ensure that these provisions are cash funded when it becomes due and payable.

The employee benefit provision was stated at R55 999 million in 2014/2015 and is projected to increase to R94 870 million in 2023/2024 (*graph below*).



External borrowing is an important part of the funding model of the municipality. Not only does it instantly provide the municipality with relatively inexpensive capital to fast-track service delivery and infrastructure backlogs, but it also ensures that the user of the infrastructure pay for the use over the lifetime of the asset. The current capital program provides for a portion of the program to be financed through external financing. Over the period up to 30 June 2024, the outstanding long term liabilities of the municipality are expected to fluctuate as in the *graph below left*.



The figures include the long term liabilities relating to the water function that was transferred from the West Coast District Municipality. The figures also includes an external loan to the amount of R50 million for the water treatment works in Moorreesburg and Darling that are in need of critical upgrades and included in the 2019/20 MTREF capital budget. The funding mix for these projects also includes MIG (municipal infrastructure grant) and the CRR (capital replacement reserve).

The final component of the funding and reserve strategy relates to investments. The municipality is currently employing a sound strategy with regards to investments as investment returns constitutes a healthy percentage of annual revenue. These sound strategies should be maintained to ensure that excess cash is invested at all times to maximize returns.

SECTION 10: MODELLING OF FINANCIAL PLAN AND SCENARIO SETTING

The outcomes of the projected amounts for the MTREF are very favourable and there is not much to add. The following items do need some discussion and investigation:

1. Additional contributions will be made to the Capital Replacement Reserve amounting to R61 643 million in 2019/2020, R93 866 million in 2020/21 and R94 930 million in 2021/22 to ensure financial sustainability. The depreciation written off for the period 2019/2020 to 2023/2024 however amounts to R493 965 million. The capital expenditure budgeted for during the same period amounts to R660 765 million. Capital expenditure with regards to the upgrading or replacement of existing assets as percentage of total capex is 56.8% in 2019/2020, 53.3% in 2020/2021 and 67.3% in 2021/2022.
2. The envisaged collection rate with regards to debtor's accounts will remain unchanged at 95% except for water that was adjusted downwards to 90%. This adjustment had a significant impact on the cash flow projections for the municipality. Taking the current economic situation in consideration this is a very realistic and conservative adjustment and should ensure that the municipality achieve and maintain projections throughout the budget cycle (all things remaining equal).
3. The population growth in the municipality and especially the division in age indicate that more people are migrating to the municipality than through a natural growth through birth. This could expand even further the already increasing housing need within the municipality with further increased demands on bulk infrastructure and service delivery.

8.3 Swartland Municipality's budgets [Update]

(a) FIVE YEAR CAPITAL BUDGET PER DEPARTMENT

<i>Department</i>	<i>Division / Service</i>	<i>2019/2020</i>	<i>2020/2021</i>	<i>2021/2022</i>	<i>2022/2023</i>	<i>2023/2024</i>
Office of the Municipal Manager	Equipment MM	10 000	10 000	10 000	10 000	12 000
	Equipment Council	10 000	10 000	10 000	10 000	12 000
	Vehicles				649 000	
Subtotal		20 000	20 000	20 000	669 000	24 000
Civil Engineering Services	Equipment	42 000	44 000	50 000	52 000	54 000
	Parks and Amenities	848 000	1 518 800	1 280 000	2 032 000	2 164 000
	Sewerage	54 000	662 800	2 354 000	9 254 000	2 070 000
	Sports Fields	850 000	2 128 749	6 700 000	0	0
	Roads	21 494 000	38 502 960	40 372 640	40 360 250	42 884 517
	Storm water	1 876 000	58 000	1 060 000	12 062 000	3 791 284
	Water Provision	6 644 913	401 400	8 450 200	38 289 000	23 199 657
	Buildings and Maintenance	5 156 750	5 545 300	25 500	333 600	28 500
	Cleaning Services	6 518 000	2 816 000	8 109 200	10 682 900	1 351 000
	Waste water treatment plants	38 898 409	51 656 998	26 753 000	6 961 248	500 000
Subtotal		82 382 072	103 335 007	95 154 540	120 026 998	76 042 958
Corporate Services	General, Secretariat and Records as well as Ward Committees	18 000	560 000	22 000	24 000	26 000
	Administration: Properties and Contracts	60 000	50 000	37 000	39 000	41 000
	Communication and Public Relations	50 000				
Subtotal		128 000	610 000	59 000	63 000	67 000
Development Services	Equipment	36 000	38 000	40 000	42 000	44 000
	Community Development	850 000	7 231 168			
	Built Environment	5 000 000	2 000 000			
	Human Settlements	32 780 000	24 800 000			
	Caravan Park Yzerfontein	1 230 000	30 000	30 000	30 000	32 000
Subtotal		39 896 000	34 099 168	70 000	72 000	76 000
Electrical Engineering Services	General and equipment	350 000	350 000	350 000	350 000	360 000
	ICT Services	490 000	1 190 000	1 065 000	675 000	1 155 000
	Operations, Maintenance and Construction	19 793 650	24 450 000	25 229 000	12 298 000	11 500 000
Subtotal		20 633 650	25 990 000	26 644 000	13 323 000	13 015 000
Financial Services	Financial Services General	46 000	469 824	756 656	627 600	546 000
Subtotal		46 000	469 824	756 656	627 600	546 000
Protection Services	Traffic and Law Enforcement	886 850	844 720	979 360	857 380	843 750
	Fire and Emergency Services	115 000	961 000	125 000	130 000	135 000
Subtotal		1 001 850	1 805 720	1 104 360	987 380	978 750
TOTAL		144 107 572	166 329 719	123 808 556	135 768 978	90 749 708

(b) TEN LARGEST CAPITAL PROJECTS - 2017/2018

PROJECT	BUDGET	SOURCE(S) OF FINANCE
Sewerage: Moorreesburg	R30 200 420	MIG (R16 267 200) , External Loan (R13 933 220)
Roads Swartland: Resealing of roads	R15 000 000	CRR
Riebeek Kasteel Housing Project	R13 980 000	DHS
Sibanye Moorreesburg	R10 000 000	DHS
Sewerage: Darling	R8 697 989	External Loan
Renewal of old/ageing electrical networks or new networks	R8 000 000	CRR
Kalbaskraal Housing Project	R5 000 000	DHS
Phola Park / De Hoop electrical infrastructure and bulk supply	R5 000 000	INEP
Energy Efficiency projects including upgrading of street lights, flood lighting and building installations	R5 000 000	EEDSM
Darling RSEP Project	R5 000 000	RSEP (R4 000 000), CRR (R1 000 000)

The ten largest capital projects represent a total budget of R105 878 40 which is 73.47% of the total capital budget.

(c) FIVE YEAR CAPITAL BUDGET PER IDP STRATEGIC

Strategic Goal	2019/2020	%	2020/2021	%	2021/2022	%	2022/2023	%	2023/2024	%
1: Improved quality of life for citizens	1 851 850	1.2	9 036 888	5.4	1 104 360	1.8	987 380	0.7	978 750	1.0
2: Inclusive economic growth	0	0	0	0	0	0	0	0	0	0
3: Quality and sustainable living environment	39 046 000	27.0	26 868 000	16.1	70 000	0.0	72 000	0.0	76 000	0.0
4: Caring, competent and responsive institutions, organisations and business	684 000	0.4	2 289 824	1.3	1 900 656	1.5	2 034 600	1.4	1 792 000	1.9
5: Sufficient, affordable and well-run services	102 525 722	71.1	128 135 007	77.0	120 733 540	97.5	132 674 998	97.7	87 902 958	96.8
TOTAL	144 107 572	100.0	166 329 719	100.0	123 808 556	100.0	135 768 978	100.0	90 749 708	100.0

(d) FIVE YEAR OPERATING BUDGET PER IDP STRATEGIC GOAL

Strategic Goal	2019/2020	%	2020/2021	%	2021/2022	%	2022/2023	%	2023/2024	%
1: Improved quality of life for citizens	76 841 365	10.4	80 856 878	10.4	86 816 532	10.1	89 776 871	9.7	94 806 972	9.5
2: Inclusive economic growth	300 000	0.0	150 000	0.0	150 000	0.0	150 000	0.0	150 000	0.0
3: Quality and sustainable living environment	18 495 597	2.5	20 606 556	2.7	24 298 020	2.8	25 836 419	2.8	26 448 074	2.7
4: Caring, competent and responsive institutions, organisations and business	116 657 818	15.9	123 115 486	15.9	132 527 762	15.5	141 547 109	15.4	149 269 842	15.0
5: Sufficient, affordable and well-run services	523 148 687	71.1	550 178 679	71.0	613 875 826	71.6	663 786 543	72.1	726 850 237	72.9
TOTAL	735 443 467	100.0	774 907 600	100.0	857 668 140	100.0	921 096 943	100.0	997 525 124	100.0

8.4 Swartland Municipality's financial allocations *[Update]*

(a) THE DIVISION OF REVENUE BILL (DORA) - GOVERNMENT GAZETTE 42217 OF 8 FEBRUARY 2019

GRANT	2019/2020	2020/2021	2021/2022
Equitable share	91 534 000	102 195 000	114 293 000
Energy Efficiency and Demand Side Management Grant	5 000 000	5 000 000	6 729 000
Local Government Financial Management Grant	1 550 000	1 550 000	1 550 000
Expanded Public Works Programme (EPWP) - Target: 106 FTEs for 2019/20	1 768 000	0	0
Municipal Infrastructure Grant (MIG)	21 301 000	22 285 000	23 700 000
Integrated National Electrification Programme (Municipal) Grant	5 000 000	10 000 000	10 000 000
Integrated National Electrification Programme (Eskom) Grant	963 000	4 017 000	4 238 000
TOTAL	127 116 000	145 047 000	160 510 000

(b) PROVINCIAL GAZETTE EXTRAORDINARY 8058 OF 5 MARCH 2019

GRANT	2019/2020	2020/2021	2021/2022
Western Cape Financial Management Support Grant	330 000	0	0
Financial Management Capacity Building Grant	379 000	0	0
Human Settlements Development Grant (beneficiaries)	12 450 000	45 000 000	20 200 000
Regional Socio-Economic Project (RSEP)	4 000 000	2 000 000	0
Financial assistance for maintenance and construction of transport infrastructure	4 374 000	176 000	8 176 000
Library service: Replacement funding for most vulnerable B3 municipalities	5 032 000	5 606 000	5 914 000
Community Library Services Grant	4 575 000	4 800 000	3 975 000
Thusong Service Centres Grant (Sustainability: Operational Support Grant)	0	110 000	0
Fire Service Capacity Building Grant	0	841 000	0
Resourcing funding for establishment and support of a K9 unit	2 000 000	2 200 000	2 420 000
Municipal accreditation and capacity building grant	224 000	238 000	252 000
Development of Sport and Recreation facilities	320 000	0	0
TOTAL	33 684 000	60 971 000	40 937 000

8.5 Provincial spending in the Swartland municipal area *[Update]*

The information in the tables below was obtained from the publication *Western Cape Government's Budget Estimates of Provincial Revenue and Expenditure 2019, Provincial Treasury, 5 March 2019*. It indicates all Provincial payments and spending with respect to the Swartland municipal area during the 2019/2020, 2020/2021 and 2021/2022 financial years.

VOTE 1: PREMIER

None

VOTE 2: PROVINCIAL PARLIAMENT

None

VOTE 3: PROVINCIAL TREASURY

None

VOTE 4: COMMUNITY SAFETY

Provincial payments and estimates

<i>Programmes</i>	<i>2019/20</i>	<i>2020/21</i>	<i>2021/22</i>	<i>Purpose</i>
	<i>R'000</i>	<i>R'000</i>	<i>R'000</i>	
Programme 1: Administration	24	25	26	To provide support to the Department and related entities.
Programme 2: Civilian Oversight	56	59	62	To exercise oversight over the conduct, effectiveness and efficacy of law enforcement agencies in the Province.
Programme 3: Provincial Policing Functions	3	4	4	To promote good relations between communities and the police through its whole-of-society approach and to ensure that all service delivery complaints about policing in the province are dealt with independently and effectively.
Programme 4: Security Risk Management	2 040	2 300	2 720	To institute a (whole of government) approach towards building more resilient institutions, and empower communities to promote greater safety.
TOTAL	2 123	2 388	2 812	

VOTE 5: EDUCATION

Provincial payments and estimates

Programmes	2019/20	2020/21	2021/22	Purpose
	R'000	R'000	R'000	
Programme 1: Administration	597	639	683	To provide overall management of the education system in accordance with the National Education Policy Act, the Public Finance Management Act and other policies.
Programme 2: Public Ordinary School Education	373 859	397 396	420 630	To provide public ordinary education from Grades 1 to 12, in accordance with the SA Schools Act and White Paper 6 on Special Needs Education Building an Inclusive Education and Training System. E-learning is also included.
Programme 3: Independent School Subsidies	253	267	281	To support independent schools in accordance with the SA Schools Act.
Programme 4: Public Special School Education	1 133	1 220	1 309	To provide compulsory public education in special schools in accordance with the SA Schools Act and White Paper 6 on Inclusive Education. Including e-learning and inclusive education.
Programme 5: Early Childhood Development (ECD)	32 174	33 660	35 560	To provide ECD at the Grade R and pre-Grade R level in accordance with White Paper 5 on Early Childhood Education Meeting the Challenge of ECD in SA. E-learning is also included.
Programme 6: Infrastructure Development	88 287	86 088	92 139	To provide and maintain infrastructure facilities for schools and other facilities utilised by the department.
Programme 7: Examination and Education Related Services	1 230	1 320	1 414	To provide education institutions as a whole with examination and education-related support.
TOTAL	497 533	520 590	552 016	

Summary of details of expenditure for infrastructure by category

Facility / Asset Name and Project Name	Type of infrastructure	Date: Start	Date: Finish	Total Project Cost	Exp. from previous years	2019/20	2020/21	2021/22
				R'000	R'000	R'000	R'000	R'000
Darling High School New	New and replacement assets	1 Apr 2021 1 Apr 2022	1 Oct 2022 1 Oct 2023	70 000	-	-	-	5 000
Laurie Hugo Primary School	New and replacement assets	1 Sep 2020	1 Dec 2022	70 466	466	2 000	10 000	30 000
Moorreesburg High School	New and replacement assets	15 Nov 2018 4 Nov 2019	30 Mar 2020 30 Jun 2021	62 390	3 890	12 000	30 000	16 500
Chatsworth Primary School	New and replacement assets	1 Sep 2019 15 Nov 2019	1 Dec 2021 30 Jun 2021	62 201	1 201	8 000	27 000	20 000
Naphakade Primary School	Upgrades and additions	1 Apr 2019 2 Mar 2020	1 Jul 2020 30 May 2021	28 000	1 000	2 000	20 000	5 000
Malmesbury Primary School	New and replacement assets	1 April 2022	1 Dec 2023	71 380	380	0	0	4 000
TOTAL				364 437	6 937	24 000	87 000	80 500

VOTE 6: HEALTH

Provincial payments and estimates

<i>Programmes</i>	<i>2019/20</i>	<i>2020/21</i>	<i>2021/22</i>	<i>Purpose</i>
	<i>R'000</i>	<i>R'000</i>	<i>R'000</i>	
Programme 2: District Health Services	146 763	155 914	167 796	To render facility-based district health services (at clinics, community health centres and district hospitals) and community-based district health services (CBS).
Programme 4: Provincial Hospital Services	10 159	10 686	11 360	Delivery of hospital services, which are accessible, appropriate, effective and provide general specialist services, including a specialised rehabilitation service, dental service, psychiatric service, as well as providing a platform for training health professionals and conducting research.
Programme 6: Health Sciences and Training	580	579	612	To create training and development opportunities for actual and potential employees of the Department of Health.
Programme 7: Health Care Support Services	3 000	3 147	3 339	To render support services required by the Department to realise its aims.
Programme 8: Health Facilities Management	34 544	31 236	33 114	The provision of new health facilities and the refurbishment, upgrading and maintenance of existing facilities, including health technology.
TOTAL	195 046	201 562	216 221	

Summary of details of expenditure for infrastructure by category

<i>Facility / Asset Name and Project Name</i>	<i>Type of infrastructure</i>	<i>Date: Start</i>	<i>Date: Finish</i>	<i>Total Project Cost</i>	<i>Exp. from previous years</i>	<i>2019/20</i>	<i>2020/21</i>	<i>2021/22</i>
				<i>R'000</i>	<i>R'000</i>	<i>R'000</i>	<i>R'000</i>	<i>R'000</i>
Abbotsdale Satellite Clinic - Replacement	PHC - Satellite Clinics	5 May 2015	1 Dec 2019 1 Jun 2020	5 854	1 732	4 000	537	0
Abbotsdale Satellite Clinic - HT - Replacement	Health Technology	1 Apr 2018 1 Jan 2019	1 Mar 2020 31 Mar 2021	1 373	380	1 000	373	-
Chatsworth Satellite Clinic - Replacement	PHC - Satellite Clinics	16 Mar 2017	1 Jun 2020	5 917	724	3 000	1 900	0
Chatsworth Satellite Clinic - HT - Replacement	Health Technology	1 Apr 2019	1 Sep 2020 31 Mar 2021	800	-	200	600	-
Darling Ambulance Station - Upgrade and Additions	Ambulance/EMS station	1 Jun 2016	30 Mar 2019 1 Apr 2020	1 350	81	1 177	72	-
Darling Clinic - HT - Paving upgrade and general maintenance	Health Technology	1 Apr 2019	31 Mar 2020 31 Mar 2021	600	-	800	400	-
Darling Ambulance Station - HT - Upgrade and Additions	Health Technology	1 Apr 2019	31 Mar 2021	200	-	100	100	-

Facility / Asset Name and Project Name	Type of infrastructure	Date: Start	Date: Finish	Total Project Cost	Exp. from previous years	2019/20	2020/21	2021/22
				R'000	R'000	R'000	R'000	R'000
Malmesbury - Swartland Hospital Replacement	Hospital - District	1 Dec 2019 1 Apr 2020	31 Mar 2026	600 000	-	-	250	8 000
Malmesbury - Swartland Hospital - EC extension to fire-damaged building	Hospital - District	26 Apr 2018	1 Apr 2020	25 000	500	13 900	10 000	-
Malmesbury - Swartland Hospital - Prefabricated Wards	Hospital - District	15 Jul 2017	30 Jun 2018 30 Mar 2019	22 669	21 850	7 000	50	-
Malmesbury - Swartland Hospital - HT - Prefabricated Wards	Health Technology	1 Apr 2018	30 Mar 2021	12 000	6 617	100	100	-
Malmesbury - Swartland Hospital - HT - Rehabilitation of fire-damaged hospital	Health Technology	1 Aug 2017	31 Mar 2020 31 Mar 2022	8 260	8 923	2 000	2 000	500
Malmesbury - Swartland Hospital - Rehabilitation of fire-damaged hospital Ph2	Hospital - District	17 Aug 2017	31 Oct 2019	33 000	25 300	11 000	-	-
Malmesbury - Swartland - OD and QA - Prefabricated Wards	Organisational development	1 Apr 2019	31 Mar 2021	350	-	300	100	-
Moorreesburg Clinic - HT - General upgrade and maintenance (Alpha)	Health Technology	31 Mar 2018 1 Apr 2019	31 Mar 2019 31 Mar 2021	3 261	-	1 000	2 261	-
Riebeeck West Clinic - Upgrade and additions	PHC - Clinic	1 Dec 2021	1 Apr 2024	6 000	-	-	-	50
TOTAL				726 634	66 107	45 577	18 743	8 550

VOTE 7: SOCIAL DEVELOPMENT

Provincial payments and estimates

Programmes	2019/20	2020/21	2021/22	Purpose
	R'000	R'000	R'000	
Programme 1: Administration	201	212	224	To capture the strategic management and support services at all levels of the Department i.e. Provincial, Regional, District and Facility/Institutional level.
Programme 2: Social Welfare Services	7 249	7 648	8 069	To provide integrated developmental social welfare services to the poor and vulnerable in partnership with stakeholders and civil society organisations.
TOTAL	7 450	7 860	8 293	

VOTE 8: HUMAN SETTLEMENTS

Provincial payments and estimates

Programmes	2019/20	2020/21	2021/22	Purpose
	R'000	R'000	R'000	
Programme 3: Housing Development	29 480	31 800	33 549	To provide housing opportunities, including access to basic services, to beneficiaries in accordance with the housing code.

Summary of details of expenditure for infrastructure by category

Facility / Asset Name and Project Name	Type of infrastructure	Date: Start	Date: Finish	Total Project Cost	Exp. from previous years	2019/20	2020/21	2021/22
				R'000	R'000	R'000	R'000	R'000
Chatsworth: 100 services IRDP	Municipal project: Planning	1 Jul 2014	31 Dec 2020	2 000	-	2 000	-	-
Riebeek West: 270 services IRDP	Municipal project: Top structures	1 Jan 2016	31 Dec 2020	3 020	1 020	2 000	-	-
Malmesbury: GAP housing - 158 IRDP	Municipal project: Services	1 Apr 2019	31 Mar 2022	5 242	42	-	-	5 200
Abbotsdale: Social economic facility	Municipal project: Planning	2 Apr 2018	29 Mar 2019	1 500	-	1 500	-	-
Malmesbury: De Hoop - 500 IRDP	Municipal project: Planning	2 Apr 2018	31 Mar 2022	44 500	-	3 000	12 000	15 000
Sibanye Moorreesburg (650)	Municipal project: Planning	1 Apr 2019	31 Mar 2022	15 950	-	950	15 000	-
Riebeek Kasteel (757)	Municipal project: Planning	1 Apr 2019	31 Mar 2022	18 500	-	500	18 000	-
Kalbaskraal IRDP	Municipal project: Planning	1 Apr 2019	31 Mar 2022	20 500	-	2 500	18 000	-
TOTAL				111 212	1 062	12 450	63 000	20 200

VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING

Provincial payments and estimates

Programmes	2019/20	2020/21	2021/22	Purpose
	R'000	R'000	R'000	
Programme 7: Development Planning (RSEP)	4 000	2 000	-	To provide a regional planning and management service so as to promote inter-governmental and inter-sectoral coordination so as to ensure improved impact of public and private investment in physical development initiatives and to implement the RSEP-VPUU programme that promotes a "whole of society" approach to development planning and, in addition, other development planning special projects

VOTE 10: TRANSPORT AND PUBLIC WORKS

Provincial payments and estimates

Programmes	2019/20	2020/21	2021/22	Purpose
	R'000	R'000	R'000	
Programme 2: Public Works Infrastructure	5 548	6 090	6 425	
Programme 3: Transport Infrastructure	70 000	2 000	2 110	To deliver and maintain transport infrastructure that is sustainable, integrated, and environmentally sensitive, that supports and facilitates social empowerment and economic growth and promotes accessibility and the safe, affordable movement of people, goods and services.
Programme 5: Transport Regulation	8 905	8 961	9 454	To regulate the transport environment through the registration and licensing of vehicles, associations, operators and drivers; to promote safety through traffic law enforcement services, facilitate road safety education, communication, awareness and the operation of weighbridges; and to provide training to traffic policing and other law enforcement officials.
TOTAL	84 453	17 051	17 989	

Summary of details of expenditure for infrastructure by category

Facility / Asset Name and Project Name	Type of infrastructure	Date: Start	Date: Finish	Total Project Cost	Exp. from previous years	2019/20	2020/21	2021/22
				R'000	R'000	R'000	R'000	R'000
Klipheuwel Reseal	Resealing	1 Apr 2019	31 Mar 2021	91 000	80 000	10 000	1 000	-
PRMG Malmesbury-Hermon 24,76km reseal and rehabilitation	Surfaced roads	1 Apr 2019	31 Mar 2020	41 955	11 955	30 000	-	-
Malmesbury-Hermon reseal	Surfaced roads	1 Apr 2019	31 Mar 2021	12 955	11 955	-	1 000	-
TOTAL				145 910	103 910	40 000	2 000	-

VOTE 11: AGRICULTURE*Provincial payments and estimates*

<i>Programmes</i>	<i>2019/20</i>	<i>2020/21</i>	<i>2021/22</i>	<i>Purpose</i>
	<i>R'000</i>	<i>R'000</i>	<i>R'000</i>	
Programme 2: Sustainable Resource Management	7 120	7 512	7 925	To provide agricultural support services to farmers in order to ensure sustainable development and management of agricultural resources.
Programme 3: Farmer Support and Development	7 917	8 352	8 811	To provide support to farmers through agricultural development programmes.
Programme 4: Veterinary Services	5 309	5 601	5 909	To provide veterinary services to clients in order to ensure healthy animals, safe animal products and welfare of people of South Africa.
Programme 5: Research and Technology Development Services	5 099	5 379	5 675	To render expert and needs based research development and technology transfer services impacting on development objectives.
TOTAL	25 445	26 844	28 320	

VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM

None

VOTE 13: CULTURAL AFFAIRS AND SPORT*Provincial payments and estimates*

<i>Programmes</i>	<i>2019/20</i>	<i>2020/21</i>	<i>2021/22</i>	<i>Purpose</i>
	<i>R'000</i>	<i>R'000</i>	<i>R'000</i>	
Programme 3: Library and Archive Services	9 607	8 765	9 247	To provide comprehensive library and archive services in the Western Cape.
Programme 4: Sport and Recreation	320			To provide sport and recreation activities for the inhabitants of the Western Cape.
TOTAL	9 927	8 765	9 247	

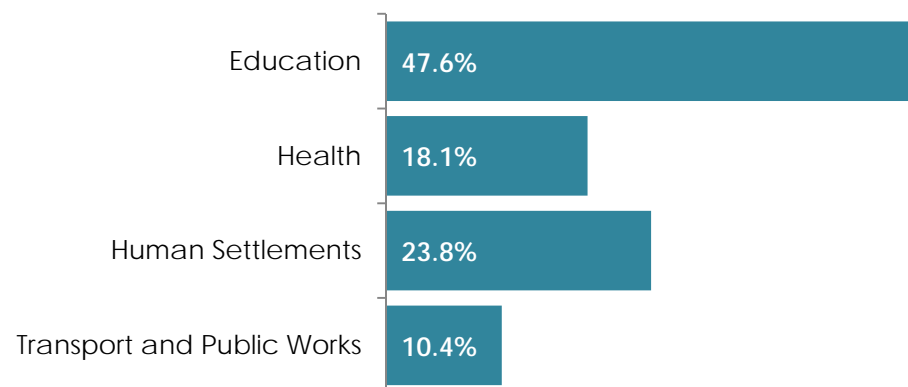
VOTE 14: LOCAL GOVERNMENT*Provincial payments and estimates*

<i>Programmes</i>	<i>2019/20</i>	<i>2020/21</i>	<i>2021/22</i>	<i>Purpose</i>
	<i>R'000</i>	<i>R'000</i>	<i>R'000</i>	
Programme 2: Local Governance	234	240	256	To promote viable and sustainable developmental local governance, integrated and sustainable planning and community participation in development processes.

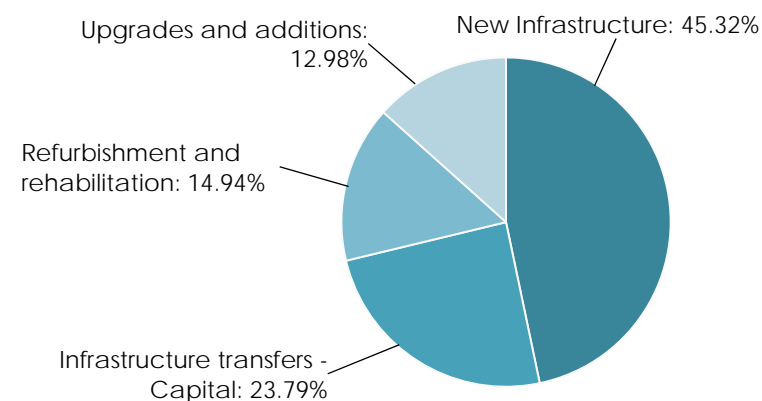
<i>Programmes</i>	<i>2019/20</i>	<i>2020/21</i>	<i>2021/22</i>	<i>Purpose</i>
	<i>R'000</i>	<i>R'000</i>	<i>R'000</i>	
Programme 3: Development and Planning	167	975	1 044	To promote and facilitate effective disaster management practices, ensure well maintained municipal infrastructure, and promote integrated planning.
TOTAL	401	1 215	1 300	

SUMMARY OF PROVINCIAL SPENDING IN THE SWARTLAND MUNICIPAL AREA

MTEF Infrastructure budgets (%)



Nature of infrastructure investments: (%) of MTEF Total



MTEF Infrastructure budgets (R'000) and number of projects

<i>Department</i>	<i>Nr of projects</i>	<i>2019/2020</i>	<i>2020/2021</i>	<i>2021/2022</i>	<i>MTEF Total</i>
Education	6	24 000	87 000	80 500	191 500
Health	16	45 577	18 743	8 550	72 870
Human Settlements	8	12 450	63 000	20 200	95 650
Transport and Public Works	3	40 000	2 000	0	42 000
Total	33	122 027	170 743	109 250	402 020

Annexure 1: Swartland profile *[Update with figures from the 2018 MERO and SEP reports]*

1.2 Education

The education information below was obtained from Provincial Treasury's *2018 Municipal Economic Review and Outlook (MERO) and 2018 Socio-Economic Profile (SEP) Reports*.

(a) EDUCATION LEVEL

<i>Education level</i>	<i>2017</i>
No schooling	9.1%
Some primary	24.1%
Complete primary	7.6%
Some secondary	32.7%
Grade 12	19.4%
Higher	7.0%

(b) LEARNER ENROLMENT

Learner enrolment grew from 16 933 in 2015 to 17 356 in 2016 and to 17 647 in 2017. This could be attributed to a number of factors including demographics and socio-economic context.

(c) LEARNER – TEACHER RATIO

Changes in the learner teacher ratio can affect learner performance. The learner – teacher ratio in Swartland improved from 45.0 in 2015 to 42.5 in 2016 and to 40.4 in 2017. In 2017 Swartland had the third highest ratio in the District after Saldanha Bay (53.5) and Matzikama (40.9). Factors influencing the learner-teacher ratio include the ability of schools to employ more educators when needed and the ability to collect fees.

(d) GRADE 12 DROP-OUT RATES

The drop-out rates for learners within Swartland municipal area increased from a low 20.1% in 2015 to 23.2% in 2016 and then decreased again to 20.2% in 2017. The 2017 rate was the lowest in the District as well as the Province. Drop-outs are influenced by a wide array of socio-economic factors including unemployment, poverty and teenage pregnancies.

(e) EDUCATIONAL FACILITIES

In 2015, 2016 and 2017, the Swartland area had a total of 31 public ordinary schools, the most in the West Coast District. As a result of the tough economic climate, schools in general have been reporting an increase in parents being unable to pay their school fees. The proportion of no-fee schools in the Swartland area decreased from 74.2% in 2015 and 2016 to 71.0% in 2017.

The number of schools equipped with libraries remained constant at 17 across the 2015 to 2017 period.

(f) MATRIC PASS RATE

The Swartland matric pass rate increased from 86.5 in 2015 to 89.4 in 2016 and then dropped to 83.5 in 2017, which is below its 2015 level. Better results could improve access for learners to higher education to broaden their opportunities. The 2017 matric pass rate for the Swartland area was the lowest in the West Coast District.

1.3 Health

The health information below was obtained from Provincial Treasury's *2018 Municipal Economic Review and Outlook (MERO)* and *2018 Socio-Economic Profile (SEP) Reports*.

(a) HEALTHCARE FACILITIES

All citizens' right to access to healthcare services are directly affected by the number and spread of facilities within their geographical reach. South Africa's healthcare system is geared in such a way that people have to move from primary, with a referral system, to secondary and tertiary levels. Primary healthcare facilities include community health centres (CHCs), community day centres (CDCs) and clinics, including satellite and mobile clinics.

In 2017/18 the Swartland municipal area had 4 fixed and 9 mobile primary healthcare clinics. In addition, there were 1 community day centre, 1 district hospital (Malmesbury), 13 ART and 18 TB treatment clinics/sites.

In terms of changes when compared with the previous year, there were 2 additional ART clinics/ treatment sites and 3 less TB treatment clinics/ sites than in 2016/17.

(b) HIV/AIDS

<i>Health indicator</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>
Registered patients receiving ART	1 545	1 854	2 086	2 337
Number of new ART patients	277	413	402	513
HIV transmission rate	3.2%	2.4%	0.0%	10.0%

Swartland has seen an increase of 792 patients receiving anti-retroviral treatment (ART) between 2014 and 2017. The 2 337 patients (2017) receiving antiretroviral treatment are treated at 13 clinics or treatment sites. The number of new anti-retroviral patients increased to 513 in 2017 from 402 in 2016. The HIV transmission rate for Swartland was 10.0% in 2017. This result represents the HIV transmission rate at birth based on positive test results from those who have accepted to do the test.

(c) TUBERCULOSIS

In contrast to the rising numbers of HIV/AIDS cases, Swartland experienced a decline in tuberculosis (TB) cases. Swartland, with 842 TB patients in 2017/18 compared to 915 in 2016/17, represents 23.3% of the TB patients treated in the West Coast. The Swartland TB patients are treated in 18 TB clinics or treatment sites.

(d) CHILD AND MATERNAL HEALTH

<i>Health indicator</i>	<i>2016/17</i>	<i>2017/18</i>
Children immunised as a % of the total number of children less than one year of age	73.2%	68.4%
Number of malnourished children under 5 years per 100 000 people	2.3	3.0
Number of babies dying before reaching the age of 28 days, per 1 000 live births in a given year	0.8	12.0
% of babies born that weighed less than 2 500 g.	14.5%	25.3%
Maternal deaths per 100 000 live births	0.0	1.2
Deliveries to women under the age of 20 years as proportion of total deliveries in health facilities	18.2%	13.3%
% of pregnancy terminations as a proportion of the female population aged 15 to 44 years	0.2%	0.0%

1.4 Poverty

Unless indicated otherwise, the poverty information below was obtained from Provincial Treasury's 2018 Municipal Economic Review and Outlook (MERO) and 2018 Socio-Economic Profile (SEP) Reports.

(a) HOUSEHOLD INCOME

<i>Annual household income</i>	<i>2016</i>	
No income	10.4%	Low income (49.9%)
R1 – R6 327	1.4%	
R6 328 – R12 653	2.9%	
R12 654 – R25 306	13.1%	
R25 307 – R50 613	22.1%	Middle income (42.6%)
R50 614 – R101 225	20.1%	
R101 226 – R202 450	13.0%	
R202 451 – R404 901	9.5%	High income (7.4%)
R404 902 – R809 202	5.3%	
R809 203 – R1 619 604	1.6%	
R1 619 605 – R3 239 208	0.3%	
R3 239 209 or more	0.2%	

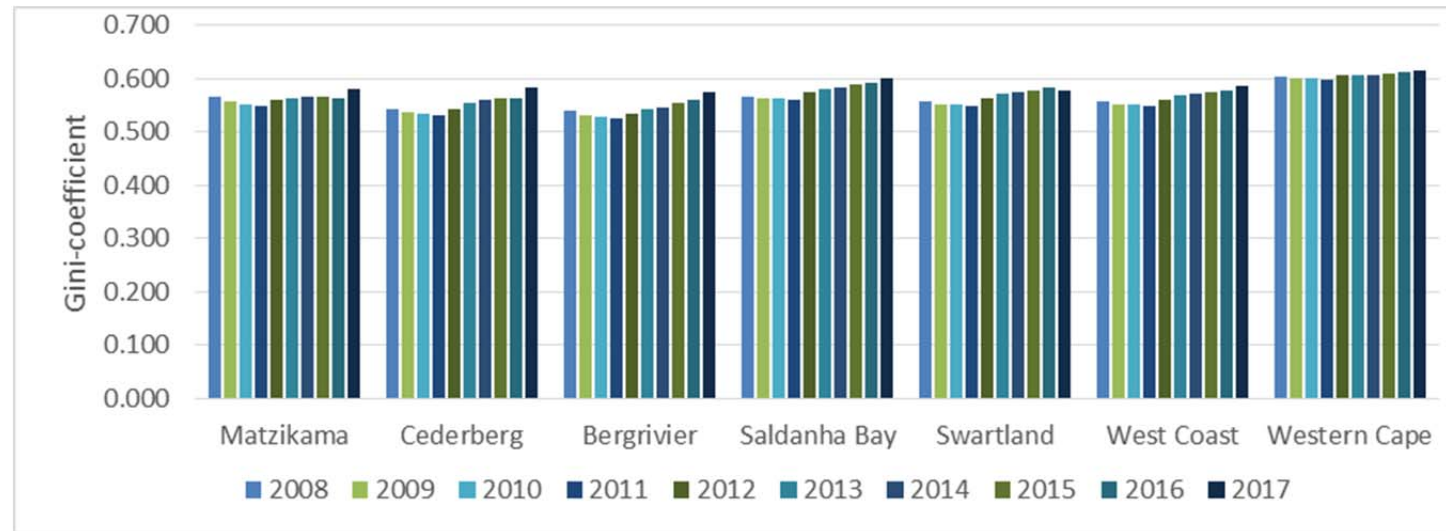
Source: Quantec/Urban-Econ calculations 2018

Sustained economic growth within the Swartland municipal area is needed if the 2030 NDP income target of R110 000 per person, per annum is to be achieved.

(b) INCOME INEQUALITY

The National Development Plan has set a target of reducing income inequality in South Africa from a Gini coefficient of 0.7 in 2010 to 0.6 by 2030.

The graph below indicates that Swartland's income inequality has steadily increased from 2011 onward, reaching 0.582 in 2016 and then declining marginally to 0.578 in 2017. Income inequality levels were marginally lower in Swartland than in the the West Coast District (0.59) and the Western Cape (0.61).

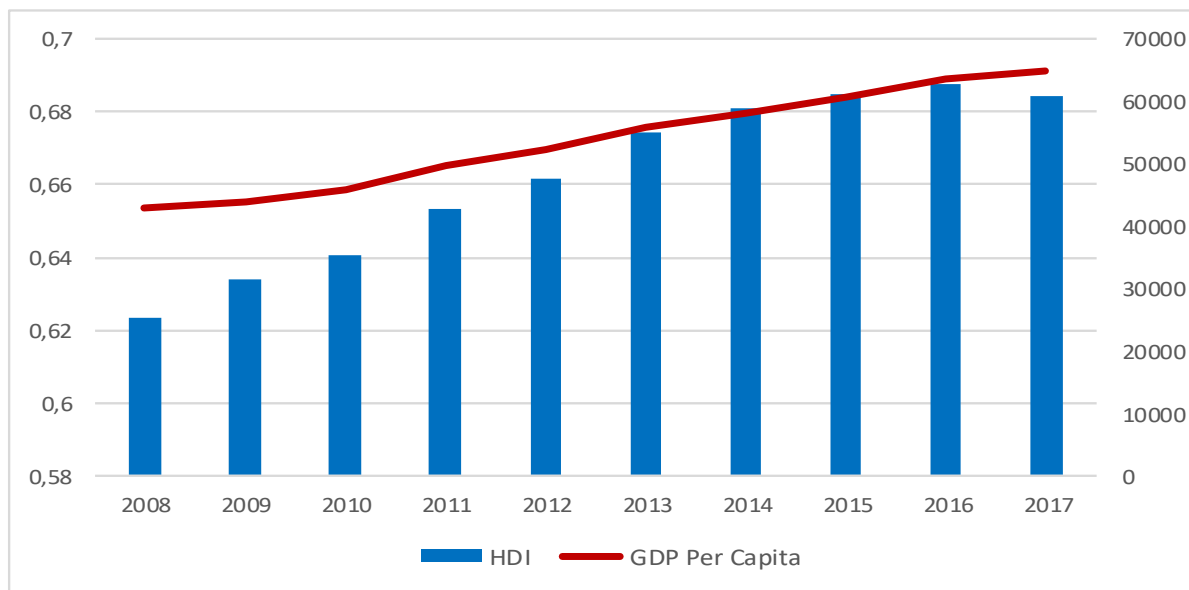


Source: Global Insight, 2017

(c) HUMAN DEVELOPMENT

The Human Development Index (HDI) is used to assess the relative level of socio-economic development.

As shown in the graph below, there has been a general increase in the HDI of Swartland Municipality since 2008. However, Swartland's HDI has fallen back slightly to 0.68 in 2017. Naturally, per capita income as per definition is expected to mimic the trend of HDI and this is clearly displayed in the graph below. At R64 954 in 2017, Swartland municipal area's real GDP per capita is marginally below that of the West Coast District (R65 711) as well as that of the Western Cape (R87 110).



Source: Global Insight, 2017

(d) INDIGENT HOUSEHOLDS

Municipalities offer additional support through its indigent policy. The indigent policy provides free or discounted rates on basic services such as water, electricity, sanitation, refuse removal and also on property rates. The number of indigent households in the Swartland was as follows:

Date	Number of households
1 Jul 2015	8 173
1 Jul 2016	8 495
1 Jul 2017	8 357
Jan 2019	8 895

Source: Own sources, 2017

1.7 Crime

The crime information below was obtained from Provincial Treasury's *2018 Socio-Economic Profile (SEP) Report*.

(a) MURDER

Definition: *Murder is unlawful and intentional killing of another person.*

<i>Description</i>	<i>Area</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>
Actual number	Swartland	29	21	25
	West Coast District	133	110	129
Per 100 000 population	Swartland	22	15	18
	West Coast District	30	25	29

(b) SEXUAL OFFENCES

Definition: *Sexual offences include rape (male and female), sex work, pornography, public indecency and human trafficking.*

<i>Description</i>	<i>Area</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>
Actual number	Swartland	156	160	134
	West Coast District	563	556	514
Per 100 000 population	Swartland	117	118	95
	West Coast District	129	127	114

(c) DRUG-RELATED OFFENCES

Definition: *Drug-related crimes refer to the situation where the perpetrator is found to be in possession of, under the influence of, or selling illegal drugs.*

<i>Description</i>	<i>Area</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>
Actual number	Swartland	1 638	2 579	2 621
	West Coast District	5 492	7 064	8 188
Per 100 000 population	Swartland	1 225	1 900	1 853
	West Coast District	1 258	1 616	1 817

(d) DRIVING UNDER THE INFLUENCE

Definition: *Driving under the influence (DUI) refers to a situation where the driver of a vehicle is found to be over the legal blood alcohol limit. This is a crime detected through police activity rather than reports by members of the public.*

Description	Area	2016	2017	2018
Actual number	Swartland	82	147	122
	West Coast District	464	509	579
Per 100 000 population	Swartland	61	108	86
	West Coast District	106	116	128

(e) RESIDENTIAL BURGLARIES

Definition: *Residential burglary is defined as the unlawful entry of a residential structure with the intent to commit a crime, usually a theft.*

Description	Area	2016	2017	2018
Actual number	Swartland	690	717	789
	West Coast District	3 042	3 043	2 802
Per 100 000 population	Swartland	516	528	558
	West Coast District	697	696	622

(f) FATAL CRASHES

Definition: *A crash occurrence that caused immediate death to a road user i.e. death upon impact, flung from the wreckage, burnt to death, etc.*

Area	2015	2016	2017
Swartland	38	23	36
West Coast District	125	86	100

1.8 The economy

Unless indicated otherwise, the economy information below was obtained from Provincial Treasury's *2018 Municipal Economic Review and Outlook (MERO)* and *2018 Socio-Economic Profile (SEP) Reports*.

(a) GROWTH AND GDP CONTRIBUTION

Swartland contributed 27.1% to the West Coast District's GDP in 2016. The GDP growth of Swartland averaged 2.9% per annum over the period 2006-2016. This is marginally above the average of the District (2.7%).

Swartland GDPR contribution per sector - 2016

<i>Sector</i>	% of GDPR	GDPR contribution (R million)	Average growth 2006-2016 (%)
Agriculture, forestry and fishing	15.9	R1 173.4	3.3
Mining and quarrying	0.2	R12.5	0.2
Manufacturing	22.9	R1 689.0	2.1
Electricity, gas and water	2.3	R171.1	-1.7
Construction	5.7	R422.9	4.6
Wholesale and retail trade, catering and accommodation	17.5	R1 289.2	3.8
Transport, storage and communication	7.5	R549.2	1.2
Finance, insurance; real estate and business services	9.6	R704.7	3.1
General government	11.5	R851.0	4.6
Community, social and personal services	6.9	R505.6	3.1
Total	100.0	R7 368.5	2.9

The sectors that contributed the most to Swartland's GDPR in 2016 are Manufacturing (22.9%), Wholesale and retail trade, catering and accommodation (17.5%) and Agriculture, forestry and fishing (15.9%). Overall, between 2006 and 2016, every economic sector in Swartland grew positively in terms of GDPR except for the Electricity, gas and water sector that experienced a negative growth of -1.7%.

Swartland manufacturing GDPR contribution per sub-sector - 2016

<i>Sub-sector</i>	%
Food, beverages and tobacco	73.0
Textiles, clothing and leather goods	1.8
Wood, paper, publishing and printing	5.9
Petroleum products, chemicals, rubber and plastic	5.4
Other non-metal mineral products	3.2
Metals, metal products, machinery and equipment	5.6
Electrical machinery and apparatus	0.0
Radio, TV, instruments, watches and clocks	0.7
Transport equipment	1.6
Furniture and other manufacturing	2.7

(b) EMPLOYMENT

Swartland employment by sector - 2016

<i>Sector</i>	<i>% of workforce</i>	<i>Number of jobs</i>	<i>Jobs lost/gained 2006-2016</i>
Agriculture, forestry and fishing	30.3	13 636	-4 621
Mining and quarrying	0.1	24	1
Manufacturing	10.8	4 858	417
Electricity, gas and water	0.3	135	39
Construction	4.6	2 053	283
Wholesale and retail trade, catering and accommodation	19.0	8 552	2 658
Transport, storage and communication	2.3	1 052	351
Finance, insurance; real estate and business services	8.6	3 862	1231
General government	11.5	5 181	1 855
Community, social and personal services	12.5	5 627	975
Total	100.0	44 980	3189

The sectors that contributed the most to Swartland's employment in 2016 were Agriculture, forestry and fishing (30.3%), the Wholesale and retail trade, catering and accommodation sector (19.0%) and the Community, social and personal services (12.5%). Overall, between 2006 and 2016, only the Agriculture, forestry and fishing sector shed jobs (-4 621).

Skills level (formally employed) - 2016

<i>Level</i>	<i>Skills level contribution</i>	<i>Average growth 2006 - 2016</i>	<i>Number of jobs</i>
Skilled	15.2%	2.8%	5 376
Semi-skilled	34.6%	1.4%	12 237
Low skilled	50.1%	0.0%	17 717
Total	100.0%	0.9%	35 330

(c) HOUSEHOLD EXPENDITURE *[Remove]*

Annexure 3: Status of sector plans and policies *[Update]*

Sector plan/policy	Responsible official	Current status	Approval date	Comments / next actions
<i>CIVIL ENGINEERING SERVICES</i>				
Water Services Development Plan	Louis Zikmann	Approved	2017	None
Water Master Plan	Louis Zikmann	Approved	2008	None
Sewerage Master Plan	Louis Zikmann	Approved	2008	None
Transport Master Plan	Louis Zikmann	Approved	2008	None
Integrated Waste Management Plan	Esmari Steenkamp	Approved	25 May 2017	None
Water Conservation and Water Demand Management Strategy	Esmarie Steenkamp	Approved	2018	None
Sport Policy	Christiaan Boois	Approved	2015	None
Pavement Management System	Johan Venter	Approved	2014	None
<i>ELECTRICAL ENGINEERING SERVICES</i>				
Maintenance Policy	Tom Rossouw	Approved	2007	Review annually
Electricity Master Plan	Roelof du Toit	Approved	2015	
Electricity Distribution Master plans				
- Malmesbury	Roelof du Toit	Updated	2016/17	
- Moorreesburg	Roelof du Toit	Approved	2015	Updating in process during 2018/19
- Darling	Roelof du Toit	Approved	2015	
- Yzerfontein	Roelof du Toit	Updated	2016/17	Update in process during 2018/19
Disaster Recovery Plan and Business Continuity Plan for the IT function	Johan Pienaar	Approved	2012	Review annually
<i>PROTECTION SERVICES</i>				
Business Continuity and Disaster Recovery Plan	Roysten Harris	Revised	23 May 2018	Annual revision done
Disaster Management Plan	Roysten Harris	Revised	31 May 2018	Annual revision done
<i>DEVELOPMENT SERVICES</i>				
2017 Spatial Dev. Framework	Alwyn Zaayman	Reviewed	25 May 2017	
Urban Edges Study	Alwyn Zaayman	Approved	9 Dec 2009	
Growth Model	Alwyn Zaayman	Approved		
Land Use Planning By-law	Alwyn Zaayman	Approved	3 July 2015	
Integrated Zoning Scheme Regulations	Alwyn Zaayman	Approved	1 April 2014	
Integrated Coastal Management Programme	Alwyn Zaayman	Draft		The Integrated Coastal Management Programme (ICMP) for the West Coast District Municipality (WCDM) has been

Sector plan/policy	Responsible official	Current status	Approval date	Comments / next actions
				finalised. Swartland Municipality still to adopt the by-law when roles and responsibilities of stakeholders have been clarified and funded.
Climate Change and Hazard Risk Areas Study	Alwyn Zaayman	Approved	October 2014	Compiled as part of the PGWC's BESP programme
Environmental Plan	Alwyn Zaayman	Incorporated in the approved SDF		
Child Care Facilities Report	Hillary Balie	Approved	2009	New report to be submitted to Council before end of June 2017
Social Development Policy and Strategy	Hillary Balie	Approved	May 2013	
Housing Pipeline	Sylvester Arendse	Approved	March 2016	Annual Revision
Housing Plan	Sylvester Arendse	Approved	July 2015	
Occupational Health and Safety Policy	Kobus Marais	Approved		
Air Quality Management Plan	Kobus Marais	Approved	13 June 2012	
Air quality By-law	Kobus Marais	Approved	22 May 2015	
CORPORATE SERVICES				
Workplace Skills Plan	Sunet de Jongh	Completed	30 April 2018	Compile annually in consultation with staff and unions
Employment Equity Plan	Sunet de Jongh	Approved for 5 years until 30 Jun 2023	18 May 2018	
Employment Equity Policy	Sunet de Jongh	Approved	April 2016	
Staff Bursary Policy	Sunet de Jongh	Approved	April 2016	
Recruitment and Selection Policy	Sunet de Jongh	Approved	April 2016	
Disability Policy	Sunet de Jongh	Approved	1 Dec 2018	
Training Policy	Sunet de Jongh	Approved	1 Dec 2018	
Employee Assistance Policy	Sunet de Jongh	Approved	1 Dec 2018	
Internship Policy	Sunet de Jongh	Approved	April 2016	
HIV/Aids in the workplace Policy	Sunet de Jongh	Approved	April 2016	
Organogram	Madelaine Terblanche	Approved	30 May 2018	Reviewed
Communication Strategy	Madelaine Terblanche	Approved	May 2018	Revised to conform with 2017-2022 IDP
Social Media Policy	Madelaine Terblanche	Approved	May 2018	Reviewed
Communication Policy	Madelaine Terblanche	Approved	May 2018	Reviewed
Public Participation Policy	Madelaine	Approved	May 2018	Reviewed

Sector plan/policy	Responsible official	Current status	Approval date	Comments / next actions
	Terblanche			
Client Service Charter	Madelaine Terblanche	Approved	Dec 2018	Reviewed
Ward committee constitution	Madelaine Terblanche	Approved	Aug 2016	To be reviewed in 2021 before next local elections
Contract Administration Policy	Madelaine Terblanche	Approved	2010	To be revised by end June 2019
Website Placement Policy	Madelaine Terblanche	Approved	2010	To be revised by end June 2019
Municipal Asset Transfer Policy	Madelaine Terblanche	Approved	May 2015	To be revised by end December 2019
Events By-law	Madelaine Terblanche	Approved	March 2016	To be revised when necessary
Records Master Plan	Nicolette Brand	Approved	December 2000/July 2018	Reviewed and updated
Records Control Schedule	Nicolette Brand	Approved	November 2016/May 2018	Reviewed and updated
Registration Procedural Manual	Nicolette Brand	Approved	August 2007/Feb 2018	Reviewed and updated
System of Delegation & s53 role demarcation	Madelaine Terblanche	Approved	May 2017	To be revised annually during May
Human Resources Plan 2017-2022	Sunet de Jongh	Approved	19 Sept 2018	Reviewed and updated
FINANCIAL SERVICES				
Long Term Financial Plan	Hilmary Papier	Approved	25 May 2017	
Long Term Financial Planning Policy	Hilmary Papier	Approved	28 May 2015	Review annually
Budget Implementation Policy	Hilmary Papier	Approved	26 May 2016	New Policy
Asset Management Policy	Arina Beneke	Approved	25 May 2017	Review annually
Property Rates Policy and By-law	Christo Gerber	Amended	25 May 2017	Review annually
Capital Contributions for Bulk Services Policy	Johan Steenkamp	Approved	26 May 2016	Compilation of new policy in progress to be submitted to Council for approval in May 2018
Cash Management and Investments Policy	Christo Gerber	Amended	26 May 2016	Review annually
Credit Control and Debt Collection Policy and By-law	Mark Bolton	Amended	25 May 2017	Review annually
Indigent Policy	Mark Bolton	Amended	25 May 2017	Review annually
Accumulated Surplus/Deficit and Bad Debts Policy	Christo Gerber	Amended	26 May 2016	Review annually

Sector plan/policy	Responsible official	Current status	Approval date	Comments / next actions
Debt and Borrowing Management Policy	Christo Gerber	Revised	26 May 2016	Review annually
Tariff Policy	Christo Gerber	Revised	25 May 2017	Review annually
Funding and Reserves Policy	Christo Gerber	Approved	26 May 2016	Review annually
Preferential Procurement Policy	Pieter Swart	Amended	25 May 2017	Review annually
Supply Chain Management Policy	Pieter Swart	Approved	25 May 2017	Review annually
Virement Policy	Mark Bolton	Amended	25 May 2017	Review annually
Travel and Subsistence Policy	Mark Bolton	Amended	25 May 2017	Review annually
OFFICE OF THE MUNICIPAL MANAGER				
Framework for implementing performance management	Leon Fourie	Approved	17 April 2018	Minor amendments
Local Economic Development Strategy	Olivia Fransman	Approved	18 May 2018	Final approval by Mayoral Committee
Fraud Prevention and Anti-Corruption Strategy	Pierre le Roux	Approved	24 April 2018	Review and update
Risk Management Strategy	Pierre le Roux	Approved	11 May 2018	Review and no changes
Internal Audit Strategy	Pierre le Roux	Amended	June 2015	Amended June 2015