



**Western Cape
Government**

BETTER TOGETHER.

DEPARTMENT OF LOCAL GOVERNMENT

BREDE VALLEY MUNICIPALITY

REGIONAL MONITORING TEAMS

MUNICIPAL GOVERNANCE REPORTS FOR THE PERIOD ENDED JUNE 2012

TABLE OF CONTENTS

1.	Introduction	2
2.	Departmental Diagnostic Report	2
2.1	Municipal Governance	2
2.2	Public Participation	3
2.3	Municipal Communications	3
2.4	Municipal Support	4
2.4.1	Valuations Appeals Board	4
2.4.2	Performance Management System	4
2.4.3	Training and Development.....	5
2.5	Specialised Support	5
2.6	Municipal Infrastructure.....	6
2.6.1	MIG Projects and Expenditure	6
2.6.2	Water and Wastewater Management	6
2.6.3	Technical Institutional Leadership	9
2.6.4	Level of Capital Expenditure	10
2.6.5	Repairs and Maintenance.....	10
2.6.6	Unaccounted for water	11
2.6.7	Project Finance	11
2.7	District and Local Performance Monitoring	11
2.8	Service Delivery Integration.....	12
2.9	Community Development Workers.....	15
2.9.1	Number of CDW's deployed in the Municipality	15
2.9.2	Operational expenditure reports on CDW Grants submitted by the Municipality.....	15
2.9.3	Joint projects with Municipality and Government.....	15
2.9.4	Case referrals to government services.....	16

1. Introduction

The key objective of this report is to maintain a central source of information centred on the municipalities' operations across directorates and to make that information readily accessible on an on-going basis.

In addition it should be used as a tool to encourage, facilitate and structure interactions between Directorates on qualitative issues that are related to the municipality.

2. Departmental Diagnostic Report

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

2.1 Municipal Governance

The political composition of the Municipal Council is distributed as follows: ANC 14, DA 22, Independent-1, Civic Ind-1, COPE-1 and Breede Vallei Independent-2. One political party holds a clear majority and therefore the municipality is politically stable. There were no vacancies within the composition of the council during the period April to June 2012.

The Municipality had one (1) Council meeting for the quarter under review which is in line with the requirement of at least one Council meeting in a quarter. No councillors were fined for non- attendance or failing to remain in attendance at council meetings. The Municipality has adopted a System of Delegations but reported that it has not been reviewed since 2006. The reviewed System of Delegations and the Roles and Responsibility Framework will be considered at the August Council meeting. Municipalities were again asked whether all councillors completed a declaration of interest because even-though it needs to be completed within 60 days of assuming the position there were councillors in the Western Cape that were yet to complete the form. The Municipality indicated that as at 31 March 2012 13 councillor declarations were outstanding. As at 30 June 12 Councillor declarations were outstanding. The Municipality is obliged to put processes in places to enable the councillors to comply with this requirement. It appears that twelve (12) councillors are in breach of the code of conduct and this must be remedied on an urgent basis. The Department has been furnished with the names of seven (7) councillors that are in arrears with rates and service charges for longer than three months. There are arrangements in place to settle the arrear amounts. This is a breach of the Code of Conduct and the Municipality must ensure that arrear rates and taxes are recovered and that councillors are disciplined. The Municipality further reported that it was in the process of investigating one (1) breach of the Code of Conduct. The outcome of the breaches must be reported to the MEC. There are no allegations of fraud and corruption reported to the SAPS pursuant to section 32(6) of the MFMA during the period under review, however the municipality have currently seven (7) cases at various stages of completion.

The litigation matters reported by the Municipality are not significant.

Key Challenges/Additional relevant information

None.

Support initiatives

None during this period.

2.2 Public Participation

No information received from this municipality

Recommendations

It is recommended that the municipality submit information on time in order for the Department to monitor, evaluate and support the municipality with ward committee functionality. Subsequently, the report is submitted to the standing committee on Governance as well as the Department of Co-operative Governance (DCoG).

Key Challenges/ Additional relevant Information

Timeous submission of information from the municipality to the Department is a challenge.

Support Initiatives from the Department

The Department will arrange meetings with the municipality to discuss possible challenges surrounding ward committee functionality.

2.3 Municipal Communications

The Breede Valley municipality has an established and dedicated Communications Unit which comprises of two (2) staff members consisting of one (1) Senior Communication Officer and one (1) Marketing Officer.

Breede Valley Municipality does not have a Communication Strategy. However, the Communications Unit is currently in the process of developing a strategy to be finalised in September, 2012. The Municipality has a draft Language Policy which was developed by the Cape Winelands District Municipality. The policy was not adopted by Council.

The Municipality has a Communication budget which is shared among various internal Departments and is currently considering a dedicated communications budget for 2012/2013

The Municipality has continuously submitted the completed reporting templates.

There has not been sufficient representation of the Municipality at District Forum meetings. In most cases, Public Participation Unit would attend and participate in these meetings.

Key Challenges/ additional relevant information

The Municipality lacks resources and does not have enough capacity to carry out the communications mandate.

There is a need to prioritize training and capacity building of the communicators.

Support initiative provided to the Municipality

A consultation meeting was held and Communication Strategy guidelines and other support communication materials were provided to the Breede Valley Municipality. Further hands-on support currently being provided until the finalization of the Strategy in September, 2012.

Way forward and Recommendations

Appoint highly qualified and experienced dedicated Communication staff.

Redevelop a coherent and relevant Communication Strategy with the support of the Department. The Strategy should be ready for adoption by June, 2012.

Allocate sufficient budget for the Communications unit.

Develop a Language Policy with the support of the Department and PANSALB.

2.4 Municipal Support

The position of the Municipal Manager is currently filled by Mr G Matthyse, whom commenced on 1 March 2012 and expires on 28 February 2017. The organisational structure of the Municipality consists of four (4) section 56 positions and one (1) section 57 position. All approved positions are filled. In terms of the Local Government: Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers of 2006, Regulation 4 sub-regulation 5, the employment contract and performance agreement must be submitted to the MEC responsible for Local Government in the relevant province as well as the national minister responsible for local government within fourteen (14) days after concluding the employment contract and performance agreement. All employment contracts and performance agreements for 2011/12 of Section 56 and 57 managers have been signed and submitted to the MEC for Local Government.

2.4.1 Valuations Appeals Board

The Municipality has a functional Valuation Appeal Board, established in terms of Section 56 of the Local Government: Municipal Property Rates Act 6 of 2004. The term of office for members of the Valuation Appeals Board is four years from 1 March 2012 until 28 February 2016.

2.4.2 Performance Management System

The Municipality has implemented the "Ignite Performance Management System" (PMS) during the 2009/10 financial year and has been approved and adopted by Council. The PMS is fully functional. The service provider has provided training in terms of the compilation and evaluation of performance assessments.

2.4.3 Training and Development

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

Fourteen (14) Councillors attended the scheduled information session presented within the district as part of the Phase 3 Training programme for Councillors. The Nelson Mandela Metropolitan University (NMMU) presented an accredited module on the "roles and responsibilities of councillors and officials".

Key Findings

None

Recommendations

None

2.5 Specialised Support

Formal 139 and 106 interventions plus Informal interventions
No

Failure to timeously approve the Annual Budget
No

Inability to timeously produce Annual Financial Statements
No

Stalemate in the Council between political parties adversely affecting decision-making
No

Dysfunctional Council or Administration
No

Vacant MM & CFO and other issues
No

2.6 Municipal Infrastructure

2.6.1 MIG Projects and Expenditure

The following table indicates projects being implemented during the 2011/2012 financial year up to 30 June 2012.

Project	Actual expenditure during the 2011/12 financial year	% Complete (Construction)	Completion date
Worcester New Waste Water Treatment Works (Budget Maintenance)	11,519,652	100%	
Worcester New Waste Water Treatment Works	12,939,494	100%	
Stettynskloof Bulk Water Supply	1,022,854	0	April 2013
Total:	R25,482,000		

Key Findings

The Municipality has spent their full MIG allocation of R25,482,000 for the 2011/12 financial year. Some of these projects are multi-year projects and will be completed as shown in the last column above.

Recommendations

No recommendation

Support by the Department of Local Government

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

2.6.2 Water and Wastewater Management

A. Blue Drop

(Source: Blue Drop report: 2012)

The Municipality achieved a Blue Drop Score of 89.02%, which places the municipality in 14th place in the Western Cape. The municipality demonstrates a consistent improvement in

performance over the past three years. The Blue Drop Score increased from 74% in 2010 to 85.93% in 2011 to 89.02% in 2012.

Not one of the five water treatment plants in the municipal area received blue drop status. Blue drop scores, service provider, design capacity, utilisation and drinking water quality compliance of the water treatment plants can be seen in the following table:

System	Blue Drop Score (%)	Service Provider	Plant Design Capacity (MI/day)	Plant Utilisation (%)	Drinking water quality compliance (%)
Touwsrivier	87.64	Breede Valley	3	82.67	100
De Doorns	90.74	Breede Valley	4.8	100	100
De Koppen/Fairyglen	90.66	Breede Valley	10	25	100
Rawsonville	88.90	Breede Valley	0.8	106.25	100
Worcester/Stettynskloof	88.76	Breede Valley	52	67.31	100

Key Findings

All 5 plants received a 100% score for drinking water quality compliance. The overall scores were however negatively affected by the low scores achieved in Treatment Process and Asset Management.

Future capacity upgrading of the Rawsonville Water Treatment will not be necessary. Rawsonville will be connected to the Stettynskloof Supply line and will benefit from the MIG and RBIG co-funded Rawsonville/Stettynskloof Bulk Water Augmentation project.

Discussions with the Municipality revealed they do not foresee any immediate capacity upgrading for the Touwsrivier and De Doorns Treatment Plants. A current study will address the lime dosing at the Touwsrivier plant. No capacity constraints at De Doorns, however a water source shortage was noted.

The process control classification levels are not complying with Regulation 2834 and must be addressed before the next assessment.

Recommendations

The municipality should consider improving on the asset management component of the business by ensuring that process audits are conducted and recommendations are implemented, as well as the need to obtain operations and maintenance manuals for all treatment facilities. This will further enhance risk mitigation of hazardous events.

The operators and supervisors must receive the required training in order to comply with Regulation 2834.

The municipality must prioritise the augmentation of the source of water supply to De Doorns as a matter of urgency.

B. Green Drop

(Source: 2011 Green Drop assessment Report & 2012 Green Drop Progress Report)

The Municipality achieved an overall Green Drop Score of 78.3%, which is considered as an average performance with ample room for improvement. This score places the municipality in 9th place in the Western Cape.

The table below presents Green Drop scores, design capacity, operational capacity and effluent quality compliance for all six wastewater treatment plants in the municipal area:

System	Green Drop Score (%)	Plant Design Capacity (MI/day)	Plant Utilisation (%)	Effluent quality compliance (%)	Waste Water Risk Rating (%)
	2011 Green Drop report	2012 Green Drop Progress Report			
Worcester	78.7	28	73.2	88.2	48.2
Rawsonville	79.3	0.24	79.2	88.8	41.2
De Doorns	79	2.1	59.5	91.6	52.9
Touwsrivier	67.3	0.84	65.5	89.7	47.1

Key findings

Breede Valley is in the process of compiling a Risk Abatement Plan with an external service provider.

Breede Valley is taking positive action to improve their wastewater status, and the proof is in the successful reduction of the risk rating. The upgrade to the Worcester works is noted with interest, as set against the observation that the existing capacity of 73% already produces good effluent quality. The 100% record on microbiological effluent quality is noted with encouragement, showing that efficient practice is in place for disinfection. The WSA is encouraged to consider resource oriented technology and practice (energy, reuse).

The planned upgrading of the Rawsonville WWTP is also noted in the MIG Detailed Project Implementation Plan.

Recommendations

It is recommended that the municipality submits its Risk Abatement Plan to DWA as a matter of urgency. The process will put in place all key elements of a comprehensive risk plan and is intent to indicate how the WSA plan to abate the identified weighted risks, specifically pertaining to the CRR elements. The W2RAP should be enhanced by prioritising the higher risk elements and showing the resource base needed and timeframes to abatement the particular risk elements. DWA will be available to review the Plan and provide detail comment to the WSA.

2.6.3 Technical Institutional Leadership

The composition of the Technical Department at the municipality is as follows:

Post	Filled / Vacant (F or V)	Qualifications	Number of years Experience
Director Operational Services (Planning/Development & Building Control & Civil Works & Civil Engineering & Electrical Services)	F	Professional Scientist	42 years
Manager Civil Engineering Services Water & Sanitation and Roads & Storm Water & MIG PMU Manager	F	Professional Tech Eng/PrCPM	22 years
Engineer Technical Water & Sanitation and Roads & Storm Water	F	Professional Engineer	10 years
Civil Engineering: Technician Water & Sanitation and Roads & Storm Water	F	Technician	4 years
Manager Civil Works Water, Sanitation, Roads, Storm Water & Refuse Removal	F	Technician	34 years
Engineer Works Water, Sanitation, Roads, Storm Water & Refuse Removal	F	Professional Engineer	34 years
Civil works: Technician Water & Sanitation and Roads & Storm Water	F	Technician	6 years
Bulk Water, Sewer and Solid Waste	F	Professional Scientist	22 years
Electrical Services	F	Professional Certificated Electrical Engineer	26 years
Electrical Services	F	Certificated Electrical Engineer	32 years

Key Findings

The management level of the Technical Department is adequately resourced.

Recommendations

The Waste Water and Water Treatment Plant's Operators and Supervisors must receive the required training in order to comply with Regulation 2834. Sufficient allowance must be made on the budget to fund all posts necessary in terms of the Regulation.

2.6.4 Level of Capital Expenditure

(Source: Provincial Treasury: Table C5 – Quarterly Budget Statement)

	Original Budget (R'000)	Adjustment Budget (R'000)	Expenditure (up to June 2012)	(%) Variance (up to June 2012)
Total Budget	113,513	138,345	70,965	51.30
Trading Services (Total)	108,123	125,473	65,719	52.38
Electricity	47,420	54,017	37,845	70.06
Water	13,124	12,490	8,823	70.65
Waste Water Management	47,078	58,311	19,034	32.64
Waste Management	500	656	16	2.49

Key Findings

The poor expenditure is mainly due to an appeal lodged against the appointment of the Stettyskloof Bulk Water Supply project's contractor. A high court ruling in favour of the municipality was only received in June 2012.

Recommendation

Funding should be reallocated earlier in the financial year to avoid a similar occurrence in future.

2.6.5 Repairs and Maintenance

According to the 2011 Annual Financial Statements the cost of the PPE and the infrastructure was R2453 million and R1889 million respectively. The repairs and maintenance expenditure was R35,896 million during 2010/11 and R40,871 million during 2009/10 respectively. The repairs and maintenance expenditure equates to 1,5% of the PPE cost which is lower than 2% guideline.

Key Findings

The repairs and maintenance expenditure is too low. Of particular concern is the downward trend of the repairs and maintenance expenditure.

Recommendation

The municipality should spent more on repairs and maintenance.

2.6.6 Unaccounted for water

The Non-Revenue Water percentage reported to DWA reduced from 47.1% in June 2011 to 27% by April 2012. This is a significant progress but still well above the NT guideline of 14-16 percent.

Improved meter reading in areas formally not covered resulted in the improvement in the non-revenue figures.

The municipality is funding an extensive water pipe replacement programme.

Key Findings

The non-revenue water is unacceptably high.

Recommendations

The municipality should continue to improve on the quality of information on which the water balances are calculated.

2.6.7 Project Finance

The municipality do not have a long term infrastructure investment plan. The MTEF however indicates a R1.5 billion shortfall on the requested R1.7 billion for the 12/13 and 13/14 financial year.

The projects indicated as highest priority in the Bulk Infrastructure Study are addressed as follows:

- The Bulk Water supply to Worcester and Rawsonville will be addressed by the MIG and RBIG co-funded Rawsonville/Stettynskloof Bulk Water Augmentation project.
- The Bokrivier Water Supply will be addressed by a municipal funded project on the current MTEF.
- The extension of the Rawsonville WWTP will be a future MIG funded project.
- The Worcester West Outfall sewer will be upgraded on commencement of the Altona private development. The Developer will be responsible for the upgrading.
- The De Doorns WWTP: Irrigation system for the final effluent will be addressed in line with the conditions of the License to be issued by DWA.

2.7 District and Local Performance Monitoring

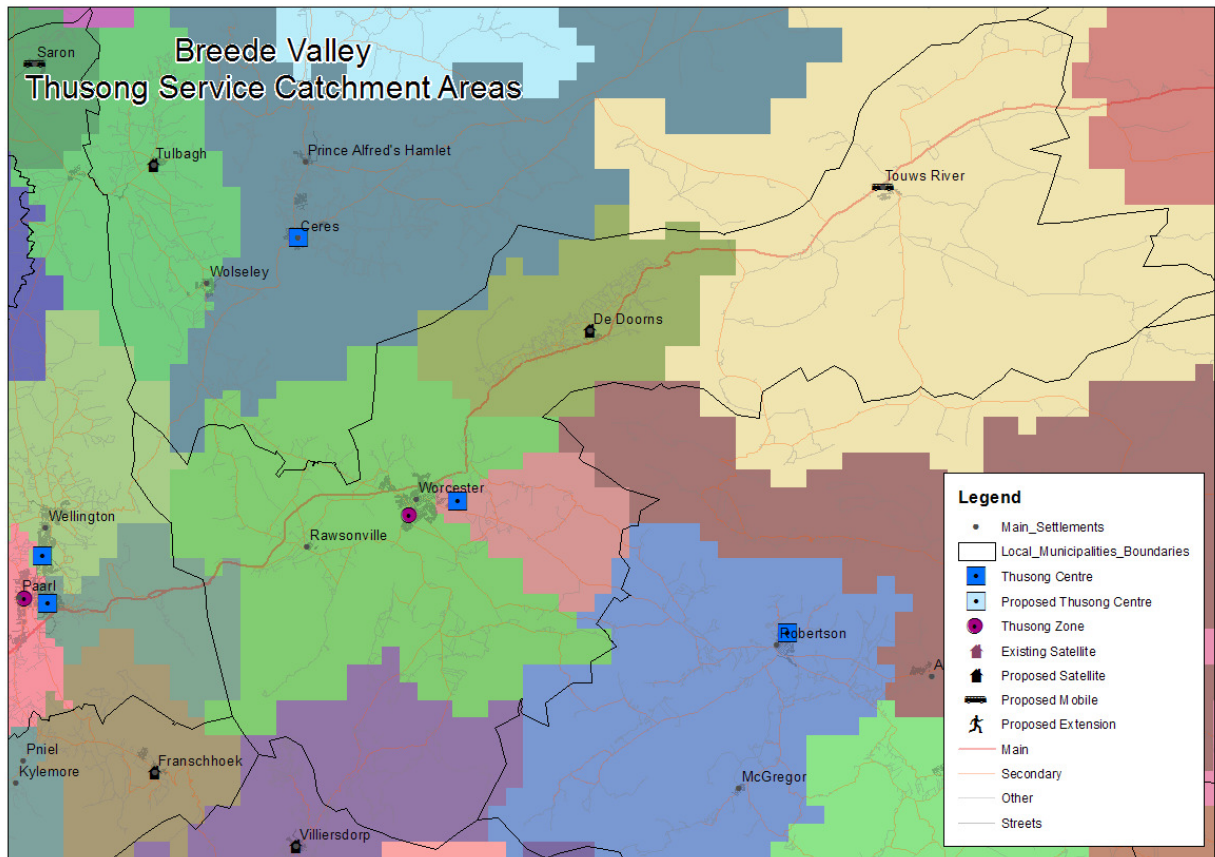
This municipality did not submit any information for the period ending June 2012.

2.8 Service Delivery Integration

Thusong Centres

The Thusong Plan for the Breede Valley Municipality as indicated by the Thusong Accessibility Analysis study is as follows:

Breede Valley Thusong Plan



Breede Valley Thusong Plan

Town	Thusong Service	Beneficiaries reached within 25km
Worcester	Centre	40 973
Rawsonville	Town within 25km from the Thusong Service Centre	
Worcester West	Zone	74 569
De Doorns	Satellite	28 345
Touws River	Mobile	8 295

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

Breede Valley Thusong Implementation Plan for 2012/13

Town	Thusong Service	Date
Worcester	Centre	All year round
Rawsonville		
Worcester West	Zone	All year round
De Doorns	Satellite	16 – 17 August 2012 (Mobile)
Touws River	Mobile	13 – 14 August 2012

The Thusong Service Centre is managed by the Local Municipality and the municipality has appointed a dedicated Thusong Service Centre Manager and Administrator who is responsible for the Thusong Programme broadly. The following anchor departments render services at the Thusong Service Centre: Social Development, GCIS, SASSA and the local municipality. The table below indicates the service offering at the Thusong Service Centre, status of lease agreements and rental revenue generated.

Status of lease agreements

Tenants	Space Allocation (square metres)/ Frequency	Rate Per Square metre	Monthly Rental	Annual Rental	Update on lease agreement
Government Communications and Information System (GCIS)					The Municipality is in the process of finalising lease agreements with tenants
Department of Social Development (DSD)					
Private Business: Valley Funerals					
NGO: Sinethemba HIV/ AIDS Group					
Department of Local Government: Community Development Workers (CDW's)					

Private Business: Hernell Funeral Service	
NGO: Zwelethemba Arts and Cultural Forum	
South African Social Security Agency (SASSA)	

The Department of Local Government convened a meeting between themselves and the Breede Valley municipality to resolve the challenges at the Thusong Service Centres. The following were key actions and commitments emanating from the meeting:

- The municipality committed to spending R100 000 on refurbishing the Thusong Service Centre by the end of June 2012;
- The municipality committed to ensuring that the Thusong Programme is included in the Municipal Integrated Development Plan;
- The meeting agreed that the current management and leadership capacity at the Thusong Service Centre is poor and the Municipality committed to actively participate in the platforms facilitated by the Department to gain strategic and technical support; and
- The municipality committed to concluding lease agreements with the tenants occupying space at the Thusong Service Centre.

The Breede Valley Municipality has requested the Department of Local Government to attend a Management Meeting to discuss and resolve the challenges of the centre. Furthermore, the municipality has not submitted the Thusong Service Centre Business Plan for 2012/13 and quarterly reports.

Thusong Mobiles

A Thusong Mobile was held in Avian Park on 28 and 29 June 2012. The Breede Valley Municipality did not attend the two status planning meetings which took place in the Thusong Service Centre. The CDW's were present in both meetings and represented the Municipality to some extent.

Securing a venue for the Thusong Mobile proved to be very challenging due to service delivery strikes which took place a few weeks before the Mobile took place. The principal of the school (Avian Park Primary) that was identified as the venue did not feel comfortable to expose the school to the community for a Thusong Mobile. Several negotiations at a higher level had to take place before the venue was secured. Should the Municipality's Risk Management and Disaster Management Team have attended the task team planning meetings, the project team would have been better equipped to make a decision with regards to the venue and safety. Community Safety and SAPS monitored the situation in terms of a possible service strike during the Mobile carefully and the visibility of the SAPS in the venue assisted.

The venue identified (Avian Park Primary School) was well resourced and no support was needed from municipality in terms of chairs and tables. The Law Enforcement Department, together with the CDWs assisted with loud hailing and made sure that the communities knew about the outreach program. Feedback from the community left the impression that marketing via loud hailing was not as effectively done in preparation for the first day of the Mobile as was expected. The Project Team accompanied the CDW's to assist with the loud hailing to market the second Mobile day to ensure good coverage. The municipality provided services to the public in terms of the indigent grant and housing. Together with the CDWs, the municipality provided logistical support i.e. a camera for ID photos, a printer for the ID photos as well as securing extra support from the NARYSEC interns.

Further Thusong Mobiles are planned for the third quarter in Touws River and De Doorns.

2.9 Community Development Workers

2.9.1 Number of CDW's deployed in the Municipality

Breede Valley Municipality has 6 X CDW's and office accommodation is provided by the municipality to all CDW's. The 1 X CDW in Touwsriver is accommodated in the municipal offices and is fully equipped and resourced. The CDW in De Doorns is located at the municipal offices in De Doorns and is fully equipped and resourced. The 2 X CDW's in Zwelethemba are located in the Thusong Centre and only have limited access to resources. Randall Matthews has been deployed to the Regional Office until further notice. The 2 X CDW's Worcester is in the Municipal Offices in Van Huysteen Avenue. With regards to internalizing the CDWP, CDW's are managed locally by Harold J Baxter who also coordinates the administrative requirements of the program and provides support to the CDW's.

2.9.2 Operational expenditure reports on CDW Grants submitted by the Municipality

The Municipality has not submitted the Operational Expenditure Report and did not account for any funding transferred in 2011/2012. The MOA for 2011/2012 was signed and submitted by the Municipality. Subsequently, an amount of R 182 000.00 was transferred by the Department of Local Government on 26 January 2012. No MOA was prepared for this financial year by the department.

2.9.3 Joint projects with Municipality and Government

- Supported the DWA with CSO establishment in Breede Valley on the 19 April 2012.
- Supported the Home Affairs ID Campaign in various areas of the Breede Valley.
- Assisted with coordination of NARYSEC community youth outreach programs.
- Supported Leadership Camp for Nuwe Hoop Hostel residents.
- Supported Touws River Traffic Enforcement Course Registration to recruit 28 young people who want to register at the FET for a one year course in Traffic law enforcement course in Goodwood.
- Write project proposal and secure funding for Ward 6 Clean and Green project.

2.9.4 Case referrals to government services

1249 Cases were referred to relevant government departments.

Case referrals relate to ID documents, Indigent grants, Housing, Fire Disaster, Domestic Violence, Water Leakage, Youth, Labour, Justice, Eviction, Electricity, Provident Fund, Tax Clearance, Employment Issue, Child Problems, Enquiry on Provident Fund, Municipal Account, Pension Fund, UIF, Policy Enquiry, Maintenance Money, Disability Review, etc.