



**Western Cape
Government**

Local Government

Provincial Week: 2020

**“Ensuring Capable and Financially
Sound Local Government”**

Kannaland Municipality

OCTOBER 2020



**Western Cape
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Local Government

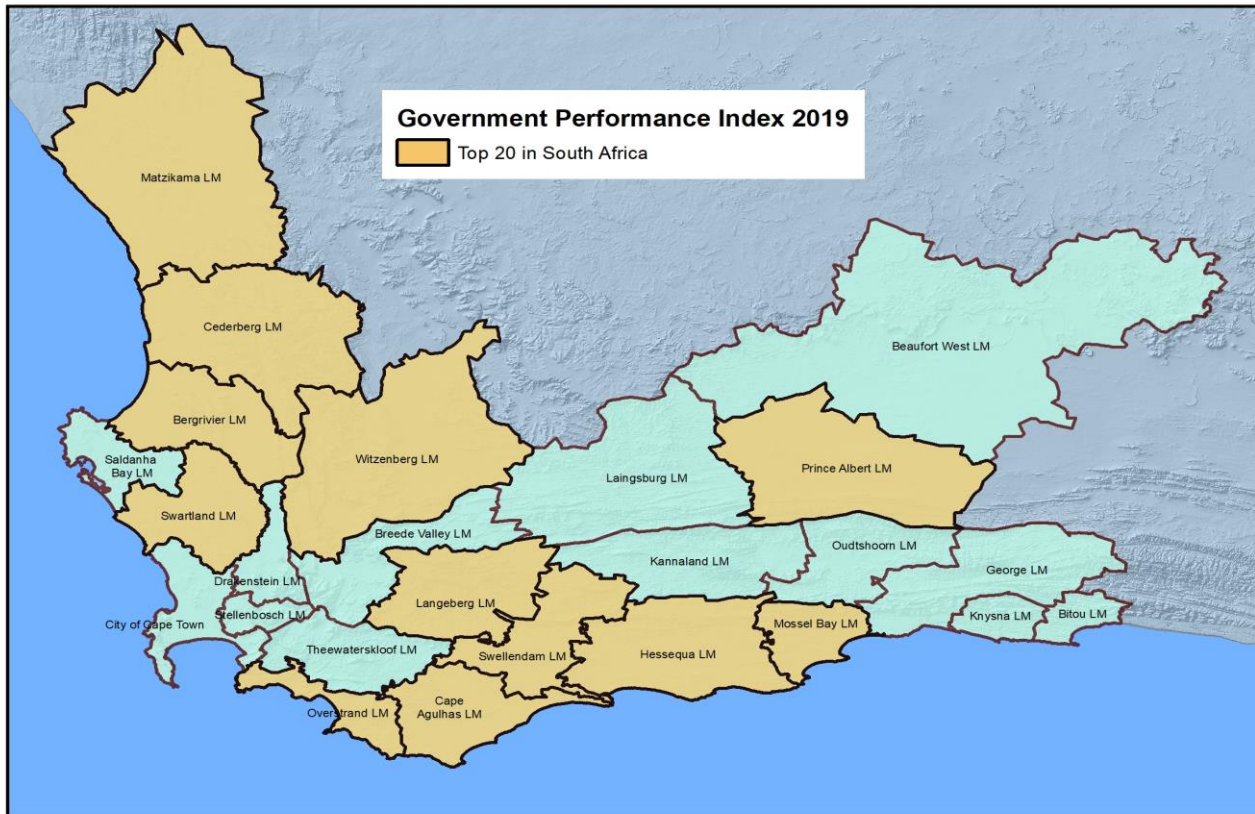
State of Local Government: Western Cape

Top Performing Municipalities in SA: WC

According to Good Governance Africa: **Government Performance Index 2019**

- **Western Cape has 12 out of the top 20 performing municipalities in South Africa**

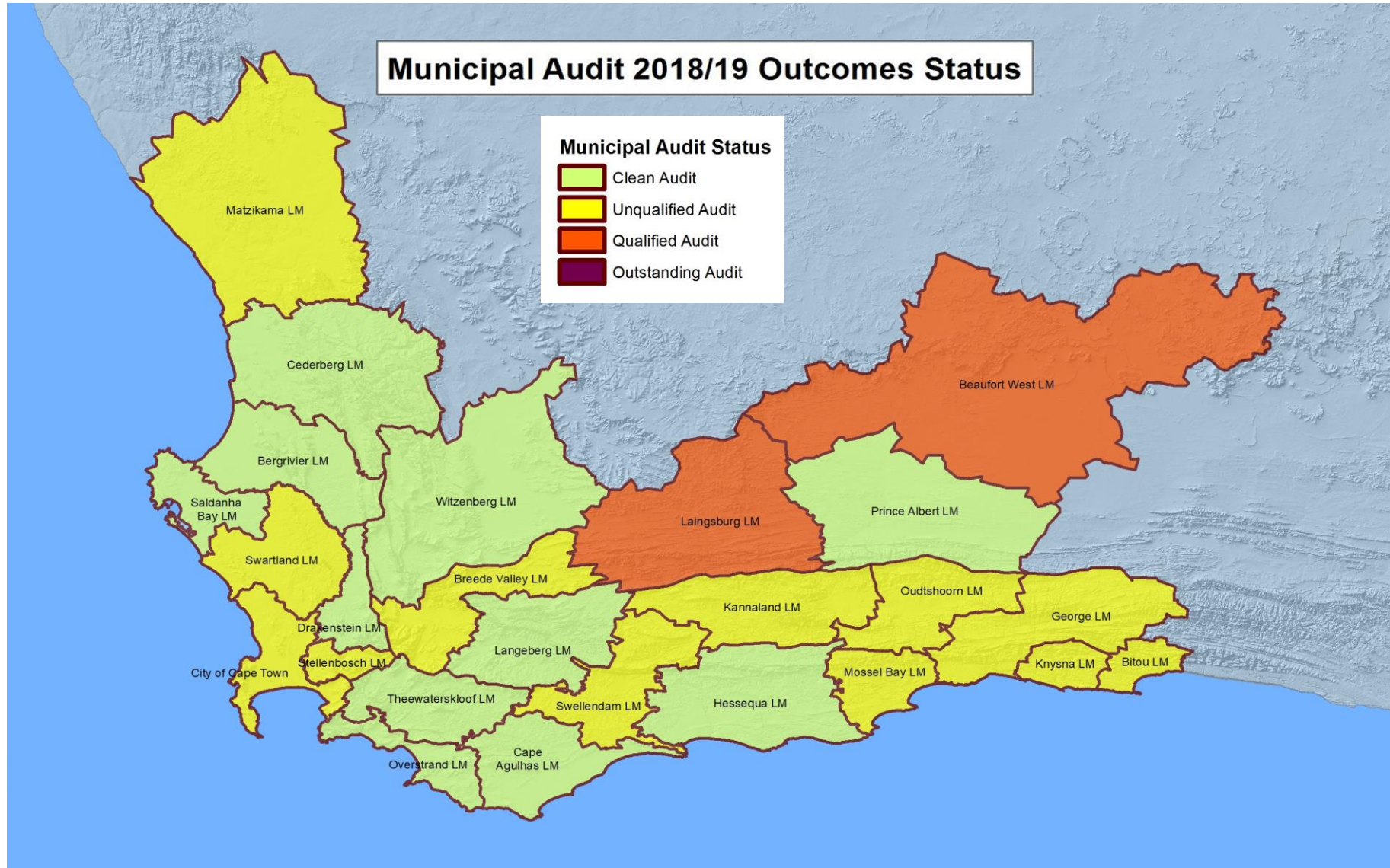
- Mossel Bay LM – Top Performing Municipality



GOVERNMENT PERFORMANCE INDEX 2019

TOP 20			
1	Mossel Bay	WC	DA
2	Senqu	EC	ANC
3	Swartland	WC	DA
4	Sol Plaatje	NC	ANC
5	Greater Kokstad	KZN	ANC
6	Midvaal	GP	DA
7	Khai-Ma Local	NC	ANC
8	Bergrivier	WC	DA/KGP
9	Cape Agulhas	WC	DA
10	Prince Albert	WC	DA/KGP
11	Swellendam	WC	DA
12	Cederberg	WC	DA
13	Matzikama	WC	DA
14	Overstrand	WC	DA/COPE
15	Witzenberg	WC	DA
16	Koukamma	EC	ANC
17	Hantam	NC	ANC +
18	Nama Khoi	NC	ANC/KSR
19	Hessequa	WC	DA
20	Langeberg	WC	DA

Municipal Audit Outcomes – 2018/19



Audit Outcomes: 2017/18 and 2018/19

Municipality	District	2018 - 19 Actual	2017-18
City of Cape Town	Cape Town Metro	Unqualified with findings	Unqualified with findings
Cape Winelands DM	Cape Winelands	Unqualified with no findings	Unqualified with no findings
Breede Valley	Cape Winelands	Unqualified with findings	Unqualified with no findings
Witzenberg	Cape Winelands	Unqualified with no findings	Unqualified with no findings
Drakenstein	Cape Winelands	Unqualified with no findings	Unqualified with findings
Langeberg	Cape Winelands	Unqualified with no findings	Unqualified with findings
Stellenbosch	Cape Winelands	Unqualified with findings	Unqualified with findings
Laingsburg	Central Karoo	Qualified	Qualified
Prince Albert	Central Karoo	Unqualified with no findings	Unqualified with findings
Central Karoo DM	Central Karoo	Unqualified with findings	Unqualified with findings
Beaufort West	Central Karoo	Qualified	Qualified
Kannaland	Garden Route	Unqualified with findings	Unqualified with findings
Hessequa	Garden Route	Unqualified with no findings	Unqualified with no findings
Bitou	Garden Route	Unqualified with findings	Unqualified with findings
Mossel Bay	Garden Route	Unqualified with findings	Unqualified with findings
Garden Route DM	Garden Route	Unqualified with findings	Unqualified with findings
Knysna	Garden Route	Unqualified with findings	Unqualified with findings
Oudtshoorn	Garden Route	Unqualified with findings	Qualified
George	Garden Route	Unqualified with findings	Qualified
Swellendam	Overberg	Unqualified with findings	Unqualified with no findings
Overstrand	Overberg	Unqualified with no findings	Unqualified with no findings
Cape Agulhas	Overberg	Unqualified with no findings	Unqualified with no findings
Overberg DM	Overberg	Unqualified with findings	Unqualified with no findings
Theewaterskloof	Overberg	Unqualified with no findings	Unqualified with findings
Cederberg	West Coast	Unqualified with no findings	Unqualified with no findings
Matzikama	West Coast	Unqualified with findings	Unqualified with no findings
Berg River	West Coast	Unqualified with no findings	Unqualified with no findings
West Coast DM	West Coast	Unqualified with no findings	Unqualified with no findings
Swartland	West Coast	Unqualified with findings	Unqualified with findings
Saldanha Bay	West Coast	Unqualified with no findings	Unqualified with findings

Outcome	2018/19	2017/18
Unqualified with no findings	13	12
Unqualified with findings	15	14
Qualified	2	4
Disclaimer	-	-
Outstanding	-	-
	30	30

Overall Performance: Council Oversight

General Stability in Councils experienced

Political changes in governance in the last 2 years:

- Number of coalition councils in the Western Cape: 12 of 30
- Number of municipalities where the ruling party changed: 3
- Number of municipalities who experienced a change in Executive Mayor in the last year: 5
- Leading up to the LG elections, more instability is being experienced by Councils

Functionality of Councils:

- The majority of Councils in the Province are functioning in accordance to legislative prescripts with functional committee systems
- All municipalities have MPAC structures, of which most are functioning effectively and DLG providing support where functioning can be improved

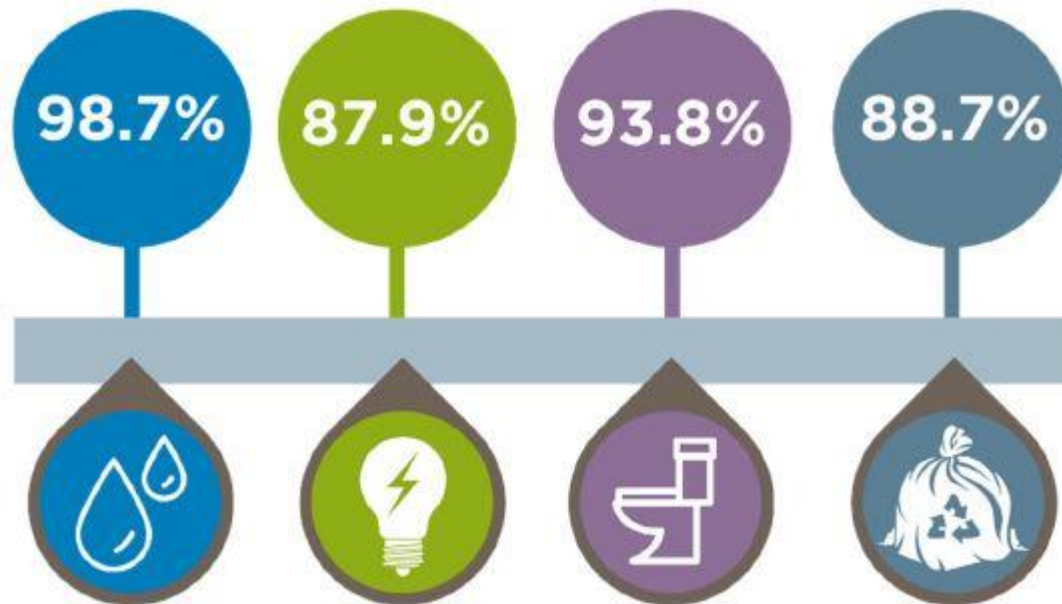
Overall Performance: Administrative Functionality

Municipal Administrations are generally stable.

Functionality of the Administrations: - March 2020

- Number of municipalities who have MM positions vacant: 1
- % vacancies in senior management posts: 15% (24 vacancies/160 posts)
- All municipalities have functional organizational structures which are reviewed annually
- All Municipalities have responsive organizational PMS systems in place, with a few municipalities also cascading PMS principles down to the lowest levels of the Organization.
- Generally, municipalities are performing their constitutional and statutory mandates.

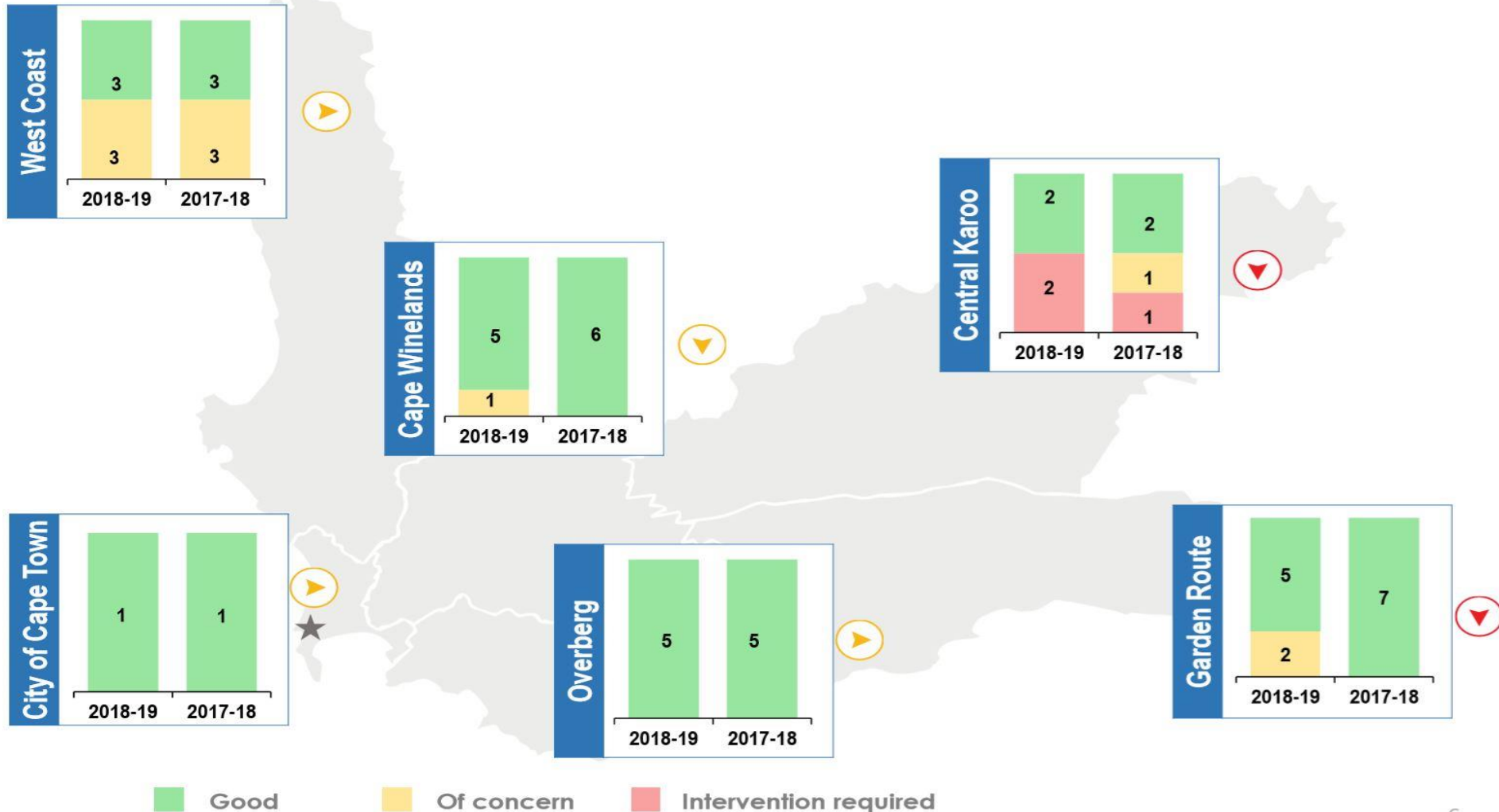
Access to Basic Services in WC



Source: MERO 2019

AG Report (18/19): General Status on Financial Health

Financial health per district



Financial Health of Municipalities – high level view

- Most municipalities in the WC are in a reasonably good financial position
- Municipalities continue to have sufficient cash flow to fund their operations – smaller, more rural municipalities continue to experience challenges in this regard
- Under spending of capital budgets (including Grants for Capital projects) continue to be a challenge over a number of years
- Total outstanding consumer debtors, and the collection thereof, continue to be a challenge – year on year
- Limited number of municipalities not paying creditors within the 30-day period
- MSCOA continue to present challenges relating to the quality and credibility of financial information



**Western Cape
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Local Government

State of Local Government: Garden Route Municipalities

Municipal Scorecard - Garden Route

Municipal Audit Status

- Clean Audit
- Unqualified Audit
- Qualified Audit
- Outstanding Audit

Garden Route District Municipality

Political Stability	Stable
Administrative Stability	Stable
Interventions	None
Audit Outcome	Unqualified
Formal Investigations	None
ICT Functionality	Functional
Service Delivery and Infrastructure	Functional
Public Participation	Functional

George Municipality

Political Stability	At Risk
Administrative Stability	At Risk
Interventions	None
Audit Outcome	Unqualified
Formal Investigations	In Progress
ICT Functionality	Functional
Service Delivery and Infrastructure	Functional
Public Participation	Functional

Oudtshoorn Municipality

Political Stability	Stable
Administrative Stability	At Risk
Interventions	None
Audit Outcome	Unqualified
Formal Investigations	None
ICT Functionality	Functional
Service Delivery and Infrastructure	At Risk
Public Participation	Functional

Kannaland Municipality

Political Stability	At Risk
Administrative Stability	At Risk
Interventions	In Progress
Audit Outcome	Unqualified
Formal Investigations	None
ICT Functionality	Functional
Service Delivery and Infrastructure	At Risk
Public Participation	Functional

Bitou Municipality

Political Stability	Stable
Administrative Stability	At Risk
Interventions	None
Audit Outcome	Unqualified
Formal Investigations	Concluded
ICT Functionality	Functional
Service Delivery and Infrastructure	Functional
Public Participation	Functional

Hessequa Municipality

Political Stability	Stable
Administrative Stability	Stable
Interventions	None
Audit Outcome	Clean
Formal Investigations	None
ICT Functionality	Functional
Service Delivery and Infrastructure	Functional
Public Participation	Functional

Knysna Municipality

Political Stability	Stable
Administrative Stability	At Risk
Interventions	None
Audit Outcome	Unqualified
Formal Investigations	Internal
ICT Functionality	Functional
Service Delivery and Infrastructure	Functional
Public Participation	Functional

Mossel Bay Municipality

Political Stability	Stable
Administrative Stability	Stable
Interventions	None
Audit Outcome	Unqualified
Formal Investigations	None
ICT Functionality	Functional
Service Delivery and Infrastructure	Functional
Public Participation	Functional



Garden Route DM: Municipal Ratings

Garden Route District Municipality	
Political Stability	Stable
Administrative Stability	Stable
Interventions	None
Audit Outcome	Unqualified
Formal Investigations	None
ICT Functionality	Functional
Public Participation	Functional

George Municipality	
Political Stability	At Risk
Administrative Stability	At Risk
Interventions	None
Audit Outcome	Unqualified
Formal Investigations	In Progress
ICT Functionality	Functional
Public Participation	Functional

Hessequa Municipality	
Political Stability	Stable
Administrative Stability	Stable
Interventions	None
Audit Outcome	Clean
Formal Investigations	None
ICT Functionality	Functional
Public Participation	Functional

Oudtshoorn Municipality	
Political Stability	Stable
Administrative Stability	At Risk
Interventions	None
Audit Outcome	Unqualified
Formal Investigations	None
ICT Functionality	Functional
Public Participation	Functional

GRDM Municipal Ratings (2)

Knysna Municipality	
Political Stability	Stable
Administrative Stability	At Risk
Interventions	None
Audit Outcome	Unqualified
Formal Investigations	Internal
ICT Functionality	Functional
Public Participation	Functional

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Administrative Stability	At Risk
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Formal Investigations	None
ICT Functionality	Functional
Public Participation	Functional

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Formal Investigations	None
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Criteria: To inform Municipal Sustainability Score Card

Themes

- Council Sustainability
- Administrative Sustainability
- Fiscal Sustainability
- Service delivery & Infrastructure Sustainability
- Citizen engagement & Public Participation Sustainability

Administrative Sustainability Criteria:

- All Section 56 managers and MM posts filled – **STABLE**
- Technical Director and/or CFO posts not filled – **AT RISK**
- MM, Technical Director or CFO posts not filled – **UNSTABLE**

Political Sustainability Criteria:

- Council and oversight structures in municipalities fulfilling its executive and legislative functions – **STABLE**
- Risks are associated with strong reliance on coalitions which may have an adverse impact on political stability if there is a change in coalition – **AT RISK**
- Council not fulfilling its executive, legislative and oversight functions. Non fulfillment of delegated and mandated powers by oversight structures. – **UNSTABLE**

Criteria (2)

Service Delivery and Infrastructure Criteria:

FUNCTIONAL:

- **MIG Expenditure**
 - MIG Expenditure at Dec > 40%
 - MIG Expenditure at June > 95%
- **Planning**
 - Master Plans updated within last 5 years
 - Infrastructure Master Plans aligned to the SDF and long-term financial plan
 - Master Plans projects are captured on the 3-year capital plan
 - Fully committed for current and next financial year into MIG
- **Infrastructure capacity**
 - Infrastructure backlogs do not significantly impact the ability to deliver services, i.e. water, sanitation, waste, roads and storm water and electricity provision

AT RISK:

- **MIG Expenditure**
 - MIG Expenditure at Dec between 30% and 40%
 - MIG Expenditure at end June between 60% - 80%
- **Planning**
 - Master Plans updated within the last 10 years
 - Infrastructure Master Plans partly aligned to the SDF and long-term financial plan
 - Only some of the Master Plans projects are captured on the 3-year capital plan
 - Fully committed for current year only, uncommitted for next year into MIG
- **Infrastructure capacity**
 - Infrastructure backlogs impact significantly the ability to deliver services, i.e. water, sanitation, waste, roads and storm water and electricity provision

DYSFUNCTIONAL:

- **MIG Expenditure**
 - MIG Expenditure at Dec < 30%
 - MIG Expenditure at June < 60%
- **Planning**
 - Master Plans outdated (older than 10 years)
 - Infrastructure Master Plans not aligned to the SDF and long-term financial plan
 - None of the Master Plans projects are captured on the 3-year capital plan.
 - Only partially committed for current year, uncommitted for next year into MIG
- **Infrastructure Capacity**
 - There are significant Infrastructure backlogs that have a major negative impact on the ability to deliver services, i.e. water, sanitation, waste, roads and storm water and electricity provision



**Western Cape
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Municipalities under Section 139:

Kannaland Municipality

Kannaland Support & Intervention: The History...

Year	Support Initiative	Status
2004	Project Consolidate – Recovery Plan	<ul style="list-style-type: none"> • Support Plan in place • Functional committee driving implementation of plan • R1.6 m
2005	Project Consolidate – Recovery Plan:	<ul style="list-style-type: none"> • Support Plan in place • Functional committee driving implementation of plan • R21.3 m
2006	Project Consolidate – Recovery Plan	<ul style="list-style-type: none"> • Support Plan in place • Functional committee driving implementation of plan • R2.5 m
2007	Project Consolidate – Recovery Plan	<ul style="list-style-type: none"> • Support Plan in place • Functional committee driving implementation of plan • R4.9 m
2008	Project Consolidate – Recovery Plan	<ul style="list-style-type: none"> • Support Plan in place • Functional committee driving implementation of plan • R2 m
2004- 2008	<p>R33 941 960 - was provided to Kannaland by both National and Provincial Sector Departments in support of projects identified under the Project Consolidate Programme.</p>	

Timeline: Kannaland Municipality

Year	Support Initiative
2010	Kannaland was nominated to form a part of the LGTAS (Local Government Turn Around Strategy) programme
2011	<p>2011 Local Government Elections - Mr Morne' Hoogbaard was appointed as Municipal Manager and Mr Nigel Delo as Chief Financial Officer. DLG supported by Provincial Treasury developed a support plan for this purpose (LGTAS). Projects included amongst others:</p> <ul style="list-style-type: none">• Rehabilitation of Schoongezicht road;• Development of a Spatial Development Framework;• Development of a Human Settlements Strategy;• Securing land for Zoar Cemetery;• Mediation with Eskom regarding the arrear Eskom Account• Etc.

Timeline: Kannaland Municipality

Year	Support Initiative
2014	<p data-bbox="394 408 1885 511">COGTA, DLG, PT and various Provincial Sector Departments reviewed the LGTAS with a view to bring it in line with the principles of the Back-2-Basics programme.</p> <p data-bbox="394 608 1885 711">In support of this plan, the Provincial Government allocated both resources in the form of funding and human resources to support identified projects.</p> <ul data-bbox="394 808 1885 1310" style="list-style-type: none"><li data-bbox="394 808 1885 853">• The Back-2-Basics programme – activated and functional<li data-bbox="394 939 1885 1110">• A number of critical projects were implemented, but the completion of individual projects did not contribute to improved governance, stability and service delivery in the Municipality.<li data-bbox="394 1210 1885 1310">• A lack of ownership and entrenched mismanagement and fraud plagued the Municipality during that period.

Kannaland Municipality: Support & Interventions

Year	Support Initiative
2016 (First Intervention)	<p>Local Government Elections: Change in political leadership - coalition of the Democratic Alliance and African National Congress. New Council inherited a Municipality facing serious governance, financial and service delivery challenges. Outstanding debts of over R75 mill and creditors amounting to R69 million.</p> <p>DLG supported by the PT, undertook a diagnostic process with a view to re-visit and refine the Municipal Support Plan, B-2-B support plans.</p> <p>On 7 December 2016, the Provincial Executive decided to intervene in the Municipality in terms of section 139(5) of the Constitution, read with sections 139(1) and 141 to 142 of the MFMA. Actions included:</p> <ul style="list-style-type: none">• PT to prepare and finalise a financial recovery plan for the Municipality and;• DLG and PT with support from all relevant national and provincial departments to develop and implement a targeted support package to address the immediate governance, operational and technical challenges.

Support & Interventions

Year	Support Initiative
2017	<p>The PT finalised a financial recovery plan for the Municipality after following the consultation and public participation processes, and the criteria as prescribed in the MFMA.</p> <p>On 8 March 2017, the Provincial Executive resolved to impose the financial recovery plan on the Municipality, subject to the approval of the Provincial Minister: Finance, in accordance with the requirements of section 139(5) of the Constitution, read with the relevant provisions of the MFMA.</p> <p>The DLG and PT, together with other national and provincial departments and stakeholders, provided extensive support in implementing and reviewing the plan on an ongoing basis, in line with the changing needs of the Municipality.</p> <p>During such a session the Municipality indicated (i) limited progress had been made in giving proper effect to the said plan to date; (ii) is not in a position to take executive measures necessary to give effect to such plan; and (iii) the Provincial Executive needs to take certain actions to ensure the proper implementation of the said plan.</p>
2018	<p>At a Special Council Meeting held on 30 November 2018, the Executive Mayor recommended that the Municipal Council request the Provincial Executive for the Municipality to be “placed under full administration in terms of section 139 of the Constitution”. (The request)</p> <p>Minister and Deputy Minister of COGTA were consulted on the matter and expressed their support.</p>

Support & Interventions

Year	Support Initiative
2018	<p>On 5 December 2018, the Provincial Executive resolved to assume responsibility, in terms of section 139(5)(c) of the Constitution, for the implementation of the financial recovery plan, given that the Municipality was unable to properly implement the FRP. (The decision)</p>
2019	<p>On 1 March 2019, Mr Edward Jantjies was appointed as the Administrator (Financial Recovery), for a period of 6 (six) months.</p> <p>Mr Wessel Rabbets appointed as the Administrator (Financial Recovery) for the period 6 September 2019 to 29 February 2020.</p> <p>Significant gains have been made in achieving the aims of the approved financial recovery plan since the appointment of Mr Rabbets.</p> <p>The Provincial Executive accordingly extended the Administrator (Financial Recovery)'s appointment.</p>



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**Kannaland Municipality:
Comprehensive Support Package**

A Comprehensive Support Package

- After receiving the request from the Mayor of Kannaland to put the Municipality under Administration, and the Executive resolved accordingly, a Final Recovery Plan was developed as part of a Section 154 Support Package.
 - To introduce a holistic support strategy to Kannaland
- To support the implementation of the FRP, a dedicated Administrator was appointed, for this exclusive purpose. – Council remains functional.
- The Administrator functions independently, but also takes responsibility for the Financial Governance, as part of the Comprehensive Support Package

The Support Package – including FRP

- DLG developed the Section 154 Support Package.
- In Kannaland,
 - PT & DLG developed the FRP, with the Support of the Administrator & the Municipality
 - DLG was further responsible to secure support and involvement from required National and Provincial Departments.
- Upon the completion of the support package, it was presented to both the Political and Administration leadership, and adopted for implementation.
 - FRP also followed the required legislative Section 139(5) processes and was approved by Cabinet
- All required National and Provincial stakeholders mobilized in support of Kannaland Municipality

General Progress made...

- The Implementation of the Comprehensive Support Package is progressing well.
 - Both the comprehensive support package as well as the FRP are reviewed and revised on an ongoing basis
- The Municipal Leadership has been taking personal responsibility for the process- as is evident from the positive progress made.
- There is a definite improvement in the overall functioning, oversight responsibilities and financial stability in the Kannaland Municipality.
- The required systems and processes are functional and all stakeholders are actively contributing to the recovery process.
- Projects were prioritized and implemented accordingly – projects have been successfully completed...

Oversight and Compliance

Reporting and Compliance:

- The tabling of the Draft Budget for the 2019/20 MTREF and the adoption of the Final Budget for the 2019/20 MTREF;
- The finalisation of the 2017/18 Audit of the Annual Financial Statements;
- The audit of the 2018/19 Annual Financial Statements was completed by the end of March 2020.

Oversight and Governance

- Training for Councilors on Code of Conduct and MPAC.
- Updated Municipal Code comprising of all its By-Laws.
- Water and Sanitation By-law (Review, amendment and cost in terms of publication).
- Informal Trading By-law (Review and amendment of By-law).
- Pounds By-law (Development of By-law).
- Review of Delegations.

Administration

Shared Services Arrangements with Garden Route DM put in place.

Services to be shared with Garden Route DM include:

- Internal Audit
- Risk Management
- Fire Fighting Services
- ICT Services

Draft Memorandum of Agreement served before the Garden Route District Municipal Council, and it was in principle approved for implementation.

Specific HR matters:

- Contract appointment and terminations were reviewed.
- HR policies were reviewed.
- A leave audit was conducted.
- Disciplinary matters were attended to.

Stability in the Administration

- Kannaland Municipality has four (4) Senior Management positions all other Senior Management posts are filled, with the exception of 1 – DLG provided support
- **The Administration of Kannaland Municipality is considered to be stable**

Service Delivery

- Storm Water and Roads Master Plans.
- Electricity Master Plan.
- Infrastructure Growth Plan.
- Repair and maintenance Framework.
- Human Settlements Plan.

- Refuse is removed on a daily basis as per Municipal Schedule
- Landfill site is maintained on a daily basis and refuse is covered.

DRAP: Water Security Programme

Kannaland has been supported through this initiative by making a drought engineer, geo-hydrologist and additional funding available to ensure water security

The Department assisted the Municipality through the provision of a fleet of second hand vehicles, which included eight (8) bakkies, and two (2) digger loaders, to the value of R500 000.

Public Participation and Communication

- Development and monitoring of Citizen/ Client Service Charters.
- Ward Committee Functionality: Training, Know Your Ward Committee Campaigns.
- Development and review of Ward Committee Operational Plans.
- Development and review of Public Participation and Ward Committee Policies.
- Design a new municipal Corporate Identity.
- Various other communication initiatives were supported to ensure community awareness, e.g. drought.

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Financial Management

- Weekly monitoring of the Financial Recovery Plan and reporting on progress
- Monthly IYM monitoring of the municipal performance.
- SIME and TIME process for budgeting.
- Municipal visits for budgeting process assisting the municipality in identifying revenue streams and expenditure line items budget cuts and revenue optimization opportunities.
- Grant funding assistance for implementation of the FRP:
- AFS, SCM Expert, BTO Capacity building, FRP Implementation Manager,
- Capacity building of staff through transversal training.
- AFS readiness testing.
- Hands on support on mSCOA challenges.
- Assistance on the rollover process for unspent conditional grants.
- Revision of the Financial Recovery Plan in concert with the Municipal financial Recovery Service

Financial Management (2)

- Accredited training i.t.o MFMA induction, Financial Governance Public Sector Training and Combined Assurance Training
- Chief Risk Officer and Chief Audit Executive Committee Forums
- Combined Assurance Workshop for Garden Route District Municipalities focusing on improving the SCM audit finding 0
- Funding Support to Garden Route District Municipality for the installation and implementation of the internal audit and risk management for 6 municipalities (inclusive of Kannaland Municipality) within the Garden Route District.
- Financial Management Capacity Building Grant – External municipal bursary programme
- Financial Management Support Grant – BTO Capacitation
- Funding via the Western Cape Financial Management Grant
- Technical support during the 2018/19 audit process
- Crafted the Audit Action Plan for the 2018/19 that the municipality used to track progress in addressing their audit issue
- Crafted the Circular 71 Ratios required by National Treasury on behalf of the municipality

Special Support to Assist Service Delivery

- With the financial and logistical support of DLG, purchase 10 vehicle for the price of R494 320.00.



- With the financial and logistical support of DLG, purchase 1 fire truck for R730 000.00.



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Additional Resources Allocated to Kannaland

Financial Resources availed

Name of Grant	Project	Amount
2016/17 Financial Year		
Capacity Building Grant	Infrastructure Project: Pump station	R 360 000.00
	Re-Design of the Organisational Structure	R 500 000.00
	Appointment of CFO	R435 000.00
	Replacement of Electrical Meters	R200 000.00
	Human Resource Management Strategy	R250 000.00
Total		R 1 745 000.00
2017/18 Financial Year		
Capacity Building Grant	Creation of small homework hub	R 200 000.00
	Development of Water Services Plan	R 350 000.00
Total		R 550 000.00

Additional resources availed (2)

Name of Grant	Project	Amount
2018/19 Financial Year		
Capacity Building Grant	Capacity Assistance – Manager Budget and Treasury Office	650 000
	Capacity Assistance – Manager Technical Services	650 000
Total		R 1 300 000.00

Additional resources availed (3)

Name of Grant	Project	Amount
2019/20 Financial Year		
Intervention Grant	Appointment of an Administrator	660 000
	Organisational Review	100 000
	Human Resource Specialist Appointment	270 000
	Deep Borehole	3,691 000
	Forensic Investigation	100 000
Total		R4 821 000
Municipal Support Grant	Vehicle Fleet	495 000

Financial Resources availed by Provincial Treasury

Name of Grant	Project	Amount
2018/19 Financial Year		
Intervention Grant	Extension of FRP Implementation Manager	500 000
	Accounting Support	500 000
	mSCOA Support	330 000
	BTO Capacitation	400 000
	Continuation with the MFIP Advisor Support	
Total		R1 730 000

Additional resources availed by Provincial Treasury (2)

Name of Grant	Project	Amount
2019/20 Financial Year		
Intervention Grant	Compilation of AFS	2 620 000
	Capacitation and Training of BTO Staff	550 000
	FRP Implementation Manager	1 321 000
	Supply Chain Management Expert	330 000
Total		R4 821 000

Direct Resource Support by DLG

Positon	Name of resource	Period
Recovery Plan Implementation Manager	Mr. R Esau	Feb 2017 – May 2017
Acting Municipal Manager	Mr. P. Williams	March 2017 – May 2017
Recovery Plan Implementation Manager	Mr. W. Hendricks	June 2017 – Sep 2017
Acting CFO	Mr. K. Cooper	June 2018 – Aug 2018
Technical Service Manager	Mr. J. Venter	June 2018 – Nov 2018
Human Resources Support	Mr. D Rennie	Jan 2017 – June 2017

Direct Resource Support by Partners

Position	Name of resource	Period
Garden Route District Risk Officer	Ms. L James	On going
Risk Manager: GRDM	Ms. T Holtzhausen	On going
MISA Programme Manager Western Cape	Ms N Mzaidume-Nkopane	On going
Engineer: MISA	Mr. N Liebenberg	On going
Director: Development Planning: Hessequa Municipality	Mr. HS Visser	On going
Director: Corporate Services: Mossel Bay Municipality appointed Administrator FRP: Kannaland Municipality	Mr. E Jantjies	March 2019 – August 2019

Direct Resource Support by Partners (2)

Positon	Name of resource	Period
Manager NCCS: Statistics SA	Ms. V Wiener	On going
LG Budget Coordinator: National Treasury	Mr. L Gqesha	On going

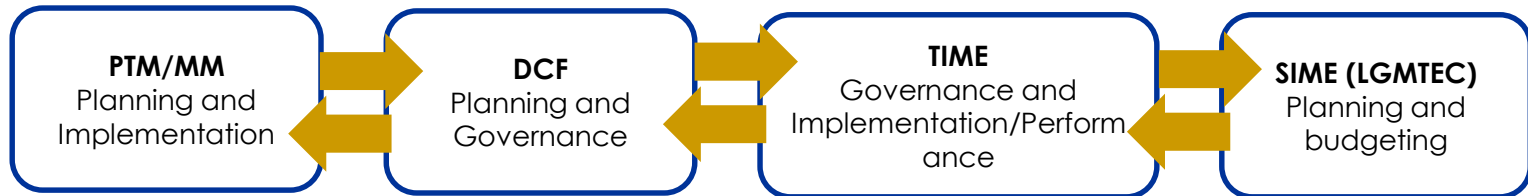
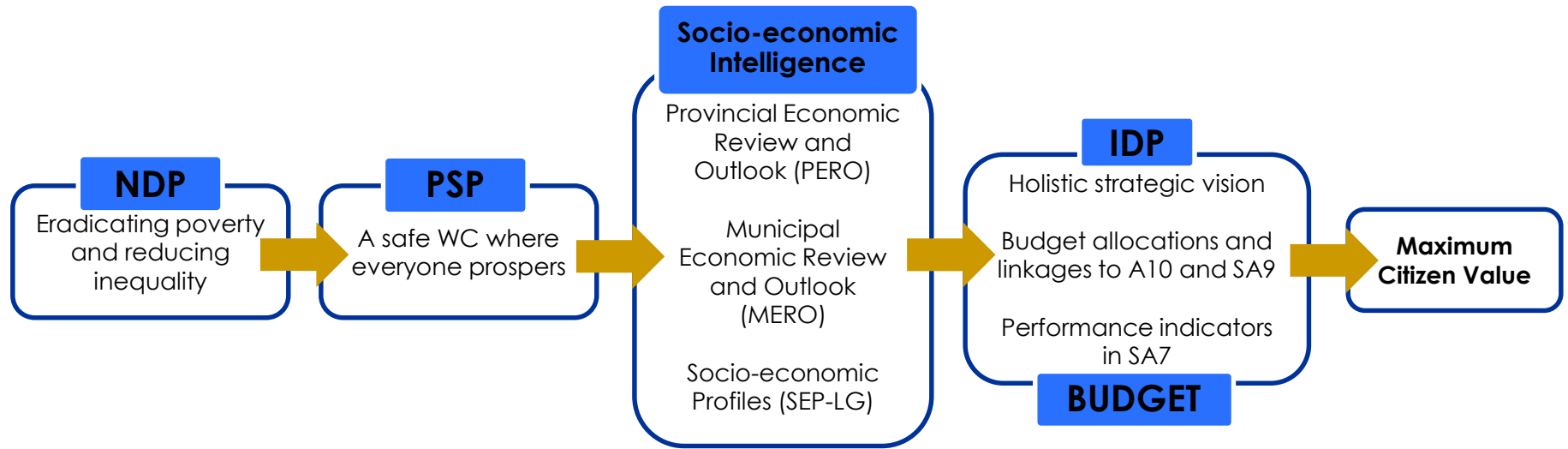


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Improvement on Financial Management

Financial Management Support: As part of an integrated approach to support coordinated planning



Joint District Approach/Support Plans as GOLDEN THREAD that ensures coherent planning, budgeting and implementation of service delivery projects in all districts by all three spheres of government.

Support includes 6 Game Changers (NT)

The Western Cape Provincial Treasury supports the implementation of the 6 “Game Changers” for improved financial management agreed by the Budget Council. Examples of initiatives to support these include:

1. Funded Budgets

- Assessments and advice institutionalized in SIME process
- Follow-up engagements with those adopting unfunded budgets

2. Revenue Management

- Advice (e.g. through SIME process)
- Training provided – Revenue Masterclass
- Monitoring through IYM process

3. mSCOA

- Providing support , advice and training to municipalities

4. Asset Management

- Supported through SIME and TIME processes
- Asset management baselines assessments

5. SCM*

- SCM District fora created and SCM helpdesk
- LED/SCM interventions per district and training programmes
- Procurement planning insight reports for selected municipalities

6. Audit outcomes

- AFS Consistency Workshop and MPAC training
- MFMA provincial audit steering committee Technical Accounting & Reporting Consulting and Management of provincial audit disputes
- Monitoring audit action plans
- Supporting implementation of the Municipal Regulations on Financial Misconduct



**Western Cape
Government**

Local Government

**Building Capacity to
enable Municipalities
to deliver Services**

Provincial Approach towards Building Capacity

- Provincial support efforts are aimed at strengthening and building capacity at the following levels:
 - Council Oversight,
 - Governance,
 - Service Delivery,
 - Financial management.
- Section 154 of the Constitution is used to design comprehensive support packages:
 - ✓ Strengthen the capacity of municipalities to manage their own affairs through the introduction of “**Transversal Support Initiatives**”.
 - ✓ Build comprehensive and **holistic support packages** where this may be required (Back-to-Basics Province / Municipal Operational Support Plans); and
 - ✓ Based on a set of pre-determined criteria, provide **financial support** to municipalities.

Initiatives Designed to Build Capacity...

- **Strengthen Oversight**

- ✓ Review of By-laws and Rules of Order.
- ✓ MPAC establishment and training
- ✓ Focussed Councillor Training (Roles and Responsibilities & Responsible Leadership: 234 Councillors attended)

- **Strengthen Governance**

- ✓ Official Training : Accredited Middle Management Training: 22 municipal officials attended
- ✓ Shared Services, in a District and/or between municipalities: ICT, Legal Services, Internal Audit, Risk Management, Fire Services...
- ✓ Improve MPRA Compliance

- ✓ HR specific projects, i.e. Organizational Redesign and Performance Management Systems (HR matters)

Support Initiatives

- **Basic Service Delivery initiatives.**

- ✓ Engineering and project management support for infrastructure projects - MIG, RBIG and other Grants
- ✓ Creating an enabling environment for economic growth: Capital Expenditure Frameworks, Funding opportunities for large (catalytic) infrastructure projects
- ✓ Support with 3-year Capital Planning
- ✓ DRAP: Greater Karoo Drought Recovery Task team.
 - Lead Department for coordinating the Provincial drought response.
 - Overall Strategy characterised by regular assessments, risk categorisation and development of action plans.
 - Collaborative and integrated response from all stakeholders.

- **ICT Support**

- ✓ ICT is a strategic and operational enabler for effective municipal functioning.
- ✓ Development of Cooperate Governance of ICT Policies
- ✓ DLG is supporting Municipalities to resolve ICT Audit Findings

Projects completed: Back-to-Basics Programme

- DLG: initiatives completed to date:
 - ✓ Functionality of ward committees;
 - ✓ ICT audits and recommendations;
 - ✓ Public participation strategies;
 - ✓ Municipal Communication Strategies;
 - ✓ Reduce High water losses (water conservation and demand management)
 - ✓ Establishment and functionality of MPAC;
 - ✓ Long Term Financial Plans
 - ✓ Revenue Enhancement Strategy;
 - ✓ Organisational Redesign; and
 - ✓ Performance Management Systems.
- Other Departments: initiatives completed to date:
 - ✓ Deployment of planners;
 - ✓ LED Strategies
 - ✓ Waste Management Strategies and capacitation
 - ✓ Safety assessments and advise
 - ✓ Optimisation of the EHP function
 - ✓ SCM support, policies and training



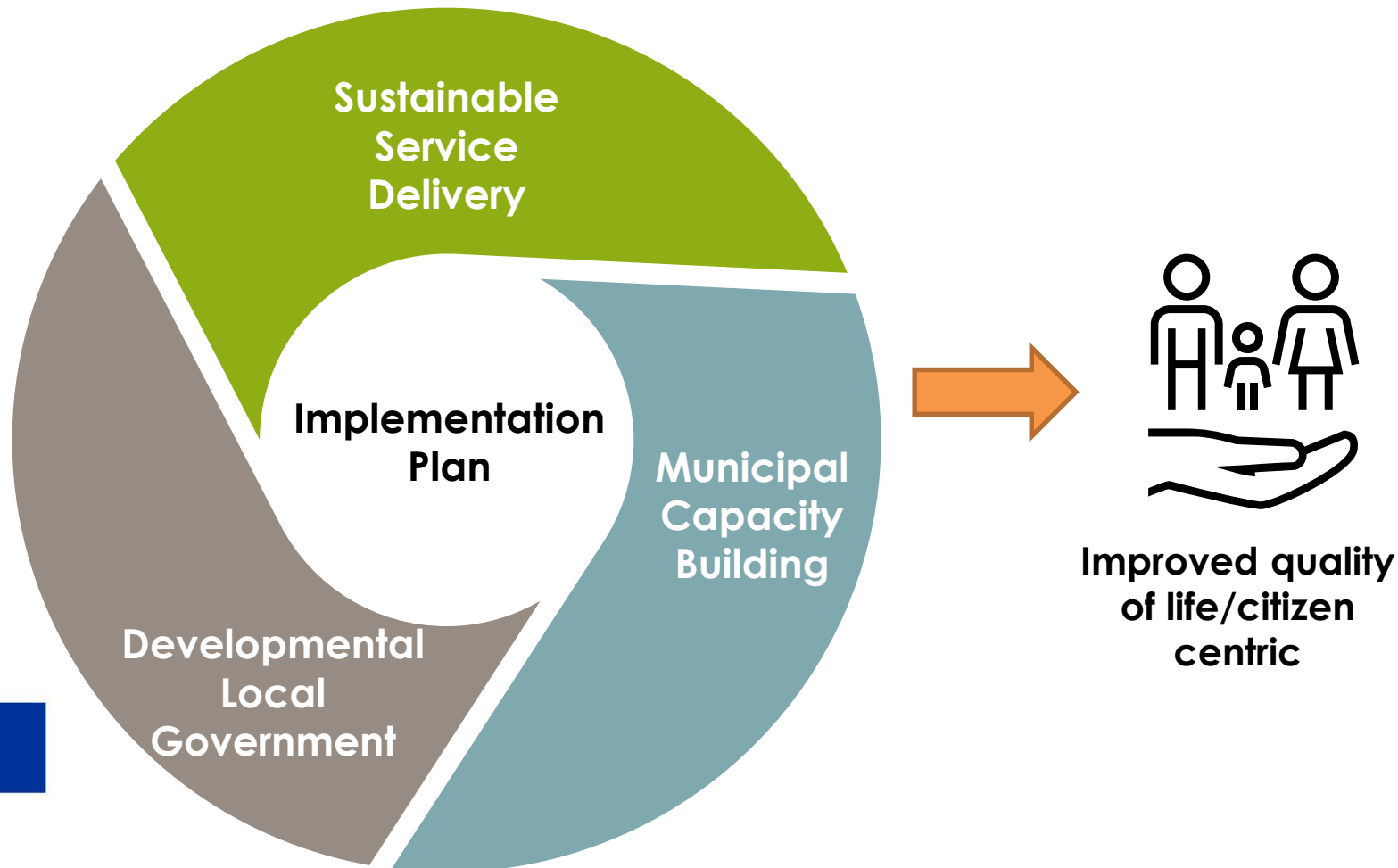
**Western Cape
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Local Government

Co-Planning, Co-Budgeting and Co-Implementation: JDMA

Towards a Joint District & Metro Approach

- **Joint District & Metro Approach**, supported by governance instruments, is advanced for **developmental local government** and **sustainable service delivery** premised on a common denominator of **good governance**.



JDMA : The Rationale

- Joint District & Metro Approach, supported by governance instruments, is advanced for developmental local government and sustainable service delivery premised on a common denominator of good governance.
- The Joint District & Metro Approach is a geographical and team based, citizen focused approach to provide a series of government services (underpinned by characteristics of developmental local government and good governance).

JDMA : The Principle



- Joint District & Metro Approach: is a geographical (district) and team based, citizen focused approach, with a single implementation plan to provide developmental initiatives and government services.
- Joint: National, Provincial and local, not at the exclusion of B
- DCF as the governance instrument: planning, budgeting and implementation – interface methodology.
- Collaboration: co-planning, co-budgeting, co-implementation translate to service delivery in communities.
- Outcome: improving the living conditions (lives) of citizens.
- Horizontal interface (between provincial depts.) and Vertical interface (national, provincial depts. & municipalities).
- District Single Implementation Plan – developmental initiatives, planning and strategic priorities, service delivery and capacity building.
- District Interface Teams consisting of departmental and municipal representatives

JDA : The Status – Fully Functional

- Joint District Approach endorsed by Cabinet in the WC and adopted by all the CDF's and DCF tech in all Districts as operating model
- All National and Provincial Departments have confirmed their support and involvement
- All Districts have now developed a single support plan (1 plan) - that focusses on strategic and catalytic projects for the District and project implementation commenced.
 - Project successes already registered.
- JDA effectively used to drive the Hotspot strategy during the pick of the COVID-19 Pandemic.
- To be used to operationalise and implement the Provincial Development priorities



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Thank you