

Chapter 1

BLUE CRANE ROUTE MUNICIPALITY (EC102)



ANNUAL REPORT 2017/2018

TABLED 28 MARCH 2019

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CHAPTER 1 – MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR'S FOREWORD

It is a great honour and privilege as Mayor of Blue Crane Route municipality (BCRM) to table the 2017/18 Annual Report as required in terms of S127 of the MFMA. This report, which reflect our service delivery achievements and challenges, is tabled in recognition of our obligation as an accountable and transparent government. It serves as a record of accounting to our stakeholders in the BCRM.

During the year under review we received an unqualified audit opinion from the office of the Auditor General. This means that the financial statements for the period reflected a true indication of the financial affairs of the municipality. This is the third time in succession we have received such achievement. The AG however raised other matters of emphasis that still require attention. These matters included areas of non-compliance with legislation, SCM related, high levels of electricity and water losses, material adjustments to the financial statements especially regarding the fix asset register. The other area that still need our attention relates to usefulness and measurability of certain key performance indicators. MPAC has recommended that a credible audit improvement plan should be developed to ensure that BCRM obtains a clean audit within the next two years. It must be said that AG did mention that BCRM do have the potential to achieve this goal, if proper systems of control are developed and implemented. Council should also fulfil its oversight role in terms of monitoring these plans on a regular basis.

Council established a Disciplinary Board which is independent to investigate all matters relating to fruitless and wasteful, irregular and unauthorised expenditure. This is the only municipality in our region to have such a structure. To date the Disciplinary Board has already investigated a number section 32 expenditure, as classified in the MFMA. I must also mention that other oversight committees, the Audit Committee and MPAC have been functional during the year under review.

Council appointed two (2) new members to top management as from 1 November 2017, the Directors of Corporate and Community Services. Council re-appointed the Municipal Managers effectively from 1 November 2017. During the year under review, Council could not appoint the Director: Technical Services. This hampered our ability to perform optimally. The process of appointing is underway.

One of BCRM's major challenges has been a huge backlog relating to the spending of government grants. This was due to various reasons, particularly related to non-filling of the position of Director: Technical Services.

Our MIG allocation of R12,496 m was spent by 30 June 2018. Some of this funding was used to upgrade roads in the BCRM area. We also spent 100% of our WSIG grant allocation for the financial year 2017/18, resulting in R17m investment in capital infrastructure, especially in Cookhouse, for waste water treatment works.

As per our approved IDP and budget, I concluded my Mayoral public participation meetings during the month of October 2017 in all wards. Report back was received from communities regarding the status of previous needs identified. New community needs were also identified during these meetings and added to the IDP. I reported back to communities during April 2018 where I also tabled the draft IDP and budget for the new financial year.

Although BCRM was classified by National Treasury to have an unfunded budget for 2017/18 financial year, we managed to end the year with a surplus bank balance. All commitments were honoured. Provincial Treasury recently confirmed that BCRM should not have been classified as having an unfunded budget.

Council has mandated management to come up with a revenue enhancement strategy to improve the financial health of the municipality. It is our responsibility to deliver services of good quality in a sustainable manner. To do this, we need to recover our costs from the end users. I want to urge all residents of BCRM to assist in this regard.

I wish to thank Management, staff and Council for the support given during the period of my stewardship as Mayor of Blue Crane Route municipality.

I THANK YOU.



B.A. MANKOWENI
MAYOR/SPEAKER

COMPONENT B: EXECUTIVE SUMMARY

1.1 ACTING MUNICIPAL MANAGER'S OVERVIEW

We table this Annual Report to record how we performed as the municipality during the year under review. In this report we seek to highlight achievements we made and challenges we faced during the 2017/18 financial year.

Notwithstanding the tremendous strain placed on our municipal financial resources because of the economic downturn, we made some strides in achieving some milestones. The dedication and support of staff made it possible to achieve such milestones. We spent 100% of our MIG allocation by the end of June 2018. We also spent the whole WSIG allocation during the year under review. As a result, we managed to upgrade our waste water treatment plant in Cookhouse.

We still face some challenges in respect of housing backlog, particularly in Pearston and Cookhouse. Efforts will be made to resuscitate some of the housing projects that were discontinued.

I would like to take this opportunity to thank our Council and staff for their commitment and dedication in ensuring that we achieve our objectives.



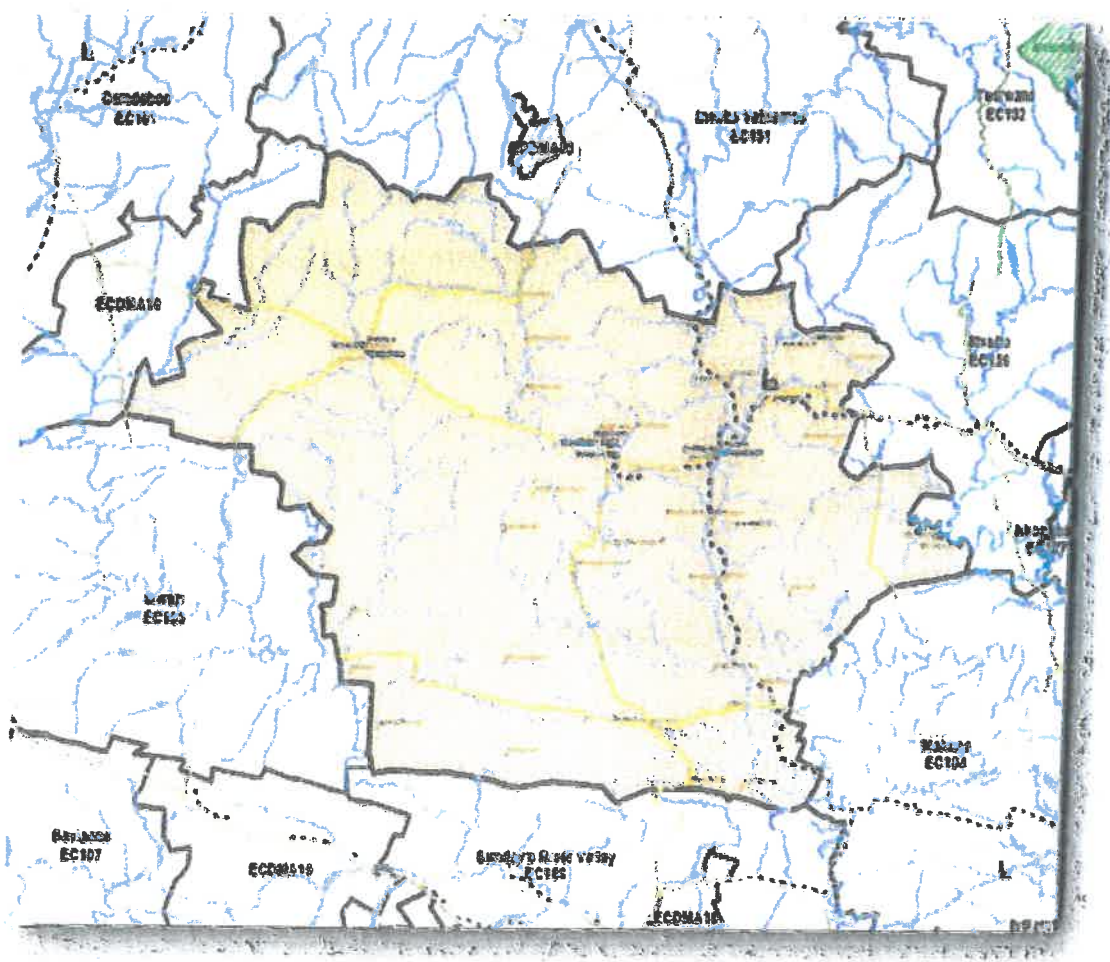
MANDISI PLANGA ACTING MUNICIPAL MANAGER

1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

1.2.1 INTRODUCTION TO BACKGROUND DATA

This section includes an analysis of the demographic, socio-economic and infrastructure development dimensions. The statistical information was sourced from Stats SA 2001 to 2011 as well Community survey 2016. The district perspective is presented to provide a better understanding of the context within which the BCR municipality operates.

1.2.2 POPULATION AND ENVIRONMENTAL OVERVIEW: BLUE CRANE ROUTE LM MAP



The Blue Crane Route Municipality falls within the jurisdiction of the Sarah Baartman District Municipality. The Municipality's area is bordered on the North-east by Raymond Mhlaba Municipality, North-west of Inxuba Yethemba municipality, South of Makana Municipality and the South-west of Sundays River Valley municipality. The Blue Crane Route Municipality is located at 67 Nojoli Street, Somerset East.

The Blue Crane Route area comprises of the primary node of Somerset East which is the main commercial hub, two secondary service centres i.e Pearston and Cookhouse, and vast rural commercial farmlands. Per the Community survey that was conducted 2016, the municipality's population has moved from 36 002 to 36 063, 1.7% growth rate. The figures below reflect the findings per Census 2011, the community survey 2016 reflects the overall growth of the area not at ward level:

- Somerset East (Wards 2, 3 and 5 = 19172)
 - Town Area, Vosloodal, Chris Hani, Francisvale Aeroville, Clevedon, Mnandi, Old Location, New Brighton, Westview and Uitkeer.
- Cookhouse (Wards 1 and 6 = 10 898)
 - Bhongweni and Newtown
 - Golden Valley and Middleton rural nodes
 - Town area and Cradock place
- Pearston (Ward 4 = 5 933)
 - Town Area, Millenium Park, Nelsig and Khanyiso

Somerset East is the administrative seat of the municipality and situated at the foot of the Boschberg Mountain. Blue Crane Route Municipality has 6 Wards and the total of eleven (11) Councillors who constitute Council.

DEMOGRAPHIC PROFILE

Table 1: Population and extent of Area km²· EC, CDM and BLM

StatsSA 2011	Province of the Eastern Cape	Sarah Baartman District Municipality	Blue Crane Route Local Municipality
Total Population	6 562 053	450 584	36 002
Total Population (Community Survey 2016)	6 996 976	479923	36063
Area km ²	168 966 km ²	58 243.3 km ²	11 068.56 km ²

Source: StatsSA 2011

As indicated by the statistical information above, Blue Crane Route accounts for 8% of the Sarah Baartman District and 0.5% of the Provincial population. Geographically Blue Crane Route makes up 19% of the District municipality's landmass with a population density of 3.25 per km².

According to StatsSA -Census 2011, the total population of Blue Crane Route is 36 002, however as per the Community Survey conducted 2016, the population figures have increased from 36002 to 36063. This then therefore indicates that the growth rate of the population is very slow due to number of issues flowing from migration, death and birth rate.

The most significant roads passing through the area are the; **N10, R61, R63, and R390,**

The approximate distance between the towns is;

- Somerset East to Pearston : 50 Km.
- Somerset East to Cookhouse : 25 Km.
- Cookhouse to Pearston : 75km.

1.2.3 DEMOGRAPHICS PER WARD

Table 2: Age Distribution, Gender, Population Grouping and Head of Household

DEMOGRAPHICS								
Age distribution	00 - 04	05 – 09	10 – 14	15 – 34	35 - 64	65 - 85+	Ward Total	%
Ward 1	549	454	422	1555	1566	203	4749	13.2
Ward 2	814	583	591	1882	2265	611	6747	18.7
Ward 3	705	671	601	2185	2320	498	6979	19.4
Ward 4	661	668	570	1788	1817	428	5933	16.5
Ward 5	542	526	475	1628	1804	470	5446	15.1

Ward 6	686	550	449	2068	2083	313	6148	17.1
Grand Total BCR	3956	3453	3108	11106	11856	2523	36002	100
Gender	Male	%	Female	%	Total			
Ward 1	2390	50.3	2359	49.7	4749			
Ward 2	3289	48.7	3458	51.3	6747			
Ward 3	3311	47.4	3668	52.6	6979			
Ward 4	2938	49.5	2995	50.5	5933			
Ward 5	2547	46.8	2899	53.2	5446			
Ward 6	3206	52.1	2943	47.9	6149			
Grand Total BCR	17680	49.1	18322	50.9	36002			
Population Group	Black	Coloured	White	Indian/Asian	Other	Ward Total		
Ward 1	3278	1143	289	10	28	4749		
Ward 2	3169	2370	1128	37	44	6747		
Ward 3	6493	378	68	19	21	6979		
Ward 4	2211	3365	287	26	43	5933		
Ward 5	1813	3387	203	15	28	5446		
Ward 6	4283	1246	479	10	131	6148		
Grand Total BCR	21247	11888	2453	118	295	36002		
Head Household: Gender	Male	%	Female	%	Total Ward			
Ward 1	823	70.1	351	29.9	1174			

Ward 2	1048	56.8	797	43.2	1845			
Ward 3	1161	57.5	859	42.5	2019			
Ward 4	914	57.6	671	42.3	1586			
Ward 5	769	51.7	719	48.3	1488			
Ward 6	1212	73.5	436	26.4	1649			
Grand Total BCR	5927	60.7	3834	39.3	9761			

Source: StatsSA 2011

1.2.4 DEMOGRAPHICS TRENDS

Table 3: Age distribution, Gender, Population Grouping and Head of Household

DEMOGRAPHICS	STATSSA 2001	STATSSA 2011	%	GROWTH % p.a.	COMSURVEY 2016	GROWTH %
Blue Crane Route Total Population	35407	36002		0.17	36063	1.7%
Age distribution	35 005	36 003				
0-14	10 293	10517	29.2	0.2	11825	2.34
15-64	22 485	22962	63.8	0.2	21892	-0.96
65+	2 227	2524	7.0	1.3	2347	-1.45
Gender	35 003	36 002			36063	
Male	16806	17680	49.1	0.5	-	-
Female	18197	18322	50.9	0.1	-	-
Population	35 003	36 001				

DEMOGRAPHICS	STATSSA 2001	STATSSA 2011	%	GROWTH % p.a.	COMSURVEY 2016	GROWTH %
Blue Crane Route Total Population	35407	36002		0.17	36063	1.7%
Grouping						
Black	20861	21247	59.0	0.19	-	-
Coloured	11515	11888	33.0	0.32	-	-
White	2606	2453	6.8	-0.6	-	-
Indian/Asian	21	118	0.3	46.2	-	-
Other	0	295	0.8	-	-	-
Head of Household: Gender	9 595	9 761				
Male	6 486	5 927	60.7	-0.9	-	-
Female	3 109	3 834	39.3	2.3	-	-

Source: StatsSA

StatsSA 2011 reflects that 29% of the population are young and under 15 year of age, which requires intergovernmental planning efforts to jointly focus on improved education and providing sport and recreation facilities. Sport plays an important part in youth development and relevant role-players should form partnerships to promote sport initiatives and youth programmes in Blue Crane Route. The high number of children could also be an indication of a dependency on child support grants.

According to StatsSA 2011 a 7% increase has occurred, from 32% to 39%, in respect of female headed households between 2001 and 2011. The increase is relatively high considering that the population growth rate has been very low over a 10-year period and the male to female sex ratio has only risen marginally. This could be reflective of males migrating in search of employment opportunities outside of the municipal area or the occurrence of single mothers deciding to create a basis for their young with the option of marriage later in life.

A large segment (50.1% -StatsSA 2011) of the population speaks IsiXhosa, followed by 42.2% communicating in Afrikaans. Black South Africans account for 59% of the population, followed by 33% Coloured South Africans. Stats 2011 also indicates that 95.5% of the population were born in South Africa.

1.2.5 WATER AND SANITATION PROVISION

Table 4: Water and Sanitation Provision

BASIC SERVICE / INFRASTRUCTURE	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	GROWTH % p.a.	BLUE CRANE ROUTE AREA (CS 2016) %
Total number of households	9 595	9 761		1.7%	
Sanitation	9 470	9 760		3.06%	
Flush toilets	4439	7856	80.5	7.7	88.4
Flush septic tank	390	395	4.0	0.1	-
Chemical	244	25	0.3	-9.0	0.1
VIP	127	83	0.9	-3.5	-
Pit latrines without ventilation	752	327	3.4	-5.7	4.1
Bucket latrine	1921	277	2.8	-8.6	2.9
None	1597	617	6.3	-6.1	3.5
Other		180	1.8	-	-
Water – Access to piped water	8 530	9 740		12.4%	91.2
Household	2289	5022	51.5	11.94	-

In yard	5027	3903	40.0	-2.24	-
Community stand <200 m	526	323	3.3	-3.86	-
Community Stand >200m	688	172	1.7	-7.50	-
No access to piped (tap) water		340	3.5		8.8
Water – Source of water		9 760			
Water scheme operated by municipality or other WSP		7830	80.2		-
Borehole	128	955	9.8	64.6	-
Spring	5	30	0.3	50.0	-
Rain tank	196	275	2.8	4.0	-
Dam/stagnant water	207	317	3.2	5.3	-
River/stream	201	53	0.5	-7.4	-
Water vendor	17	31	0.3	8.2	-
Water Tanker		132	1.4	-2.7	-
Other	180	137	1.4		-

Source: StatsSA 2011 and CS 2016

The level of waterborne system/connection shows a growth of 7.7% p.a. over a period of 10 years (2001 to 2011). The number of bucket latrines reflects a negative growth of -8.6% p.a. over the same period which in effect means that bucket toilets have been reduced by 85.6% from 20.3% in 2001 to 2.8% in 2011. The standard and provision of sanitation and water shows a significant improvement from 2001 to 2011. The BCRM has a total of 8929 houses which has access to drinking water and basic level of sanitation. Three hundred and fifty (350) households which make (4%) of the households are people living in the informal settlements, their access to sanitation is in a form of

bucket system and have access to drinking water in a form of community stand pipes which are within 200m walking distance from the households.

1.2.6 ELECTRICITY

Table 5: Energy for Lighting

BASIC SERVICE INFRASTRUCTURE	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	GROWTH % p.a.	BLUE CRANE ROUTE AREA (CS 2016) %
Total number of households	9 595	9 761			
Energy (Access)	9 470	9 760		3.06%	
Electricity	6 161	8 486	86.9	3.8	88.9
Gas	23	17	0.2	-2.6	-
Paraffin	2 135	306	3.1	-8.6	-
Candles	1 057	876	9.0	-1.7	-
Solar	34	36	0.4	0.6	-
Other	60	0	0.0	-10.0	11.1
None		39	0.4		-

Source: StatsSA 2011: Community Survey 2016

Access to electricity has improved from 65.1% in 2001 to 86.9% in 2011. Community survey conducted in 2016 also shows a slight change from 86.9% to 88.9%. The dependency on paraffin and candles were reduced from 22.5% and 11.2% in 2001 to 3.1% and 9.0% in 2011. BCRM also supply's farm areas that are >100km radius. The current backlog in those different lines are the rotten / old network, with falling poles due to its life span. Regular routine maintenance is done but due financial constraint this exercise is not improving in most areas but in some areas, it is improving. There are constant power failures occurring in those lines. Electricity is supplied to all schools, hospital (Andre Vosloo) and Somerset East correction services.

1.2.7 SOLID WASTE MANAGEMENT

Table 6: Refuse Removal Services

BASIC SERVICE INFRASTRUCTURE	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	GROWTH % p.a.	BLUE CRANE ROUTE AREA (CS 2016) %
Total number of households	9 595	9 761			
Refuse Removal	9 467	9 761	%	3.10%	
How often by municipality?					
a) @ least once a week	6351	7842	80.3	2.35	86.1
b) Less often	28	51	0.5	8.21	0.4
How often is refuse bags provided	Once in 3 months	Once in 3 months			
Mode Disposal					
i) Communal dumping	59	78	0.8	3.22	4.3
ii) Own dump	2440	1444	14.8	-4.08	6.4
iii) No disposal	589	195	2.0	-6.69	2.6
Other	0	151	1.5		0.1
No of Licensed Landfill sites		3			
No of un-licensed landfill sites		0			

Source: StatsSA 2011 and CS 2016

In 2011, 80.3% of households had access to a weekly refuse removal service as opposed to only 67.1% in 2001. In 2016 it has increased to 86.1. In BCRM all residential areas have access to refuse removal services. There is a fixed schedule for household and business refuse collection. Both household and business refuse is collected once a week while garden refuse is collected at least once in three - four weeks even though there are instances where collection of garden refuse takes longer than the stipulated timeframes due to aging fleet or mechanical breakdowns. During those instances it gets collected once a month. A partnership has been developed with Community Works Programs (CWP) to conduct on-going clean up campaigns and beautification of spots where illegal dumping has been identified. Seventy (70) casuals have been appointed for this financial

year for a period of 6 months under the EPWP grant to assist with the cleaning of towns. Since this partnership was formed, there has been a significant reduction of illegal dumping and in all spots where beautification had been done there is improvement in environmental awareness amongst the residents as they no longer dump on those spots.

1.2.8 ECONOMIC ANALYSIS

Local economic development is vital to the future development of the BCRM; the economy of this Municipality is based primarily on agriculture. In essence the activities that dominate are: Agriculture: Intensive Farming operations (Cash crops/ Lucerne production, dairy's, etc) Extensive farming operations: Cattle & Goat farming, game farming. Agriculture dominates the district's economy, contributing 28% of all value added and amounting to 41% of formal employment.

Summary of the district's agricultural sector for 2017:

Doing well: Stone and Deciduous Fruit, Citrus Fruit, Wool and Mohair, Vegetables

Sectors with Potential: Chicory, honeybush

Sectors with Challenges: Poultry, pineapples

Largest threats: Climate change, localised droughts, cheap imports, changing economic climate in South Africa

Small-stock farming predominates in the dry Karoo interior. This is the centre of wool and mohair farming in the Eastern Cape. Karoo mutton is known for its high quality and is also exported. Cattle and dairy farming are dominant in the areas around Cookhouse. Stock production has seen a decline in the past decade, primarily as a result of game farm establishment and the expansion of the Addo National Elephant Park.

Game reserves are now a major industry within the district and contribute to the other prominent economic sector of the area, namely tourism.

The BCRM has since the inception of the CDA, strived to broaden the local economy through the establishment of a strong industrial sector. Initial studies, exploring the options of rural town local economic expansion's, confirmed that small rural towns can only be sustainable in the long term through the establishment of a strong industrial sector. The local economy as demonstrated above produces many agricultural products that is exported out of town (something's the country) without any value adding to the products. The development of a local industrial cluster will be the starting point of providing adequate facilities to potential investors to establish new factories, focusing on the value adding opportunities in the municipal region.

1.2.9 SOCIO ECONOMIC DIMENSION

Table 7. Socio Economic

SOCIO ECONOMIC ANALYSIS	BLUE ROUTE (STATSSA 2001)	CRANE AREA (STATSSA 2011)	%	GROWTH p.a.	%
Total Population					
No disability/Unspecified	32292	28152	87.85	-1.28	
Sight	571	2294	7.16	30.18	
Hearing	221	350	1.09	5.84	
Communication	78	82	0.26	0.51	
Physical / Walking	1118	465	1.45	-5.84	
Intellectual / Remembering	133	265	0.83	9.92	
Emotional / Self Care	298	438	1.37	4.70	
Multiple disability	300	0	0.00	-10.00	
Not applicable		3956			
	35 011	36 002			

Source: StatsSA 2011

StatsSA indicates that there has been an overall decline of -1.28% p.a. in the number of population with disabilities. People with a sight disability have increased drastically by 5.6% from 1.6% in 2001 to 7.2 in 2011.

Table 8: Income Category

SOCIO ECONOMIC ANALYSIS	BLUE CRANE ROUTE (STATSSA 2001)	CRANE AREA (STATSSA 2001)	BLUE CRANE ROUTE (STATSSA 2011)	CRANE AREA (STATSSA 2011)	%	GROWTH % p.a.
Total Population						
Income 15 to 65						
No Income	180		10 504		46.09	573.6
R1 – R400	3 454		1 254		5.50	-6.4
R401 – R800	1 557		1 198		5.26	-2.3
R801 - R1600	929		4 924		21.61	43.0
R1601 – R3200	794		1 582		6.94	9.9
R 3 201 - R 6 400	566		933		4.09	6.5
R 6 401 - R 12 800	239		763		3.35	21.9
R 12 801 - R 25 600	58		489		2.15	74.3
R 25 601 - R 51 200	27		101		0.44	27.4
R 51 201 - R 102 400	32		30		0.13	-0.6
R 102 401 - R 204 800	7		28		0.12	30.0
R 204 801 or more	3		12		0.05	30.0
Unspecified	0		973		4.27	
	7 846		22 791			

Source: StatsSA

StatsSA 2011 reflects that poverty levels are high with 46.1% of the population not receiving any income, and a further 10.8% earn less than R801 per month, therefore technically falling under the poverty line. This is

exacerbated by the fact that 65.7% of the potential labour force are not working. The population lack buying power which makes it difficult to exploit local economic development opportunities and the situation implies a high dependency on social grants. Interventions must be created and expedited to support poor communities.

The potential economic active labour force accounts for 60.2% of the total population which reinforces the need to boost the economy and stimulate job growth.

Table 9: Labour Status

SOCIO ECONOMIC ANALYSIS	BLUE CRANE ROUTE (STATSSA 2001)	BLUE CRANE AREA (STATSSA 2011)	%	GROWTH % p.a.
Total Population				
Labour status 15 to 65				
Employed	7839	7434	34.3	-0.52
Unemployed	5355	3300	15.2	-3.84
Non-economically active	9471	10935	50.5	1.55
	22665	21669		

Source: StatsSA

StatsSA indicates that 15.2% of the potential workforce is unemployed and a further 50.5% are not economically active in 2011. The remaining 34.3% of the labour force is employed. The overall dependency ratio is 56.8 persons per hundred population of working age. StatsSA 2011 also concludes that 1 953 of the youth in Blue Crane Route are unemployed.

Table 10: Education Levels 20 year +

SOCIO ECONOMIC ANALYSIS	BLUE CRANE	BLUE CRANE	%	GROWTH % p.a.	BLUE CRANE
	ROUTE AREA (STATSSA 2001)	ROUTE AREA (STATSSA 2011)			ROUTE AREA (Community Survey 2016)
Total Population					
Level of education 20 +					
No schooling	4 088	2 592	8.24	-3.7	6.3
Some primary	5 956	10 895	34.65	8.3	21.7
Complete primary	1 977	2 516	8.00	2.7	9.9
Some secondary	5 361	9 577	30.46	7.9	38.9
Std 10/Grade 12	2 437	4 420	14.06	8.1	20.7
Higher	1 075	1 392	4.43	2.9	2.5
Unspecified	0	49	0.16		0

Source: StatsSA and CS 2016

Stats SA 2011 shows that 8.24% of the population over 20 years of age have not received any schooling. The figure is moderate and furthermore shows a decline or negative growth of -36.6% for the past decade (since 2001), when 4 088 or 19.6% of the population over 20 years had not undergone any schooling.

1.2.10 POWERS AND FUNCTIONS OF THE MUNICIPALITY

The municipal mandate stems from the section 152 and 156 of the constitutions (Act 108 of 1996) which assigns powers and functions drawing from the schedules 4b & 5b. In terms of the schedules part B 4 and 5 of the constitution, local government has the following functions.

Schedule 4 Part B	Schedule 5 Part B
Powers exercised by the BCRM	Powers exercised by the BCRM
<ul style="list-style-type: none"> • Air pollution • Building regulations • Child care facilities • Electricity and gas reticulation • Firefighting services • Local tourism • Municipal airports • Municipal planning • Municipal health services • Municipal public transport • Municipal public works • Stormwater management systems in built-up areas • Trading regulations • Water and sanitation services 	<ul style="list-style-type: none"> • Beaches and amusement facilities • Billboards and the display of advertisements in public places • Cemeteries, funeral parlours and crematoria • Cleansing • Control of public nuisances • Control of undertakings that sell liquor to the public • Facilities for the accommodation, care and burial of animals • Fencing and fences • Licensing of dogs • Licensing and control of undertakings that sell food to the public • Local amenities • Local sport facilities • Markets • Municipal abattoirs • Municipal parks and recreation • Municipal roads • Noise pollution • Pounds • Public places • Refuse removal, refuse dumps and solid waste

	disposal <ul style="list-style-type: none"> • Street trading • Street lighting • Traffic and parking
Powers not exercised by the BCRM	Powers not exercised by the BCRM
Pontoons, ferries, jetties, piers and harbours,	

1.3 FINANCIAL HEALTH OVERVIEW

The municipality aims to provide services to the community that are affordable, yet at the same time ensuring that we remain financially sustainable. The municipality has been limiting rates at 10% , other tariffs and fees increased by 6% every year for the past five years until the Revenue Enhancement Strategy was developed and approved. This strategy pointed out, amongst other things, that the municipality need to ensure that the billing is complete and accurate; the tariffs must be adjusted to be more cost effective; ensure that good quality services are delivered through these tariffs; and new revenue streams / fees must be explored as a matter of urgency to improve our internal revenue base. As a result, the municipality started to increase the property rates by 10% from 2015/16 to 2017/2018. The higher tariff increase could be considered to have been affected a little late as the municipality's cash surpluses have reduced drastically and the current budgets not being fully cash-backed. Despite the challenges, the municipality maintained positive cash balances throughout the financial year and closed the year off with a positive cash balance of R1.2m. The municipality should continue to cut costs and raise new revenue to improve the poor cost coverage and liquidity ratios.

Detailed information regarding the municipality's financial performance is available in Chapter 5 of the report.

Financial Overview: Year 2017/2018			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	84 810	87 377	83 919
Service charges	120 709	119 925	114 638
Other	24 359	21 478	27 571
Sub Total	229 878	228 780	226 128
Less: Expenditure	239 416	241 961	228 711

Net Total*	(9 538)	-(13 181)	(2 583)
* Note: surplus/(deficit)			T 1.4.2

Operating Ratios	
Detail	%
Employee Cost	33%
Repairs & Maintenance	2%
Finance Charges	1%
T 1.4.3	

Total Capital Expenditure: Year 2015/2016 to Year 2017/2018			
R'000			
Detail	Year 2015/2016	Year 2016/2017	Year 2017/2018
Original Budget	25 343	33 196	33 150
Adjustment Budget	20 011	20 631	32 671
Actual	12 331	16 752	29 658
T 1.4.4			

COMMENT ON CAPITAL EXPENDITURE:

The municipality performed better in the 2017/18 financial year as the Capital expenditure performance increased from 81% in the 2016/17 financial year to 90% in the current year. The Municipality spent all their allocated capital grants in the current financial year (2017/18) and did not need to apply for roll overs from National Treasury. Only capital grants received from the District Municipality were not fully spent and needed to be rolled over to 2018/19.

1.4 ORGANISATIONAL DEVELOPMENT OVERVIEW

During the year under review, the BCRM had a workforce of 336 permanent employees, 36 temporary employees and 4 Section 56 appointments. The latter is instead of the 5 required total as per Council approved staff establishment. This shortfall is due to scarcity of suitable candidates for the position of Director: Technical Services despite repeated attempts by the Municipality to fill this critical vacancy. During September 2017 to June 2018, this vacuum was managed through acting appointments from among dedicated competent staff within the Directorate. Efforts to find a suitable candidate for the position are ongoing. The year under review saw remarkable progress in consultation sessions with all relevant stakeholders on the review of the staff establishment with expert support from the Sarah Baartman District Municipality. The revised staff establishment will certainly be approved by Council in the ensuing financial year.

To ensure uninterrupted supply of human resources, the Municipality established a database of job-seekers in the Blue Crane Route area, during this year and has through public participation, promoted awareness on this development throughout its area of jurisdiction.

1.5 STATUTORY ANNUAL REPORT PROCESS

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise the 4th quarter Report for previous financial year	
4	Submit draft year 0 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	

9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	December
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	January
<i>T 1.7.1</i>		

COMMENT ON THE ANNUAL REPORT PROCESS:

The year under review has been a relatively successful but challenging year in terms of ensuring that the municipality complies with good governance principles by ensuring compliance with laws and regulations and also ensuring adherence to the annual report processes in terms deadlines. This was made more difficult by the fact that the month of August 2017 was the end of the Employment Contracts of all Senior Managers and Council had to embarked on recruitment processes of the appointment of new Senior Managers for next 5 years. All the Senior Management positions were subsequently filled in November 2017 except that of the Director Technical Services which has been vacant from 01 September 2017 to 30 June 2018. Numerous attempts have been embarked upon to fill the position Director Technical Services without success. The municipality will continue in the next Financial year to strive to appoint competent person in this position.

The municipality was able to adopt the IDP Process Plan and this was tabled in the IDP Rep Forum and Inter-Governmental Forum (IGR) before adoption by Council on 29 August 2017. For the year under review, the

municipality further embarked on public engagements with stakeholders and members of the public on the development of the IDP 2017- 2022. This culminated in the tabling of the draft IDP/BUDGET in March 2018 and later to the adoption of the final IDP/BUDGET in May 2018.

CHAPTER 2 – GOVERNANCE

2.1 INTRODUCTION TO GOVERNANCE

The Blue Crane Route Municipality is a municipality with a plenary executive system combined with a ward participatory system and is governed by a plenary system of governance. This in effect means that the decisions are taken at Council meetings through the process of resolving and or approving recommendations made at Standing Committees meetings level.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1.1 INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Constitution section 151 (3) states that the council of a municipality has the right to govern on its own initiative, the local government affairs of the local community. Due to the nature of the municipality, Standing Committees and Council meetings are held bi-monthly.

The following are the Standing Committees namely;

- Finance Standing Committee (Chaired by Cllr Manxoweni)
- Corporate Services Standing Committee (Chaired by Cllr Kwatsha)
- Technical Services Standing Committee (Chaired by Cllr Grootboom)
- Community Services Standing Committee. (Chaired by Cllr Hufkie)

Blue Crane Route Municipality has established a Municipal Public Account Committee (MPAC) which is an Oversight Committee. MPAC is comprised of both ward and PR councillors, with Councillor Nkonyeni as the Chairperson. MPAC provides Council with comments and recommendations on the Annual Report.

POLITICAL STRUCTURE

MAYOR /SPEAKER

Cllr Bonisile Manxoweni

CHIEF WHIP

Cllr Neliswa Yantolo Nkonyeni

2.2 POLITICAL GOVERNANCE

Blue Crane Route Municipality is comprised of eleven (11) Councilors; six (6) councilors are ward councilors, and five (5) proportional representative councilors. The Mayor/Speaker is a proportional representation (PR) Councillor. The ward councilors are responsible for the wards they are representing, and PR councilors provide support to wards. Refer to **Appendix A** where a full list of Councilors can be found (including committee allocations and attendance at council meetings).

POLITICAL DECISION-TAKING

Political decisions and resolution are taken at the Council meeting. Decisions are taken by consensus or vote through majority of the councilors present at the meeting.

2.3 ADMINISTRATIVE GOVERNANCE

The BCRM has the following Directorates in its organizational structure. These are i.e. Office of the Municipal Manager, Corporate Services, Community Services, Finance and Technical Services

TOP ADMINISTRATIVE STRUCTURE	Function
TIER 1 MUNICIPAL MANAGER (Mr Thabiso Klaas)	Oversee the functioning and performance of the following Directorates, i.e <ul style="list-style-type: none"> • Corporate Services • Finance • Community Services • Technical and Infrastructure Services • Local Economic Development
DIRECTOR CORPORATE SERVICES: (Mrs Lineo Nkanjeni) DIRECTOR: title	<ul style="list-style-type: none"> • Administration • Human Resources • Legal Services • Town Planning • ICT • Customer Services
DIRECTOR: FINANCE (Mr Nigel Delo)	<ul style="list-style-type: none"> • Income and Expenditure • Financial Reporting • Assets and Supply Chain Management
DIRECTOR: COMMUNITY SERVICES (Mr Mandisi Planga)	<ul style="list-style-type: none"> • Parks and Recreation • Environmental Health And

<p>DIRECTOR: TECHNICAL SERVICES (Vacant)</p>	<p>cleansing</p> <ul style="list-style-type: none"> • Fire and Rescue Services • Traffic Services • Environmental Management • Roads and Stormwater • Projects Management Unit • Electricity • Water Services • Human Settlements
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COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.4 INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

The concept of Integrated Development Planning (IDP) is embedded on the principle of co-operation amongst various spheres of government for the purpose of providing better co-ordination and services to the community. It is in this context that co-operative governance and inter-governmental relations becomes of utmost importance. The Blue Crane Route Municipality has a relatively functional Inter-Governmental Relations Forum (IGR). The IGR meetings are held on a quarterly basis and these are chaired by the Mayor. It is in these meetings that Sector Departments are able to share their development plans with the Blue Crane Route Municipality. The challenge going forward is the consistent absence by some departments in these IGR meetings.

2.4.1 INTERGOVERNMENTAL RELATIONS

The BCRM continues to work well with following national departments and associations and enjoys good relations. These are i.e

- South African Local Government Association (SALGA)
- Dept of Co-operative and Traditional Affairs (COGTA)
- National and Provincial Treasury
- Sarah Baartman District Municipality
- Dept of Trade and Industry
- Dept of Rural Development and Land Reform
- Dept of Energy
- Dept of Water and Sanitation

2.4.2 PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The municipality continues to participate and have good relations on matters of mutual interest with various provincial government departments. These are i.e

- Office of the Premier (OTP)
- Premiers Co-ordinating Committee
- Dept of Social Development
- COGTA EC
- COGTA MUNIMEC
- Provincial Treasury
- Department of Human Settlements
- SALGA EC

2.4.3 RELATIONSHIPS WITH MUNICIPAL ENTITIES

The BCRM has good relations with the Cacadu Development Agency (CDA). These relations were strengthened by the decision of the BCRM Council to dis-establish its previous entity, the BCDA. Currently the CDA oversees the co-ordination and implementation of BCRM Local Economic Developments programmes. This is managed through a Service Level Agreement (SLA) signed between the two parties.

2.4.4 DISTRICT INTERGOVERNMENTAL STRUCTURES

The municipality enjoys good relations with our District Municipality, the Sarah Baartman District Municipality. Councillor Grootboom is the BCRM Representative in the District Municipality. We participate in the following district IGR structures, these are i.e.

- District Mayor's Forum
- District MM's Forum
- DWIF
- District PMS Forum

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.5 OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

Public accountability and participation plays a very important and cardinal role in the promotion of democracy in local government. It is in this regard that during the year under review, the BCRM reviewed its Public Participation Strategy which was later workshopped with councillors and officials. The reviewed Public Participation Strategy was subsequently adopted by the BCRM Council. The BCRM uses the Ward Based Planning model to engage the community on matters related to the review of the IDP. This places public accountability and participation at the basic level of community engagements.

2.6 PUBLIC MEETINGS

2.6.1 COMMUNICATION, PARTICIPATION AND FORUMS

During the period under review the Municipality suffered a huge dent in terms of communication due to the resignation of the Communications Officer. This post has since been frozen and not filled. Various platforms are used to engage the community, encourage public participation and to ensure a participatory government. Public engagements are conducted throughout the year using different forums, meetings and events.

Public Participation Forums:

Currently the municipality has two forums as means of public engagement which are IDP/Budget and PMS and Inter-Governmental Relations (IGR)

- IDP/Budget and PMS Forum
- The forum is functional, it sits once a quarter.
- It is chaired by the Mayor/Speaker, Cllr B Manxoweni and attended by Councilors, Community Development Workers and BCRM Management including key staffers i.e. IGR Officer etc. And it is open to the members of the public.
- IGR
- Sits once a quarter in conjunction with the IDP/Budget and PMS Forum

Different forms of meetings sit within the municipality

- Committee Meetings

- The municipality has four standing committees aligned to the four (4) directorates of the municipality. The committees sit once per quarter and special meetings when there is a need. The committee meetings are attended by all councilors, management and staff members of the said directorate

- Council Meetings

- Council meetings sit once per quarter and special council meetings when there is a need for a council resolution. The Council meetings are chaired by the Mayor/Speaker and attended by all councilors, management and members of the community.

-Public/Community Meetings

- Public meetings are held in two ways, at times they are requested by the municipality to the community to address a certain issue that affects service delivery such water crisis or electricity cut. At other times they are requested by the public to the mayor/municipality to address any communal issue that they need addressed by the municipality/council.
- The meetings are also held quarterly between the community and relevant ward councilors.

The following structures have been established to enhance public participation, these are i.e

- Mayoral Outreach /Imbizo
- Ward Based Planning meetings
- IDP Representative Forum
- Inter- Governmental Relations (IGR) Forum
- Ward Committee
- Media
- BCRM websites

2.6.2 WARD COMMITTEES

Ward Committees are meant to deepen public participation in the governance of the municipality and to encourage participation by communities in the affairs of the municipality. The main task of the ward committee members is to be a conduit between the municipality and its communities and to ensure that the communities are informed of pending activities of council. On the other hand, they bring genuine community interests to the attention of the municipality.

The municipality embarked on establishing ward committees and to date the municipality has successfully established ward committees in five of the six wards under its jurisdiction. The only ward that has not yet

established ward committees is ward 5 as there are various contestations which has since been referred to the MEC for his intervention.

The municipality was assisted by the Independent Electoral Commission in finalizing the ward committee elections of ward 4 in Pearston. The Municipality is extremely grateful to the office of the Provincial Electoral Commission for availing officials to assist the municipality to undertake this huge responsibility.

2.7 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 Municipal Systems Act 2000	T 2.5.1

COMPONENT D: CORPORATE GOVERNANCE

2.8 RISK MANAGEMENT

The Municipal Finance Management Act section 62 (i) (c) requires a municipality to have and maintain an effective, efficient and transparent system of risk management. The Municipality has adopted an Enterprise Risk Management Framework that guided council and management in identifying, rating, responding, monitoring and evaluating as well communicating risks within the municipality. A strategic risk assessment workshop was held during the beginning of the financial year with the assistance of Internal Audit Unit. High risks, medium and low risks were identified within the risk appetite of the municipality and actions to mitigate risks were identified and captured on a risk register.

Mitigation plans were developed to curb the level and impact of risks on achieving municipal objectives. The plans were regularly reviewed on a quarterly basis. Reports on the quarterly reviewed are regularly tabled to Audit Committee. Departments are also appraised of the status of their risks quarterly. For the 2018/19 financial year, the following are high risk areas identified by the municipality:

- a. Poor discipline of all employees affecting service delivery or productivity.
- b. Unauthorized, irregular, fruitless and wasteful expenditure
- c. Ageing infrastructure impacting on the quality and supply of water
- d. Poor fleet management resulting in plant poor conditions that impact on waste management
- e. Poor implementation of mSCOA

During the 2017/18 the risk management framework policy was reviewed and tabled to Council for adoption. This was in preparation to advance the risk management function in the 2018/19 financial year.

2.9 ANTI-CORRUPTION AND FRAUD

The Blue Crane Route Municipality has a zero tolerance on fraud and corruption. The existing Fraud and Anti-Corruption Policy and Prevention Plan was reviewed during the 2017/18 financial year. The Fraud Prevention Policy referred to implementation of financial internal controls, implementation of Human Resources Policies and commitment to Code of Conduct by both councilors and employees. The municipality made use of Internal Audit to review compliance with policies and legislations. Any deviations were reported to the Audit Committee which

comprises of competent and independent individuals. Internal Audit and the Audit Committee recommended improvements to all the weaknesses that were identified during the year.

The existing cases reported from previous financial year were dealt with by Council. The BCRM Council referred the matter of R854 000 fraud committed in December 2015 (Identified and reported in January 2016) to the Municipal Public Accounts Committee. The MPAC jointly with the Disciplinary Board investigated this case of fraud, and the work thereof was at an advanced stage at the end of June 2018. The MPAC and the Disciplinary Board developed an action plan to address the findings on the report of the MEC COGTA. This action plan was tabled to Council, and sittings of the Disciplinary Board are continuing to finalize the investigation. Recommendations were made on how to improve areas identified with weaknesses. The banking controls and procedures were reviewed and tightened

2.10 SUPPLY CHAIN MANAGEMENT

The Municipality has a Supply Chain Management Policy in place which was reviewed during the 2015/16 financial year and approved as a reviewed document on 30 May 2018. The Municipality also adopted an SCM Policy for Infrastructure Procurement and Delivery Management for the 2017/2018 financial year as per the requirements of the National Treasury Standard for Procurement Delivery Infrastructure Management on June 2018. The objective of these policies is to provide a policy framework within which the Municipal Manager, Chief Financial Officer and other Senior Managers must institute and maintain a Supply Chain Management System which is transparent, efficient, equitable, and competitive. The policies also ensure the principles of best value for money for the municipality are outlined; applies the highest possible ethical standards; and promotes local economic development. By adopting the policies, the council further pledged itself and the municipal administration to the full support of the Proudly South African campaign and to the observance of all applicable national legislation, including specifically the:

- Preferential Procurement Policy Framework Act No. 5 of 2000 and its regulations;
- Broad Based Black Economic Empowerment Act. No. 53 of 2003 and any applicable code of practice promulgated in terms of that Act; and
- Where applicable, the council also pledges itself to observe the requirements of the Construction Industry Development Board Act No. 38 of 2000 and its regulations.

Reports on the implementation of the SCM policy are submitted quarterly to the Accounting Officer; the Mayor; and Council. The SCM Annual report on the implementation of the SCM policy for the 2017/18 financial year was submitted to the Accounting Officer; Mayor and the Council.

The unit is staffed with one vacancy and the staff are aware of the SCM Code of Conduct. Vendor performance is regularly monitored with the help of Project Manager/ End Users.

Tax matters for all transactions above R15 000 were confirmed to be in order through the Central Supplier Database. The municipality has a functional Bid Committee system.

Challenges were experienced during the year leading to delays in the procurement of some service delivery projects. There were tenders that had to be re-advertised due to non-responsiveness of bidders and also contract management is also one of the issues that have been highlighted by the Auditor General. Transformation to proactiveness of the unit is one of the improvements that the municipality is working on.

2.11 WEBSITES

Municipal websites are a great tool for enhanced communication with the community and allow site visitors to get quick access to information when and as they require it. There are computers in libraries to assist the public to have access to the website. This offers the residents to be well informed, and to participate in the process of keeping the community running smoothly. It is unfortunate that not all the information is uploaded on the website. This can be aided by requesting information from relevant persons, giving them sufficient time to provide that information. This has been noted and will improve in the year to come.

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	YES	09/03/2018
All current budget-related policies	NO	
The previous annual report (2016/2017)		
The annual report (2017/2018) published/to be published		
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2017/2018) and resulting scorecards	YES	08/08/2018
All service delivery agreements (2017/2018)	NO	
All long-term borrowing contracts (2017/2018)	NO	
All supply chain management contracts above a prescribed value (give value) for 2017/2018	NO	

An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2016/2017	N/A	
Contracts agreed in 2017/2018 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	NO	
Public-private partnership agreements referred to in section 120 made in 2017/2018	NO	
All quarterly reports tabled in the council in terms of section 52 (d) during 2017/2018	NO	
<i>Note: MFMA s75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.</i>		T 2.10.1

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

The municipality has an interactive and accessible website (www.bcrm.gov.za) that serves as a tool for community participation. All the relevant municipal information is placed on the municipal website as per Section 75 of MFMA requirements. From time to time this information is placed on the website except with few challenges where departments fail to submit this information for it to be placed on the website. Stringent measures will be implemented in the new fiscal year to address compliance shortfalls.

2.12 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

During the financial year 2016/17 there was no survey conducted regarding Public Satisfaction on Municipal Services. In May 2018 the process of conducting a survey commenced by means of designing questionnaire and the questionnaire were distributed in all municipal offices for public to participate in this process. Here underneath are the summary of the questions asked in the survey forms, namely: -

Overall satisfaction with:

- (a) Municipality
- (b) Municipal service delivery

We have also asked the public their satisfaction with, among other things, their satisfaction with refuse collection, road maintenance, electricity and water supply etc. The survey will continue during 2018/19 financial year.

3. 1 INTRODUCTION

The Blue Crane Route Local Municipality like other municipalities in the country is faced with challenges related to the stagnation and / or decline in national grants allocations. Coupled to this are also challenges related to the under-collection, electricity losses, water losses and this resulted to cash-flow challenges being experienced by the municipality during the period under review.

Service Delivery is the face of the Municipality, where services are rendered and maintenance on an ongoing basis. The BCRM as a Water Services Authority (WSA) and a Water Services Provider (WSP) serves its communities basic services i.e. water, sanitation, electricity and access roads to better their lives. The community deserves the better living lifestyle and BCRM ensures that, its entire community receives them to the best of their ability.

BCRM has managed to upgrade the main sub-station for the better supply of electricity to its consumers i.e. Rural and Urban communities from the R5 Million funding from Department of Energy (DOE) which was received in 2016/17 and an amount of R1.4 was rolled over to 2017/18. This funding also included upgrading of streetlights to ensure safe supply of electricity and increase safety in the area. The upgrade of the main sub-station will still continue in the next financial year as DoE has indicated an allocation of R6 million.

The municipality has managed to build a children's park in Aeroville, to ensure that children is kept busy with spirit uplifting activities. The Municipality received R17 million funding from the Department of Water and Sanitation under the Water Services Infrastructure Grant (WSIG). This funding was used to upgrade the Cookhouse WWTW which has been successfully been upgraded. The last phase of this project will be done in 2018/19 FY.

BCRM challenges are high water losses which are above 50%. This is a result of ageing infrastructure, leakages at the indigent households and shortage of water meters. The Municipality is currently busy preparing business plans to source funding to reduce these water losses. The other challenge amongst others are the loss of electricity reclosers that supply the farming consumers that were hugely affected in this period of loss and sewer spillages.

COMPONENT A: BASIC SERVICES

This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

INTRODUCTION TO BASIC SERVICES

Service delivery is at the heart of what BCRM aims to achieve. It is vitally important that all municipal structures and entities are optimally harnessed in such a way that will make the delivery of services to the residents a reality. This chapter deals with service delivery of basic services over the past financial year and gives a detailed breakdown of the various activities, achievements and challenges that the municipality has faced with regards to service delivery. BCRM classifies basic services as Water, electricity, sewer, refuse services, infrastructure and housing.

3.2. WATER PROVISION

3.2.1 INTRODUCTION TO WATER PROVISION

Somerset East

The bulk raw water supply for the town of Somerset East consist mainly of the extraction of Orange-Fish River Scheme water from the Somerset East Irrigation Sub-Area Canal (SEISA), supply from boreholes and supply from fountains and mountain runoff in the Bestershoek area. Raw water is extracted from the SEISA Canal where it is currently pumped to the Lake Bertie and Van der Walt dams where after it is purified at the Orange-Fish and Bestershoek Water Purification works at a rate of 94m³/hr. The allocated extraction limit from the Canal is 100m³/hr. The raw water supply has recently been upgraded to 252 m² / hr to the dams as mentioned above.

The Orange-Fish Purification Works was designed to treat a capacity of 54l/s, but can only achieve a maximum output of 45l/s. The total amount of raw water that was pumped from the SEISA Canal in the last year was measured to be 1803m³/day on average with 133 days pumping totalling 239 799 m³/a. Actual measured volume extracted from the Canal was 226 244m³. During rain, runoff water accumulates in the Bestershoek catchment area. The runoff supplies the Bestershoek Dam, which overflows into the Van Der Walt Dam lower down in the

same valley. Overflow water from the Van Der Walt Dam is channelled to Lake Bertie. All three holding dams are earth dams. Lake Bertie is situated approximately 2.7km south east from the Van Der Walt Dam.

Several fountains draining from the Bestershoek Valley and mountains feed into the Bestershoek Dam. These fountains have been developed in the past and feeds down to the Bestershoek Dam in pipelines. During dry seasons or drought, the yields of the fountains seized. Raw water is extracted from the outlet structure of the Dam to the Bestershoek Purification Works beyond, by means of gravity. The incoming raw water supply is measured at the works. Raw water is also pumped from the Van Der Walt Dam lower down the valley to the Purification Works at Bestershoek having a purification capacity of 27l/s.

Cookhouse: Extraction from Hougham-Abrahamson Canal

The extraction from this point is by means of a pump system as well as from the upgraded Orange Fish canal gravity system. The water is extracted from the Hough Abrahamson canal by means of flooded suction from a sluiced take- off into the pump house from where it is pumped by means of a 150mm diameter pipeline to the water treatment works with a capacity of 53l/s. The length of the pipeline is measured to be approximately 1800m. An agreement existed between the Hougham-Abrahamson Irrigation Board and the Cookhouse Transitional Council for the extraction of a maximum of 100m³/hr subject to a maximum of 365 000m³/annum (29.2ha) of raw water . Currently the measured extraction rate is calculated to be approximately 52m³/hr on average. The pump station is equipped with 2 pumps with 22kW electric motors with a maximum capacity of approximately 55m³/hr.

No records of registration exist of the 40Ml retention dam at the new WTW.

Cookhouse: Extraction from Boschberg Canal

The Boschberg Canal was originally constructed - as a community scheme by the members of the Boschberg Sub-Area (formerly the Boschberg Irrigation Board) - to a capacity that was determined by the needs of the members. The Scheme was funded by the members. The Boschberg Canal feeds from the Orange-Fish River Canal and supplies water to its members downstream until it ends at the Van Aardt Dam adjacent to Cookhouse - privately owned by a local farmer.

With the serious shortage of portable water for the town of Cookhouse, the Cookhouse Local Council approached the Boschberg Sub-Area at the time regarding an interim agreement that the Council would be able to use

“excess overflow water” not utilized at the time by the members of the Board. A verbal agreement was made that in exchange for assistance in maintaining the Canal and the sealing of the Van Aardt Dam, the Council could utilize the excess water. There is no evidence of any volumes mentioned.

The Council, as result of the “gentlemen's agreement”, had a sluice distributor and a pipeline constructed from the end of the Boschberg Canal to the new water treatment works in Cookhouse. The pipeline is 315mm dia. uPVC. The Municipality made use of the excess water from the Boschberg Canal by means of this system but could never rely on a guaranteed supply from the Canal. In 2005 the Blue Crane Municipality formally applied to the Department of Water Affairs for an allocation of water via the Boschberg Canal. It was turned down by the Boschberg Sub-Area stating that no permanent excess capacity was available. They did however agree to temporarily assist should excess capacity be available.

NOTE: The above supply arrangements have been changed with the new direct gravity supply directly from the Orange Fish main canal.

Pearston: Extraction from Boreholes

The water supply to the town of Pearston is completely dependent on the supply of water from boreholes. In total five boreholes contributes to the bulk supply of water to the town. The town of Pearston recently had three boreholes which did not have any details with regards to their safe yield data and depth. This has been rectified through a project to augment the Pearston water supply, which also established safe yield to ensure that the boreholes do not run dry.

Major challenges in Water Services and Remedial Actions

The following challenges are faced by the BCRM:

Pearston

Pearston obtains its water from boreholes only. Close monitoring of the abstraction is required to ensure sustainable and sufficient water supply on a long term for Pearston. Safe yield test results established on an ACIP project for Augmentation of Community Water Supply are a positive step towards borehole management, however data logging is needed to monitor the level of water in the boreholes for more accurate and reliable monitoring of the boreholes.

Somerset East

Water is obtained from surface water that is seasonal and rainfall dependant, as well as water from the Orange-Fish Irrigation Scheme. The town is dependent on the only reliable source, being the Orange-Fish Canal supply. A project has been completed and it's being implemented for a new bulk water pipeline to ensure that the town will be able to overcome any water shortage threats in the future.

Cookhouse

Due to the fact that Cookhouse was administered by the old Transnet, all assets and rights still resides with Transnet. The town is dependent on water from the Orange-Fish Irrigation Scheme and has no surface or borehole sources. The present water supply to the town is not reliable, and a pipeline was completed from the Orange- Fish Scheme to secure sustainable water to the town. However, this line is only approximately 35% of the bulk line to Cookhouse which needs an upgrade.

Water losses

The total water losses in the municipality are estimated to be at 74 ML/annum. Domestic activities account for the largest amount of the water usage and losses thereof in Blue Crane Route Municipality, industries being the biggest user. According to available data, domestic water usage is increasing by approximately 700 cubic meters per day. Industries have however seen an increase in water usage of approximately 50 cubic meters per day.

The municipal water balance is not as accurate as it should. Open space such as parks and sports fields are not metered and therefor used in these premises are accounted for as water losses or unaccounted for. Water used through fire hydrants is also not accounted for and contributes to non-revenue water or water losses.

Projects

1. Refurbishment of Pearston boreholes

COMMENT ON WATER USE BY SECTOR:

Domestic activities account for the largest part of water usage in BCRM, industry being the second largest consumer. Agricultural activities are supplied by private boreholes in Blue Crane Route Municipality, with only electricity being supplied by the Municipality to the farmers.

COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

BCRM has experienced a number of challenges with regards to water services of these include the following:

- Pearston obtains its water from boreholes only. The augmented water supply in Pearston ensure that the town has constant and sustainable water supply. However, under the project to augment Pearston water supply, two boreholes were not connected due to budget constraints and therefore a follow up project has been initiated to complete phase two of water supply in Pearston. Pearston does not have surface water and entirely relies on borehole water, this means that the water supply in Pearston is dependent on mechanical means to abstract the water and to a certain extent for distribution of the water.
- Somerset East Water is obtained from surface water that is seasonal and rainfall dependent, as well as water from the Orange/Fish Irrigation Scheme. The town is dependent on the only reliable source, being the Orange/Fish Canal supply. A project has been completed and it's being implemented with a new bulk water pipeline to ensure that the town will be able to overcome any water shortage threats in the future.
- Due to the fact that Cookhouse was administered by the old Transnet, all assets and rights still reside with Transnet. The town is dependent on water from the Orange/Fish Irrigation Scheme and has no surface or borehole sources. The present water supply to the town is not reliable, and a pipeline is required from the Orange-Fish Scheme to secure sustainable water to the town

3.2 WASTE WATER (SANITATION) PROVISION

3.2.1 INTRODUCTION TO SANITATION PROVISION

Sewer outfall is managed by various methods in the Blue Crane Route. Apart from the informal settlements, the entire community of the Somerset East urban area is serviced with a waterborne sewer system. A substantial capital outlay has been budgeted for and is being spent; further provision must be made for upgrading the facility to a waterborne reticulation system. The BCRM has eradicated the Bucket System in line with the national priority requiring all bucket systems to be completely eradicated; buckets still exist in informal settlements mainly due to unavailability of suitable land. The BCRM's objective is to supply each consumer with full water borne sanitation system, if technically and financially feasible.

Sanitation Services delivery strategy and main role-players

As a WSP and a WSA, the Municipality takes full responsibility for sewage disposal and treatment in all three towns.

Level and standards in Sanitation Services

BCRM has not eradicated all buckets and some residents in formal settlements and the entire informal settlements are still using buckets. BCRM is in the process of upgrading the bulk WWTW facilities in all towns and the status is as follows:

Pearston

The Municipality has received funding from the Department of Water and Sanitation through the Water Services Infrastructure Grant (WSIG) to upgrade the Pearston WWTW as it has reached its full design capacity. The Municipality is currently undergoing the tender stage for the appointment of a consultant for the Upgrading of Pearston WWTW which will be implemented in the 2018/19 FY. The municipality is in a process of seeking funding for an assessment of the Pearston WWTW and upgrade thereof based on the findings and growth patterns of the area.

Somerset East

Residential reticulation in the town is old and requires intensive maintenance actions. The municipality has recently upgraded the pond system in Somerset East to an activated sludge system to cope with the hydraulic load of 2.5ML per day and comply with Department of Water and Sanitation effluent requirements.

Cookhouse

The Municipality received funding from the Department of Water and Sanitation under the Water Services Grant for the Upgrading of Cookhouse WWTW. The first and second phases of the project to construct new additional ponds and upgrading of the pump station have been completed in the 2017/18 FY. Funding for the last phase have also been obtained from the Department of Water and Sanitation for the last phase of the project which will be implemented in the 2018/19 FY.

Financial Performance Year 2017/2018: Sanitation Services					
Details	R'000				
	Year 2016/2017	Year 2017/2018			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	10 343	10 967	27 945	10 846	-1%
Expenditure:					
Employees	2 532	2 876	2 876	2 568	-12%
Repairs and Maintenance	109	135	135	95	-42%
Other	7 184	6 613	7 978	6 988	5%
Total Operational Expenditure	9 825	9 624	10 989	9 651	0%
Net Operational expenditure (surplus)	(518)	(1 343)	(16 956)	(1 195)	-12%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
					T 3.2.8

Capital Expenditure Year 2017/2018: Sanitation Services					
					R' 000
Capital Projects	Year 2017/2018				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	14 912	14986	100%	
Cookhouse WWTW	0	14 912	14912	100%	14912
Equipment			74		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.2.9

COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL:

There has been a significant improvement on waste water treatment facilities within the Municipality. The Municipality has upgraded the Somerset East and Cookhouse waste water treatment works with only the last phase of Cookhouse that will be completed in the 2018/19 FY. Pearston WWTW is included in the 2018/19 implementation plan with funding from WSIG. BCRM also plans to eradicate all bucket system and septic tank within the municipality within the next 5 years.

3.3 ELECTRICITY

3.3.1 INTRODUCTION TO ELECTRICITY

The BCRM is a licensed distributor of Electricity within the area and is registered with NERSA licence number NER/D/EC102. Electricity is being distributed by the Municipality to its consumers of about 8691. The Blue Crane Route Municipality has vast distribution networks consisting of a combination of urban and rural infrastructure to ensure a sustainable electricity supply to its consumers. It is a challenging task to maintain this vast electrical infrastructure and expand, upgrade, or refurbish with the available funding. The agricultural sector is the biggest electricity consuming sector and is growing.

Somerset East Main Sub-station

The Municipality received funding from the Department of Energy in the 2016/17 FY which were rolled over to the 2017/18 FY. These funds were utilised for upgrading of the Somerset East Main Sub-station. The scope of work included installation of three (3) new circuit breakers, refurbished transformer yard.

Installation of new street lights

BCRM installed street lighting in the following areas:

R63 –R334 (From the hospital to Aeroville)

Somerset East - Nqantosi

Pearston – Khanyiso

Cookhouse – Bhongweni

Maintenance of street lights

BCRM has a responsibility of maintaining the street lights to ensure lighting is provided to its community. The following areas were maintained:

Pearston Town and Somerset East Town

Financial Performance Year 2017/2018: Electricity Services					
Details	Year 2016/2017	Year 2017/2018			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	107 157	103 664	105 820	93 461	-11%
Expenditure:					
Employees	6 518	6 768	6 768	6 576	-3%
Repairs and Maintenance	815	899	899	778	-16%
Other	91 884	89 343	91 287	79 284	-13%
Total Operational Expenditure	99 217	97 010	98 954	86 638	-12%
Net Operational expenditure (surplus)	(7 940)	(6 654)	(6 866)	(6 823)	2%

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.3.7

Capital Expenditure Year 2017/2018: Electricity Services					
R' 000					
Capital Projects	Year 2017/2018				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	90	2 918	1 859	95%	
Equipment	90	200	200	55%	200
INEP Network upgrade		1 659	1 659	100%	5 000
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.3.8

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

Blue Crane Route Municipality's electricity covers an area of approximately 9900km²; this includes the three (3) towns, Somerset East, Cookhouse and Pearston, as well as an extensive farming community. The supply ranges from a full connection in rural and urban areas and prepaid to a ready board system, the Municipality has its own distribution licence to supply electricity to rural and urban areas within its boundaries. Our maximum demand hovers in the region of 15, 5 MVA.

3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

3.4.1 INTRODUCTION TO WASTE MANAGEMENT

Refuse collection services are provided to all the residents of BCRM in Cookhouse, Pearston and Somerset East. There is a set schedule for the collection of household and business refuse. This type of waste is collected at least once a week on different days in residential areas of Somerset East. In Cookhouse and Pearston household and business refuse is collected Monday's only and the rest of the remaining days in that week are used to collect garden refuse.

The challenge with the collection of garden refuse is that it is not regulated by the municipality. Members of the community dump any day of the week and some dump big heaps. Some even create illegal dumps as they do not want to dump in front of their own properties and so they dump on the corners of the streets.

All three of the municipal solid waste disposal sites are permitted but none is managed according to the minimum requirements for landfill sites. The Sarah Baartman District Municipality has assisted the municipality by appointing a service provider to review the IWMP and council adopted it in 2017. The nine youth that were trained by the Department of Environmental Affairs as part of the Youth Jobs in Waste their contract expired. The municipality does not have any warm body to register waste received at the landfill sites and the weigh pad is broken.

Through the funding of EPWP the municipality employed 70 casuals for a period of three months in the field of waste management. All of them were general workers who assisted with refuse collection and picking up of litter. This youth came from the communities that are poverty stricken and at least they were able to put bread on the table for the period of three months.

COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL:

There was no budget for capital expenditure in this financial year even though there is a need for procurement of refuse collection vehicles. The following are the waste management challenges as experienced by BCRM in the 2017/18 financial year.

1. Demoralised staff members due to lack of resources to do their work.
2. Constant breakdown of vehicles and machinery is on going
3. Businesses are using the public refuse drums for their waste to avoid paying for the extra waste generated. Some of them even dump waste on the streets in the CBD
4. Poorly managed landfill sites due to lack of resources for maintenance
5. No budget for capital projects
6. Illegal dumping is still taking place in some areas

In order to overcome some of the above challenges, the following interventions were implemented in the financial year in questions

1. **Environmental Awareness campaigns** – These campaigns focused on educating members of the public on waste management issues and waste collection schedules of the municipality including the bylaws applicable. This is done in cooperation with the Community Works Programme participants, Environmental Health Practitioners and the Waste Management Section of the Municipality. There is quite an improvement in this area as most of the beautified illegal dumps are still kept clean.
2. **Eradication of illegal dumps** - Illegal dumps are identified on continuous basis, cleaned and beautified. During these campaigns members of the public living closer to the dumps are encouraged to adopt these beautified spots and ensure that no one dumps again. This exercise has shown some success as those sites are still clean and are maintained regularly.
3. **Lobby funding for Recycling initiatives** – At the moment recycling is done at a lower scale by a private company. The department embarked on lobbying funds to improve recycling initiatives so that there is very little waste that goes to the landfill sites. IWARS was requested by the municipality to include BCRM in its funding application. A buy back centre was purchased for BCRM but before the project could kick start, DTI stopped funding. Wheely bins were donated to all school to encourage them to separate waste at source and be able to sell to the buyback centre. That exercise has proven to fail for now as the BBC has not been operational due to lack of funding.

Financial Performance Year 2017/2018: Solid Waste Management Services					
					R'000
Details	Year 2016/2017	Year 2017/2018			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	10369	11162	11016	10893	-2%
Expenditure:					
Employees	7569	8275	8275	8152	-2%
Repairs and Maintenance	291	345	345	262	-32%
Other	9592	244	250	7370	97%
Total Operational Expenditure	17452	8864	8870	15784	44%
Net Operational expenditure (surplus)	7 083	(2 298)	(2 146)	4 891	147%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
					T 3.4.7

3.5 HOUSING

3.5.1 INTRODUCTION TO HOUSING

The municipality is facilitating the delivery of housing on behalf of the Provincial Department of Human Settlements. The Department is currently implementing Plastering and Ceiling project for Chris Hani and Old Location. 150 houses were rectified in Cookhouse under Cookhouse 150 project. The Department is also planning to implement new housing project however this is delayed by the lack of availability of suitable land for housing development. Engagements are ongoing with various stakeholders and potential landowners in order to obtain land for housing development. Below is the status of the implementation

OLD LOCATION PROJECT 200

- 1st phase 100 plastered
- 2nd phase 100 in 2019

CHRIS HANI PROJECT 400

- 1st phase 200
- 2nd phase 200 in 2019

The municipality is challenged by bulk infrastructure, water, sewerage and electricity services.

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

Free basic services in the form of water, sanitation, electricity and refuse removal are generally provided throughout the BCRM. Blue Crane Route's criteria for supporting free or subsidized basic services are set out in the Indigent Support Policy. The Government allocates revenue via the Division of Revenue Act (DoRA) in the form of the Equitable Share Grant with the primary aim of assisting municipalities with the costs of providing free or subsidized basic services.

The review process of the register commenced during April / May 2017 where the Finance Department staff visited all the wards and invited people to the various Community Halls to register for Masakhane / Indigent. This review is for the financial year 2017/2018. The municipality allow the indigent households to apply right through

the year to be registered on the municipality's indigent subsidy database. The final indigent register for 2017/2018 was tabled at the 30 June 2018 council meeting and was approved.

During the 2017/18 Financial Year, the Municipality has conducted various Indigent / Masakhane Outreach meetings in all wards.

Indigent Register

There are 4,376 indigent households out of 8,558 households for the 2017/2018 financial year as at end of 30 June 2018. This is a 51% of households benefitting from the Indigent Policy assistance

Free Basic Services Unit

The municipality has a Free Basic Services Unit that focuses on Indigent support; credit control and debt management; as well as Debtors Control. This shared function is largely attributable to the small size of the municipality and the amount of work required maintaining the Free Basic Services function. We however have staff in place that exercise the various functions of free basic services as part of their daily tasks and this is executed by various levels of staff to ensure segregation of duties. We have Credit Controllers that assist in filling and collecting the Indigent application forms; Ward Councillors confirm by signing application forms; Senior Debtors Clerks perform the checking and verification; and the Accountant: Revenue that assesses the applications for the CFO's recommendation to the Indigent Committee for approval and /or non-approval.

Indigent Steering Committee

The Indigent Steering Committee (ISC) was established in 2012. The Eastern Cape Department of Local Government & Traditional Affairs (ECLGTA) Committee assisted the municipality with a draft ISC Terms of Reference and Indigent Policy. The Finance Committee has since approved the Terms of Reference and ISC has convened its meetings on a quarterly basis with the development of an updated Indigent Register as its primary task that was completed in June 2018 for approval by council.

COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and waste water (stormwater drainage).

3.7 ROADS AND STORMWATER

3.7.1 INTRODUCTION TO ROADS AND STORMWATER

Roads form one of most basic infrastructural components necessary for development. A well-functioning and well-maintained road network creates a positive economic environment influencing the economic activity of the area. In the context of the BCRM, the extent and quality of the existing road network has a significant impact on both the local economy and the community as a whole, since it fundamentally impacts on the mobility of both people and produce into the area.

In an economic context, this specifically affects the agricultural related industries and tourism, in particular. If the road network is not sufficiently maintained, it could have a negative influence on the potential growth rate of the leading economic sectors. The existing bitumen surfaced roads are deteriorating, as the Municipality does not have sufficient funding for road maintenance.

The general status of roads in the urban areas of Blue Crane Route ranges from tar surfaced in central business areas and higher income residential areas to gravel surfaced and paved roads in the middle- and low-income areas respectively. The maintenance of roads throughout the entire Blue Crane Route Municipal Area (urban and rural) is problematic due to the lack of funding. Urgent attention and funding are needed to address this problem.

The existing Storm water drainage is maintained and upgraded by the team on a weekly basis. The municipality's responsibility is to ensure that when there are heavy rains all the storm water drains are unblocked. The projects implemented for the upgrading of gravel road, the municipality ensures that, it caters for the storm water gradient slope to re-route the water flow coming from the mountains to the nearby river.

Challenges experienced:

- The municipality's residential areas are below the mountains and most of the time it affects the roads and the driveways of houses. This gives the municipality the challenge of receiving complaints from the community members about their houses being damaged by the strong water flowing from those mountain falls.
- The budget is very limited to address all the stormwater drainage challenges because currently only using the maintenance budget which does not do much in addressing these issues.

Projects:

Paving of gravel roads in Pearston, Cookhouse and Somerset East.

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The Municipal road infrastructure mainly composes of collectors and access roads (i.e. Class 4 & 5 roads), approximately 60% of the road infrastructure is gravel roads/ not surfaced. The municipality does not have sufficient budget for maintaining the existing road infrastructure and the current grant allocations are not sufficient to eradicate the road infrastructure backlog. The municipality is however considering other avenues to find the road infrastructure maintenance funds or upgrade funds. However an allocation of R8 million was allocated for the paving of gravel roads in Pearston Somerset East and Cookhouse.

BCRM is in the process of developing a business plan for the formulation of the Storm water Master Plan, to be able to address all the challenges of storm water drainage system in all the areas

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The Municipal road infrastructure mainly composes of collectors and access roads (i.e. Class 4 & 5 roads), approximately 60% of the road infrastructure is gravel roads/ not surfaced. The municipality does not have sufficient budget for maintaining the existing road infrastructure and the current grant allocations are not sufficient to eradicate the road infrastructure backlog. The municipality is however considering other avenues to find the road infrastructure maintenance funds or upgrade funds. However an allocation of R8 million was allocated for the paving of gravel roads in Pearston Somerset East and Cookhouse.

BCRM is in the process of developing a business plan for the formulation of the Storm water Master Plan, to be able to address all the challenges of storm water drainage system in all the areas

COMPONENT C: PLANNING AND DEVELOPMENT

COMMENT ON LOCAL JOB OPPORTUNITIES:

The Municipality received R1 million EPWP grant and created 151 job opportunities. The Municipality was also doing a paving project through labour-intensive methods which had 89 job opportunities created. A total of 240 job opportunities were created.

COMPONENT D: COMMUNITY & SOCIAL SERVICES

This component includes: libraries and archives; museums arts and galleries; community halls; cemeteries and crematoria; child care; aged care; social programmes, theatres.

3.8 INTRODUCTION TO LIBRARIES; ARCHIEVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES

Blue Crane Route Municipal public libraries provide services at 6 circulating libraries across the Municipal area. Anyone may use these libraries, but only members may loan library material and use the internet. The Library Service aims to provide information resources in various formats to the entire BCRM population and to foster a life-long reading culture. Such resources include information to develop skills and interests; educational material to both the formal and informal education system; recreational material for leisure; and cultural material adding to an understanding of other cultures. BCRM libraries are managed and controlled under various legislation guides of which the following two is the most important.

The Constitution of the Republic of South Africa: According to schedule 5A, Public libraries are the competency of Provincial Government and for the fact that this is an unfunded mandate. This situation is addressed by receiving conditional grants and equitable share transfers from Provincial Government. South African Public Library and Information Services Bill. The bill sets uniform minimum norms and standards, principles for Library and Information Services, Institutional arrangements, Inter Governmental arrangements and Assignment of functions.

Functions provided by the libraries:

- Providing updated information to scholars and community.
- All the libraries have computers for the public to use and all libraries have internet as well. All libraries have Wi-Fi. Measures are taken to improve performance by means of librarians assisting public and scholars in using the internet and other computer programmes. Colour printers and competitive prices for printing help to give good service. Some of the libraries have tablets to provide clients with further information
- Outreaches to adults and children.
- All the libraries provide outreaches to pre-scholars weekly and 1 library provide outreach to the local Old Age Home every two weeks. Measures taken to improve performance: Some librarians read out loud in Xhosa to Xhosa speaking people at the Old Age Home. Outreach programmes are offered to the elderly in the form of handcrafts.
- Educational programmes for pre-scholars and scholars
- Educational programmes are held for pre-scholars every week supplied by all libraries.
- Measures taken to improve performance: Story hour programmes equips the children for school readiness. There are at least 12 crèches in BCRM.
- Holiday programmes are provided to keep the children actively occupied and out of the street.

These programmes ensure that every interested member of the community is reached and supplied with relevant information. National Book Week was celebrated in August and all the libraries participated in this. Two learners from Cookhouse Secondary school accompanied librarians to Humansdorp for participating in poem discussion. In October holiday, a Spelling Bee competition was held at Dr. Rubusana library. This helped to motivate children to read more in order to spell better. From March to October, the librarians participated in ordering and the Gill Primary school library so that children can use it. St. Theresa school library was also done in October.

Dr Ngcipe library was chosen as one of Mzansi libraries online (MLOO). This is a programme of the National Library of South Africa, in collaboration with the Department of Arts and Culture and the provincial library services in all nine provinces. It is part of the Global Libraries Programme which has benefited some developing countries. The Global Libraries Programme is based on the reality that libraries have the potential to serve and engage the

entire community through targeted outreach programmes aimed at improving the lives of information-deprived communities who currently lack adequate access to information needed to live healthy and productive lives.

The theme for library week was: "Libraries, the heart of the community." The Library week District event was held at Jakes Gerwel Hall in Aeroville on 7 March 2018. All Municipalities in Sarah Baartman district participated in this big event. It was a huge success and many local children participated. World Play day was held during May and all the libraries had a programme where they played games and introduced children to the fun part of the library. Support is given to the poverty-stricken community by providing computers and books to improve their standard of living.

SERVICE STATISTICS FOR LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)

Libraries are conveniently placed in every community for the use of all the members.

- 6 Qualified librarians and 3 qualified teachers are in charge of the libraries
- Of the qualified librarians are Conditional Grant librarians.
- Assistant librarians assist the librarians in their work.
- 6 Cleaner/messengers keep the library clean.
- 1 library assistant from DSRAC at one library
- There are 882 adult members and 1926 children, total of 2808 members
- Every library has at least 15000 books.

Circulation for 2017/2018: Adults 45389 (3891 more than previous year)
Children 34061 (1771 more than previous year)
Total = 79450 (5662 more than previous year)

New books received 473. (461 less than previous year)

COMMENT ON THE PERFORMANCE OF LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC) OVERALL:

No budget was allocated for capital projects

3.9 CEMETORIES AND CREMATORIUMS

3.9.1 INTRODUCTION TO CEMETORIES & CREMATORIUMS

Blue Crane Route Municipality has eight (cemeteries) .The municipality residents are still concentrating on only one method of burial which is digging of graves. Other methods of burial have not been fully explored especially amongst the black communities. With the increased number of funerals taking place weekly, the cemeteries are reaching its full capacity. It will be important for the communities to consider other methods of burial to ensure that cemeteries do not fill quickly.

COMMENT ON THE PERFORMANCE OF CEMETORIES & CREMATORIUMS OVERALL:

BCRM has nine cemeteries in total. Only six of the nine cemeteries are officially operating. These are all three in Pearston, one in Cookhouse and two in Somerset East. The other three are full. Two cemeteries in Bongweni and Aeroville are about to reach their full capacity and that means new sites must be identified soon to undergo all environmental processes to be authorised as a cemeteries. In Somerset East, a new site was identified in Aeroville to establish a new cemetery and a ROD was received in 2014.

Due to lack of funds for this project, the ROD lapsed and a new application to the Department of Environmental Affairs was done. The municipality is looking at other funding options for this project as it cannot afford it from its own coffers. No funding provided for in the capital budget for this project as a result up to this stage, the cemetery has not been developed except for the realignment of the road that cross through the cemetery.

The maintenance of cemeteries is performed by a group of employees who are also responsible for the parks and open spaces. It is difficult to separate expenditure for cemeteries as there is no separate budget for them. This is for both general expenditure and employee expenses. The municipality is assisted mostly by the CWP participants to clean cemeteries due to shortage of staff and resources. Our records show the following number of burials that took place in the different towns of BCRM in 2017/18:

- 19 in Pearston
- 216 in Somerset East

The above-mentioned figures are not a true reflection of the actual burials that took place in the area. The following are some of the reasons why we cannot have an accurate figure of all the burials in the BCRM area of jurisdiction.

1. Some community members do not buy burial land and the municipality cannot catch the culprits because the cemeteries have no caretakers.
2. Some members of the community claim to have purchased double plots long time ago and when they want to bury their loved ones they do not report to the municipality as the only reason they come to the municipality is to buy a plot.
3. Some grave sites historically belong to certain families and those families do not report to the municipality when burying

COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and costal protection

3.10 ENVIRONMENTAL PROTECTION

Environmental protection is a function that is performed by an Environmental Unit of the municipality and BCRM does not have that unit yet. A provision for the appointment of the Environmental Management Officer has been made in the organogram. There is no funding for this position as a result some of the functions of this unit are performed by Environmental Health Practitioners.

3.11 POLLUTION CONTROL

Since BCRM does not have a unit performing environmental protection, the functions that overlap with those of Environmental Health are performed by the Environmental Health Practitioners (EHP). Urban areas in the BCRM are primary centres of activity that generate air quality impacts. This includes particulate and other emissions. They are as a result of either concentrated traffic volumes, industrial activities including household fires.

Currently, the municipality does not have an Air Quality Management Plan. Ordinarily such plans are prepared by the District municipality and include municipalities under them. The District municipality is busy preparing such

plans. Old infrastructure with insufficient capacity results in sewerage spillages and thus human health risks. This also has a potential of water pollution which can lead to a spread of diseases. For the year under review no complaints were received regarding noise pollution.

BIODIVERSITY

The Blue Crane Route Municipality is a home to a wide variety of vegetation including Albany Thicket, Azonal vegetation, Fynbos and Grassland. The condition of these habitats varies considerably throughout the municipal area. The municipality continues to experience a challenge of stray animals. Although BCRM does have a commonage, not all animals are kept in the commonage. Again, the municipality does not have a pound facility yet, it is still under construction ,to be completed in the next financial year.

There are a number of formally protected biodiversity conservation areas within and surrounding BCRM. Within the municipal area, there is Bosberg Nature reserve near Somerset East and a portion of the Addo Elephant National Park in the South. In total 4% of the municipal area falls within formally protected areas.

COMMENT ON THE PERFORMANCE OF POLLUTION CONTROL OVERALL:

Pollution control in the form of prevention of nuisances such as illegal dumps is done by the EHP's. They together with other government community-based programmes mobilise the communities and do awareness campaigns amongst the community. These environmental awareness campaigns are focusing on eradication of illegal dumps and beautifying these spots. The community members are encouraged to adopt these beautified spots and protect them from vandalism. The programmes are targeted to have at two awareness campaigns per quarter on a continuous basis. Expenditure for these programmes is provided for under operational budget.

Air pollution is the function of the district municipality and Sarah Baartman District Municipality involved all municipalities in its district to develop an Air Quality Management Plan to deal with issues of air pollution. Pollution control due to nuisance is dealt with in terms of the Health Act, National Norms and Standards for Environmental Health and local Municipal Bylaws.

3.12 HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC

3.12.1 INTRODUCTION TO HEALTH INSPECTIONS; FOOD AND ABATTOIR LICENCING AND INSPECTIONS, ETC

Health inspections are integral part of the function of Municipal Health Services. This is a function of the district but is performed by the local municipality on agency basis through a service level agreement. The funding is allocated to the local municipality on quartely basis and expenditure reports are expected to be submitted to the district for accountability purposes. Abattoir licencing is a function of the Department of Agriculture who also have their own inspectors to conduct inspections at the abattoir.

COMMENT ON THE PERFORMANCE OF HEALTH INSPECTIONS, Etc OVERALL:

The Environmental Health Practitioners (EHP) are responsible for Health inspections as part of their scope of practice. The scope of work includes;

- Water quality monitoring
- Food control
- Health surveillance of premises
- Surveillance and prevention of communicable diseases
- Waste management

The EHP's perform their functions within the BCRM area of jurisdiction and their reports are submitted to council after being discussed in a council standing committee on monthly basis. The same reports are submitted to the district on a quarterly basis. The function is funded by the district through the SLA. Despite the fact that the national norm for environmental health staffing says one EHP per 10000 populations, the district is still underfunding this funding. Their funding allocation is based on R22 per capita. Currently BCRM has only one EHP position filled and two are still vacant but are in the organogram. This understaffing is due to underfunding of the function by the district.

Water quality monitoring is done monthly in terms of SANS 241 and all deviations are attended to and reported to the Technical Services for further intervention. Food control is done through health inspections on food handling premises in terms of Food, Cosmetic and Disinfectant Act Regulations (ie R638). Those food handling premises

that are not compliant with the Regulations are given notices to rectify the conditions with a specified timeframe. Health surveillance of premises is also conducted in the same manner.

Waste management is a function of the municipality and the EHP's ensure compliance with the NEM: Waste Act and also to prevent occurrence of diseases that could be as a result of waste not being properly managed. The municipality has teams that do the actual collection, transportation and disposal of waste. The two units work together to ensure waste is managed in an acceptable manner.

COMPONENT G: SECURITY AND SAFETY

3.13 INTRODUCTION TO SECURITY & SAFETY

Blue Crane Route Municipality does not have an in-house Police Services – However the municipality has Traffic Services.

3.13.1 TRAFFIC SERVICE

INTRODUCTION TO TRAFFIC SERVICE

Staff Complement:

1. A Traffic Chief & 3 Traffic Officers (Law Enforcement)
2. 1 E-natis Supervisor & 2 E-natis Clerks (Registering Authority)
3. VTS – Position Vacant (Roadworthy Centre)
4. DLTC – Positions Vacant (Examiner of driver license)
5. Technical Service 1 General worker (Road marking)
6. Commonage & Pound - A Pound Master & 4 Assistances

Challenges:

1. Staff shortage hamper services
2. No deputy chief or shift leaders
3. No Management Representative

4. Lack of cooperation from live-stock owners
5. BRCM area under served.
6. High accident rates with fatalities on both the R63 and N10 routes

3.13.2 FIRE

INTRODUCTION TO FIRE SERVICES

The year generally had a significant decrease mainly informal dwelling and an increase formal dwelling fires and vegetation fires. We also continued with our Community Awareness education was on-going; programmes at hospitals, retirement villages schools ,clinics, etc as well as meetings with the service provider Aurecon regarding draft ward based Risk Assessments conducted during the month of June 2018, which will inform our disaster management plan ,currently the draft risk assessment are at District council level for adoption but was referred back to AURECON for further inclusion of information received from LMS. We also focused on tariff implementation charges are being levied for services rendered as well as bylaw enforcement.

Currently the airport are non-compliant with ICAO standards and also the increase of stray animals on the runway can results in serious accidents .During the month of May 2016 approximately 6 light aircrafts including an 18 seater, other than the 3 aircrafts of the flying school Progress landed at Aeroville airfield please note with the absence of a Rapid intervention foam vehicle and adequate foam supplies any eventuality of a plane crash can result in some major disaster. We as the fire service are not adequately equipment

1. INCIDENTS

DATES	TYPE	NO	FATALITIES	DESCRIPTION
1JULY 2017	INFORM, DWELLING	6	2	6 X INFORMAL WOOD AND IRON
To 30 June 2018	DWELLING	27		27 X FORMALDWELLINGS
	BUILDINGS	1		1BUILDING FIRES
	MVA	12		
	HAZ	0		
	VEGETATION	311		31 GRASS AND BUSH FIRES
	SPECIAL SERVICE	9		POTABLE WATER DELIVERY USING FIRE TRUCK
	RUBBISH FIRES	15		15 X RUBBISH FIRES,

2. COMMUNITY AWARENESS TRAINING

A number of institutions where visited and specific and appropriate fire and disaster management educational / awareness programmes was conducted of which was part of our Departments precautionary and preventative risk reduction mitigation strategy with regards to our mission of building disaster hazard and risk resilient communities.

PERIOD	TYPE AND NUMBER OF INSTITUTIONS	NUMBER OF PARTICIPANTS	OTHER	DESCRIPTION
Q1	29 X SCHOOLS	7 939		7655 STUDENTS AND 284 TEACHERS
JULY- 2017 TO JUNE 2018	4 X CLINICS	106		80 COMMUNITY MEMBERS/PATIENTS, NURSES
	1 X FACTORIES	11		26
	TYRE	60		12 STAFF
	1 X LAW COURT	10		
	1 X FRAIL CARE	740 Community		18 STAFF MEMBERS

	,OLD AGE HOMES	members		42 FRAIL CARE PENSIONERS
	Feeding Schemes 2			12 SUPPORT AND NURSING STAFF
	3X GARAGES			10 STAFF MEMBER

A total of 37 awareness campaigns were conducted and 21381 people were made aware on fire and disaster safety.

FIRE SAFETY INPECTIONS

Q1 - 36

Q2 - 57

Q3 - 93

Q4 - 54

Total- 240

Control Burning permits issued are 18. - Average turnout times are determined by logging the times taken to reach an emergency incident from receipt of call and analyzing the record. Average Fire appliances off the road. The average number of busses off the road is obtained by sampling the number off the road on different days at different times.

3.14 OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)

INTRODUCTION TO DISASTER MANAGEMENT

Currently the draft ward-based risk assessment are completed and was informed by below mentioned and awaiting adoption at District Council. A further 350 smoke alarms were installed in Cookhouse and Pearston and Somerset sponsored by Santam Insurance . Ward based risk assessment workshops was conducted throughout Blue Crane Route municipality. All relevant stake holders participated in the process. The service provider was Aurecon Consultants appointed by the Sarah Baartman District Municipality. A total of 3 workshops were held one in each town Somerset East, Pearston and Cookhouse respectively.

.All stakeholders engaged in group sessions with the consultants throughout the process whereby all risk associated with their areas of living and environment were identified assessed and listed, to inform the future Disaster Management Plan. A Draft was presented at SBDM Disaster management advisory forum in June 2018 whereby input by LMS were discussed and referred back to Aurecon for inclusion Santam sponsored 350 smoke alarms which were installed by Disaster management volunteers in Cookhouse, Somerset and Pearston the alarms will in future be Geotek coded for GIS system.

We also trained 15 disaster management volunteers trained in basic building construction, plumbing and electrical skills that will be useful in the event of a disaster, ETC was the service provider appointed by the District and a complete house was built from the start by 15 trainees. We planned as set out in the IDP and SDBIP two Fire and Disaster Satellite Stations in Pearston and Cookhouse respectively to improve and comply with relevant legislation in terms of emergency response times, were planned and approved for Quarter 3. Abovementioned were put on hold due to budget constraints Draft ward based risk assessment report is in the process of being adopted by SBDM council

Disaster and fire awareness campaigns were conducted jointly find below listed some key objectives:

- Prompt reporting of emergencies and disaster call center number
- Classes of fire
- Fire behavior
- Extinguishing methods
- Safe evacuation methods and procedures
- Stop drop and roll method
- Fire safety tips at home
- What to do in the event of fire and disaster.
- Disaster preplanning and resilience
- Risk and hazard mitigation methods
- Proper use of portable fire equipment

COMMENT ON THE PERFORMANCE OF FIRE SAFETY INSPECTIONS

A total of 150 shops were inspected for fire safety compliance in BCRM area. In Somerset East a total number of shops that became compliant were 60 out of 80 shops. In Cookhouse 15 out of 35 shops were compliant and in Pearston 20 shops out of 35 were compliant .

COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT,

A total of 109 shops were inspected for fire safety compliance in BCRM area. In Somerset East a total number of shops that became compliant are 23 out of 39 shops, in Cookhouse 20 out of 32 were compliant and in Pearston 30 out of 34 were compliant .

COMPONENT H: SPORT AND RECREATION

COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION

Blue Crane Route Municipality has three children parks one for each town. The only park that is complete and fully equipped is the one in Pearston. The other two are incomplete and Technical Services is responsible for their completion. In Somerset East there are three parks utilised by adults. These are Victoria Park, Rest-a-While and Bestershoek Picnic and Caravan Park. Pearston has one park as well as Cookhouse. Due to financial constraints of the council, none of these parks is well maintained. There is no equipment to maintain the parks.

With regards to the sport fields, the same financial situation is affecting sport fields. Very little maintenance is done due to lack of equipment. Technical Services through MIG grant is busy contracting change rooms in some sportfields.

BCRM has a multi-purpose Centre located at Aeroville and a Youth Center located at Old location in Somerset East . Unfortunately both centres are not well equipped. The Department of Sport, Recreation, Arts and Culture will be approached for assistance. The municipality has also 10 camp sites located at Besterhoek. Because of economic downturn, occupancy rate has been very low for the period under review.

3.15 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

The Human Resources section provides the following functions:

- Human Resources Planning
 - Recruitment and Selection,
 - Staff Placement,
 - Induction
 - Overall HR staff Management/Supervision
 - Outlining the relevant policy/legislation to council and municipality
 - Interpret and implements labour legislation for the institution
 - Advises Directorates on procedures to follow in terms of correctional action.
 - Co-ordinates the job evaluation process of the institution.
 - Job Description Development, Maintains and updates Organizational Development
-
- **Human resources development comprises of:**
 - Implement Organizational, Provincial and National strategies
 - Co-ordinate Councilors, Management and Staff development programs
 - Skills development
 - Employment equity
 - Implement Learnership and Internship programs
-
- **Labour Relations is responsible for the following: -**
 - Develop organizational labour relations strategy and policy
 - Provide a labour relations support to line function, including a support of their responsibility to the municipality
 - Provide advice and guidance to staff in respect of labour issue
 - Manage disputes and grievance resolution mechanisms
 - Administer all discipline processes (including investigations)
 - Facilitate departmental collective bargaining

- **Functionality of the Local Labour Forum**

Good labour relations in municipalities is a legislative imperative that must be nurtured and sustained at all costs as failure to do so may have a direct impact on the levels and quality of service delivery. To this end, the LLF is well functioning in the Municipality and has had a positive impact in the promotion of sound Labour Relations. This is further complimented by Inter-Governmental Relations (IGR) support development and education programs through the Sarah Baartman District Municipality, SALGA, CoGTA and Provincial and National Treasury amongst others. In the ensuing financial year the Municipality aims at prioritizing the establishment of the Human Resources Development, Employment Equity and Occupational Health and Safety Committees as well as conclusion of Minimum Services Agreement.

Review of the organogram and Filling of critical and vacant posts

Section 56 and 57 positions except for the position of Director: Technical Services have been filled. The filling of the outstanding vacancies will be done as soon the prioritization process, costing and budgeting exercise has been completed. The municipality reviewed and adopted its organogram on the 26th July 2016. Subsequent to that a total of 37 vacancies were identified. The Municipality is in advanced stages of Organizational Review to ensure a staff establishment that is in line with its latest Job Evaluation results and commensurate to its limited financial resources.

Formulation of job descriptions

The above Organizational Review will culminate in the development of job descriptions for all employment categories of the institution.

⇒ Implementation of job evaluation

The municipality is participating in the SALGA - initiated process of implementing job evaluation system. The Sarah Baartman District Municipality has established a Job Evaluation Unit which is responsible for the implementation of the system for all municipalities falling under the district. BCRM is participating in all the activities and has complied with all the requirements. The job evaluation is scheduled for commencement at the beginning of the next financial year.

⇒ **Human Resource Plan (HR Plan)**

CoGTA-EC assisted the municipality in the formulation of the human resource plan and its implementation plan was adopted by council and due for review in the next financial year.

The document outlines how the municipality will achieve the objective of the IDP through optimal utilization of human resource, integrating the key following enabling instruments:

- Job description formulation and reviewal
- Job Evaluation process
- Institutional policy development and reviewal
- Reviewal of the Organizational Structure
- Staff training through Workplace Skills Plan
- Institutionalization of Occupational Health and Safety
- Employee Wellness Program, and
- Employee Equity Plan

LIST OF EMPLOYEES ON A FIXED TERM CONTRACT

POSITION	INCUMBENT	TIMEFRAME
Municipal Manager	Mr. Thabiso Klaas	Contract ends October 2022
Director Community Services	Mr. Mandisi Planga	Contract ends October 2022
Director Corporate Services	Mrs. Lineo Nkanjeni	Contract ends October 2022
Director Financial Services (CFO)	Mr. Nigel Delo	Contract ends August 2023
Manager: PMU	Mrs. Nonkqubela Dlova	Contract ends December 2018
Technician: PMU	Mr. Sonke Madlanga	Contract ends August 2020

- **Employment of casual workers**

The employment of casuals has been a major problem area as community members are always suspicious of any process that does not favor them. The municipality has commissioned the development of job seekers database which will replace the loud hailing method. The database will ensure that opportunities are given to all deserving residents on a fair and equitable manner.

- **Skills Development Programs**

The Skill Development Act requires that all employers, including municipalities, must develop a Workplace Skills Plan (WSP). The WSP is developed indicating the skills gaps, analysis and attributes identified in a particular year. This is also in line with Objective 2 of the National Skills Development Strategy, which advocates for "Promoting and accelerating quality training for all in the workplace". The WSP outlines the training capacity building programs to address the gaps and build capacity. The program consists of a skill program which is occupational based and the learnerships which are made up of structured learning component. Every year the Blue Crane Route Municipality develops a WSP indicating the skills gaps, training and capacity building programs. This is to ensure that staff members are involved in both skills and learnership programs to build their capacity and enable them to respond to the needs of the community with confidence. In order to achieve this objective the municipality conducts skills audit where all employees complete skills audit questionnaires which gets translated into a skills audit profile of the municipality.

- **Employment Equity**

The Employment Equity Act prescribes that every designated employer must formulate an Employment Equity Plan. This calls for the municipality to develop a policy defining its employment equity practices. The municipality has an existing employment equity policy and plan which is due for review soon as it has been adopted in 2012. The purpose of the employment equity is to achieve equity in the workplace by promoting equal opportunity and fair treatment in employment through elimination of unfair discrimination. Also to implement affirmative action measures to redress the employment disadvantages experienced by designated groups in order to ensure their equitable representation in all occupational categories in the workplace.

- **Dealing with critical and scarce skills**

The municipality is developing a policy to deal with scarce skills and to cover the following fundamental principles:

- To determine the strategic and operational needs of the organization
- Strategies to attract and retain critical expertise in certain fields
- Adhering to the requirements of Employment Equity
- To apply skills transfer

- **Performance management**

The municipality has adopted a performance management system which ensures that quarterly targets are met by the institutions; however, it is only senior management and those officials directly reporting to senior managers who are performance managed. The municipality will cascade the system to the rest of the institution at the beginning of the next financial year. Consultations are undertaken with employee representative on the modalities of implementing the system.

- **Administrative matters**

The Municipality has, with the assistance of the SBDM conducted a Gap Analysis on its records management. This culminated in the strengthening of control measures for the safe guarding of the Municipality's intellectual property and promotion of confidentiality and information reliability. These control measures include restricted access into the records area and stipulated times for closure of the records section during opening and sorting of mail. Further reforms were introduced in relation to Leave Management, including the development of Standard Operating Procedures. This development will ensure timeous capturing of leave and up-to-date leave records.

- **Occupational Health and Safety**

The municipality has managed to institutionalize Occupational Health and Safety as per requirements of the respective legislation. This has been made possible through, inter-alia, a dedicated Occupational Health and Safety Officer. The major spin offs from this development include the establishment of the Safety committee, training of SHE representatives, establishment of partnerships with Andries Vosloo hospital and prioritization of regular testing and vaccination of employees who are working in high risk areas.

- **Employee Wellness Programs**

The Blue Crane Route Municipality has a commitment to ensure a health, safety and welfare of all employees at work. The municipality adopted the Employee Wellness Program in 2012 with the intention of providing internal and external professional, confidential assistance to employees. The municipality has developed an internal newsletter which will help to provide educational support on various matters affecting employees both in the workplace and at home. A range of sustainable employee wellness programs have been developed for implementation next financial year.

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

The Section has successfully delivered on significantly improving the audit outcomes and further improved the municipality's risk profile despite inadequate Human Resources.

3.16 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Information and communication technology section always vows to effectively and efficiently provide ICT services which facilitate the achievement of Municipality's strategic goals that focuses on servicing our community. The IT section is led by an Information Technology manager responsible for municipality's overall Technology strategy, new technology recommendations and procurement, overseeing all IT Section's day -to day activities categorized as follows:

1) Support Service Function

Responsible for desktop support services. Calls are received and assigned to assigned to IT staff to resolve them. This function supports installation and replacement of desktop and laptop computers, printers and standard desktop applications, such as Microsoft Office Suite, Anti-Virus software, SAMRAS, etc.

2) Server Administration Service function

Is responsible to install, administer, and optimize municipality's servers and related components. to achieve high performance of the various functions supported by the servers. This includes ensuring the availability of client/server applications, configuring all new implementations, and ongoing management of the server environment. Furthermore, this function is responsible to assist in overseeing the physical security, integrity, and safety of the server room.

3) The Network Services function

Responsible for management of the municipality's local and wide area networks, and telecommunication services. Further responsibility is also to assure adequate security measures are in place to protect the municipality's network from unauthorized access.

4) The Website and Application Services function

Responsible for support of enterprise systems; maintenance and upgrade of existing systems; architectures, software standards; website management.

SERVICE STATISTICS FOR ICT SERVICES

The Information Technology section's support service handles support queries relating to end user, printing and network problems almost daily. Keeping track of these queries has been a challenge due to lack of an electronic help desk system that is supposed to record and assist with the turnaround time and monitoring of recurring problems. Plans will be in place in the next fiscal year for a manual log system that will temporary assist IT until such time that the municipality is ready to implement an electronic help desk system.