



**WESTERN CAPE**  
LIQUOR AUTHORITY

## Annual Performance Plan 2016/17

# **Western Cape Liquor Authority**

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Annual Performance  
Plan 2016/2017

Western Cape Province

## FOREWORD

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It is with pleasure that I present the Western Cape Liquor Authority's Annual Performance Plan (APP) for 2016/2017.

This APP charts a clear path for the Western Cape Liquor Authority for the year ahead and is aligned to our mandate as provided for in the Western Cape Liquor Act 4 of 2008, as amended (Act) as well as the 5 Year Strategic Plan of the Authority. This plan will also be used to guide the institutional renewal to respond to any changes and developments in the liquor regulatory space as well as the liquor industry.

The WCLA is committed to regulate the retail-sale and micro-manufacturing of liquor in the province, facilitate transformation of the liquor industry in the Western Cape by promoting the entry of new licence holders, enforce compliance with the provisions of the Act and partner with organisations to ensure the responsible use of liquor.

The Western Cape Liquor Authority has the responsibility of achieving two conflicting objectives. The regulation, responsible licencing and economic development of the Province and liquor stakeholders as well as addressing the social harms that can be attributed to liquor.

The exemplary performance of the different components of the Authority has contributed in the more effective regulation of liquor in the Western Cape. Against the backdrop of the challenging liquor regulatory environment each component within the Authority has further identified strategic initiatives that will enhance service delivery and enforcement.

The strategic initiatives detailed in the document is dependent on sufficient funding.

The amendments to the Act will contribute significantly to the operations of the Authority and the more effective regulation of the liquor industry.

The Authority will continue to participate in the Alcohol Harms Reduction Game Changer and will actively contribute in future policy development and implementation.

The WCLA and its staff are committed to dealing with all these priorities and challenges.



**Dr. Luzuko Mdunyelwa**

**Chief Executive Officer of the WCLA**

## OFFICIAL SIGN-OFF

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It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the Western Cape Liquor Authority under the guidance of Minister A Winde and;
- Was prepared in line with the current Strategic Plan of the Western Cape Liquor Authority; and
- Accurately reflects the performance targets which the Western Cape Liquor Authority will endeavor to achieve, given the resources made available in the budget for 2016/17.

Dr. L Mdunyelwa



Chief Executive Officer

Mr MJones



Chairperson of the Governing Board

Approved by

Minister A Winde



Executive Authority

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## PART A: Strategic overview

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### 1. Vision

- 1.1 To be the leading liquor regulator in the world by endorsing compliance within the liquor industry and work towards the eradication of liquor's social ills to ensure responsible consumption and trade in liquor in the Western Cape.

### 2. Mission

- 2.1 Creating an enabling environment for the efficient and effective regulation of the liquor industry in the Western Cape to further a resilient, sustainable, quality and inclusive living environment.
- 2.2 Facilitate the entry of new liquor licence holders in the Western Cape to reduce illegal liquor trading and to create opportunities for growth and jobs.
- 2.3 Maintaining sustainable partnerships with all relevant stakeholders to assist in the fight against the irresponsible use of and trade in liquor whilst increasing community wellness, safety and tackling the negative social ills of liquor abuse in the Western Cape.

### 3. Values

- 3.1 In the execution of their collective functions, the Authority places the highest value on:
- *Integrity*  
The quality of possessing and steadfastly adhering to a moral or ethical code and high professional standards.
  - *Honesty*  
The quality, condition or characteristic of being fair, truthful, and morally upright in conduct and adherence to the facts.
  - *Incorruptibility*  
Moral uprightness and selfless service of public servants.
  - *Transparency*  
The principle that the organisation (WCLA) will conduct its business in an accessible, clear and visible manner and that its activities are open to examination by its stakeholders.
  - *Responsibility*  
Having the authority to make decisions and following through on the expectation to make those decisions and take necessary action.
  - *Accountability*  
The principle that the organisation is obligated to demonstrate and take responsibility for its actions, decisions and policies and that it is accountable to the public at large.
  - *Human Resource Development*  
Encouraging and assisting human resources to acquire new skills and/or to advance skills, knowledge, and viewpoints, by providing opportunities for development.
  - *Mutual respect*  
Encouraging a culture of mutual respect by treating every person with dignity and equal worth.

### 4. Legislative and other mandates

#### 4.1 Constitutional mandates

The Regulation of liquor licencing is a provincial competency in terms Schedule 5 of the Constitution. For this reason the Western Cape Liquor Authority has been established in terms of Section 2(1) of the Western Cape Liquor Act, Act 4 of 2008.

## 4.2 Legislative mandates

Significant changes have been made to the Western Cape Liquor Legislation. In December 2010, the Western Cape Provincial Parliament passed the Western Cape Liquor Amendment Act, 2010 (Act 10 of 2010) ("the Amendment Act") to be read in conjunction with the Western Cape Liquor Act No. 4 of 2008. On 21 December 2011 the Western Cape Liquor Regulations were passed which contained the new price schedules.

### **Other Legislation includes:**

#### *Magistrate Court Act, 1944 (32 of 1944)*

The Magistrate Court Act, 1944 (32 of 1944) provides for the procedure and processes to be followed in the approximate 350 South African District Magistrate's Courts. These courts can hear civil cases where the value of the claim is no more than R100,000 and in criminal cases can impose a sentence of up to three years imprisonment and a fine of up to R100 000. The magistrates districts are arranged into regions with each region having a Regional Magistrate's Court, which handles more serious criminal cases and can impose a sentence of up to 15 years imprisonment and a fine of up to R300 000. As of 2010 Regional Magistrates Courts can also handle civil cases where the value of the claim is no more than R300 000.

This act also provides for the Magistrate Court Rules. These rules govern how a lawsuit or case may be commenced, and what kind of service of process is required, along with the types of pleadings or statements of case, motions or applications, and orders allowed in civil cases, the timing and manner of depositions and discovery or disclosure, the conduct of trials, the process for judgment, various available remedies, and how the courts and clerks are to function.

#### *Supreme Court Act, 1959 (59 of 1959)*

The Supreme Court Act, 1959 (59 of 1959) provides for the divisions of the Supreme Court's appointment of judges, appeals and high court procedure and processes.

This act also provides for the High Court Rules. These rules govern how a lawsuit or case may be commenced, and what kind of service of process is required, along with the types of pleadings or statements of case, motions or applications, and orders allowed in civil cases, the timing and manner of depositions and discovery or disclosure, the conduct of trials, the process for judgment, various available remedies, and how the courts and clerks are to function.

#### *Customs and Excise Act, 1964 (91 of 1964)*

The Customs and Excise Act, 1964 (91 of 1964) provide for the levying of customs and excise duties and a surcharge, for a fuel levy, for a Road Accident Fund levy, for an air passenger tax and an environmental levy and for the prohibition and control of the importation, export, manufacture or use of certain goods.

#### *Criminal Procedures Act, 1977 (51 of 1977)*

This act governs criminal procedure in South Africa's legal system. It details the procedure for the whole system of criminal law, including search and seizure, arrest, the filing of charges, bail, the plea, the testimony of witnesses and the law of evidence, the verdict and sentence and the appeal.

#### *Liquor Act, 1989 (27 of 1989)*

To provide for control over the sale of liquor; and for matters connected therewith.

*Liquor Products Act, 1989, (60 of 1989)*

The Liquor Products Act, 1989 (60 of 1989) provides for:

- the control over the sale and production for sale of certain alcoholic products;
- the composition and properties of such products;
- the use of certain particulars in connection with the sale of such products;
- the establishment of schemes; and
- control over the import and export of certain alcoholic products.

*Businesses Act, 1991 (Act 71 of 1991)*

The Businesses Act, 1991 (Act 71 of 1991) is assigned national legislation that provides for the administration and regulation of informal trading by municipalities, subject to monitoring of the relevant bylaws by the Provincial Minister. It further provides that the Provincial Minister may act as an appeal authority in instances where municipalities refuse applications by certain types of businesses for licences to trade.

*Tobacco Products Control Act, 1993 (Act No. 83 of 1993)*

The Tobacco Products Control Act, 1993 (Act No. 83 of 1993) prohibit or restrict smoking in public places, regulate the sale and advertising of tobacco products in certain respects and to prescribe what is to be reflected on packages.

*Occupational Health and Safety Act, 1993 (85 of 1995)*

The Occupational Health and Safety Act, 1993 (85 of 1995) provides for:

- the health and safety of persons at work;
- the health and safety of persons in connection with the use of plant and machinery;
- the protection of persons other than persons at work;
- measure against hazards to health and safety arising out of or in connection with the activities of persons at work; and
- establishing an advisory council for occupational health and safety.

*Labour Relations Act, 1995 (66 of 1995)*

The Labour Relations Act, 1995 (66 of 1995) governs labour relations in South Africa and to that effect:

- gives effect to section 27 of the Constitution;
- regulates the organisational rights of trade unions;
- promotes and facilitates collective bargaining at the workplace and at sectorial level;
- regulates the right to strike and the recourse to lockout in conformity with the Constitution;
- promotes employee participation in decision-making through the establishment of workplace forums;
- provides simple procedures for the resolution of labour disputes through statutory conciliation, mediation and arbitration (for which purpose the Commission for Conciliation, Mediation and Arbitration is established), and through independent alternative dispute resolution services accredited for that purpose;
- establishes the Labour Court and Labour Appeal Court as superior courts, with exclusive jurisdiction to decide matters arising from the Act;
- provides for a simplified procedure for the registration of trade unions and employers' organisations, and to provides for their regulation to ensure democratic practices and proper financial control; and
- gives effect to the public international law obligations of the Republic relating to labour relations.

*South African Police Service Act, 1995 (68 of 1995)*

To provide for the establishment, organisation, regulation and control of the South African establishment, organisation, regulation and control of the South African Police Service; and to provide for matters in connection therewith.

*Basic Conditions of Employment Act, 1997 (75 of 1997)*

The Basic Conditions of Employment Act, 1997 (75 of 1997) gives effect to the right to fair labour practices referred to in section 23(1) of the Constitution by establishing and making provision for the regulation of basic conditions of employment and to comply with the obligations of the Republic as a member state of the International Labour Organisation and provide for matters connected therewith.

*Employment Equity Act, 1998 (55 of 1998)*

The Employment Equity Act, 1998 (55 of 1998) promotes the constitutional right of equality and the exercise of true democracy; eliminates unfair discrimination in employment; ensure the implementation of employment equity to redress the effects of discrimination; achieve a diverse workforce broadly representative of our people; promote economic development and efficiency in the workforce; and give effect to the obligations of the Republic as a member of the International Labour Organisation.

*Competition Act, 1998 (89 of 1998)*

The Competition Act, 1998 (89 of 1998) provides for the establishment of a Competition Commission responsible for the investigation, control and evaluation of restrictive practices, abuse of dominant position, and mergers; and for the establishment of a Competition Tribunal responsible to adjudicate such matters; and for the establishment of a Competition Appeal Court by:

- provide all South Africans equal opportunity to participate fairly in the national economy;
- achieve a more effective and efficient economy in South Africa;
- provide for markets in which consumers have access to and can freely select the quality and variety of goods and services they desire;
- create greater capability and an environment for South Africans to compete effectively in international markets;
- restrain particular trade practices which undermine a competitive economy;
- regulate the transfer of economic ownership in keeping with the public interest;
- establish independent institutions to monitor economic competition; and
- give effect to the international law obligations of the Republic.

*Local Government: Municipal Structures Act, 1998 (117 of 1998)*

The Local Government: Municipal Structures Act, 1998 (117 of 1998) provides for:

- the establishment of municipalities in accordance with the requirements relating to categories and types of municipalities;
- the establishment of criteria for determining the category of municipality to be established in an area;
- defining the types of municipality that may be established within each category;
- an appropriate division of functions and powers between categories of municipalities;
- regulation of the internal systems, structures and office bearers of municipalities; and
- the appropriate electoral systems.

*Refugee Act, 1998 (130 of 1998)*

The Refugee Act, 1998 (130 of 1998) gives effect within the Republic of South Africa to the relevant international legal instruments, principles and standards relating to refugees, provide for the reception into South Africa of asylum seekers, regulate applications for and recognition of refugee status and provide for the rights and obligations flowing from such status.

*Public Finance Management Act, 1999 (1 of 1999)*

The Public Finance Management Act, 1999 (1 of 1999) regulate financial management in the public sector and therefore in respect of the Western Cape Liquor Authority by ensuring that all revenue, expenditure, assets and liabilities are managed efficiently and effectively and to provide the responsibilities and authority to persons entrusted with financial management.

*Promotion of Access to Information Act, 2000 (2 of 2000)*

The Promotion of Access to Information Act, 2000 (2 of 2000) was promulgated to give effect to the constitutional right of access to any information held by the State and any information that is held by another person and that is required for the exercise or protection of any rights.

The aims of the Promotion of Access to Information Act, 2000 (2 of 2000) is to foster a culture of transparency and accountability in public and private bodies by giving effect to the right of access to information and to actively promote a society in which the people of South Africa have effective access to information to enable them to more fully exercise and protect all of their rights.

*Promotion of Administrative Justice Act, 2000 (3 of 2000)*

The Promotion of Administrative Justice Act, 2000 (3 of 2000) gives effect to the right to administrative action that is lawful, reasonable and procedurally fair and to the right to written reasons for administrative action as contemplated in section 33 of the Constitution of the Republic of South Africa by:

- promoting an efficient administration and good governance; and
- creating a culture of accountability, openness and transparency in the public administration or in the exercise of a public power or the performance of a public function, by giving effect to the right to just administrative action.

*Local Government: Municipal Systems Act, 2000 (32 of 2000)*

The Local Government: Municipal Systems Act, 2000 (32 of 2000) provide for:

- the core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities, and ensure universal access to essential services that are affordable to all;
- define the legal nature of a municipality as including the local community within the municipal area, working in partnership with the municipality's political and administrative structures;
- the manner in which municipal powers and functions are exercised and performed;
- community participation;
- to establish a simple and enabling framework for the core processes of planning, performance management, resource mobilisation and organisational change which underpin the notion of developmental local government;
- a framework for local public administration and human resource development;
- empower the poor and ensure that municipalities put in place service tariffs and credit control policies that take their needs into account by providing a framework for the provision of services, service delivery agreements and municipal service districts; to provide for credit control and debt collection;
- establish a framework for support, monitoring and standard setting by other spheres of government in order to progressively build local government into an efficient, frontline development agency capable of integrating the activities of all spheres of government for the overall social and economic upliftment of communities in harmony with their local natural environment; and
- for legal matters pertaining to local government.

*Immigration Act, 2002 (15 of 2002)*

The Immigration Act, 2002 (15 of 2002) provide for the regulation of admission of persons to, their residence in, and their departure from the Republic.

*Liquor Act, 2003 (59 of 2003)*

This act provides for the establishment of:

- national norms and standards in order to maintain economic unity within the liquor industry;
- regulates the manufacturing and distribution within the liquor industry;
- essential national standards and minimum standards required for the rendering of services;

- provides for the devolution of functions relating to retail sale and micro manufacturing to the Provincial Minister; and
- measures to promote co-operative government in the area of liquor regulation.

*National Credit Act, 2005 (Act 34 of 2005)*

The National Credit Act, 2005 (Act 34 of 2005) is national legislation that provides for the regulation of a fair, transparent, competitive, sustainable, responsible, efficient, effective and accessible credit market and industry.

*Western Cape Liquor Act, 2008 (4 of 2008)*

The Western Cape Liquor Act, 2008 (4 of 2008) came into full effect on 1 April 2012. In respect of the Western Cape this act provide for the licencing for the retail sale and the micro-manufacture of liquor and this act provide for a number of matters incidental to liquor licencing in the Western Cape Province.

The Western Cape Liquor Act, 2008 (4 of 2008) provides for the establishment of an independent juristic person, to be known as the Western Cape Liquor Authority, a Governing Board for the Western Cape Liquor Authority to be appointed by the Minister, a Liquor Licencing Tribunal to be appointed by the Governing Board and which must perform the judicial function in respect of applications for liquor licences and related matters, an Appeal Tribunal to be appointed by the Minister and an administration with a Chief Executive Officer which reports to the Governing Board.

*Consumer Protection Act, 2008 (68 of 2008)*

The Consumer Protection Act, 2008 (68 of 2008) promotes a fair, accessible and sustainable marketplace for consumer products and services, establish national norms and standards relating to consumer protection, provide for improved standards of consumer information, prohibit certain unfair marketing and business practices, promote responsible consumer behaviour, promote a consistent legislative and enforcement framework relating to consumer transactions and agreements and establish the National Consumer Commission.

*Western Cape Liquor Amendment Act, 2010 (10 of 2010)*

The Western Cape Liquor Amendment Act, 2010 (10 of 2010) amended the Western Cape Liquor Act, 2008 substantially before last mentioned came into operation

*Public Finance Management Act, Act 1 of 1999 as amended by Act 29 of 1999*

To regulate the financial management of provincial entities like the Western Cape Liquor Authority and to ensure that all revenue, expenditure, assets and liabilities are managed efficiently and effectively and to provide the responsibilities and authorities to persons entrusted with financial management.

*Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000)*

To give effect to section 217(3) of the 1996 Constitution by providing a framework for the implementation of the procurement policies contemplated in section 217(2) of the 1996 Constitution and to provide for matters connected therewith.

*Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003)*

This act establishes a legislative framework for the promotion of broad-based black economic empowerment. It furthermore empowers the Minister to issue Codes of Good Practice, to publish transformation charters, to establish the Black Economic Empowerment Advisory Council and to provide for matters connected therewith. The unit Economic Empowerment uses the Act as the basis for its existence.

### 4.3 Policy mandates

#### The Western Cape Liquor Policy, 2005

This policy, commonly referred to as the Liquor White Paper, was the result of a process of intensive and extensive public participation based on the Liquor Green Paper of 2004. It was drafted by a Policy Drafting Panel consisting of DEDAT officials, legal experts and health professionals specialising in the research and treatment of alcohol-related diseases.

The policy had five objectives, namely:

- to make it possible for bona fide unlicensed traders in the historically disadvantaged communities to legitimise their businesses without encountering unnecessary barriers when applying for a liquor licence and to create an environment that would encourage them to do so
- to consider land use planning issues as determined by the municipal planning authorities
- to provide for the involvement of communities in determining the location of licensed liquor outlets;
- to involve the municipalities in the Western Cape, and
- to reduce the social cost of liquor abuse to society in general, and to the people of the Western Cape in particular.

The policy formed the basis on which the initial Western Cape Liquor Bill of 2006 was drafted. On completion of a comprehensive baseline study this policy will be revisited and reconsidered to align it with current and future trends and developments in the liquor industry.

### 4.4 Relevant court rulings

The Constitutional Court matter known as *Ex Parte the President of the Republic of South Africa in re: Constitutionality of the Liquor Bill*, heard as case CCT 12/99 by the Constitutional Court of South Africa on 31 August 1999 and decided on 11 November 1999 with the judgment delivered by Cameron AJ refers. The State President, at the time, took the unprecedented step to utilise section 79(4)(b) of the 1996 Constitution to refer a bill to the Constitutional Court to have the constitutionality thereof tested after the bill has been approved by the National Assembly. The State President stated his reasons to include that the bill clearly intends to deal with the registration for the manufacture, wholesale distribution and retail-sale of liquor and that according to his understanding it might be in conflict with the “liquor licencing” a provincial competency in terms of Part A of Schedule 5 of the Constitution, 1996.

The Constitutional Court found that if the exclusive provincial legislative competence regarding “liquor licences” in Schedule 5 applies to all liquor licences, the national government has made out a case in terms of Section 44(2) justifying its intervention in creating a national system of registration for manufacturers and wholesale distributors of liquor and in prohibiting cross-holdings between the three tiers in the liquor trade. No case has however been made out in regard to retail sales of liquor, whether by retailers or by manufacturers, nor for micro-manufacturers whose operations are essentially provincial. The Minister has to this extent failed to establish that Parliament had the competence to enact the Liquor Bill and it is therefore unconstitutional.

This finding is of utmost importance in establishing the legislative and functional powers and responsibilities of the national and the provincial governments regarding liquor licencing.

### 4.5 Planned policy initiatives

The Western Cape Liquor Authority is in the process of engaging on various policy initiatives. These policy initiatives include but will not be limited to:

- the contribution of the WCLA in the reduction of irresponsible and illegal liquor trading; and
- barriers of entry into the liquor licensed environment in the Western Cape as well as to establish why these liquor traders’ trade illegally in liquor specifically.

The Department of Economic Development and Tourism in conjunction with the Western Cape Liquor Authority has finalised the Amendment Act of 2015 and is currently revising the regulations. The Amendment Act will be implemented as soon as these regulation amendments have been finalised.

The National Liquor Authority has issued the national norms and standards and a draft National liquor policy. It is expected from provinces to align with these norms and standards.

Alcohol Harms Reduction Game Changer has been established and is in the process of developing a new provincial liquor policy to inform future amendments to legislation.

## 5. Update of Situational analyses

### 5.1 Performance environment

The Western Cape Liquor Authority is mandated by the Western Cape Liquor Act (4 of 2008) to administer liquor regulation spanning over an area of 129 462 km<sup>2</sup> in the Western Province and serving a population numbering 5 823 000 (2011 census). According to research undertaken by Sustainable Livelihoods it is estimated that there are approximately 25 000 illegal outlets in the Western Cape (2012). Taking into consideration that according to the SAPS most crimes are liquor related, it is clear that the illegal liquor trade exacerbates this problem. A solution to the illegal liquor trade is not only vested in the Authority but will therefore require integrated interventions with other spheres of government. For instance the zoning aspect that is currently a barrier for entry into the regulated sphere falls within the ambit of Local Government.

The liquor industry is an important economic driver and supplier of employment. The employment opportunities in the Western Cape provided by the wine and broader liquor industry are substantial. These opportunities are with manufacturing, controlling, bottling, storage, transportation, distribution, retail and management. In 2009 it was estimated that the entire liquor value chain (nationally) accounts for roughly 548 000 jobs, R41.8 billion in tax revenue and R94.2 billion (4.4%) of the country's GDP (Aruvian, 2011).

The Authority acknowledges the fact that the liquor industry is a complex and contentious environment. Due to this stated complexity and contentiousness it poses challenges for regulators of the liquor industry to find a balanced approach between maximizing the economic benefits and minimizing the negative social effects of the irresponsible trade in and consumption of liquor.

While the liquor industry is a major contributor to the regional economy, especially the agricultural, hospitality, and tourism sector, much of this is offset by the toll of liquor abuse that continues to exist. South Africa has been ranked number three on the list of countries with the highest rate of alcohol abuse. The Western Cape leads South Africa as the province with the highest alcohol consumption in the country. Cape Town has been dubbed the "drinking capital" of the country, with a study by the Department of Health finding that more than 50 percent of those residing in the Western Cape consume alcohol, and that a third of this group abuse it.

Liquor is also seen as a potentially harmful substance and there exists a vast body of evidence that indicates the massive negative impact of liquor on the Western Cape population. In 2012 a research study conducted on the Western Cape school grades 8 to 12 showed that of learners who drank alcohol, almost reported initiation of alcohol use before the age of 13; at least 10% reported using alcohol on a weekly basis; and a small proportion reported being drunk on a daily (2%) or weekly (10%) basis. Foetal alcohol syndrome is further ravaging Western Cape farming communities with hundreds of children affected and research done in 2011 found a prevalence of foetal alcohol syndrome of between 61 and 94 per 1000 children in the Wellington area. Medical

Research Council (MRC) calculations put the cost of liquor-related violence, drunk driving and other alcohol related injury and illness at around R6 billion per annum in the province (covering medical costs, emergency services, legal services, and infrastructure damage) (Parry, 2009).

The latest crime stats and research conducted shows that there is a clear link between crime and liquor abuse. The unfortunate and tragic incident that occurred at a licenced premises, Osi's Tavern in Khayelitsha, highlights some of the need for serious interventions by regulators. In light of the aforementioned there is an urgent need for the mainstreaming of liquor related offences by the criminal justice system.

### Liquor Licencing Administration

The Liquor Licencing Administration (LLA) component is responsible for the administration of all liquor licence applications and the issuing of licences and certificates in the Western Cape. In order to facilitate the entry of new liquor licence holders into the liquor industry, the application process and administering of applications need to be dealt with in an effective and timeous manner. The Liquor Licencing Administration component will administer all applications for consideration by the Liquor Licencing Tribunal in the Western Cape.

For the 2014/2015 financial year, the total number of applications received by the LLA component was 3316 (which is split up into new applications, secondary applications as well as special event and temporary licence applications). Licences issued for that same period totaled 1857 (being broken up into the same sub-categories as above).

As opposed to the previous liquor legislation where 26 different licence types were identified, the Western Cape Liquor Act 4/2008 makes provision for 6 categories of licences in the Western Cape, namely: micro-manufacture on & off consumption, on consumption, off consumption, on & off consumption, special event and temporary liquor licences.

	2012/13	2013/14	2014/15
Number of applications received	3 364	3 308	3 621
Number of licences and certificates issued	916	1 602	1 807

### Liquor Licencing Tribunal

The Act makes provision for the establishment of a Liquor Licencing Tribunal (LLT). The LLT must exercise its functions according to the provisions of the Act impartially and without fear, favour or prejudice. The Governing Board of the Authority maintains oversight over the administration of the LLT but may not revoke or alter any decision of the LLT taken in the exercise or performance of any of its powers or functions in terms of the Act.

### Communication, Education and Stakeholder Relations

The Authority will via the Communications, Education and Stakeholder Relations component, engage with liquor licence holders, communities, schools, police community forums, neighbourhood watches, new entrants into the liquor industry as well as liquor consultants to educate them on the Act and create awareness on the impact of social harms of liquor abuse and irresponsible liquor trading.

	2012/13	2013/14	2014/15
Number of awareness interventions conducted	123	103	127
Number of people reached through awareness interventions	1 212	4 331	6 042

**Compliance and Enforcement**

The Compliance and Enforcement component is the compliance monitoring and law enforcement arm of the Western Cape Liquor Authority. Inspectors are appointed in terms of section 73(4) the Western Cape Liquor Act 4 of 2008 (“the Act”), to monitor and enforce compliance with its provisions in respect of the retail selling and micro-manufacturing of liquor in the Western Cape Province. Inspectors are also designated as Peace Officers in terms of section 334 of the Criminal Procedure Act 51 of 1977, granting them additional powers to more effectively fulfill their law enforcement functions as prescribed by the Act.

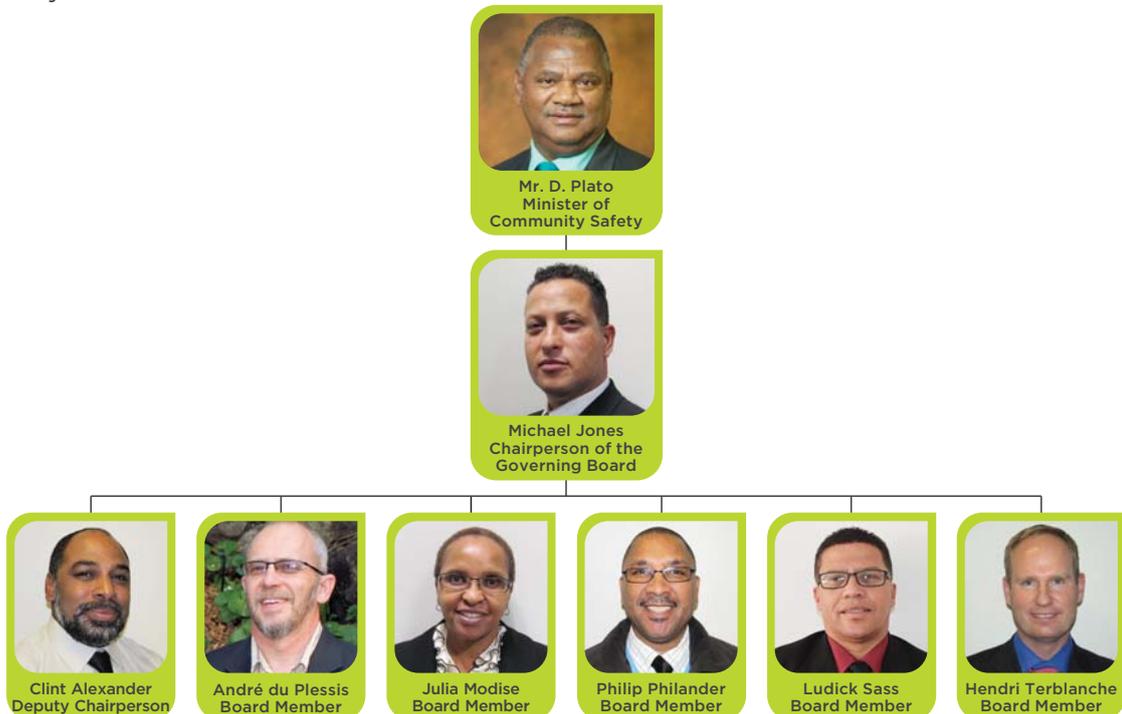
The liquor industry in the Western Cape poses many challenges which may impact on the performance environment of the compliance and enforcement component. Some of the key challenges include the sale and supply of liquor to minors, the illegal micro-manufacturing, selling and/or distribution of liquor to unlicensed premises, as well as crime and other nuisances occurring on or emanating from liquor premises. Furthermore, there is a high correlation between the many crimes and other alcohol related harms.

The inspectorate works very closely with SAPS and other law enforcement agencies to monitor and enforce compliance with the Act. In this regard targeted joint enforcement operations, in conjunction with SAPS and other law enforcement agencies, are conducted regularly in areas with a high prevalence of non-compliance and/or crime.

	2012/13	2013/14	2014/15
Number of routine inspections	2 404	3 820	4 163
Number of formal inspections	-	275	-
Number of compliance notices issued	-	227	489

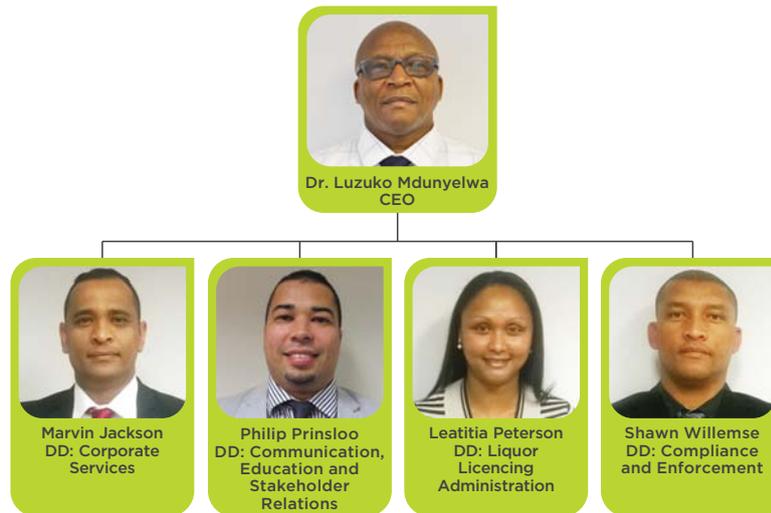
**5.2 Organisational Environment**

The Governing Board comprises of seven voting members who are appointed for a maximum of a four year term as non-executives



The organisation has 5 main programmes / components being:

- Liquor Licencing Administration
- Liquor Licencing Tribunal
- Communication, Education and Stakeholder Relations
- Compliance and Enforcement
- Corporate Services.



Currently the WCLA conducts its business at offices situated within the Bellville CBD. The Authority faces many challenges that impedes on the effective execution of its mandate in regulating the retail sale and micro-manufacturing of liquor in the Western Cape. These challenges relate primarily to the organisational structure which include the following but are not limited to:

- 8 liquor inspectors that have to monitor and enforce compliance with the provisions of the Act at over 8000 licenced liquor outlets across the Western Cape by doing:
  - Routine compliance inspections
  - Formal inspections
  - Investigations
  - Integrated enforcement operations
  - Prosecution of non-compliant licence holders
- 2 awareness and education officer that has to provide education sessions and awareness interventions to the licence holders and communities across the Western Cape as well as educations sessions to all prospective licence holders
- 1 call centre agent who has to attend to more than 200 liquor complaints and queries per month, walk-ins and e-mail enquiries
- 2 Licence administrators that have to attend to the nearly 60 new liquor applications on a monthly basis
- Limited capacity of the LLT
- Absence of district offices
- Limited budget in order to implement key initiatives

From the above it is clear that the Authority has to achieve much with the limited resources available to it. Steps have been taken to help address the challenges faced by the Authority. These steps include:

- Embarking on a much needed organisational redesign process.
- The proposed establishment of district offices.
- Further enhancement of the Authority's IT Infrastructure.
- The Amendment Act of 2015.
- Continuous engagements with the Authority's parent department regarding an enabling

budget allocation to effectively deliver on its mandate and to respond to increased service delivery expectations from the public and the Provincial Government. As of the 1st of April 2016 the WCLA will be reporting into the Department of Community Safety.

**Table 1 - Employment and vacancies by programme / component, 31 Dec 2015 (Full Time positions only)**

Programme / Component	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Liquor Licencing Administration	13	13	0	0
Liquor Licencing Tribunal (consultants)	6	6	0	0
Communication, Education and Stakeholder Relations	5	5	0	0
Compliance and Enforcement	11	9	2	0
Corporate Services*	19	17	2	0
<b>Total</b>	<b>54</b>	<b>50</b>	<b>4</b>	<b>0</b>

\* The Corporate Services component is comprised of the SCM, Finance, HR, Registry and other support services functions

The **Liquor Licencing Administration** component processes have been documented in terms of standard operating procedures and checklists which ensure a more streamlined application process. The checklist have been made available to applicants as well as liquor licencing consultants to better assist them in submitting quality applications. With specific reference to special event and temporary licence applications the Liquor Licencing Administration has made significant strides in ensuring that turnaround times are kept to a minimum by effective communication with all relevant stakeholders and adherence to the aforementioned standard operating procedures and checklist. Despite all of these efforts by the Licencing Administration component the Authority still experiences many challenges with the quality and standard of the applications submitted as well as the timeframes within which these applications are received.

The **Liquor Licencing Tribunal** is required to take sound decisions in accordance with the Act and in a manner which will balance the interest of the industry and that of the general public. In addition the Tribunal continuously communicates with external stakeholders to clarify what documents and information is required for different applications to facilitate faster turnaround times. Communication is in the format of updated checklists, practice notes and stakeholder meetings. The LLT also strives to stay abreast of new developments and trends in relevant legislation, policy and the industry to ensure decisions taken and conditions issued are relevant to the current environment.

The **Communication, Education and Stakeholder Relations** component has implemented stakeholder inclusive interventions with all relevant stakeholders. Regular communications on key decisions are communicated to the industry via circulars. Education sessions are conducted with all potential licence holders, existing liquor licence holders, police community forums and neighbourhood watches. Awareness campaigns in the form of industrial theatre (drama) are held with communities and schools to create awareness of the negative social ills of liquor abuse.

The **Compliance and Enforcement** component has put into operation an integrated enforcement strategy in conjunction with relevant enforcement agencies. This allows the component to conduct regular joint enforcement operations in targeted areas to address non-compliance issues. The inspectors of this component has also been designated as Peace Officers which infers on them the same powers and functions as the SAPS in terms of the Criminal Procedures Act, 51 of 1977 to enforce the provisions of the Act more effectively.

**Table 2 – Employment and vacancies by salary bands, 31 Dec 2015**

Salary band	Number of posts	Number of posts filled	Vacancy Rate	Number of posts filled additional to the establishment
Interns (6-12 months contract)	9	9	0	9
Lower skilled (Levels 1-2)	0	0	0	0
Skilled (Levels 3-5)	4	4	0	0
Highly skilled production (Levels 6-8)	25	23	2	0
Highly skilled supervision (Levels 9-12)	19	17	2	0
Senior management (Levels 13-16) (36 month contract)	1	1	0	0
<b>Total</b>	<b>58</b>	<b>54</b>	<b>4</b>	<b>9</b>

### 5.3 Description of the strategic planning process

Senior Management developed the 2016/2017 Annual Performance Plan (APP) by:

- Revisiting the Strategic Goals set in the Strategic Plan
- Analysing the Authority's external environment – performance environment
- Analysing the Authority's internal strengths and weaknesses in terms of its resources and capabilities - organisational environment
- Analysing the Authority's strategic options by matching its resources and capabilities with the performance environment
- Developing annual objectives and short term strategies to achieve the goals
- Identifying the 2016/2017 activities required to achieve the objectives
- Identifying and evaluating the risks which could prevent the implementation of the activities and consequently the achievement of its objectives and goals
- Allocating financial resources to mitigate the risks and for the performance of the activities by developing a budget
- Presenting the developed APP to the Governing Board and DOCS for review and approval

## 6. Strategic outcome oriented goals of the WCLA

<b>Strategic Outcome Oriented Goal 1</b>	Optimal regulation of the retail sale and micro-manufacturing of liquor in the Western Cape.
<b>Goal statement 1</b>	Promotion of an enabling environment that allows for the entry into the regulated liquor trading space, meanwhile ensuring that all liquor licence holders stringently comply with the Western Cape Liquor Act 4 of 2008 as amended.
<b>Strategic Outcome Oriented Goal 2</b>	Facilitating and participating in interventions that support a reduction in the social ills attributable to the consumption of liquor in the Western Cape.
<b>Goal statement 2</b>	Creating partnerships in order to educate and increase awareness surrounding the negative social impact of liquor as well as informing the community about their rights and responsibilities in terms of the Act.

## PART B: Strategic objectives

PROGRAMME / COMPONENT
1. Liquor Licencing Administration
2. Liquor Licencing Tribunal
3. Communication, Education and Stakeholder Relations
4. Compliance and Enforcement
5. Corporate Services

### 7. Programme/Component 1: Liquor Licencing Administration

#### Programme / Component purpose

The purpose of the Liquor Licencing Administration component is to administer all liquor licence applications in the Western Cape for consideration by the Liquor Licencing Tribunal.

#### Programme / Component description

To provide an administrative support function to the Liquor Licencing Tribunal and to accept and process all liquor licence applications for consideration by the LLT.

#### Programme / Component situational analysis

This component is structured according to the following functions:

##### *Reception*

The reception function is responsible for the receipt and electronic capturing of all newly lodged liquor licence applications. This unit also has the task of attending to all walk in clients who report to the reception desk and serves as the main point of receipt for all incoming correspondence (via hard copy when hand delivered as well as via a centralized email account).

##### *Processing (processing of applications)*

The processing function is responsible for the processing of all newly lodged liquor licence applications once received from the reception unit. This unit is comprised of various administrators, each tasked with the function of processing a specific type of application (section 36, secondary, minor and special event and temporary applications) from date of lodgment up until the application is considered by the LLT or Presiding Officer. The administrators must also follow up on any outstanding documentation according to a specified checklist, draft correspondence to applicants and operate according to a specific standard operating procedure. This function is also responsible for issuing renewal notices to all valid liquor licence holders.

##### *Issuing (issuing of licences and certificates)*

The issuing function is responsible for the issuing of all notices, licences and certificates for all applications which have been approved by the LLT or Presiding Officer. This function is comprised of two administrators who perform the above mentioned tasks including following up on any outstanding documentation before the licence or certificate can be issued and also operate according to a standard operating procedure.

*LLT Support*

Various support functions are also provided to the LLT by means of the LLT Secretariat as well as one office administrator. The functions performed by these staff members include, but are not limited to the following:

- developing case rolls for the consideration of applications;
- drafting of minutes from LLT sittings;
- scheduling of applications and inspectorate hearings;
- providing updated licence conditions for the issuing of licences and certificates; and
- logistical arrangements and recordings of hearings and all other ancillary matters pertaining to the LLT.

*Inter-component Support*

The LLA component provides a support function to both the Compliance and Enforcement and Communication, Education and Stakeholder Relation components. This support includes the following:

- providing status updates on pending liquor licence applications;
- providing updates on the validity status of licences;
- providing information on the type of licence and the conditions attached thereto;
- providing information on the latest approved plans for licenced premises;
- providing information on prospective licence holders that require section 45 training, and
- providing information on changes in conditions and approach of LLT for training purposes

**Programme / Component interventions**

This component has identified the below mentioned initiatives that will add further value to achieve the strategic objective as set out in the 5 year strategic plan. These initiatives are subject to the availability of financial and human resources and will include but are not limited to the following initiatives:

**Process streamlining**

This project will include the roll out of a BIZ Project in conjunction with the Red Tape Reduction Unit of the Department of Economic Development and Tourism (DEDAT). This comprises of a business process improvement (BPI) specifically relating to special event and temporary licence applications. This project serves to assist this component by assessing certain actions or steps which are superfluous or redundant and thereby eliminating unnecessary red tape and will ultimately allow for a more streamlined process.

**System enhancements**

The Authority will also be embarking on a project that will further enhance their licencing system (LMA TS). The initiatives included under this project include:

- Scanning process
- On-line applications (first phase limited to special event and temporary licence applications)
- System generated reports

The upgrades to the LMA TS system will assist in making reporting processes more efficient and will also serve as a tool to facilitate better service delivery.

**Improved customer service delivery initiatives**

This relates to the provision of a Helpdesk function which will assist with the screening of applications before lodgements as well as the actual lodgements of applications. By creating an on-line platform and helpdesk function, the Authority will greatly expand on its service delivery footprint within the Western Cape.

## 7.2 Strategic Objectives

<b>Strategic Objective 3.1</b>	To administer all liquor licence applications in accordance with the provisions of the WCL Act (Act 4 of 2008, as amended).
<b>Objective statement</b>	To administer all liquor licence applications in accordance with the provisions of the WCL Act (Act 4 of 2008) by receiving and processing all new, secondary, special event and temporary liquor licence applications and the issuing of licences (straight and conditional, transfer and removal certificates as well as special event and temporary liquor licences).  Processing an estimated 10 000 liquor licence applications.*
<b>Baseline</b>	Number of applications lodged with the WCLA.

\* These applications refer to new applications that will be processed over the 5 year strategic plan period.

## 7.3 Strategic Objective Annual Targets for 2016/17

Strategic objective performance indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
3.1 Number of applications processed	-	-	-	2 200	2 250	2 300	2 350

## 7.4 Annual Targets for 2016/17

Programme / Component performance indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
Sector specific indicators							
3.1 Number of applications received	3 364	3 308	3 621	2 700	2 750	2 800	2 850
3.2 Number of licences issued	916	1 602	1 807	1 500	1 550	1 600	1 650

## 7.5 Quarterly Targets for 2016/17

Programme / Component performance indicator	PSG no. linkage	Reporting period	Annual target 2016/17	Quarterly Targets			
				1st	2nd	3rd	4th
Sector specific indicators							
3.1 Number of applications received	1	Quarterly	2 750	687	688	687	688
3.2 Number of licences issued	1	Quarterly	1 550	387	388	387	388

## 7.5 Risk Management:

Risks inherent to the Liquor Licencing Administration that could hinder the realisation of the strategic objective inter alia include:

Risks	This risk is mitigated by:
The application process not followed accurately and completely by applicants.	Reception only accepts all documents. The admin staff has a checklist and missing documentation is followed up.
Collusion between officials, applicants and licence holders.	Annually updated declaration of interest by administration staff members including well-defined delegations of authority.
The under achievement of planned targets.	The prioritisation of limited resources.

## 8. Programme/Component 2: Liquor Licencing Tribunal

### Programme / Component Purpose

This component is tasked with the responsibility of adjudicating liquor licence applications.

### Programme/Component Description

The Liquor Licencing Tribunal has been established to consider and make a final decision regarding:

- Any application for a licence referred to in section 33(1) of the Act;
- Any application for the transfer of a licence in terms of section 65(9) of the Act;
- Representations for or against the granting of applications;
- Any report lodged with it by a designated liquor officer, an inspector or a municipal official;
- Any complaint lodged with it regarding the conduct of a licenced business;
- Representations by a licensee or other interested person regarding the rescission of the suspension of a licence or the removal or amendment of any condition imposed upon a licence; or
- Any other matter referred to it by the Chief Executive Officer or which it may or must consider in terms of this Act.

### Programme / Component situational analysis

The Liquor Licencing Tribunal is made up as follows:

- 1 Presiding Officer
- 1 Deputy Presiding Officer
- 1 SAPS representative
- 1 SALGA representative
- 2 Representatives from the broader public

These members are responsible for performing all powers and functions as provided for in terms of section 20 of the Western Cape Liquor Act 4 of 2008, as amended which include the following:

- Consideration of all liquor licence applications lodged with the Western Cape Liquor Authority; and
- Conduct application and inspectorate hearings

The proposed amendment Bill will change the composition of the Tribunal considerably by increasing the number of Deputy Presiding Officers from 1 to 3 and will make provision for 4 substitute members.

**Programme / Component intervention**

This component has identified the below mentioned initiatives that will add further value to achieve the strategic objective as set out in the 5 year strategic plan. These initiatives are subject to the availability of financial and human resources and will include but are not limited to the following initiatives:

**Implementation of the Amendment Act**

Once the amendment Act comes into effect the Tribunal will ensure that all amendments pertaining to the Tribunal is effected as a matter of urgency. Actions will include the appointment of one or more Section 24 committees, the allocation of functions, training and the alignment of processes and workflows.

**Review of standard licence conditions**

As part of the Tribunals efforts to facilitate best practice they will embark on a process of reviewing standard licence conditions to be in line with industry development balanced against the alcohol harms reduction strategy and legislative amendments.

**Increase the number of section 20 and 71 hearings for non-compliance**

There is an increased need from the public that swifter action be taken against irresponsible licence holders or licence holders that contravene their licence conditions. These hearings may result in the temporary suspension and revocation of licences, amendments of licence conditions as well as fines imposed.

**Initiate proposed amendments to the Act where necessary**

These amendments could include operational shortcomings, address unintended consequences in the current legislation, to provide for new developments in the industry and the liquor regulation environment.

**8.1 Strategic Objectives**

<b>Strategic Objective 2.1</b>	To perform the judicial function regarding any application in terms of the Act.
<b>Objective statement</b>	To perform judicial functions regarding any application for liquor licences as provided for in section 20 of the WCL Act (Act 4 of 2008 as amended) Consider an estimated 12 000 liquor licence applications.*
<b>Baseline</b>	Number of applications prepared by the LLA & presented to the LLT

\* These applications refer to all applications that will be considered over the 5 year strategic plan period.

**8.2 Strategic Objective Annual Targets for 2016/17**

Strategic objective performance indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
3.1 Number of hearings for non-compliance concluded	-	-	-	20	20	21	22

## 8.3 Annual Targets for 2016/17

Programme / Component performance indicator		Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
		2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
Provincial specific indicators								
4.1	Number of section 36 liquor licence applications considered	-	-	-	650	780	780	780
4.2	Number of secondary liquor licence applications considered	-	-	-	400	800	800	800
4.3	Number of event liquor licence applications considered	-	-	-	800	900	900	900
4.4	Number of temporary liquor licence applications considered	-	-	-	200	300	300	300

## 8.4 Quarterly Targets for 2016/17

Programme / Component performance indicator		PSG no. linkage	Reporting period	Annual target 2016/17	Quarterly Targets			
					1st	2nd	3rd	4th
Provincial specific indicators								
4.1	Number of section 36 liquor licence applications considered	1	Quarterly	780	195	195	195	195
4.2	Number of secondary liquor licence applications considered	1	Quarterly	800	200	200	200	200
4.3	Number of event liquor licence applications considered	1	Quarterly	900	225	225	225	225
4.4	Number of temporary liquor licence applications considered	1	Quarterly	300	75	75	75	75

## 8.5 Risk Management:

Risks inherent to the Liquor Licencing Tribunal that could have an effect on the realisation of the strategic objective inter alia include:

Risks	This risk is mitigated by:
Not all applications considered by the LLT in a timely manner.	Inherited backlog. New project in place to address backlog. This project plan includes a data clean up assessment. Legislative amendments to the Act in process to address the current time restraints of the LLT.
LLT makes incorrect decisions, resulting in the requirements of the Act not being met.	Internal LLT control sheet ensures that all requirements of the Act is considered. The Act furthermore allows for a review process of LLT decisions.
An application presented to the LLT contains incorrect information.	Regulation 9 puts onus on applicant to ensure correctness of information. DLO has to vouch certain information, as well as the municipalities.
LLT does not consider all pertinent information while making decisions.	An internal control sheet was created for the LLT to ensure that all required information is considered. The Tribunal consists of 6 members, each of whom studies the application before deliberations take place and a decision is made.
Time constraints of LLT members could possibly create a new backlog of applications and hearings.	Legislative amendments to the Act addressing the current restraints of the LLT. To partially mitigate the risk the Governing Board gave approval that the Tribunal may, on a quarterly basis, structure their hours worked according to the workload requirements as long as it stay within 500 hours per quarter.

## 9. Programme / Component 3: Communication, Education and Stakeholder Relations

### Programme / Component purpose

The purpose of this component is to provide a communication, marketing, education and awareness service for and on behalf of the Western Cape Liquor Authority.

### Programme / Component description

The Communication, Education and Stakeholder Relations component will inform the industry and stakeholders by active, efficient and effective communication. Actions will include, but are not limited to, an up to date website, workshops with industry specific stakeholders, information sessions with stakeholders, on-going electronic communication with the major players in the industry and other specific interventions.

### Programme / component situational analysis

This component is structured according to the following functions:

#### *Education*

Education sessions across the Western Cape are held with all liquor licence holders to educate them regarding the Western Cape Liquor Act 4/2008 as amended, liquor regulations, as well as other liquor related matters. Formal presentations are conducted while training manuals and application handbooks form part of the promotional material that are distributed during these sessions. Awareness are also created regarding responsible trading as well as the social harms of liquor abuse.

Further to the aforementioned education sessions are also held with police community forums and neighbourhood watches. These sessions provide clarity to these groups regarding liquor regulations and particularly the role they play regarding the application processes, but also address the larger compliance issues for liquor license premises.

#### *Awareness*

Awareness sessions regarding the irresponsible use of and trade in liquor are held with communities and schools by using industrial theatre. These platforms are also used to educate communities on the liquor licensing application process and what role they play in this process. The Authority also uses other media e.g. radio, printed media, on-line platforms and television to create awareness regarding the aforementioned.

The Authority further hosts liquor conferences where relevant role player within the liquor industry participate in engaging with liquor licence holders regarding liquor regulation and other liquor related matters. These platforms are also used to provide an opportunity for liquor licence holders to raise specific issues pertaining to challenges they face as licence holders.

#### *Training*

Training sessions are held for all prospective liquor licence holders and/ or their managers. Training is also scheduled with industry on request.

#### *Enquiries desk*

Currently the Authority also has an in-house enquiries desk function that services telephonic enquiries, e-mail enquiries and walk-in enquiries.

#### *Stakeholder Relations*

This component engages with National, Provincial and Local Government regarding liquor regulation and liquor related matters. Further, this component also engages with key industry players on matters pertaining to liquor regulation. This component also facilitates, on a biannual basis, a stakeholder meeting between the Tribunal and liquor representatives which affords them the opportunity to clarify matters with the Tribunal directly.

#### *Internal and external communication*

An internal and external service is also provided to internal staff members via a newsletter and internal circulars while regular communication to the liquor industry takes place in the form of circulars, newspaper adverts, radio interviews and debates and an up to date website.

#### *Website content development and maintenance*

The content development and maintenance of the Authority's website also resides with this component.

#### *Press and media*

All media/ press (radio, television and printed) enquiries and releases are handled via this component.

### **Programme / Component Interventions**

This component has identified the below mentioned initiatives that will add further value to achieve the strategic objective as set out in the 5 year strategic plan. These initiatives are subject to the availability of financial and human resources and will include but are not limited to the following initiatives:

#### **Stakeholder segmentation and mapping**

This project will identify and segment stakeholder needs in order to develop an appropriate communication plan that will inform stakeholder specific interventions. This will allow the Authority to be effective in addressing and engaging with these stakeholders.

### Harnessing potential partnerships

This project will assist the Authority in identifying relevant partners for specific interventions, programmes and campaigns identified by the Authority. This will ensure that the Authority extends its reach and impact when rolling out these initiatives.

### Stakeholder engagement opportunities

With this project the Authority will participate with various organisations on their programmes and initiatives. This will enlarge the footprint of the Authority.

### Customer Contact Centre

As part of the vision of this component the establishment of a fully functioning Customer Contact Centre is a top priority. This centre will deal with walk-ins, telephonic and e-mail enquiries. This will ensure that the Authority provides a professional service to its clients in terms of communication and stakeholder relations, but also streamline communicating flow when dealing with stakeholders within a set timeline/ turnaround time.

## 9.1 Strategic Objectives

<b>Strategic Objective 3.1</b>	To provide an external and internal communication service as well as to co-ordinate education and awareness services to the liquor industry and the residents of the Western Cape.
<b>Objective statement</b>	To ensure a consistent application of the communication strategy and corporate brand of the Western Cape Liquor Authority and to co-ordinate education and awareness sessions to the liquor authority employees, liquor industry and the residents of the Western Cape.  600 targeted specific interventions to create awareness of the harms related to liquor abuse and educate liquor licence holders and reaching 20 000 people through these interventions.*
<b>Baseline</b>	The Western Cape Liquor Act and regulations came into operation as of 1 April 2012. The processes and procedures are new to the licence holders, consultants, SAPS and other industry players.

\* These interventions refer to interventions that will be carried out as well as the number of people that will be reached over the 5 year strategic plan period.

## 9.2 Strategic Objective Annual Targets for 2016/17

Strategic objective performance indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
1.1 Percentage of the social and education fund budget spent or contractually committed annually	-	100%	98.65%	80%	85%	90%	95%

### 9.3 Annual Targets for 2016/17

Programme / Component performance indicator		Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
		2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
Sector specific indicators								
1.1	Number of awareness interventions conducted	123	103	127	150	180	185	190
1.2	Number of persons reached through an awareness intervention	1 212	4 331	6 042	5 000	6 500	6 550	6 600
1.3	Number of social responsibility Programmes conducted	-	-	2	1	1	1	1

### 9.4 Quarterly Targets for 2016/17

Programme / Component performance indicator		PSG no. linkage	Reporting period	Annual target 2016/17	Quarterly Targets			
					1st	2nd	3rd	4th
Sector specific indicators								
1.1	Number of awareness interventions conducted	1	Quarterly	180	48	55	42	35
1.2	Number of persons reached through an awareness intervention	1	Quarterly	6 500	950	950	3 700	900
1.3	Number of social responsibility Programmes conducted	1	Quarterly	1	-	-	-	1

### 9.5 Risk Management:

Risks inherent to Communication, Education and Stakeholder Relations that could hinder the realisation of the strategic objective inter alia include:

Risks	This risk is mitigated by:
Inadequate coordination of internal and external communication activities.	Implement a Communications Strategy to improve communication interventions.
Untimely response to media queries result in a negative publicity for the WCLA.	All media queries are routed to the responsible head of communication to deal with. All major media houses also have his direct contact details including cellphone number, email address and office number. Alternative contact details of the ASD are also provided to journalists to assist in the absence of the DD.
Non co-operation of stakeholders (licencees, objectors, industry) due to wrong perception of the value added by the services rendered by the WCLA.	Targeted communication and marketing initiatives to stakeholders. Work with other relevant organizations, especially when engaging with communities e.g. Community Development Workers (CDW's). Develop a stakeholder inclusive approach for interventions.

Risks	This risk is mitigated by:
The Social & Education Fund established under the WCL Act is not administered appropriately.	The Social sub-committee of the Governing Board (GB) will give approval for projects to be financed by this fund and will present all projects under the Social and Education Fund to the GB for noting. When the Social sub-committee gives their approval, the projects will be implemented. The Social Sub Committee of the GB exercises the oversight function of the SEF.
The under achievement of planned targets.	The prioritisation of limited resources.

## 10. Programme/Component 4: Compliance and Enforcement

### Programme / Component purpose

The purpose of this component is to monitor and enforce compliance with all applicable liquor legislation within the Western Cape.

### Programme / Component description

The Compliance and Enforcement component will monitor and enforce compliance with the provisions of the Act and other applicable legislation by conducting pre-licensing inspections, routine compliance inspections, the investigation of complaints against non-compliant liquor licensed premises, appearance of non-compliant licensees before inspectors, the issuing of compliance notices, the issuing of written notices to appear in court (admission of guilt fines), integrated enforcement operations, and the prosecution of non-compliant licence holders before the Tribunal and the referral of criminal matters to the criminal justice system.

### Programme / Component situational analysis

This component is structured according to the following functions:

#### *Routine compliance inspections*

This function entails conducting random inspections at licenced liquor premises to monitor compliance with the provisions of the applicable legislation and licenced conditions.

#### *Pre-licensing inspections*

Pre-licensing inspections are conducted on request from the Tribunal in respect of applications being considered. The inspector drafts a report that will assist the Tribunal to make a more informed decision.

#### *Issue compliance notices*

Inspectors may issue a compliance notice to licence holders in the event that non-compliance is identified during an inspection. A compliance notice informs the licence holder of the nature of the non-compliance and how and by when to remedy the non-compliance. The issuing of a fine is done in terms of the Criminal Procedure Act (51 of 1977), for committing an offence as defined in the said Act. The licence holder has the option to either pay the admission of guilt fine or appear in court.

#### *Integrated enforcement operations*

Integrated enforcement operations refers to joint inspections and search and seizure operations with relevant stakeholders at targeted premises or areas with a high rate of non-compliance or liquor related crime. These stakeholders include but are not limited to the SAPS, Municipal Law Enforcement, Immigration, Agriculture, South African Revenue Service and National and other Provincial Liquor Authorities.

*Investigation of complaints*

The Authority receives complaints against licence liquor premises pertaining to various non-compliance issues. These complaints are then investigated by inspectors to establish whether the non-compliance took place and the appropriate manner to address the non-compliance. Complaints regarding the illegal trading in liquor are also received, but currently referred to the SAPS for investigation.

*Appearance before an inspector*

In the event of material non-compliance inspectors may order any licensee or his employee to appear before him/ her at a time and place to answer questions regarding a matter that is under investigation.

*Prosecution for breaches of the Act and/or licence conditions*

In the event of serious non-compliance inspectors may refer any matter to the Tribunal to impose an appropriate sanction. After having obtained all the relevant evidence the Authority's case is presented by the Authority's prosecutor and the licence holder is entitled to legal representation. Inspectors are also required to testify in the hearing on behalf of the Authority. If found guilty during a Tribunal hearing the following sanctions may be imposed:

- Fine
- Suspend licence
- Amend or impose new licence conditions
- Revoke licence

Issuing written notices to appear in court (Admission of Guilt Fines) and referral of criminal matters to the criminal justice system

An admission of guilt fine is issued by means of the issuing of written notice to appear in court in terms of the Criminal Procedure Act (51 of 1977), for committing a criminal offence as defined in the said Act. The licence holder has the option to either pay the admission of guilt fine at court or appear in court. Inspectors have to track progress of the case until the admission of guilt fine is paid or the case is finalized in court. Inspectors are also required to testify in court.

**Programme / Component Interventions**

This component has identified the below mentioned initiatives that will add further value to achieve the strategic objective as set out in the 5 year strategic plan. These initiatives are subject to the availability of financial and human resources and will include but are not limited to the following initiatives:

**Pre-licensing inspections**

Pre-licensing inspections will be conducted on all new section 36 applications received. The purpose of embarking on this project is to conduct thorough pre-licensing investigations and to report back to the Tribunal with a recommendation, to further assist the Tribunal to make an informed decision regarding the rejecting or granting of an application. The idea with this project is to do pre-licensing investigations for all application, but due to capacity constraints for will be limited to section 36 applications.

**Automation of the inspections and investigations process**

The project will strive to move away from the paper based inspections and complaints management process to provide for a streamlined investigation process. It will also include an online complaints management system that will facilitate a more efficient customer interface. The automated inspections system will allow the inspectors of the Authority to have immediate remote access to updated and correct information relating to licenced premises. This will include access to floor plans, conditions pending applications as well as outstanding compliance notices and or fines. The automated complaints system will provide an alternative platform on which to

lodge complaints and will guide the complainant through the process. This process is in the design phase.

### Establishment of Regional Offices

Currently the Authority operates out of offices situated in the Bellville CBD far removed from the rest of the Western Cape Regions. This fact hampers the effective functioning of the inspectors when performing their duties in the field. The establishment of Regional Offices will allow the Authority to increase its enforcement footprint throughout the Province. It will furthermore enhance the service delivery capacity of the Authority and ensure easier access to the public in those regions.

### Establishment of an internal enforcement capacity to deal with illegals

One of the biggest problems currently faced by liquor regulators is the ever increasing number of illegal liquor traders in the Province. According to research undertaken by Sustainable Livelihoods it is estimated that there are approximately 25 000 illegal outlets in the Western Cape (2009). Taking into consideration the harms that are caused by irresponsible and illegal liquor trading it is necessary for the Authority to partner with the SAPS and other relevant law enforcement agencies to address illegal liquor trading. The establishment of this internal enforcement capacity will in conjunction with SAPS and the other relevant enforcement agencies do targeted and consistent operations against unlicensed liquor traders.

### Establishment of integrated liquor enforcement task team

The Amendment Act extends the enforcement powers to peace officers, municipal law enforcement officers and metro police. The expansion of these powers will require a coordinated approach to ensure a consistent and fair application of the Act. Currently the mentioned law enforcement agencies are all separate and independent organisations, each with its own reporting structure. The establishment of the liquor enforcement task team will ensure that there is an integrated, more coherent and intelligence led structured approach to liquor enforcement. It will also set out reporting structures and roles and responsibilities. The Authority as the regulator of liquor in the Province is the best positioned to co-ordinate such a task team.

## 10.1 Strategic Objectives

<b>Strategic Objective 4.1</b>	To monitor and enforce compliance of licenced liquor outlets with the provisions of the Act.
<b>Objective statement</b>	To monitor and enforce compliance of licenced liquor outlets with the provisions of the Act by conducting inspections, the issuing of compliance notices, enforcement operations, the investigation of complaints against licenced liquor outlets and the prosecution of the breaches of the Act and licence conditions.  Ensuring that approximately 16 250 licenced liquor outlets are inspected and prosecuting approximately 125 non-compliant licence holders.*
<b>Baseline</b>	In excess of 8000 liquor licence holders in the Western Cape.

\* These inspections refer to the number of inspections that will be carried out as well as the number of non-compliant licence holders that will be prosecuted over the 5 year strategic plan period.

## 10.2 Strategic Objective Annual Targets for 2016/17

Strategic objective performance indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
2.1 Number of enrolled hearings for non-compliant licenced outlets.	-	-	26	30	20	25	30

## 10.3 Annual Targets for 2016/17

Programme / Component performance indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets			
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19	
Sector specific indicators								
2.1	Number of inspections conducted	2 404	3 820	4 163	4 000	4 100	4 200	4 300
Provincial specific indicators								
2.2	Number of compliance notices issued	-	227	489	450	475	500	525
2.3	Number of enforcement operations conducted	-	-	-	-	20	25	30

## 10.4 Quarterly Targets for 2016/17

Programme / Component performance indicator	PSG no. linkage	Reporting period	Annual target 2016/17	Quarterly Targets				
				1st	2nd	3rd	4th	
Sector specific indicators								
2.1	Number of inspections conducted	1	Quarterly	4 100	1 025	1 025	1 025	1 025
Provincial specific indicators								
2.2	Number of compliance notices issued	1	Quarterly	475	118	119	119	119
2.3	Number of enforcement operations conducted	1	Quarterly	20	5	5	5	5

## 10.5 Risk Management:

Risks inherent to Compliance and Enforcement that could hinder the realisation of the strategic objective inter alia include:

Risks	This risk is mitigated by:
Safety of inspectors.	Inspectors have been issued with protective equipment which mitigates the risk to an extent, but inspectors are still exposed to considerable danger in the execution of their duties. Integrated operations are conducted with law enforcement partners.
Violation of licence conditions by licence holders.	Regular inspections and enforcement operations to monitor and enforce compliance with the Act and licence conditions.
Licence holders are not aware of their responsibilities in terms of the Act.	We continue to educate licence holders during routine inspections. Communication, Education and Stakeholder Relations component is specifically tasked with training and educating all stakeholders. The Liquor Forums are attended.

Risks	This risk is mitigated by:
Overlap of roles and responsibility of the SAPS and inspectors in enforcing the provisions of the Act.	Regular engagements with SAPS to clarify roles and responsibilities in respect of the enforcing of the Act.
Confusion of roles and responsibilities in enforcing Municipal by-laws at liquor outlets.	Regular engagement with municipalities on their roles and responsibilities in respect of enforcing Municipal by-laws at liquor outlets.

## 11. Programme/Component 5: Corporate Services

### Programme / Component purpose

Provide strategic direction and ensure quality financial and other operational support services to the Governing Board and Authority.

### Programme / Component description

The Corporate Services component provides strategic and administrative support to the components of the WCLA to ensure that the Authority achieves its performance targets. This component strives to ensure compliance with all relevant rules and legislations that govern public sector financial management.

### Programme / Component situational analysis

This component renders the following services:

1. Board Secretariat
2. Human Resource Management
3. Financial Management

#### *Board Secretariat*

This function provides secretarial and administrative services to assist the Governing Board with the performance of their legislative responsibilities as Accounting Authority of the Western Cape Liquor Authority.

#### *Human Resource Management*

The HRM component is responsible for providing an effective and efficient HR function to the Western Cape Liquor Authority. This is done by applying recognized, market related and up to date human resource practices within labour legislation and by partnering with the different components thereby ensuring a competent and skilled workforce. This is achieved by using the following functions:

- Fair and unbiased recruitment and selection
- Employment Equity
- Sound labour relations practices
- Administration of payroll and benefits
- Employee wellness
- Leave management
- Performance management
- Training and development (workplace skills plan)
- Creating a safe and healthy working environment via health and safety programmes

Human capital is arguably the most important capital for many public sector entities. Recruiting, motivating, and retaining staff are, therefore, vital issues if public sector entities are to be successful. The entity needs to provide an environment in which staff can perform well and deliver effective services by creating a positive culture that, for example, welcomes ideas and suggestions, responds to staff views and explains decisions. It is important that staff have realistic job descriptions to ensure that their core responsibilities can be performed effectively.

The HR component facilitates an advisory relationship with the different components of the Authority and implements change management principles in support of organisational change which impacts on the Authority's staff members.

#### *Financial Management*

This function is spread across five competencies.

The Management Accounting function is responsible for the compilation of annual and adjusted budgets, quarterly and annual performance reports, and the monitoring and control of expenditure.

The Financial Accounting function is responsible for maintaining an effective payments system, for compiling the annual financial statements and maintaining the ledger accounts of the Authority.

The Supply Chain Management function (SCM) is responsible for providing and developing the SCM policies and procedures, maintaining and safeguarding assets and providing administrative support in respect of the acquisition of goods and services.

The Internal Control function must ensure that effective internal control measures are in place throughout the Authority, particularly in high-risk areas and also ensure the prevention of adverse internal and external audits.

Currently the Auxiliary Services function includes the registry, government motor vehicles, telephone services, and messenger services.

Effective governance in the public sector encourages better decision making and the efficient use of resources and strengthens accountability for the stewardship of those resources. Effective governance is characterized by robust scrutiny, which provides important pressures for improving public sector performance and tackling corruption. Effective governance can improve management, leading to more effective implementation of the chosen interventions, better service delivery, and, ultimately, better outcomes. People's lives are thereby improved.

#### **Programme / Component Interventions**

This component has identified the below mentioned initiatives that will add further value to achieve the strategic objective as set out in the 5 year strategic plan. These initiatives are subject to the availability of financial and human resources and will include but are not limited to the following initiatives:

##### **Employer of choice**

The importance of managing the Authority's biggest asset (human capital) is seen as a key driver in ensuring the Authority is deemed to be an employer of choice. The Authority in its endeavors to accomplish this will embark on a process of evaluating and benchmarking its human resource policies against that of similar public entities on National and International fronts. In depth discussions and engagement with staff members regarding their needs and ideas as well as implementing and evaluating HR talent initiatives that will further support the Authority in achieving on its strategic objectives.

##### **Fully capacitated components**

The current organogram is a structure that the Authority inherited from its predecessors. With the implementation of the new Act (the Western Cape Liquor Act, 4 of 2008) many more functions and responsibilities, in terms of the licencing administration, were added to the Authority which were previously performed by other organs of state. This was never taken into account when the organogram was developed. The current structure does not provide a fair representation of productivity versus staff compliment. The Western Cape Liquor Authority is now a fully-fledged independent public entity responsible for ensuring that they have fully

functioning SCM, Finance, HR, IT, Registry, Secretariat assistance to the Governing Board and Performance Management structures in place. The Authority will therefore be aiming to finalize and incorporate the findings and recommendations of the organisational re-design process into its structures as a priority.

### Sufficient budget

Many of the initiatives identified within the different components of the Authority are dependent on the budget. The Authority will therefore embark on a process of engaging with its parent Department more vigor as well as ensuring that they have more focused involvement in the budgeting process. This will be accomplished by ensuring the continued emphasis on ensuring that all current and future business plans and project proposals are specific, well thought out and direct.

## 11.1 Strategic Objectives

<b>Strategic Objective 5.1</b>	To provide an effective, efficient, compliant and transparent financial management, human resource management and auxiliary support service to the Authority.
<b>Objective statement</b>	Deliver a fully effective accounting, supply chain management, human resource management and auxiliary support service to the Authority to achieve an unqualified audit.
<b>Baseline</b>	Unqualified Audit.

## 11.2 Annual Targets for 2016/17

Strategic objective performance indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
1.1 Percentage of the approved budget (operational and capital) spent or contractually committed annually	-	-	-	80%	85%	85%	85%

## 11.3 Annual Targets for 2016/17

Programme / Component performance indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
Provincial specific indicators							
5.1 Submit in-year monitoring reports to Provincial Treasury	-	-	-	4	4	4	4

## 11.4 Quarterly Targets for 2016/17

Programme / Component performance indicator	PSG no. linkage	Reporting period	Annual target 2016/17	Quarterly Targets			
				1st	2nd	3rd	4th
Provincial specific indicators							
5.1 Submit in-year monitoring reports to Provincial Treasury		Quarterly	4	1	1	1	1

### 11.5 Risk Management:

Risks inherent to Corporate Services that could hinder the realisation of the strategic objective inter alia include:

Risks	This risk is mitigated by:
Non-achievement of an unqualified report in terms of financial statements submitted by the Authority tabled by the due date.  Lack of capacity to implement accounting reforms (GRAP Standards).	Continuous review and updating of standard operating procedures associated with good practice guidelines and assistance with the preparation of comprehensive audit files, well in advance of the year-end.  To continuously obtain clarification of the practical implication of current and new accounting standards. Continuous attendance of workshops and training seminars.
A budget that is unsustainable, operationally insufficient.	Structured assessments of the budget and in-year financial performance monitoring against a range of financial management and budget performance criteria, including appropriate feedback to the Governing Board and Provincial Treasury.
The efficient management of Supply Chain Management Function in order to adhere to applicable rules and legislation.	The continuous review and updating of the Financial Manual. In general, external factors will also have to be guided by both the Provincial and National Treasury to ensure that the SCM unit receives guidance and support over the next five years.
Ever-changing labour relations practices and processes.	HR to co-ordinate the labour relations processes and procedures within the Authority and make staff aware of all updates and amendments to policies.
Non-compliance with employment equity targets.	An employment equity plan and an employment equity committee to ensure compliance with the employment equity targets.

## 12. Reconciling performance targets with the Budget and MTEF

### Programme / Component 1: Liquor Licencing Administration

#### Expenditure Estimates

Programme / Component	Expenditure outcome			Adjusted Appropriation	Medium-term expenditure estimate		
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Liquor Licencing Administration	-	8 246	7 294	8 184	8 324	8 063	8 891
<b>TOTAL</b>	-	<b>8 246</b>	<b>7 294</b>	<b>8 184</b>	<b>8 324</b>	<b>8 063</b>	<b>8 891</b>

#### Economic Classification

<b>Current payments</b>							
Compensation of employees	-	5 389	4 912	5 102	5 308	5 411	6 081
Goods and services	-	2 857	2 382	3 082	3 016	2 652	2 810
<b>Payments for capital assets</b>	-	-	-	-	-	-	-
<b>Total</b>	-	<b>8 246</b>	<b>7 294</b>	<b>8 184</b>	<b>8 324</b>	<b>8 063</b>	<b>8 891</b>

### Performance and expenditure trends

- The Licencing component continuously strives to achieve its goals, more so in respect of meeting the demands related to the annual renewals of all licencees. In terms of the previous performance trend these are completed timeously, irrespective of new or ad-hoc applications also received.
- The component's structure needs to be reviewed and restructured in order to achieve greater efficiency. The need to implement the proposals of the organisational redesign process will become one of the main focus points for the management of the Authority and as such will be placed high on the budgetary schedule.
- The lack of suitable training in order to keep staff abreast in their specific areas of responsibility remains a challenge. Liquor industry related training is hard to come by in South Africa and the component will continue to source same.
- The identified initiatives of this component are directly linked to the availability of sufficient budget.

### Programme / Component 2: Liquor Licencing Tribunal

#### Expenditure Estimates

Programme / Component	Expenditure outcome			Adjusted Appropriation	Medium-term expenditure estimate		
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Liquor Licencing Tribunal	-	1 816	2 030	2 024	2 510	1 948	2 062
<b>TOTAL</b>	-	<b>1 816</b>	<b>2 030</b>	<b>2 024</b>	<b>2 510</b>	<b>1 948</b>	<b>2 062</b>

#### Economic Classification

<b>Current payments</b>							
Compensation of employees	-	1 762	1 960	1 855	2 397	1 827	1 933
Goods and services	-	54	70	169	113	121	129
<b>Payments for capital assets</b>	-	-	-	-	-	-	-
<b>Total</b>	-	<b>1 816</b>	<b>2 030</b>	<b>2 024</b>	<b>2 510</b>	<b>1 948</b>	<b>2 062</b>

### Performance and expenditure trends

- In addition to their functions as stipulated in section 20 of the Western Cape Liquor Act 4 of 2008, as amended they are also responsible for the consideration of the inherited secondary applications backlogs (old Act).
- The Liquor Licensing Tribunal consists of six members, including the positions of the Presiding Officer and Deputy Presiding Officer.
- In addition to their functions as stipulated in section 20 of the Western Cape Liquor Act 4 of 2008, as amended they are also responsible for the consideration of the secondary applications backlogs (old Act).
- The Liquor Licensing Tribunal is currently under capacitated taking into consideration the amount of applications and ancillary tasks associated with these applications. Especially the burden on the Presiding Officer and Deputy Presiding Officer.
- The proposed amendments to the Act, which will provide for two more Deputy Presiding Officers and four additional members together with the provision for the Presiding Officer to delegate some of his/her functions will alleviate the lack of capacity. It is expected that the amendments will be enacted and implemented early in the 16/17 financial year.
- The additional positions will require additional funding.
- The Liquor Licensing Tribunal will continually seek to improve on its mandate.

## Programme / Component 3: Communication, Education and Stakeholder Relations

### Expenditure Estimates

Programme / Component	Expenditure outcome			Adjusted Appropriation	Medium-term expenditure estimate		
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Communication, Education and Stakeholder Relations	-	3 422	3 456	3 616	3 045	3 299	3 479
<b>TOTAL</b>	-	<b>3 422</b>	<b>3 456</b>	<b>3 616</b>	<b>3 045</b>	<b>3 299</b>	<b>3 479</b>

### Economic Classification

<b>Current payments</b>							
Compensation of employees	-	1 231	1 380	1 609	2 064	2 268	2 388
Goods and services	-	2 191	2 076	2 007	981	1 031	1 091
<b>Payments for capital assets of which:</b>							
Intangible assets	-	-	-	-	-	-	-
<b>Total</b>	-	<b>3 422</b>	<b>3 456</b>	<b>3 616</b>	<b>3 045</b>	<b>3 299</b>	<b>3 479</b>

### Performance and expenditure trends

- The Communication, Education and Stakeholder Relations component has an approved complement of 5 employees.
- This component will inform the industry and stakeholders through communication and interventions as far as resources allow. Actions will include an up to date website, a customer contact center, workshops with industry specific stakeholders, information sessions with stakeholders, on-going electronic communication with the major players in the industry and targeted specific interventions.
- The component's structure needs to be reviewed and restructured in order to achieve greater efficiency and effectiveness. The need to implement the proposals of the organisational redesign process will become one of the main focus points for the management of the Authority and as such will be placed high on the budgetary schedule.
- In order to ensure that the Authority stays abreast of all licencing related trends/expectations/best practices, the component has made provision for the attendance of industry related Conferences and/or Seminars, which may be National and/or International. An allocation for liaison meetings with stakeholders and industry role-players has also been made in the budget.
- The Communication, Education and Stakeholder Relations component will continually seek to improve on its mandate.
- The identified initiatives of this component are directly linked to the availability of sufficient budget.

## Programme / Component 4: Compliance and Enforcement

### Expenditure Estimates

Programme / Component	Expenditure outcome			Adjusted Appropriation	Medium-term expenditure estimate		
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Compliance and Enforcement	-	5 408	4 503	4 755	5 710	6 160	6 559
<b>TOTAL</b>	-	<b>5 408</b>	<b>4 503</b>	<b>4 755</b>	<b>5 710</b>	<b>6 160</b>	<b>6 559</b>

### Economic Classification

<b>Current payments</b>							
Compensation of employees	-	3 168	3 314	3 692	4 823	5 235	5 577
Goods and services	-	2 240	1 189	1 063	887	925	982
<b>Payments for capital assets</b>	-	-	-	-	-	-	-
<b>Total</b>	-	<b>5 806</b>	<b>4 503</b>	<b>4 755</b>	<b>5 710</b>	<b>6 160</b>	<b>6 559</b>

### Performance and expenditure trends

- The Compliance and Enforcement has an approved complement of 11 employees.
- The component's structure needs to be reviewed and restructured in order to achieve greater efficiency. The need to implement the proposals of the organisational redesign process will become one of the main focus points for the management of the Authority and as such will be placed high on the budgetary schedule.
- It is critical that the staff fully understand the latest developments in the liquor industry and the liquor regulation environment.
- Therefore on-going training and development which comprises both formal sessions as well as attendance at conferences, workshops and national forums, to equip the staff with the relevant competencies as well as being able to respond to licence holders.
- The component will focus more on enforcing compliance with all applicable liquor legislation in targeted areas with a high prevalence of non-compliance and or crime.
- The identified initiatives of this component are directly linked to the availability of sufficient budget.

## Programme / Component 5: Corporate Services

### Expenditure Estimates

Programme / Component	Expenditure outcome			Adjusted Appropriation	Medium-term expenditure estimate		
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Corporate Services	-	6 113	17 910	20 751	18 257	18 717	19 780
<b>TOTAL</b>	-	<b>6 113</b>	<b>17 910</b>	<b>20 751</b>	<b>18 257</b>	<b>18 717</b>	<b>19 780</b>

## Economic Classification

<b>Current payments</b>							
Compensation of employees	-	3 534	4 703	6 070	8 328	9 125	9 629
Goods and services	-	2 149	3 793	8 143	8 019	8 514	9 013
<b>Payments for capital assets of which:</b>							
Computer equipment	-	342	1 989	1 055	50	50	50
Office and other equipment	-	88	6 702	4 242	971	1 028	1 088
Intangible assets	-	-	723	1 241	889	-	-
<b>Total</b>	<b>-</b>	<b>6 113</b>	<b>17 910</b>	<b>20 751</b>	<b>18 257</b>	<b>18 717</b>	<b>19 780</b>

**Performance and expenditure trends**

- Critical to the performance of the Corporate Services component is the requirements in terms of the PFMA, National Treasury and Provincial Treasury regulations.
- More and more emphasis is placed on compliance with these regulations and this in turn adds to the already onerous workload of the limited staff compliment in this component.
- The component's structure should be reviewed and restructured in order to achieve greater efficiency.
- The need for a skilled workforce is identified as a necessity and provision has been made in the budget to accommodate the expense of training and developing staff.
- The budget has been set to fund the activities required to achieve the Component's mandate and successfully perform the activities as set out in the Authority's APP.
- Management is cautiously optimistic that the long awaited organisational redesign process will address the inefficiencies in terms of capacity constraints.
- The need to implement the proposals of the organisational redesign process will become one of the main focus points for the management of the Authority and as such will be placed high on the budgetary schedule.

## PART C: Links to other plans

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### **Links to the long-term infrastructure and other capital plans**

This section is not applicable to the Western Cape Liquor Authority as its functional responsibilities do not relate to capital investment.

### **Conditional grants**

This section is not applicable to the Western Cape Liquor Authority as its functional responsibilities do not relate to capital investment.

### **Public entities**

Not Applicable

### **Public-private partnerships**

The Authority has no private public partnerships.

## PART D: Links to other plans

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### Annexure D: Changes to the Strategic Plan

Strategic Outcome oriented goals of the WCLA	
<b>Strategic Outcome Oriented Goal (2015/16)</b>	Optimal regulation of the retail sale and micro-manufacturing of liquor and a reduction in the negative social ills of liquor abuse in the Western Cape.
<b>Goal Statement (2015/16)</b>	Promotion of an enabling environment that allows for the ease of entry into the regulated liquor trading space, meanwhile ensuring that all liquor licence holders stringently comply with the Western Cape Liquor Act 4 of 2008, whilst educating and creating awareness surrounding the negative social impact of liquor abuse as well as informing the community about the liquor licencing application public participation process.

Strategic Outcome oriented goals of the WCLA	
<b>Strategic Outcome Oriented Goal 1 (2016/17)</b>	Optimal regulation of the retail sale and micro-manufacturing of liquor in the Western Cape.
<b>Goal Statement 1 (2016/17)</b>	Promotion of an enabling environment that allows for the entry into the regulated liquor trading space, meanwhile ensuring that all liquor licence holders stringently comply with the Western Cape Liquor Act 4 of 2008.

Strategic Outcome oriented goals of the WCLA	
<b>Strategic Outcome Oriented Goal 2 (2016/17)</b>	Facilitating and participating in interventions that support a reduction in the social ills attributable to the consumption of liquor in the Western Cape.
<b>Goal Statement 2 (2016/17)</b>	Creating partnerships in order to educate and increase awareness surrounding the negative social impact of liquor as well as informing the community about their rights and responsibilities in terms of the Act.

Programme / Component 3: Communication Education and Stakeholder Relations	
<b>Strategic Objective 1.1 (2015/16)</b>	<b>To provide an external and internal communication service as well as to co-ordinate education and awareness services to the liquor industry and the citizens of the Western Cape.</b>
<b>Objective Statement</b>	To ensure a consistent application of the communication strategy and corporate brand of the Western Cape Liquor Authority and to co-ordinate education and awareness sessions to the liquor authority employees, liquor industry and the citizens of the Western Cape.  600 targeted specific interventions to create awareness of the harms related to liquor abuse and educate liquor licence holders and reaching 20 000 people through these interventions.
<b>Baseline</b>	The Western Cape Liquor Act and regulations came into operation as of 1 April 2012. The processes and procedures are new to the licence holders, consultants, SAPS and other industry players.

<b>Programme / Component 3: Communication Education and Stakeholder Relations</b>	
<b>Strategic Objective 1.1 (2016/17)</b>	<b>To provide an external and internal communication service as well as to co-ordinate education and awareness services to the liquor industry and the residents of the Western Cape.</b>
<b>Objective Statement</b>	<p>To ensure a consistent application of the communication strategy and corporate brand of the Western Cape Liquor Authority and to co-ordinate education and awareness sessions to the liquor authority employees, liquor industry and the residents of the Western Cape.</p> <p>600 targeted specific interventions to create awareness of the harms related to liquor abuse and educate liquor licence holders and reaching 20 000 people through these interventions.</p>
<b>Baseline</b>	The Western Cape Liquor Act and regulations came into operation as of 1 April 2012. The processes and procedures are new to the licence holders, consultants, SAPS and other industry players.

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