



# Kou-Kamma Municipality

## INTEGRATED DEVELOPMENT PLAN: 2012-2017



# TABLE OF CONTENTS

	PAGE
<b>CHAPTER 1: THE PLANNING PROCESS</b>	<b>03</b>
1.1 FOREWORD OF THE MAYOR	03
1.2 BACKGROUND	03
1.3 EXECUTIVE SUMMARY	04
1.4 ORGANISATIONAL VISION, MISSION AND VALUES	05
1.5 LEGISLATIVE CONTEXT	06
1.5.1 LEGISLATIVE PRESCRIPTS	06
1.5.2 NATIONAL POLICY DIRECTIVES–MEDIUM-TERM STRATEGIC FRAMEWORK(MTSF)	07
1.5.3 KOUKAMMA LOCAL MUNICIPALITY APPROACH	17
1.5.4 IDP / BUDGET WORK SCHEDULE	17
1.5.5 SCHEDULE OF MEETINGS	17
1.5.6 IDP PROCESS PLAN	19
1.5.7 FORMATION OF THE ORGANISATIONAL STRUCTURES	21
<b>CHAPTER 2: OVERVIEW OF KOUKAMMA MUNICIPALITY</b>	<b>30</b>
2.1 GEOGRAPHICAL PROFILE	30
2.2 SOCIO-ECONOMIC PROFILE	31
2.3 SITUATIONAL ANALYSIS	43
2.3.1 CORPORATE SERVICES	43
2.3.2 BUDGET AND TREASURY SERVICES	46
2.3.3 TECHNICAL AND INFRASTRUCTURE SERVICES	48
2.3.4 COMMUNITY SERVICES	52
<b>CHAPTER 3: DEVELOPMENT STRATEGY</b>	<b>80</b>
3.1 STRATEGIC OBJECTIVES	80
3.2 STRATEGIC PRIORITIES	81
3.3 SUMMARY OF PROJECT PROFILE	86
<b>CHAPTER 4: INTEGRATION</b>	<b>95</b>
4.1 SPATIAL DEVELOPMENT FRAMEWORK	95
4.2 LOCAL ECONOMIC DEVELOPMENT STRATEGY	96
4.3 HOUSING SECTOR PLAN	97
4.4 INTEGRATED WASTE MANAGEMENT PLAN	99
4.5 WATER SERVICE DEVELOPMENT PLAN	99
4.6 DISASTER DEVELOPMENT PLAN	100
4.7 SPECIAL PROGRAMMES SECTOR PLANS	100

4.7.1 DESIGNATED GROUPS	100
4.7.2 HIV AND AIDS PLAN	100
4.8 PERFORMANCE MANAGEMENT FRAMEWORK	101
4.9 THE SDBIP	103
4.10 INSTITUTIONAL PLAN	103
4.11 FINANCIAL PLAN	110
<b>CHAPTER 5: MONITORING AND EVALUATION</b>	<b>118</b>
5.1 OVERVIEW	118
5.2 INSTITUTIONAL ARRANGEMENTS	118
5.2.1 MUNICIPAL COUNCIL	118
5.2.2 COUNCIL COMMITTEES	119
5.2.3 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE	119
5.2.4 INTER-GOVERNMENTAL RELATIONS	119
<b>CHAPTER 6: CONCLUSION</b>	<b>120</b>

## **CHAPTER 1: THE PLANNING PROCESS**

### **1.1 FOREWORD OF THE MAYOR**

The Municipal Systems Act (No 32 of 2000) compels all municipal Councils to develop and adopt a Five-year Integrated Development Plan (IDP) which has to be reviewed annually. This also marks the drafting and compilation of the new IDP (2012-2017) for the Koukamma Municipality. It is important to note that the IDP represents the Vision and overarching Mission of the Municipality, and it determines the key service delivery issues of a developmental local government in order to deliver on the mandate of the municipality's constituency.

The IDP does not only serve to direct and unpack the intended delivery of the Municipality for the next 5 years, it is intended to guide all development and for all other spheres of government, promoting principles of Inter-Governmental Relations (IGR). It spells out where the Municipality is heading and what the inhabitants can expect to happen. Thus it is a delivery tool of utmost importance. As the new Koukamma Municipal Council, we commend and applaud all residents, ward committees and sectors that participated and contributed to the drafting of the municipality's five- year IDP 2012-2017.

The lessons drawn from the public participation processes have assisted the municipality to sharpen its approach to planning processes. Public inputs have challenged us to strengthen the link between the IDP and the Budget in order to achieve the objectives of our municipality. The draft IDP of Koukamma Municipality 2012 – 2017 reflects the strategic objectives and priorities as presented and discussed during the community meetings and the Council has resolved on a new development agenda in ensuring that Council's obligation in delivering services is realized. We are committed in making Koukamma a compelling place to live in where basic and quality services are provided to our communities in a sustainable manner, and for this to be realised, we call upon all the stakeholders to join hands with us.

### **1.2 BACKGROUND**

#### **(a) What is Integrated Development Planning (IDP)?**

Integrated Development Planning is a participatory process aimed at developing a five-year strategic plan that guides all planning, budgeting, management and decision-making

in the Municipality; it involves the entire municipality and its citizens finding the best solutions to achieve sustainable long term development; it views development problems and solutions in an integrated, multi-dimensional way.

### **(b) Unpacking the meaning of IDP?**

- **Integrated:** Is a process of linking and merging components in order to ensure adherence and a holistic response. An integrated process links strategic targets with tactical and operative planning at all levels of the municipality.
- **Development:** Is the ability to influence and address problems affecting individuals, a community or society at large. Development can also refer to improving the quality of life.
- **Planning:** is defined as an organised, conscious and continual attempt to select the best available alternatives to achieve a specific goal. It is a process of weighing up or evaluating the alternative ways of achieving the objectives or meeting the goals.

## **1.3 EXECUTIVE SUMMARY**

The Koukamma Municipality, since the beginning of the new political term which commences in 2012 and ending in the year 2017. The Integrated Development Planning Process (IDP) is informed by the provisions in the Municipal Systems Act No. 32 of 2000, which details the process of developing a new five-year strategic plan. Adhering to the prescripts of the Municipal Systems Act, the process plan was developed and approved by the Council. The Steering Committee, Representative Forum and Management Committee were involved in the process of collecting information and conducting baseline studies which informed the current draft IDP. As contemplated in the Municipal Systems Act No. 32 of 2000 Chapter 5, Sub-section one, the draft IDP should be tabled to Council on or before 31 March 2012 in tandem with the Municipality's draft budget presentation to Council.

The draft IDP reflects the situational analysis of Koukamma Municipality in terms of socio-economic conditions of our population, institutional arrangements, infrastructure and organizational challenges. Against this backdrop, the Municipality has economic potential to create employment and livelihood. The Municipality has strong tourist attractions activities such as national game reserves and agricultural farming. The investment in alternative energy such as wind turbines has potential investments which

can stimulate spin-offs on economic growth. The organisational structure of Koukamma Municipality is under constant review to respond to service delivery challenges of the area. The Municipality has, however, identified a need for Institutional development as a priority linked to institutional strategic direction. The review of the Spatial Development Framework has been undertaken to identify developmental opportunities and nodes being guided by available land in the Koukamma area. The reviewed SDF will assist in integrated planning for various sectors of the Koukamma IDP. This draft IDP has incorporated sector plans which form an integral part of this final document, which is the integrated development plan.

## **1.4 ORGANISATIONAL VISION, MISSION AND VALUES**



### **1.4.1 VISION**

Strive to be a dynamic and responsibly governed area, which has an integrated, competitive and sustainable economy to better the urban and rural livelihoods of its communities.

### **1.4.2 MISSION**

To be a Municipality in which delivery and access to quality services creates an environment in which all citizens can prosper through socio-economic upliftment and accountable governance. It further depicts the purpose of existence of the Koukamma Municipality and how it seeks to create its relationship with the customers, local community and other related stakeholders in delivering its mandate of a developmental Local Government.

### **1.4.3 VALUES**

- (i) Integrity and Honesty
- (ii) Affordable, Access and Quality Service
- (iii) Inclusive and Responsive
- (iv) Transparency and Accountability

## 1.5 LEGISLATIVE CONTEXT

### 1.5.1 LEGISLATIVE PRESCRIPTS

Our approach of the draft IDP is guided by the following policies and legislative framework: -

- Constitution of the Republic of South Africa, (No. 108 of 1996);
- Development Facilitation Act, (No. 65 of 1995);
- White Paper on Local Government, 1998;
- Municipal Structures Act, (No. 117 of 1998);
- Municipal Systems Act, (No. 32 of 2000);
- Municipal Finance Management Act, (No. 56 of 2003);
- Intergovernmental Relations Framework, (Act 13 of 2005);
- National Spatial Development Framework, (NSDP);
- Eastern Cape Provincial Growth and Development Strategy (PGDS);
- Eastern Cape Provincial Government Strategic Framework
- State of the Nation Address
- State of the Province Address
- Millennium Development Goals

Over and above the legislative context, there are National, Provincial and District wide guiding policies and frameworks that exist, which the Koukamma Local Municipality needs to bear cognisance of. The guiding policies and frameworks of each sphere of government are invariably interlinked in their objective to attain sustainable development, the primary components of which are highlighted below.

### 1.5.2 NATIONAL POLICY DIRECTIVES – MEDIUM TERM STRATEGIC FRAMEWORK (MTSF):

In July 2009 the Minister of Planning formulated and distributed a Medium Term Strategic Framework (MTSF) to guide Government Programs in the Electoral Mandate Period between 2009 and 2014. The MTSF is intent on guiding planning and resource allocation across all the spheres of government through the identification of ten (10) National Strategic Medium Term Priorities. National, Provincial and Local spheres of government are expected to adapt their planning in line with the strategic priorities.

**1.5.2.1 The ten (10) strategic priorities are conceptualized and summarized as follows:**

(a) Speeding up growth and transforming the economy to create decent work and sustainable

livelihoods:- The primary objective of this priority is to respond appropriately, promptly and effectively to economic opportunities to ensure that growth in decent employment and income security are reinforced and investment sustained to expand economic capacity and improve competitiveness.

(b) Massive program to build economic and social infrastructure:- Continued infrastructure investment program aimed at expanding and improving social and economic infrastructure, transportation, energy, water, sanitation and information and communication infrastructure to increase access to quality and reliable public services and to support economic activities while also considering environmental sustainability and pursuing maximum employment impact. This strategy identifies key areas, of which the following hold relevance to the Koukamma Local Municipality:

(i) Creatively accessing resources from various sources to continue with the economic and social infrastructure program in a manner that supports growth and employment creation; and the involvement of the private sector in financing projects;

(ii) Continue with the program to build, revamp and maintain electricity infrastructure, including generation, distribution and reticulation to ensure sufficiency and sustainability of supply and development of alternative energy sources;

(iii) Continuing the program to build and maintain water infrastructure to improve reticulation, prevent wastage and ensure reliable and safe supply for human consumption, industrial activity and agriculture;

(iv) Implementing formal programs for the development and provision of suitably located low-cost and affordable housing;

(v) In line with the concept of human settlements, and proceeding from the premise that housing provision should promote the building of integrated and sustainable communities, taking active steps to ensure that human settlement formation does not perpetuate apartheid spatial planning and the marginalization of the poor from economic opportunities and social and cultural amenities – critical in this regard will be the finalization of the Land Use management Bill for immediate implementation;

(vi) Finalizing and implementing the program to ensure universal access to electricity, water and sanitation by 2014 by not only expanding infrastructure but modifying and repairing ageing or inappropriate infrastructure in order to reduce wastage, contamination of natural systems and service disruptions;



(vii) Developing physical infrastructure in rural areas: To address the specific development needs of different rural localities, government will invest in agricultural infrastructure and production services in association with land redistribution and restitution and social infrastructure such as schools, health, water, energy as well as sports and other recreational infrastructure;

(viii) Even while new investments are being undertaken, government will ensure proper and appropriate investment in and an ongoing program for the maintenance of existing infrastructure;

(ix) Improving provincial and local government capacity to plan for and maintain infrastructure to ensure continued efficient delivery of economic and social services;

(x) Continuing programs to provide and maintain health, education, library, sporting, recreation and other social infrastructure.

### **(c) Comprehensive rural development strategy linked to land and agrarian reform and food security:**

The overall objective of this strategy is to develop and implement a comprehensive strategy of rural development that transcends the false dichotomy between rural and urban and that will meet the needs to improving the quality of life of rural households, and exploiting the varied economic potential that each area enjoys. Key to this strategy is the determination of rural areas. The elements of this strategy include:

(i) Aggressive implementation of land reform policies;

(ii) Stimulate agricultural production with a view to contributing to food security;

(iii) The enhancement of rural livelihoods and rural food security;

(iv) Improve service delivery to ensure quality of life – increased investment in the delivery of services to rural areas, including education, health, housing, water, sanitation and energy – using, where appropriate, alternative technologies to overcome physical and other impediments;

(v) Implement a development program for rural transport – the formulation of a Rural Transport Program that will aim at promoting rural transport infrastructure and services through coordinated rural nodes and linkages;

(vi) Skills development – financial resources will be committed to develop and run training programs to support rural economies. A database of all farmers and households provided with agricultural support of different kinds will be kept and will receive training and mentoring opportunities;

(vii) Revitalization of rural towns – Spatially targeted grants will be provided for the revitalization and development of rural towns to serve as service centers for rural economies. This will involve the development of hard and soft infrastructure, including

institutional networks for marketing, storage, advisory services, finance and improved agro-logistics;

(viii) Explore and support non-farm economic activities – initiatives need to be devised to support other forms of rural potential, including tourism, light manufacturing and cultural work;

(ix) Institutional capacity development – achieving better development outcomes in rural areas will require improved alignment of the efforts of rural local government, nation and provincial departments and other public agencies.

#### **(d) Strengthen the skills and human resource base:**

This strategy recognizes the importance of skills and education to enable every member of society to realize his / her potential and participate in social and economic life – and thus contribute to the reduction of inequality – the objective is to focus skills and education systems towards the delivery of quality outcomes.

#### **(e) Improve the health profile of all South Africans:**

A central goal of the MTSF is to improve access to health services and achieve better clinical and patient outcomes from the public health system. There is a clear drive towards reducing inequalities in the health system, improving the quality of care and public facilities boost human resources and extend the fight against HIV and AIDS, TB and other communicable diseases. Life-style awareness and real causes of ill-health and mortality are essential to this target.

#### **(f) Intensify the fight against crime and corruption:**

Government is determined to curb the levels of crime and corruption in the country. Critical in this regard is the involvement of individuals and communities in the fight against crime.

#### **(g) Build cohesive, caring and sustainable communities:**

Social cohesion is broadly defined as that which gives members of a society the capacity to cooperate in ways that create the possibility for positive change. It is an element required to achieve development success. Inequalities of conditions such as wealth, income, education, health and opportunity are limiting the potential for success of the broader South African community. Within the MTSF period, government aims to meet their target of:-

- Halving poverty and unemployment by 2014
- Strengthen human capabilities
- Promote shared values and social solidarity
- Strive to reduce overall inequality

#### **(h) Pursuing African advancement and enhanced international cooperation:**

The main goal of our government for the medium term is to ensure that South Africa's foreign relations contribute to the creation of an environment conducive for economic growth and development, especially in Africa and other developing countries.

#### **(i) Sustainable Resource Management and Use:**

South Africa, like the rest of the world, is vulnerable to the impacts of climate change, biodiversity loss and diminishing water resources. To fulfill its obligations to both current and future generations, South Africa ratified the United Nations Framework on Climate Change in August 1997 and acceded to the Kyoto Protocol in March 2002. The main objective of government is to encourage sustainable resource management and use by focusing on various interventions including:

- The pursuance of renewable energy alternatives and promotion of energy efficiency;
- Adopting waste reduction practices by encouraging the re-use of waste outputs as productive inputs;
- Enforcing zero tolerance to illegal and unsustainable exploitation of resources;
- Improving air and atmospheric quality for health and wellbeing of citizens;
- Supporting local and sustainable food production;
- Sustainable water use and preserving quality of drinking water;
- Enhancing biodiversity and the preservation of natural habitats.

#### **(j) Building a developmental state including improvement of public services and strengthening democratic institutions:**

The MTSF promotes the further strengthening of the capacity of all spheres of government to:-

- Improve the delivery and quality of public services;
- Promote a culture of transparent, honest and compassionate public service;
- Build partnerships with society for equitable development;
- Strengthen democratic institutions.

### **1.5.2.2 Government's Targets for 2014**

The targets of government for 2014 are summed below:-

- Reduce unemployment by half;
- Reduce poverty by half;
- Provide the skills required by the economy;
- Ensure that all South Africans are able to fully exercise their constitutional rights and enjoy the full dignity of freedom;
- Provide compassionate government service to the people;
- Improve services to achieve a better national health profile and reduction of preventable causes of death, including violent crime and road accidents;
- Significantly reduce the number of serious and priority crimes and cases awaiting trial;
- Position South Africa strategically as an effective force in global relations.

### **1.5.2.3 The Eight Millennium Development Goals for 2015**

The eight millennium development goals for 2015 are illustrated herein:-

- Eradicate extreme poverty and hunger
- Achieve universal primary education
- Promote gender equality and empower women
- Reduce child mortality
- Improve maternal health
- Combat HIV/AIDS, malaria and other diseases
- Ensure environmental sustainability
- Develop a global partnership for development

### **1.5.2.4 Outcome Nine (09)**

In February 2010, the Ministry of Monitoring and Evaluation formulated and presented 12 Outcomes that reflect government's delivery and implementation plans for its foremost priorities up to 2014. Of the 12 Outcomes, Outcome 9 holds reference to District and Local Municipalities as a mechanism to formalize 'A Responsive, accountable, effective and efficient local government system'. In order to achieve this goal, outcome nine (09) identifies seven (07) critical outputs, namely:-

Output 1: Implement a differentiated approach to municipal financing, planning and support;

Output 2: Improving Access to Basic Services;

Output 3: Implementation of the Community Work Program;

Output 4: Actions supportive of the human settlement outcomes;

Output 5: Deepen democracy through a refined Ward Committee model;

Output 6: Administrative and financial capability;

Output 7: Single Window Coordination

### **1.5.2.5 National Policy Directive – The National Spatial Development Perspective (NSDP)**

The NSDP, as developed by the Office of the Presidency, is an indicative tool for development planning in government. Furthermore, the spatial guidelines as contained within the NSDP are increasingly being recognised as tools to:-

- Coordinate government action and alignment.
- Maximise overall social and economic impact of government development spending.
- Provide a rigorous base for interpreting strategic direction.

Assumptions contained within the NSDP which ultimately inform the NSDP principles include:

- Location is critical for the poor to exploit opportunities for growth.
- Poor communities concentrated around economic centres have a greater opportunity to gain from economic growth.
- Areas with demonstrated economic potential provide for greater protection due to greater diversity of income sources.
- Areas with demonstrated economic potential are most favourable for overcoming poverty.
- The poor are making rational choices about relocating to areas of opportunity.
- Government needs to ensure that the poor are able to benefit fully from growth and employment in these areas.

Although government is committed to economic growth, employment creation, sustainable service delivery, poverty alleviation and the eradication of historic inequities, infrastructure investment and development spending must be applied in the most cost effective and sustainable manner. In terms of cost effectiveness and sustainability, along with the assumptions as listed above, the NSDP advocates that the varying spheres of government apply the following principles when making decisions on infrastructure investment and development spending:-

- Economic growth is a prerequisite for the achievement of other policy objectives, key among which would be poverty alleviation.
- Government spending on fixed investment, beyond the constitutional obligation to provide basic services to all citizens (such as water, electricity as well as health and educational facilities), should therefore be focused on localities of economic growth and / or economic potential in order to attract Private-sector investment, stimulate sustainable economic activities and / or create long-term employment opportunities.
- Efforts to address past and current social inequalities should focus on people not places. In localities where there are both high levels of poverty and development potential, these could include fixed capital investment beyond basic services to exploit the potential of those localities. In localities with low development potential, government spending, beyond basic services, should focus on providing social transfers, human resource development and labour market intelligence. This will enable people to become more mobile and migrate, if they choose to, to localities that are more likely to provide sustainable employment or other economic opportunities.
- In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or link the main growth centres.

### **1.5.2.6 Provincial Policy Framework – Provincial Growth and Development Plan (PGDP)**

The PGDP is designed to deal with the spread and incidence of poverty and unemployment in the Eastern Cape, as well as the spatial inequality between different regions. The Plan prioritises interventions in three sectors, i.e. manufacturing, agriculture and tourism. Its programmes build on government's existing interventions, particularly those that create jobs and fight poverty. Simultaneously, it intends to redirect government plans and spending towards addressing fundamental problems in the economy. The PGDP has three core objectives that address the Eastern Cape's most pressing issues, and three

foundation objectives that create the conditions and support for development and growth. The three core objectives are:

- Systemic poverty eradication through a holistic, integrated and multi-dimensional approach to pro-poor programmes;
- Agrarian transformation and strengthening household food security;
- Consolidation, development and diversification of the manufacturing base and tourism potential.

The foundation objectives are:

- Human resource development.
- Infrastructure development.
- Public sector and institutional transformation.

The PGDP provides the strategic framework, sector strategies and programmes aimed at a rapid improvement in the quality of life for the poorest people within the Eastern Cape Province. The objectives for growth and development set in the PGDP therefore guide development objectives of any economic development strategy within the province. The PGDP is under review. It is currently being translated from a strategic framework into an implementation plan. The Office of the Premier will issue an Inception Report which will guide the Review of the PGDP based on the outcome of the assessment conducted.

The Eastern Cape Provincial Government Strategic Framework outlines the eight priorities of provincial Government in an attempt to align to the Medium Term Strategic Framework as follows:

- Decent employment through inclusive economic growth with environmental assets and natural resources that is well protected and continually enhanced
- An efficient, competitive and responsive economic infrastructure network
- Vibrant, equitable, sustainable rural communities contributing towards food security for all
- Quality basic education, skilled and capable workforce to support an inclusive growth path
- A long and healthy life for all people of the Province
- All people in the Province are and feel safe
- An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship with responsive, accountable, effective and efficient Local Government system
- Sustainable, cohesive, caring communities and human settlement for improved quality of households

**1.5.2.7 The State of the Nation Address (SONA) and the State of the Province Address (SOPA) were considered in the formulation of this IDP.**

<b><u>Reflections from the State of the Nation Address – February 2012</u></b>	<b><u>Reflections from the State of the Province Address – February 2012</u></b>
<ul style="list-style-type: none"> <li>● A major new South Eastern node to improve industrial and agricultural development and export capacity and logistics linkages</li> <li>● Industrialise the country, generate skills and boost job creation. Focus on prioritisation of catalytic infrastructure development and investment for economic growth and job creation</li> <li>● Fighting the triple challenges of unemployment, poverty and inequality</li> <li>● Rlbn Housing Guarantee fund enabling bans to lend to indigent poor for housing finance will become operational in April 2012</li> <li>● Electricity and energy – Eskom to investigate price reduction in support of economic growth and job creation and provide proposals for consideration</li> <li>● Continued search for renewable energy sources, especially solar electricity and bio fuels, including installing 1 million solar geysers by 2014</li> </ul>	<ul style="list-style-type: none"> <li>● On the creation of decent work and growing the economy, focus is on expansion and diversification of manufacturing in the province; support companies in distress</li> <li>● Implementation of a provincial jobs programme whose key elements are the Jobs Stimulus fund and the Provincial Jobs Strategy</li> <li>● Job creation initiatives of government pursued in the context of building social and economic infrastructure</li> <li>● Water infrastructure development projects include seawater desalination in Port Alfred</li> <li>● In the area of rural development, land , agrarian reform and food security, guided by the Rural Development Strategy, a Rural Development Agency would be established</li> <li>● Investment in agricultural infrastructure is expected to create 1264 jobs benefitting 8592 subsistence smallholder and commercial farmers</li> <li>● Strengthening education and building a skills and human resources base is a critical priority</li> <li>● Provincial departments have been directed to designate the month of September as an IDP focus month and to ensure that all senior managers attend district and metro level IDP processes</li> <li>● To alter the current tar-to-gravel ratio of provincial roads, partnerships with National Department of Transport and SANRAL have been established. This will ease the pressure on the Provincial fiscus with regard to maintenance of Provincial strategic roads</li> </ul>



## 1.5.2.8 Implementation plan for the five-year Local Government Strategic Agenda (2006- 2011)

**(a) Strategic Priority 1:** Mainstream hands-on support to local government to improve municipal governance, performance and accountability.

- KPA 1 - Municipal transformation and organisation development
- KPA 2 - Basic service delivery
- KPA 3 - Local economic development
- KPA 4 - Municipal financial viability and management
- KPA 5 - Good governance and public participation

**(b) Strategic Priority 2:** Addressing the structure and governance arrangements of the state in order to better strengthen, support and monitor local government.

**(c) Strategic Priority 3:** Refine and strengthen the policy, regulatory and fiscal environment for local government and giving greater attention to the enforcement measures.

### **Accelerated Shared Growth Initiative in South Africa (ASGISA)**

- ⊕ Education and skills development
- ⊕ Eliminating the second economy
- ⊕ Human resource training
- ⊕ Expanded Public Works Programme
- ⊕ Youth skills training
- ⊕ Governance and institutional interventions
- ⊕ Skills problems identified in Project Consolidate
- ⊕ Deployment of graduates
- ⊕ Expenditure management

ASGISA mandated DPLG to consider the following in respect of municipalities:

- ⊕ To improve the capacity of local government to support local economic development
- ⊕ Intervention in the EPWP
- ⊕ New elements of EPWP: Early Childhood Development component, home-based care

### **Joint Initiative on Priority Skills Acquisition (JIPSA)**

- ⊕ Acquisition of intermediate artisan and technical skills for the ASGISA infrastructure development programme.
- ⊕ Development of ICT (information and communication technology) skills, which is a priority area for ASGISA.
- ⊕ The recruitment, retraining and employment of unemployed graduates.
- ⊕ Engineering and planning skills
- ⊕ Artisan and technical skills, especially in infrastructure development, housing and energy.
- ⊕ Management capacity in education and health
- ⊕ Mathematics, science, ICT and language competence in public schooling.

### 1.5.2.9 Sources (Internal) used to guide IDP 2012 – 2017

<b>Koukamma Local Municipality</b>	<b>Institution</b>	<b>Date</b>
A 2012/13 Koukamma Local Municipality IDP Process Plan	Koukamma Local Municipality	2011
A 2012/13 IDP and Budget Schedule	Koukamma Local Municipality	2011
KKM Socio Economic Profile	Koukamma Local Municipality	2009
KKM's Annual Report	Koukamma Local Municipality	2011/12
Reviewed IDP 2011/12	Koukamma Local Municipality	2011/12

### 1.5.3 KOUKAMMA LOCAL MUNICIPALITY APPROACH

The National Department of Provincial and Local Government published guidelines in 2001 (IDP Guide Packs), describing the IDP process as an issue-driven approach to planning. Emphasis is placed on the analysis phase focusing on understanding priority issues, leading to the development of strategic guidelines. These priority issues are determined through participatory research and a participatory planning methodology. Ideally, these priority issues become the focal point for determining appropriate development strategies that meet priority issues, the needs of communities and / or stakeholders. On the other hand, it is acknowledged that priority issues do not only emerge by analysing the status quo information, but also through public participation. The ultimate determinant of priority issues that will ultimately form the basis for development strategies and project/programmes is political input.

### 1.5.4 IDP / BUDGET WORK SCHEDULE

Koukamma Municipality has formulated and adopted an IDP Process Plan and Budget Schedule to serve as a guide in preparation for the re-write of the IDP. The linkage of the IDP and budget has become a legislative requirement. In brief the IDP/Budget Schedule outlines the time frames of scheduled events/activities, co-ordinating structures involved in the process.

### 1.5.5 SCHEDULE OF MEETINGS

<b>ACTIVITY</b>	<b>2011</b>	<b>2012</b>
Consultation with stakeholders	09/11/2011	
IDP Steering Committee	26/10/2011	24/01/2012
IDP Representative Forum	23/11/2011	27/01/2012

IDP Budget Steering Committee	26/11/2011	24/01/2012
IDP Workshops		24/01/2012
IDP – Steering Committee		10/03/2012
IDP Representative Forum		21/02/2012
Council Approval of Draft IDP		28/03/2012

## 1.5.6 IDP PROCESS PLAN

This IDP Process Plan was tabled before the Council Meeting and was further discussed and adopted without any additions or amendments. Its contents was based on the legislative prescripts, composition of structures and their individual roles and responsibilities including public participation model and other related factors, as shown below:-

The Constitution of the Republic of South Africa, 1996 bestows instructive obligations to Local Government as defined in Section 154 which deals with its objects, namely:-

- To provide democratic and accountable government for local communities;
- To ensure the provision of services to communities in a sustainable manner;
- To promote social and economic development;
- To promote a safe and healthy environment; and
- To encourage the involvement of communities and community organisations in the matters of local government.

Likewise, the directive of Section 152(2) of the Constitution of the Republic of South Africa, 1996 dictates that a Municipality must strive, within its financial and administrative capacity, to achieve the objects of the Local Government. Section 153 of the Constitution of the Republic of South Africa, 1996 further instructs that a Municipality must structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community including participating in national and provincial development programmes.

In terms of Section 23 of the Municipal Systems Act, 2000 as amended, the Municipal Planning must be developmentally oriented to attain the following objectives:-

- Strives to attain the objects of Local Government;
- Gives effect to the developmental duties of Local Government; and
- Together with other Organs of State contribute to the progressive realisation of the fundamental rights.

Similarly, Section 24 of the Municipal Systems Act, 2000 as amended, instructs Municipal Planning to take place within a framework of Cooperative Government which is hereunder defined:-

- A planning undertaken by a Municipality must be aligned with, and complement, the development plans and strategies of other affected Municipalities and other organs of state so as to give effect to the principles of cooperative governance;
- Municipalities must participate in national and provincial development programmes as required by law.

Section 25 of the Municipal Systems Act, 2000 as amended, instructs a Municipal Council, within a prescribed period after the start of its elected term, to adopt a single, inclusive and strategic plan for the development of a Municipality which must:-

- Link, integrate and coordinate plans and take into account proposals for the development of a Municipality;
- Align the resources and capacity of a Municipality with the implementation of the plan;
- Form the policy framework and general basis on which annual budget must be based.

Section 26 of the Municipal Systems Act, 2000 as amended, deals with the core components of an IDP:-

- Municipal Council's long-term vision with special emphasis on most critical development and internal transformation needs;
- Assessment of existing level of development in the municipality which include identification of communities without access to basic services;
- Council development priorities and objectives including its local economic development and its internal transformation needs;
- Council's development strategies which must be aligned with any national or provincial sector plans and planning requirements which are binding to a Municipality;
- Spatial Development Framework which must include provision of basic guidelines for land use management;
- Council's operational strategies and applicable disaster management plan;
- A financial plan, which must include a budget projection for at least the next three years; and

- The key performance indicators and performance targets as determined in terms of Section 41.

In terms of Adoption Process, Section 28 of the Municipal Systems Act, 2000 as amended, directs a Municipal Council to adopt a process set out in writing to guide the planning, drafting, adoption and review of its IDP, and further mandates a Municipality to give notice to the local community of particulars of the process it intends to follow. With respect to annual review and amendment of an IDP, Section 34 of the Municipal Systems Act, 2000 as amended, obliges a Municipal Council to:-

- Review its Integrated Development Plan
- Annually in accordance with its performance measurements as per Section 41;
- To the extent that changing circumstances so demand; and
- May amend its IDP in accordance with a prescribed process.

Section 21 of the Municipal Finance Management Act (MFMA), 2003, dictates that the Mayor of a Municipality must at least ten (10) months before the start of the budget year, table in the Municipal Council, a time schedule outlining the key deadlines for:-

- The preparation, tabling and approval of the annual budget;
- The annual review of the integrated development plan in terms of Section 34 of the Municipal Systems Act;
- The annual review of the budget related policies.

Equally, the Municipal Finance Management Act, 2003 requires that a Municipal Council align the budget processes with the integrated development plan, and further dictates that the review process be consistent with the medium-term revenue expenditure framework (MTREF) over a period of three financial years in tandem with the strategic objectives and priorities of a Municipality. In addition, the Municipal Finance Management Act, 2003 dictates that the expenditure commitment and the revenue streams must be taken into account when the review of the integrated development plan and budget processes of a Municipality is undertaken. In essence, the review of the Integrated Development Plan and Budget Process Review must be underpinned by the following aspects:-

- Spatial Development Framework
- National and Provincial Context
- District and Local Analysis
- Local Government Strategic Agenda
- Local Government Turn-Around Strategy and Medium-Term Strategic Framework
- Medium-Term Revenue Expenditure Framework

It is against this background and context that as Koukamma Municipality, we are required by the Constitution of the Republic of South Africa and other related pieces of law within the ambit of Local Government, to undertake the review of the Integrated Development Plan which is aligned to the Budget Processes.

## **1.5.7 FORMATION OF THE ORGANISATIONAL STRUCTURES**

### **1.5.7.1 IDP Steering Committee**

The IDP Steering Committee was functional and met several times to consider the IDP Review and Development of Koukamma Municipality for the next five years (2012-2017) in consultation with other role players. The IDP Steering Committee was comprised of the following members:-

- Mayor
- ANC Chief Whip
- Portfolio Head –Finance and Corporate Services
- Whip of DA
- Leader of DA Caucus
- Municipal Manager
- Directors
- IDP Coordinator
- Public Participation Coordinator
- Special Programmes Coordinator
- IT Manager
- Administration Manager
- Unit Heads
- Senior Accountant
- PMU Manager
- Water Service Manager
- Public Facilities and Environmental Service Manager
- Superintendent Traffic Services
- Fire Services Head
- Environmental Health Senior Practitioner
- Disaster Management Coordinator
- Koukamma Local Municipality
- Sector Departments

### **1.5.7.2 IDP Representative Forum**

The IDP Representative Forum was functional and held a series of meetings to consolidate the work of the IDP Steering Committee and further refined the submissions made by different stakeholders. The IDP Representative Forum was constituted of the following role players:-

- IDP Steering Committee
- Elected Councillors
- Ward Councillors
- Municipal Manager
- Directors
- Ward Committees
- Community Development Workers
- Community Based Organisations
- Rate Payers Association
- Religious Based Organisations
- Business Community
- Designated Groups (Local Youth Forum, Women Forum, People Living with Disabilities Forum)

### **1.5.7.3 Budget Steering Committee**

The Budget Steering Committee was functional and convened a number of sessions to consider the budget trajectory and its alignment of the IDP Strategic Objectives and Priorities based on the MTEF. The Budget Steering Committee formed by the following members:-

- Mayor
- ANC Chief Whip
- Portfolio Head-Finance and Corporate Services
- Whip of DA
- Leader of DA Caucus
- Municipal Manager
- Directors

### **1.5.7.4 Secretary's Support Services**

The Secretariat Support Services was functional and performed its responsibilities under the leadership of the Mayor and Management. The Secretariat Support Services was provided by the following members:-

- Lorisha Wogane
- Pumelela Mgwetyana
- Masixole Stokwe
- Mongameli Noma
- Chantel Synders
- Shandre Kettledas
- Patricia Dabaza

### 1.5.7.5 Classification of Structures and their Roles and Responsibilities

The classification of structures and their roles and responsibilities was developed and submitted as part of the IDP Process Plan which the Council adopted. The primary purpose of classifying the structures including defining their roles and responsibilities was to streamline the work and further ensure that the assigned functions were not blurred and also the lines of accountability were clear defined.

The tables below provides a summary of the structures or role players including their roles and responsibilities, however the process will be comprehensive, detailed and consultative to give meaning and value to the public participation processes and the legislative imperatives that inform and guide the review of the integrated development plan and budget planning.

<b>Structures/Role Players</b>	<b>Roles and Responsibilities</b>
1. Municipal Council	Approves and adopts the integrated development plan and budget review process plan, and is a supreme body and final arbiter in decision-making processes
2. Mayor	Politically drives and directs the budget and the integrated development plan review process and further ensures that organisational priorities inform the preparation of a budget. Chairs the IDP Steering Committee, the IDP Representative Forum and the Budget Steering Committee. Ensures adherence to the agreed timelines and delivery of the required outcomes.



3. Municipal Manager	As an Accounting Officer, the Municipal Manager coordinates and drives the process of implementation of the review of the integrated development plan and budget processes. Chairs and oversee the work of the officials in implementing the decisions of the Municipal Council, Mayor, IDP Steering Committee, IDP Representative Forum and Budget Steering Committee. Liaise with Sector Departments and further ensures alignment, integration and coordination of the IDP and Budget with Sector Plans.
4. IDP Steering Committee	To oversee and coordinate the planning processes, and further provide leadership on consultative processes within the institution as well as between the internal and external bodies or sector departments. To assist with the identification of information gap and its impact to the said processes. To ensure that IDP is aligned to the Financial Plan including meeting the legislative prescripts and set outcomes.
5. IDP Representative Forum	To enhance consultative and public engagement processes between the Koukamma Municipality and the external stakeholders. To promote local democracy and participation in the affairs of the Local Municipality and further improve the planning and budget processes with the local stakeholders and communities to ensure quality and speedy service delivery.
6. Budget Steering Committee	To manage and implement the budget process review and plans in conformity with the provisions of the MFMA and other related or applicable pieces of the law or regulations.

7. Management	To ensure overall planning, integration, alignment, coordination, implementation of the decisions of the Municipal Council, Mayor, IDP Steering Committee, IDP Representative Forum and Budget Steering Committee. To further provide technical and professional support services including streamlining of the planning processes.
8. Secretariat Support Services	To provide secretariat support services by ensuring recording of the proceedings and minute taking, production and distribution of agenda, invitations, arrangement of meeting venues and other related activities.

### 1.5.7.6 Public Participation Methodology

In line with the promotion and enhancement of local democracy, Koukamma Municipality shall employ a methodology that embodies the founding values of the Constitution of the Republic of South Africa, 1996 which encapsulate the human rights culture and public participation processes. Of relevance and significance, Koukamma Municipality shall use the different fora that are created as platforms of engagement, such as the Mayoral Imbizo, IDP Steering Committee, IDP Representative Forum, Ward Committee or Community Meetings, Community Based Planning Sessions, Sector Department Engagements or Inter-Governmental Relations Forum, Public Seminars, Media Institutions and Platforms, to name but just a few.

## Cycle of Stakeholders Engagement



### 1.5.7.7 Budget Planning and Linkages

Given the legislative obligations bestowed upon Municipalities, Koukamma Municipality is not an exception to the rule and as such it has committed itself to perform the review of its integrated development plan in a manner that ensures budget linkages as dictated by the Municipal Finance Management Act including Medium-Term Revenue Expenditure Framework as useful tools or instruments to guide the baseline financial projections, in terms of capital and operational expenditure over a three year budget cycle.

In ensuring the attainment of the outcomes of this process, a series of interventions are needed to promote prudent financial management practices and sound fiscal discipline, which will further inform the hard choices to be made in terms of the development priorities of Koukamma Municipality. This is premised within the context that Koukamma Municipality has a weak revenue base, and therefore its history of expenditure patterns warrant a careful examination to ensure strategic choices, better financial planning and management, appropriate application of service delivery options including the quality and speed of provision of basic services.

It is against this background and context that Koukamma Municipality has consciously positioned itself to undertake a myriad of activities guided by the policy choices and fiscal obligations, when it reviews its budget plan and also making the difficult but not insurmountable choices or decisions to ensure compliance with Section 152(2) of the

Constitution of the Republic of South Africa, 1996. In essence, this demands effective political oversight by the Municipal Council and its standing committees as well as better monitoring by the Mayor in relation to the submission of Section 71 reports to the Council and Provincial Treasury.

### **1.5.7.8 Programme Plan**

**Our programme plan had a range of activities covering the following aspects:-**

- Drafting the process plan of Koukamma Municipality for review.
- Tabling of the draft process plan before the IDP Steering Committee.
- Advertise on local papers and also on public notice boards, the review of IDP and Budget Process Plan for the information sharing and participation of local communities.
- Align and integrate the process plan for the IDP and Budget of Koukamma Municipality to that of the Koukamma Local Municipality.
- Presentation of the IDP-Budget Process Plan of Koukamma Municipality and the Framework Plan of Koukamma Local Municipality.
- Convene IDP Steering Committee to prepare for the meeting of the IDP Representative Forum.
- Convene an IDP Representative Forum to solicit the views and commitment of the role players in partnership with Koukamma Municipality.
- Convene the IDP Steering Committee to reflect and refine the work done by the IDP Representative Forum.
- Convene Ward Committee and Local Community Meetings
- Organise Ward Based Planning Workshops to prepare specific interventions that respond to short and medium demands of a ward.
- Convene Budget Steering Committee to guide budget planning and alignment of Koukamma Municipality and the Sector Departments.
- Convene IDP Steering Committee to review vision, mission, values, strategies, priorities and current projects.
- Convene IDP Representative Forum to consider the presentation of the review outcomes on the vision, mission, values, strategies, priorities, and current projects.
- Convene IDP Steering Committee to consider and refine the development strategies of Koukamma Municipality.
- Drafting of final amendments to draft budgets to ensure alignment with Cacadu District Wide IDP-Budget Plans.
- Convene Public Meeting as part of Local Community Consultative Processes on IDP-Budget Planning.

- Convene IDP Steering Committee to consider the obtained public comments, and further infuse or incorporate them into the final draft IDP-Budget Plan of Koukamma Municipality.
- Convene a Municipal Council to table a draft IDP-Budget Plan for the financial year 2012/2013
- Submission of the approved IDP-Budget Plan of Koukamma Municipality to the Koukamma Local Municipality including National and Provincial Treasury.
- Produce and distribute the approved IDP-Budget Plan for the financial year 2012/2013 of Koukamma Municipality to all local public places and website.

### 1.5.7.9 Planning Approach

This document reflects the Integrated Development Plan (IDP) of Koukamma Municipality for the 5-year period 2007 – 2012 (review cycle 2010). IDPs are compiled in terms of the requirements of chapter 5 of the Municipal Systems Act (Act 32 of 2000). Section 25 of the Municipal Systems Act (Act 32 of 2000) stipulates that:

“Each municipal council must, within a prescribed period after the start of its elected term, adopt a single inclusive and strategic plan for the development of the municipality which -

- links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;
- aligns the resources and capacity of the municipality with the implementation of the plan;
- forms the policy framework and general basis on which annual budgets must be based;
- complies with the provisions of the Chapter; and
- is compatible with National and Provincial development plans and planning requirements binding on the municipality in terms of legislation.”

As far as the status of an integrated development plan is concerned Section 35 states that an integrated development plan adopted by the council of a municipality –

- is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development, in the municipality;
- binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between a municipality’s integrated development plan and national or provincial legislation, in which case such legislation prevails; and

- (c) binds all other persons to the extent that those parts of the integrated development plan that impose duties or affect the rights of those persons have been passed as a by-law”.

**Section 36 furthermore stipulates that –**

“A municipality must give effect to its integrated development plan and conduct its affairs in a manner, which is consistent with its integrated development plan”.

**1.5.7.10 Budget Process Plan**

The draft budget which contains financial projections for the two outer years as per the Medium Term Expenditure Framework (MTEF) encapsulates long term economic and infrastructure investment which shows broad outline and sustainable allocation of resources, which is aligned to the draft IDP objectives and priorities.

The budget process plan was engaged through the budget steering committee wherein the different streams of revenue were considered including the operational budget within the context of the IDP Strategic Objectives and Priorities. It further considered the proposals of the two outer financial years based on the medium term revenue expenditure framework.

## CHAPTER 2: OVERVIEW OF KOUKAMMA MUNICIPALITY

### 2.1 GEOGRAPHICAL PROFILE

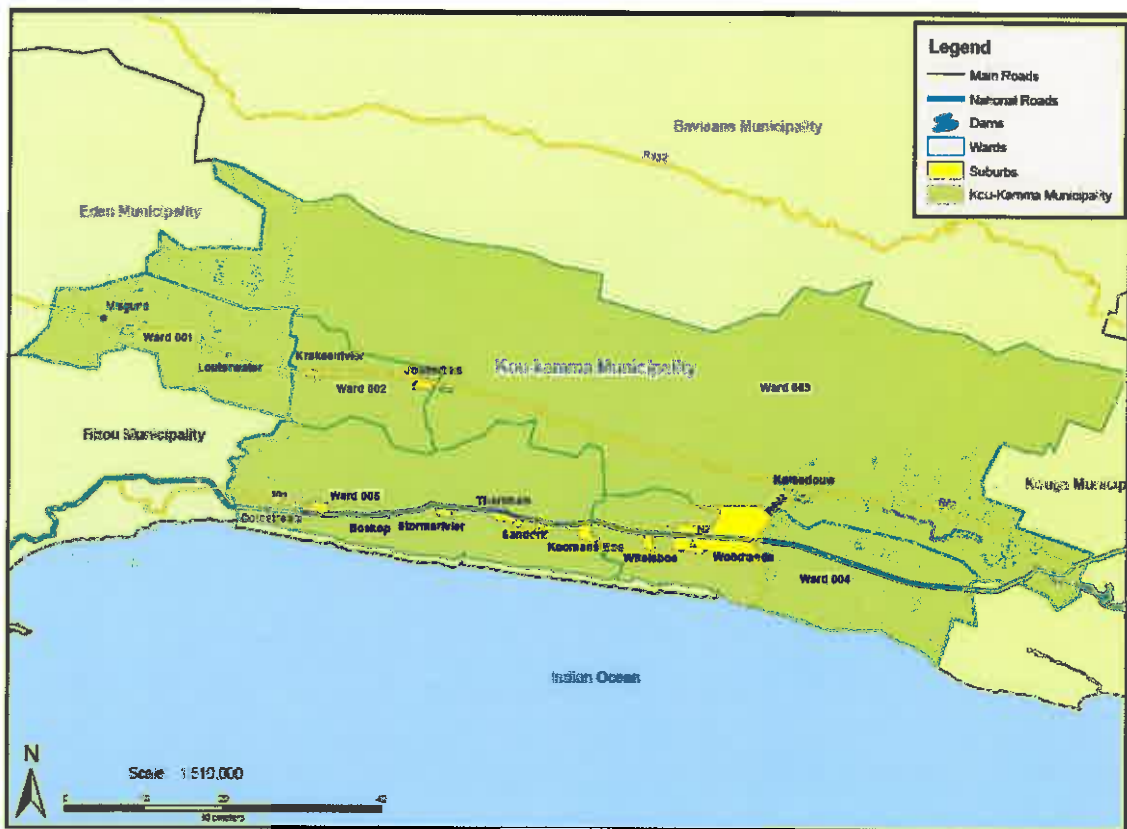
The Kou-Kamma Municipality is located in the Koukamma Local Municipality which is part of the Eastern Cape. The KLM is bordered by three local municipalities: the Eastern Cape Municipalities of Kouga, to the east, and Baviaans, to the west, and the Western Cape Local Municipality of Bitou to the west. The Kou-Kamma Municipality, which consists of six wards, is predominantly a rural Municipality. Key features of the region are: the Storms River National Park; the N2 and R62 road linkages; fruit farming in the Langkloof; forestry, dairy and mountains in Tsitsikamma, the shared border with the Baviaanskloof Mega Reserve, the Bloukrans Bridge and Paul Sauer Bridge. The area is made up of a Coastal Zone known as Tsitsikamma, and the Inland referred to as Langkloof. The primary nodes in KLM are Kareedouw (administrative arm and connected to Langkloof route), Cold Stream/StormsRiver/Sandrift/Clarkson/(tourism, arts, culture, museum and heritage route) including Joubertina/Ravinia/Tweeriviere (agricultural route).

**Map 2.1: The Location of Koukamma in the CDM**



Map 2.1 indicates the location of the Koukamma Local Municipality, its position in the Koukamma Local Municipality and its position in relation to surrounding Local Municipalities.

**Map 2.2: Map of the Main Roads and Towns in Koukamma**



Map 2.2 also indicates the location of the Kou-Kamma Local Municipality, its roads, the position of its main urban centres, secondary nodes and wards.

## 2.2 SOCIO-ECONOMIC PROFILE

The socio-economic characteristics of any localised population are fundamental to the overall performance of a Local Municipality, not only of the economy within which they are active, but also the larger regional economy. Characteristics associated with the socio-economic profile of a community include, but are not limited to, various indicators that have direct bearing on:

- Employability;
- Disposable Income;
- Access to Amenities.

It is important to explore these indicators. Therefore, this section provides an overview of the socio-economic perspective of the Kou-Kamma for the purposes of exploring the underlying fundamentals of the socio-economic and demographic characteristics of the population and integrating the identified issues into economic considerations. This section is discussed under the following sub-sections:

- Population Profile;



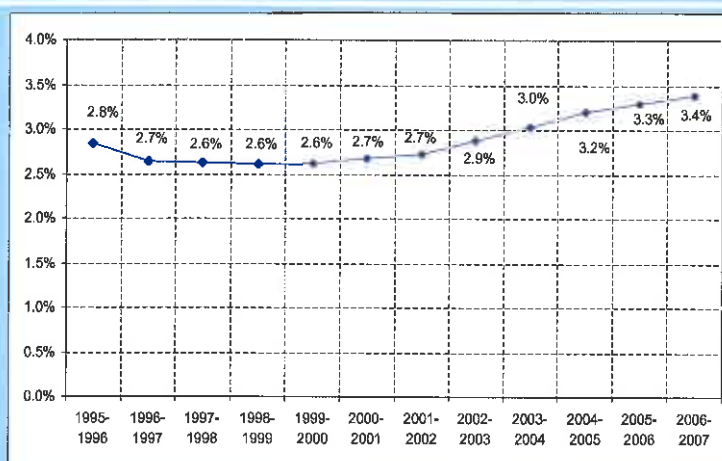
- HIV and AIDS;
- Education Profile;
- Occupation Profile;
- Living Standards Measurement Profile;
- Household Wealth Profile;
- Provision of Free Basic Services;
- Synthesis.

## 2.2.1 Population Profile

Kou-Kamma is a sparsely populated region compared to the Eastern Cape Province. The population of Kou-Kamma was estimated at approximately 43 780 in 2007 (Community Survey 2007). This figure accounts for 11.2% of the Koukamma Local Municipality population and 0.6% of the Eastern Cape's population. The area spans 3 575.17 km<sup>2</sup> and falls within the Koukamma Local Municipality.

According to Census 2001 the areas which was then home to the largest portion of the Kou-Kamma LM population was Joubertina, 16.6% of the municipality's population, and Kareedouw who had 11.4% of the municipality's population. Population density represents the number of people per square kilometers. Kou-Kamma is the only predominantly rural municipality in the District, with only one quarter (25.45%) of the population being urbanised. The population density of Kou-Kamma is 11 people per km<sup>2</sup> compared to the district population density of 6.2 people per km<sup>2</sup> and the Eastern Cape's 38.6 people per km<sup>2</sup> (Community Survey 2007).

**Figure 2.2.1: Population Growth Rate**



Source: Urban-Econ EC Calculations based on Quantec

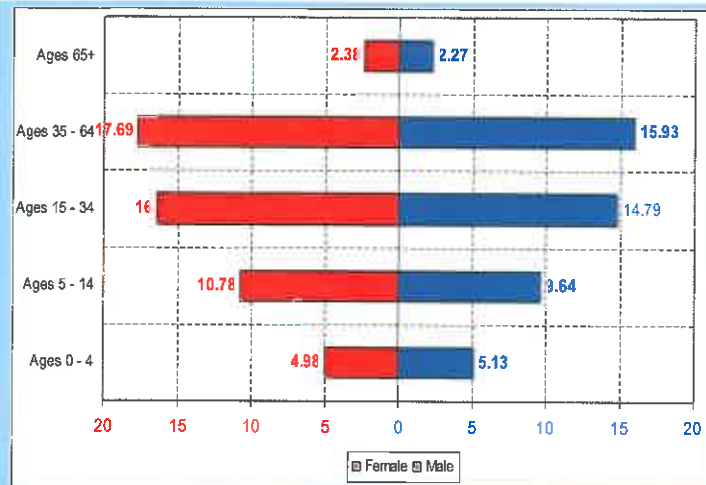
- The population growth rate for the KK is 2.9% over the period 1995-2007.
- The growth for the local municipality has been increasing over the past decade and it is higher than the KKM average population growth rate (0.4%). This could be partially because of increased migration to the area.

- The area also experiences seasonal migration to the Langkloof by agricultural workers during the fruit picking season.

## 2.2.2 Age and Gender Structure

The population age and gender structure is important demographic indicator. The population structure is an indicator of the potential size of the labour force. Future implications for the structure on the labour force can be identified.

**Figure 2.2.2: Age and Gender Structure**



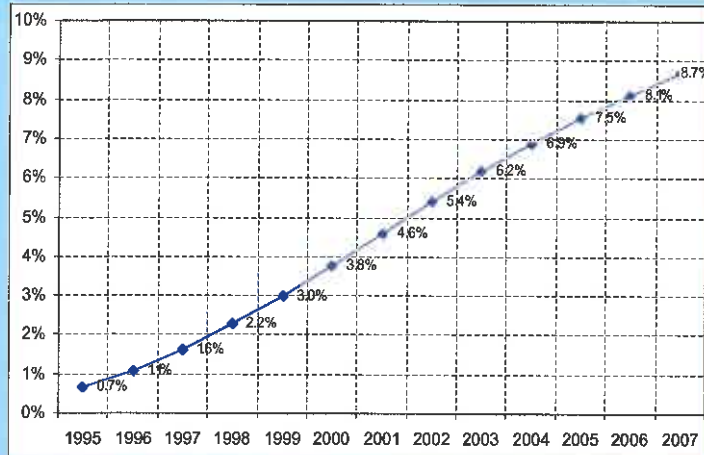
Source: Community Survey 2007

- Approximately 65% of the KK population falls within the economically active population (EAP) range. 35% of the population, who are children below the age of 15 and the elderly who are older than 65, are dependent on the economically active population for their subsistence.
- In terms of gender the LM has a fairly equal distribution as measured at 48% male and 52% female.

## 2.2.3 HIV/AIDS

In 2007 the Kou-Kamma Local Municipality had an estimate of 3 554 people who were infected with HIV/Aids, this being 8.7% of the LM's total population (Quantec, 2007). It must also be noted that the figures for HIV/Aids statistics are potentially inaccurate because of the stigma attached to HIV/AIDS and people's lack of awareness of their status.

**Figure 2.2.3: HIV/AIDS Growth as percentage of population**



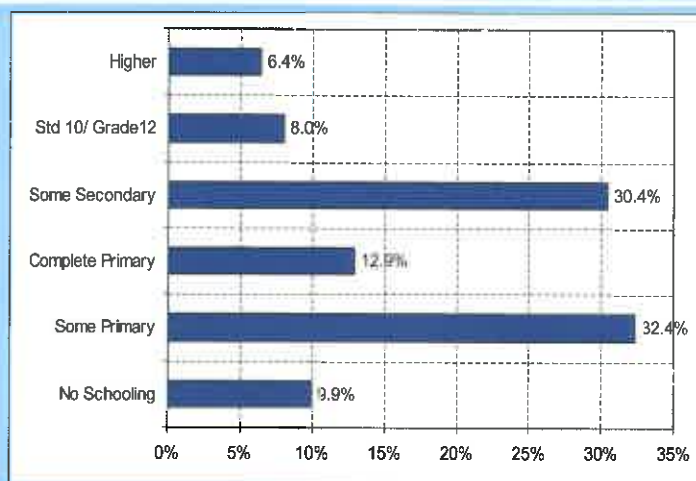
Source: Urban-Econ EC calculations based on quantec, 2009

- There has been a steady growth in the epidemic over the period of 1995 - 2007.
- The LM's HIV/Aids average growth rate, of 4.6%, is below that of the Eastern Cape Province's growth rate which is 6.5%.

### 2.2.4 Level of Education

A key dimension that directly influences the potential employability of community members is their educational background and level of skills that they possess. The level of education and skills within a region impacts on many factors, including: the productive efficiency of investments (e.g. health, capital), employment potential, the gender gap and productivity and income levels. Education is therefore acknowledged as being inextricably linked to the economic development of an area and to a growing middle class.

**Figure 2.2.4: Level of Education**



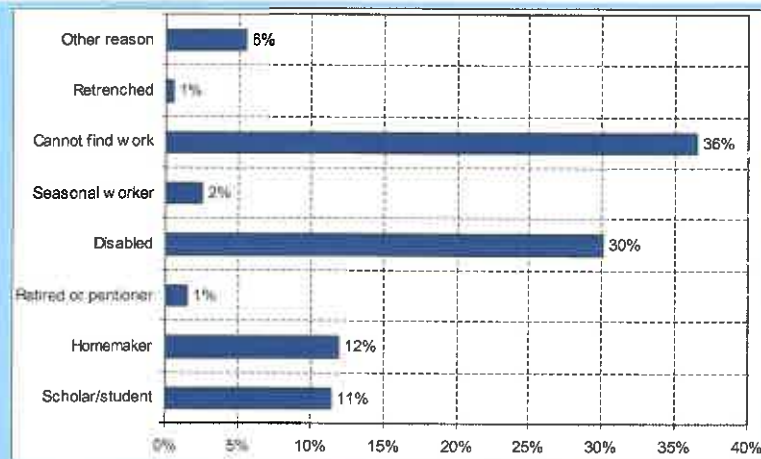
Source: Community Survey 2007

- 14.4% of the population have an education level of grade 12 or higher.
- Some primary education accounts for 32.4% and some secondary education accounts for 30.4% of the population.
- Higher Education level is below the provincial percentage of 9.7% and below the 12.6% of the KKM. This shows the region's inability to attract or retain individuals with Higher Education.

- The LM has the lowest percentage of individuals with no schooling (9.9%) compared to the KKM (12.3%) and the Eastern Cape Province (16.2%).

## 2.2.5 Employment Status

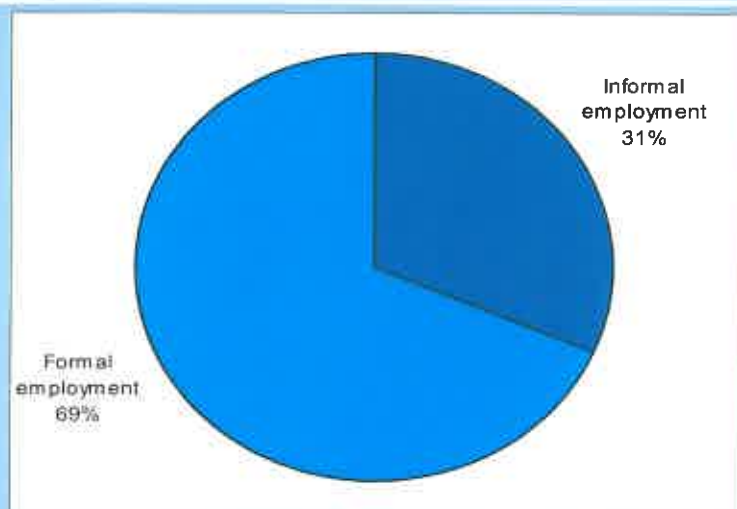
**Figure 2.2.5: (a) Reason for Not Working**



Source: Community Survey 2007

- Of the 9039 people who are not economically active, approximately 36% could not find work. The district and provincial figures for this same category are higher, 45% and 43% respectively.

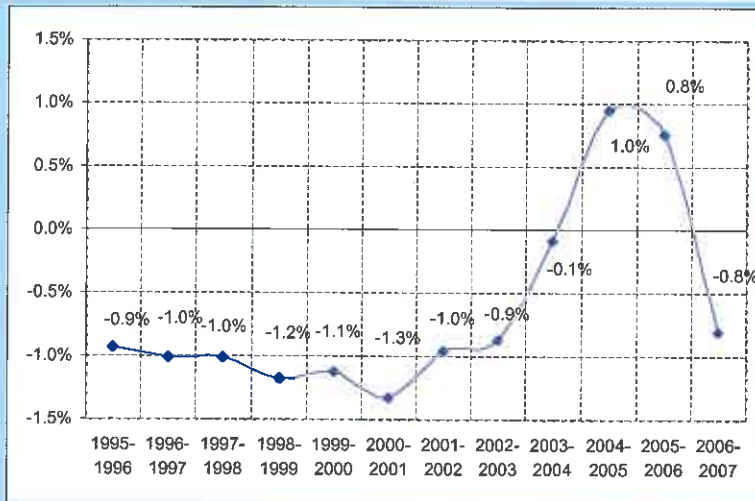
**Figure 2.2.5: (b) KKLM informal and formal employment**



Source: Quantec - Standardized Regional Market Indicators, 2007

- Formal employment in the KKLM is 69% and informal employment in the region is 31%.

**Figure 2.2.5: (c) Formal Employment Growth**



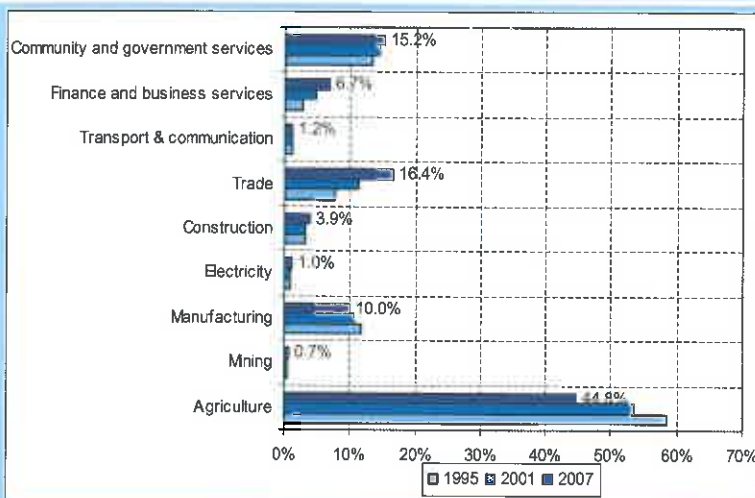
Source: Quantec – Standardized Regional Market Indicators, 2007

- The average formal employment growth rate for the Kou-Kamma Local Municipality is -0.6%.
- The LM experienced positive growth was during the 2004 – 2006 period. The growth rate in 2007 was negative 0.8%.
- Employment growth rate has dropped since 2004.

## 2.2.6 Formal Employment Per-Sector

Formal employment is measured as the total number of individuals employed at a registered business. A formal business is defined as a business that is VAT (value added tax) registered and pays tax to the relevant authorities. Informal employment relates to those economic activities that are not VAT registered. Most informal employment falls within the Trade, Agriculture and Construction sectors of economic activity.

**Figure 2.2.6: Formal Employment Per Sector**



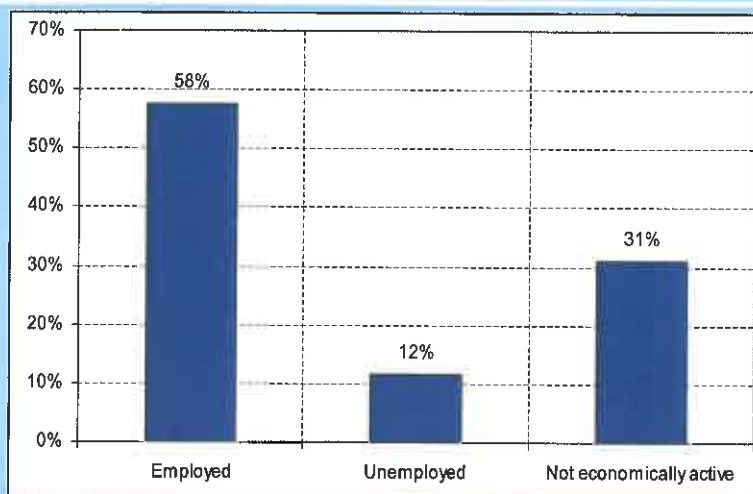
Source: Quantec – Standardized Regional Market Indicators, 2007

- The agriculture sector is the biggest formal employer in KK (44.8%) in 2007. This is consistent with the fact that the LM's economy thrives on its agriculture sector and that the sector is very labour intensive. However, the employment in this sector has also decreased over the period 1995 – 2007.

- The second largest contributor to formal employment is the trade sector (16.4%), which has experienced significant growth (the largest growth of all the sectors) over the period 1995 – 2007.
- Community and government services are the third biggest contributor to formal employment, 15.2%. This is significantly lower than in other areas of the province where Community and Government Services is the main employer.

The unemployment and employment levels within the project area are important to investigate, because the income generated from economic activities are employed to purchase goods and services within the local economy which should then lead to a multiplier effect which in turn provides various spin-offs for the LM. In addition, high levels of unemployment are generally associated with poor socio-economic conditions and poverty.

**Figure 2.2.7: (a) Employment Status**



- Of the potential labour force (between the ages of 15-65), of which 58% are employed, 31% are not economically active<sup>2</sup> and 12% are unemployed<sup>3</sup>. The LM outperforms the EC and KKM with regard to employment statistics.

*Source: Community Survey 2007*

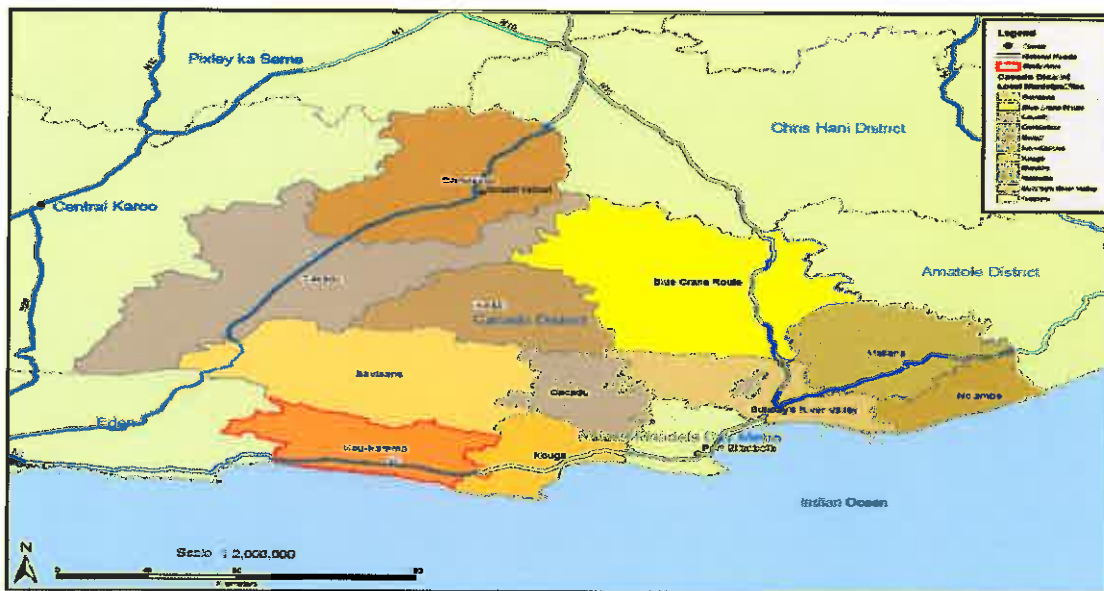
- EC has an employment rate of 30% and the KKM's employment rate is 41%. Although this LM has a relatively high employment rate, most of this employment is in the agriculture sector, which employs mostly unskilled labour and pays relatively low wages.

<sup>2</sup>Not economically active (i.e. A person who is in the working age category who is not working and not seeking work or not available for work).

<sup>3</sup>Unemployed (i.e. Those people within the economically active population who: did not work during the seven days prior to the interview; want to work and are available to start work within two weeks of the interview; and have taken active steps to look for work or to start some form of self-employment in the four weeks prior to the interview.).

Figure 2.2.7 shows the employment levels of all Local Municipalities in the Koukamma Local Municipality. Kou-Kamma is the highest ranking LM regarding employment in the district.

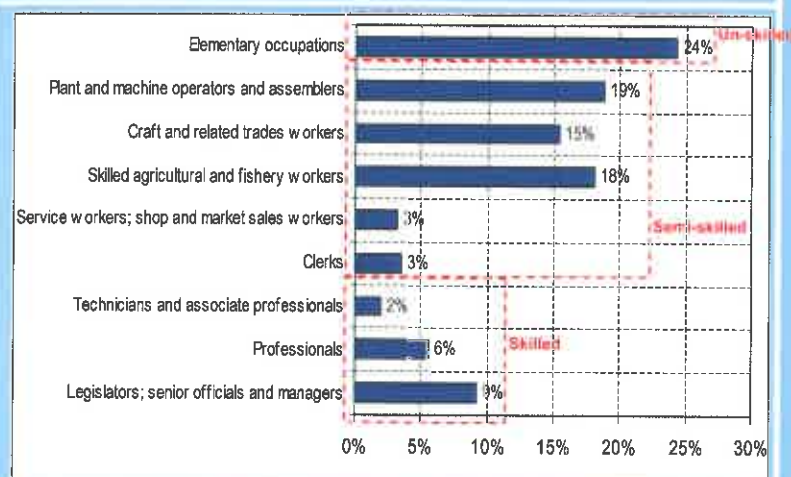
Figure 2.2.7: (b) Map of employment in the KKM



## 2.2.8 Occupation

The various occupations of the employed members of the population are illustrated in Figure 2.2.8 below.

Figure 2.2.8: Occupation



Source: Community Survey 2007

- 58% of the occupations are semi-skilled, which is a reflection of the relatively high levels of secondary education. There is a strong manufacturing, trade, forestry and agricultural sector in the region that requires semi-skilled labour.
- 17% of the occupations in KKM are in the skilled category.

- Of the employed segment of the Kou-Kamma population 24% are employed in elementary occupations, characterised as unskilled and low paying jobs. The LMs elementary occupation figures are in same range as the district (23%), provincial (25%) and country's (20%) figures which all show that

elementary occupations are the largest occupational positions in South Africa. Here emphasis must be made on the agriculture sector being the biggest employer of unskilled labour. However, not all employment in the agriculture sector of Kou-Kamma is unskilled labour. The forestry sector for example employs only a few semi-skilled and skilled labours. Unskilled labour is predominately in the dairy and fruit sectors.

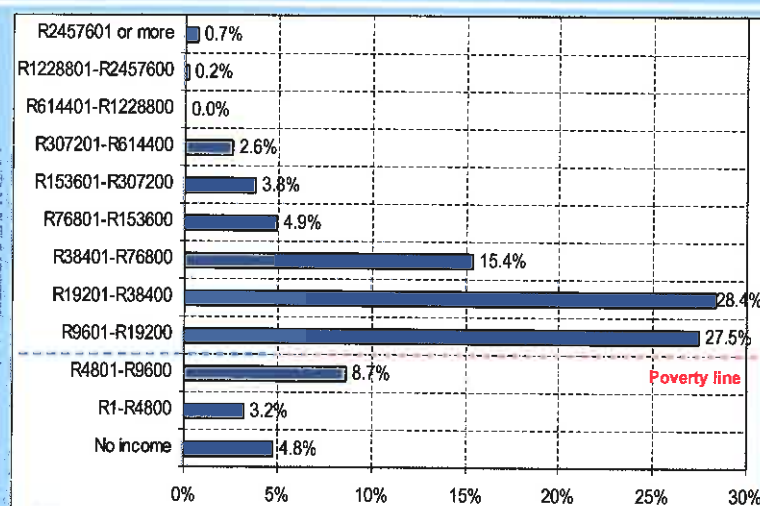
## 2.2.9 Average Household Income

Household income is defined as the combined income of all members of a household. The determination of the income includes:

- Labour remuneration
- Income from property
- Transfers from government (including pensions)
- Transfers from incorporated businesses
- Transfers from other sources

These transfers and remunerations compose the buying power of the household. Figure 2.2.9 illustrates the distribution of annual household income in the Kou-Kamma Local Municipality.

**Figure 2.2.9: Annual Household Income**



Source: Community Survey 2007

- The percentage of households in KK which live below the poverty line of R800 a month (or R9600 annually) is 16.7% for the year 2007.
- The majority of the households (71.3%) in the KK earn a monthly income between R800 - R6,400. This then leaves a small portion of the households (12%) earning a monthly income greater than R6,400.

■ The average weighted income (AWI) for the LM was R 7,653, this was higher than the Cacadu DM (R6, 398), the Eastern Cape (R4, 628) and South Africa's (R7, 342) averages (Community Survey and Urban-Econ EC Calculations 2009).

■ From the above information it is clear that for 16.7% of population who fall below the poverty line interventions are required to improve their quality of life. However Kou-Kamma has a smaller percentage of its population under the poverty line than other Local Municipalities within the Eastern Cape.



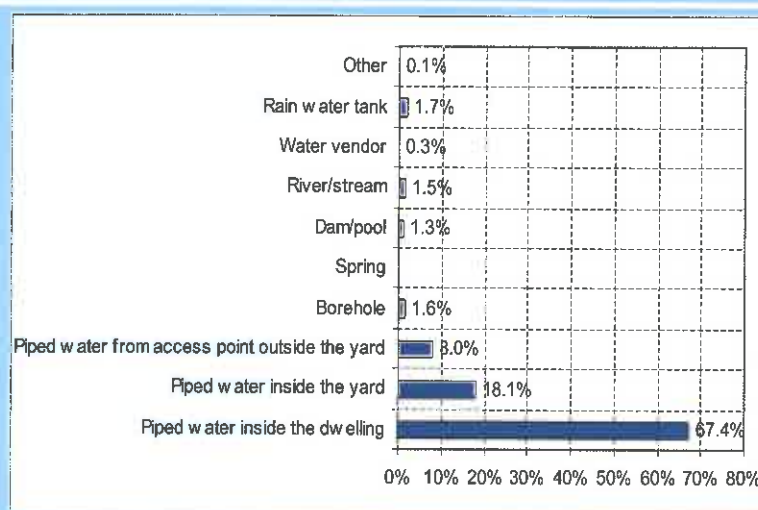
## 2.2.10 Provision of Free Basic Services

Municipalities must ensure that people in their areas have at least basic services required to live a dignified life. These services include, but are not limited to:

- Water supply
- Sanitation
- Electricity

These services have a direct and immediate effect on the quality of the lives of the people in a community. For example, if the water that is provided is of a poor quality or refuse is not collected regularly, it will contribute to the creation of unhealthy and unsafe living environments. Poor service delivery can also make it difficult to attract business or industry to an area and therefore limits job opportunities for residents.

**Figure 2.2.10: Water supply to households in Kou-Kamma**

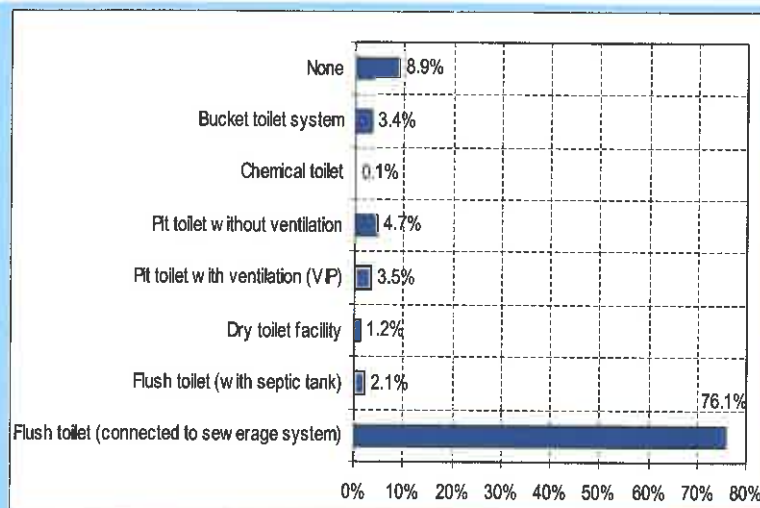


*Source: Community Survey 2007*

- 7% of the total households in Kou-Kamma are dependent on alternative sources to water supply such as: borehole (1.6%), rain-water tank (1.7%), dam/pool/stagnant water (1.3%) and river/stream (1.5%).
- The graph indicates the infrastructure available to households which provides the households with the water. The reliability and supply of water however has been compromised due to poor maintenance of water infrastructure. The recent drought experienced in KK has caused dams to dry up therefore further constraining water supply.

- 67% of the Kou-Kamma households have access to piped water within their dwelling place. This average is higher than the provincial average of 30% and the district average of 62%.
- A further 18% of households have access to piped water inside their yard, while 8% of households rely on piped water from a community stand.

**Figure 2.2.11: Sanitation facilities for households in Kou-Kamma**



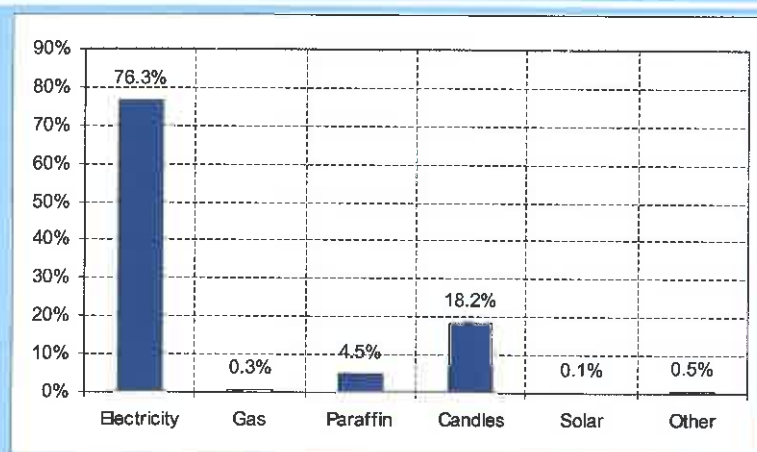
*Source: Community Survey 2007*

- Majority of the sanitation in the KK is made up of unfavourable sanitation systems which are pit latrine without ventilation (4.7%), no form of sanitation (8.9%) and bucket latrine (3.4%) and chemical toilets (0.1%).
- Although delivery of services to the residents of Kou-Kamma is high the quality of the water and sanitation services provided are poor or in some cases have collapsed. This is not captured in the statistics.
- Poor maintenance of infrastructure by the municipality and drought has resulted in some services being suspended and residents face health risks.

**Findings**

Majority of the households, 76.1%, in the KK have access to flush toilets which is connected to a sewerage system. This is 25.3% higher than the Census 2001 figure of 50.8%. 2.1% of KK households have access to a flush toilet that's connected to a septic tank.

**Figure 2.2.12: Source of Energy for households in Kou-Kamma**



*Source: Census 2001*

- A large percentage of KK households (76.3%), have access to electricity as a source of energy. This is higher than the EC average of 50%.
- In the KK 23.7% of households rely on alternative sources of energy such as candles (18.2%) and paraffin (4.5%).
- Energy supply to Kou-Kamma households has been adequate however this supply is often unreliable. There is still a high demand for electricity in the region especially by businesses, particular rural areas and future development projects such as the high housing backlogs which require electrification.

## 2.2.13 Synthesis

**Table 2.2.13: Kou-kamma Local Municipality Synthesis Table**

VARIABLE	DESCRIPTION
<b>Population</b>	<ul style="list-style-type: none"> <li>• 43,780 in 2007 (Community Survey, 2007)</li> </ul>
<b>Population Density</b>	<ul style="list-style-type: none"> <li>• 11 persons per square km<sup>2</sup>.</li> <li>• Cacadu = 6.7 persons per square km<sup>2</sup>.</li> <li>• Eastern Cape = 38.6 persons per square km<sup>2</sup>.</li> </ul>
<b>Age Profile</b>	<ul style="list-style-type: none"> <li>• 30% are under 15 years old.</li> <li>• The largest group based on age group is 35 to 64 years old, making up 34% of the population.</li> </ul>
<b>HIV/AIDS</b>	<ul style="list-style-type: none"> <li>• In 2007, 8.7% of the LM population is infected with HIV/AIDS.</li> </ul>
<b>Level of Education</b>	<ul style="list-style-type: none"> <li>• 9.9% have no education.</li> <li>• 14.4 have an education that is equal to and higher than grade 12.</li> </ul>
<b>Level of Employment</b>	<ul style="list-style-type: none"> <li>• 57% are employed. Relatively high employment rates compared to EC.</li> <li>• 31% are not economically active.</li> </ul>
<b>Occupation Profile</b>	<ul style="list-style-type: none"> <li>• 24% unskilled.</li> <li>• 58% semi-skilled.</li> <li>• 17% skilled.</li> </ul>
<b>Formal Employment per Sector</b>	<ul style="list-style-type: none"> <li>• 44.8% are employed in the agriculture sector.</li> <li>• 16.4% are employed in the trade sector.</li> <li>• 15.2% are employed in the community and government service sector.</li> </ul>
<b>Monthly Household Income</b>	<ul style="list-style-type: none"> <li>• Average weighted household income (AWI) is R 7, 663 for the Kou-Kamma LM (Community Survey, 2007).</li> <li>• 16.7% of the household in the region live below the poverty line of R 800.</li> <li>• 71.3% of the household in the region earn a monthly income between R 800 and R 6, 400 per month.</li> </ul>

The Kou-Kamma region has the lowest unemployment rate in the Eastern Cape, boasting an employment rate of 58% for 2007. With levels of 'no schooling' being relatively low at 9.9%, the majority of Kou-Kamma's population have a basic education, 57.7% having an education level which is higher than primary school. This is supported by the fact that 58% of the occupations in the region are semi-skilled occupations. These facts show that the region has a good labour force potential which could be utilized for future economic development within the region.

Kou-Kamma's economy is driven by agriculture, trade and manufacturing, based on the forestry sector. These two sectors have over the years been the LM's main formal employers, collectively employing 54.8% of the region's labour force in 2007. There are signs indicating that the region's tertiary sector is becoming a bigger role player in the Kou-Kamma economy, with the trade sector having the highest increase in employment from 1995 to 2007, 8.7%. The community and government services sector's employment contribution shows a positive feature of employment, which is, the region has a low dependence on government initiatives or the public sector for employment.

With 88% of the households living on a monthly income below R 6, 400 a month the standard of living in KKLm can be considered to be generally low taking into account the high prices on consumption goods e.g. food and petrol. Mention must be made however that these figures are considerably better than those of other LMs in the Eastern Cape. Provision of basic services infrastructure to households is relatively high. However the supply of these basic services has been compromised due to poor basic services infrastructure maintenance and the many services are near collapse.

## **2.3 SITUATIONAL ANALYSIS**

### **2.3.1 Corporate Services**

#### **(a) Employee-Wellness**

##### **(i) Occupational Health and Safety**

Koukamma Municipality needs to comply with the requirements of the Occupational Health and Safety Act of 1993, and regulations, to provide for the Health and Safety of all persons at work. The Municipality sent a total of 20 employees on a health and safety course and all of them are now able to investigate injuries and determine preventative measures and necessary action to rectify below standard work environment and employee behaviour. This is evident from the recent Louterwater inspection, where problem areas were identified and recommendations were made. A Health and Safety committee was established and consists of a Chairperson, Deputy Chairperson, secretary, Community Liaison and an organizer. This committee is responsible for identifying health and safety hazards and bringing it under the attention of management for corrective actions. The committee meets once a month and the minutes of these meetings goes into management, corporate services standing meeting which in turn goes into council meeting.

This Health and Safety committee has recently decided to elect ten (10) employees from our different satellite sites to undergo first aid training. This initiative is of vital importance, not only for compliance purposes but also for the safety of our staff. The election of the employees to undergo this first aid training was based on the different satellite sites in order for us to have a first aider on each site. So when something happens, immediate assistance could be offered. Another important aspect with regard to the health and safety of all employees is the fact that some of our workers work under dire situations that have some possible health hazards. Some of these are our sewerage workers. To ensure that our sewerage workers are healthy and stay that way, we have organized quarterly doctor's visits whereby they would undergo a full medical to ensure that they are still in good health.

### **(ii) Employee health and well being**

Koukamma Municipality identified 4 strategic areas of employee health and wellbeing, namely: HIV & AIDS Management; Health & productivity; Occupational health & Safety Management; Wellness management. Preparations are in place for our employee wellness launch that will focus on these strategic areas of employee wellness. HIV and AIDS Management – Focus is more on education (Condoms, voluntary testing, mobile clinic). Health and productivity – Focus is on education (coping with stress and mental illness; IDD's; incapacity due to ill health). Occupational health and safety Management – focus on education (Department of labour). Wellness management – focus on education (Weight control and good nutrition; alcohol abuse; financial wellness and spiritual wellness). Human resources section is still working on the outline of the employee wellness launch where all the key stakeholders will be involved. Some of the key stakeholders are department of labour, department of health, love life, South African Local Governments Association, Alcoholics Anonymous, Liquor Board, ABSA, Old Mutual, Council of Churches, local NGO'S and Virgin Active.

### **(b)Skills Development**

Skills Development Act is aimed at developing strategies and improving the workforce, Koukamma Municipality has training plan for 2011/2012 which sets out the training needs of all employees and the plan was submitted to the training committee for consideration and approval, which was approved

### **(i) ABET**

Koukamma Municipality have entered into a service level agreement with Media Works Interactive Tutor Cape (Pty) Ltd, providing computerized communication in English level one, two and three and numerous studies to employees who were previously

disadvantaged, and didn't get opportunities of getting good quality education. This is provided by as ABET.

**(ii) Learnerships**

There is Water Quality Management learnership which is in NQF3 level, with sixteen (16) learners participating in it. We are supposed to roll out Road Construction and Community House Building with fifty (50) learners in each in 2011/2012 financial year, the Municipality is waiting for the response of LGSETA, as they will be the funders.

**(iii) Internship**

Finance Department has three (3) interns and the Human Resources Department has one intern and all are funded by National Treasury through the Financial Management Grant (FMG)..

**(iv) Organisational Development-Education and Training Development Practices**

This is a learnership of education and development, sponsored by the LGSETA, and two of our employees are attending this program.

**(v) Certificate Program in Management Development (CPMD)**

Most of Directors and Middle Managers have registered for this program, some of them are currently attending it in JHB, those who have not yet attended are going to attend at NMMU, and we are awaiting the Registration form from the Business School at NMMU.

**(vi) LGAC**

Six of our clerks/cashiers have attended this training, and one did not finish, and only two from the five have graduated, and the other three of our cashiers have registered for the next intake.

**(vii) Project Management (NQF6)**

Koukamma has sent two officials to attend this course for five days.

**(viii) First Aid**

On the 07 December 2011, Koukamma will be training 16 employees for this course, ten from the sixteen were elected from the health and safety committee meeting and the six indicated a need of the Training by the time the Skills Audit was done.

**(viii) Assessor Training**

LGSETA have invited all the Municipalities to Forward names of officials to be trained for the above Training, four names are to be submitted by Koukamma. There are Trainings

that are still pending for November/December 2011; The Municipality is aiming at giving all Training needed to all Departments by the financial year end, mostly those departments who directly provide service delivery.

### **(c) Performance Management System**

Performance management policy has been approved by the Council. All Managers of section 56 and 57 have signed performance Agreement and Performance plans. In addition all middle managers have entered into performance agreement with Council. Personal Development Plans have been developed for section 56 and 57 managers as well as middle managers. As per Municipal regulations on minimum competency levels, stipulated on the Finance Management Act, 2003 Municipal Managers must be developed to contribute to the successful functioning of the Municipality. Koukamma Municipality requested competency Assessments for All Managers of section 56 and 57 as well as middle managers. Assessment took place on the 11, 12 and 27 July 2011, conducted by Ms Hyacinth Leboane who is a clinical psychologist from NMMU.

The managers were assessed on the following:-

- Strategic Leadership and Management
- Strategic Financial Management
- Financial Management
- Governance, Ethics and Values in work place/ Financial Management
- Financial and Performance Reporting
- Project Management
- Legislation, Policy and Implementation
- Stakeholder relations
- Supply Chain Management
- Audit and Assurance

### **2.3.2 Budget and Treasury**

#### **Income Statements**

	<b>2010/11</b>	<b>2009/10</b>
<b>INCOME</b>		
Government Grants	68 754 069	159 895 647
Assessment Rates	7 943 164	6 975 364
Service charges	14 554 633	14 505 861
Other Income	5 239 287	694 102

**Total Income** 96 491 153 188 320 974

**EXPENDITURE**

Salaries	22 929 819	23 221 537
Depreciation and impairment	22 768 115	23 105 885
General Expenses	10 291 482	11 594 696
Purchase of electricity	743 535	1 517 263
Purchase of water		
Repairs and maintenance	931 978	137 578
Capital Charges	153 700	
Grants and Subsidies	26 721 068	16 493 977
Loss on disposal of property		
<b>Total Expenditure</b>	<b>85 539 697</b>	<b>76 150 033</b>
<b>SURPLUS/-DEFICIT</b>	<b>951 4561</b>	<b>12 170 941</b>

**Income and Expenditure**

	<b>2010/11</b>	<b>2009/10</b>
<b>Total Income</b>	27 737 084	28 425 327
% Increase over previous years (excl grants)	-2%	31%
<b>Total Expenditure</b>	58 818 629	59 656 056
% Increase over previous years (excl grants)	1%	-13%
<b>Income as a % of expenditure</b>	<b>47%</b>	<b>48%</b>
<b>Salaries</b>		
% Of Income	24%	12%
% Of Expenditure	27%	30%
% Over previous years	-1%	-4%

**Grant Income**

% Of Income	71%	85%
% Over previous years	-57%	301%

**Grant Expenditure**

% Of Expenditure	31%	22%
% Over previous years	62%	95%



**Income and Expenditure:** In 2010/11 financial year 71% of our total revenue was government grants.

Income generated (excluding grants) only covered 47% of our expenditure (excluding grants) in the 2010/11 financial year, this is consistent with the previous financial year.

#### Balance Sheet

	2010/11	2009/10
<b>CAPITAL EMPLOYED</b>		
Statutory funds and reserves		
Accumulated surplus/deficit	167 091 573	148 012 546
Other	1 224 115	1 072 992
<b>Total</b>	<b>168 315 688</b>	<b>149 085 538</b>
<b>EMPLOYMENT OF CAPITAL</b>		
Fixed assets	202 293 469	186 229 536
Investments		
Long term debtors/other		
<b>Current Assets</b>	<b>26 373 938</b>	<b>11 235 814</b>
Debtors	10 084 069	3 523 842
Cash and short term investments	16 276 461	7 698 564
Other	13 408	
<b>Current Liabilities</b>	<b>60 351 719</b>	<b>48 379 812</b>
Creditors	60 351 719	48 379 812
Other	168 315 688	149 085 538
<b>Total</b>		

### 2.3.3 Technical and Infrastructure

#### (a) Water

Koukamma Municipality is a registered Water Services Authority and Water Services Provider. The key objective is to provide purified potable drinking water and water borne sanitation system to its residents. (37 000 people: Source: Census 2001).The Water section mainly deals with daily maintenance routines to ensure sustainability of the service.

Water is a specialized provision function ensuring that all residents and tourists are served sustainably. By doing this it promotes healthy lifestyle and ensure a clean and healthy environment. The Water section is mostly responsible for Water provision and includes the following:

- Water source management
- Maintenance of Water & Sewerage networks (reticulation level)
- Management of water loss control
- Water purification (In compliance with Water Act 1997)
- Facilitate community awareness campaigns.

A key challenge for Koukamma in terms of sustainable water services is the vast geographical area and the large number of settlements that requires water services. Koukamma has 52 water and sanitation plants (which include boreholes) that require maintenance and rehabilitation. Such a large operational responsibility places demands in terms of the required fleet needed for such operations. The major dam in the Koukamma Local Municipality is Loerie Dam which is supplied by the Kromme River. The water supplies are utilised for domestic use. This dam predominantly serves the Nelson Mandela Metro Municipality.

## **(b) Sanitation**

Sanitation is a specialized function which strives to provide households and businesses with well-maintained and reliable water borne sanitation systems. The sanitation section is mainly responsible for the following:

- Effluent control to nature (Standards)
- Facilitate community awareness campaigns. (WSA)

Apart from the challenge of installing appropriate levels of service, the operations and maintenance of the system represents a challenge. Communities complain that they wait up to two weeks to have sewerage problems attended to and as this poses health related risks solutions should be found to deal with this problem. Part of the solution needs to consider community awareness regarding their own practices that result in blocked pipes.

## (c) Roads

Include all activities relating to the maintenance of stormwater management systems, implementing stormwater maintenance plans and the upgrading of the municipal road infrastructure, ensuring a safe and acceptable road network. Roads and stormwater function is a specialized function focusing on:-

- continuous upgrading of municipal road / street network (200 km tarred / 20 km gravel) – regular damages caused by heavy timber and commercial vehicles.
- regular cleaning and developing of stormwater management systems

### (i) Strategic Objectives:

- To maintain all municipal tar roads to ensure safe access for public and tourists
- To maintain and develop public transport services, e.g. provide facilities & facilitate growth and development of transport, e.g. taxi ranks and access to transport
- To maintain all Gravel roads ensuring access to transport network linking each community and all public amenities and facilities, e.g. schools, clinics etc.
- To upgrade gravel roads to tarred roads to enable safe surfaces and to create new roads where it is needed, e.g. taxi – routes

### (ii) Public Transport

#### Taxi Facilities

According to the CDM Integrated Transport Plan a formal taxi rank does not exist in the Koukamma Local Municipality. There is an informal one in use.

#### Long Distance Bus Operations

Within the Cacadu district, there are no subsidized bus services. Bus services in the municipality are therefore limited to long distance bus operations on the main routes through the municipality. The routes, stops and schedule for the long distance buses are indicated in the table below.

Operator	Route	Road	Stops
City to City / Translux	Durban /Cape Town	N2	Storms River
	Cape Town / Durban	N2	Storms River
Greyhound	Durban / Cape Town	N2	Storms River
	Cape Town / Durban	N2	Storms River
Intercape	PE /Cape Town	N2	Storms River

		N2	Storms River
		N2	Storms River

Source: ITP data surveys 2010

### **Metered Taxis**

There are no metered taxis operating licenses that have been issued within the municipality.

### **Project Management Unit**

To eradicate Infrastructure backlogs as listed above business plans per project are drafted and sent to various institutions for assistance in terms of funding and capacity. These backlogs are then addressed per issue per project as described in business plans.

### **Performance Highlights**

- Identify Municipal Infrastructure Grant Capital Projects to improve basic service delivery to low cost housing developments.
- Develop & submit Municipal & Infrastructure Grant with monthly expenditure reports (Proof of Payments and Certificate of Expenditure) in terms of expenditure on all capital projects.
- Capture business plan on the MIS for registration and fund allocation purposes.
- Prepare three-year medium term expenditure framework (MTEF) and submit to National Municipal Infrastructure Grant (MIG) Offices.
- Monitor and evaluate construction works on active projects.
- Compile cash flow projections for Provincial & National MIG offices.
- Develop and submit annual Project Management Unit business plans to MIG national for approval.
- Facilitate tender and procurement processes in line with the Municipal Supply Chain Management Policy.
- Liaise frequently with appointed consulting engineers on active project status.

### **(d) Electricity**

This is a specialized function in terms of electricity provision. ESKOM provide electricity in bulk to Coldstream, Mountain View, Kagiso Heights and New Rest. The remainder of areas is serviced by ESKOM. The municipality is responsible for maintenance of distribution reticulation licensed areas in line with the National Energy Regulator (NER) including streetlights to designated areas.

### **Strategic Objectives:**

- To supply Electricity reticulation network to each home and business in Koukamma licensed areas
- To provide luminaries to communities in newly developed areas.
- Provision of electricity to existing Sports fields

### **Key Issues:**

- Maintenance of electrical infrastructure where Koukamma is the registered service provider.

### **(e) Building Services**

The building inspectorate function forms part of Town Planning, with the current institutional arrangement this is not possible. Therefore the function has been taken out from Town Planning for practical and functional reasons. The main purpose of the function is to give support to the community of Koukamma in terms of Building Plan approvals and control of illegal buildings as stipulated in the National Building Regulations of South Africa and to re-enforce of contravention of Building Regulations as provided for in the Act.

### **Strategic Objectives:**

- To control illegal dwellings and buildings
- To speed up building plan approval.
- Ensure quality of work delivered by contactors.

### **Analysis of the Function**

Planning and coordination was done by the head of department. The admission is done by one Building Inspector. The need for a second building inspector has been identified and needs to advertise as a priority.

### **2.3.4 Community Services**

The Community Services Directorate its main objective is to facilitate, regulate and monitor social development. The said directorate is responsible for the following functions:-

- **Environmental Health, Social and Cleaning Services** which its main objective is to plan, co-ordinate and provide health, welfare, environmental health and cleaning services and further perform other functions to ensure provision, monitoring and co-ordination of primary and environmental health services;

ensure provision, monitoring and co-ordination of welfare services such as poverty alleviation, shelter for destitute, HIV/AIDS and further provide monitoring of cleaning services.

- **Library Services and Public Amenities Unit** which its main objective is to render library services and maintenance of public amenities.
- **Protection and Law Enforcement Unit** which its main objective is to provide and maintain protection and law enforcement services and further perform other functions such as provision and maintenance of emergency services; co-ordination of fire fighting services and disaster management; provide and maintain law enforcement services around disaster and fire; provide traffic and pounding services as well as municipal security services.

### (a) Solid Waste Management

Waste Management consists of the collection, transportation and disposal of waste. The collection and transportation is done to a reasonable standard, however much more could be done for effective service delivery, especially since the region is running out of space to dispose waste. The Municipality currently serves more than 1 261 properties in Koukamma. Removal is done in all communities except for private villages (Lifestyle estates), such as The Amamfengu Reserves, Eerste Rivier Kruis, Thornham, Koomansbosch, Goesa, Hermanuskraal, Soekoeshoek and Golfing Estates. All removals are done by municipal employees, except for Kareedouw and surrounding areas, Mountain View, New Rest, Kagiso Heights, Assegaaibosch and Uitkyk, which is done by a contractor appointed and paid by the municipality. Street cleaning services are rendered in Kareedouw only where a private contractor is rendering the service. The following table illustrates the status of solid waste collection and disposal services in Kou-Kamma.

Local Municipality	Disposal Infrastructure	Waste Collection Infrastructure	Institutional Capacity and Human Resources	Management of Illegal Activities	Waste Minimisation
Koukamma	Six operational landfill sites at Krakeel, Joubertina, Kareedouw, Clarkson, Woodlands, Coldstream.	The age of the equipment (trucks) are problematic. They break frequently and is costly to repair. Community contractors are	Each refuse removal truck has one driver and three runners. Tip site operators are employed at the following	Illegal dumping is problematic within the municipal area	No formal recycling activities exist. Co-operatives have been established and is

	The site at Louterwater is currently non-operational.	engaged from time to time(as the situation is currently) to render the service on behalf of the Municipality. The service is rendered in Kareedouw(Central , Kagiso Heights, Mountain View, New Rest, Uitkyk, Assegaaibosch and Drie Krone) by a private contractor	sites only: Krakeel, Joubertina, Kareedouw, Coldstream.		expected to be in operation from December 2011.
--	---	---	---	--	---

According to the Statistics South Africa Community Survey 2007, 58.1% of households have access to a weekly refuse removal service. 4.7% of households have their refuse removed less often and 1.1% of households use communal refuse dumps. 26% of households have their own refuse dump within their households, 8% of households have no any form of refuse disposal system and 2.1% of households use any other form of waste disposal.

### **(i) Formal and Licensed Sites – Solid Waste Management**

There are currently seven existing land fill sites of which all are poorly operated and not properly managed due to the absence of the necessary equipment and shortage of trained personnel. There is a need to reduce the number of illegal dumping sites in the area. This brings to light the need for expansion of existing dumping sites and the development and construction of new waste disposal sites. The Implementation Programme recommends that full EIA's should be conducted when submitting applications to DEDEA in order to rehabilitate the Krakeel and Woodlands sites as well as for the continued operation of the Kareedouw and Clarkson sites. Refuse from Louterwater is currently not dumped at the dump site, but taken to Krakeel dump site. The Municipality is currently participating in the Tsitsikamma Recycling Forum discussions where recycling options are investigated. Smaller, informal recycling initiatives already exist in some areas. Co-operatives have been established in Krakeel, Joubertina, Kareedouw, Clarkson, Storms River and Coldstream with its main purpose to conduct recycling in Koukamma. These co-operatives are in the process of being registered in order to access donor funding. The seven refuse dump sites are as follows:-

### **Louterwater**

Authorised by DWAF and poorly managed.  
Currently not used. Refuse are dumped at Krakeel.

### **Krakeel**

Arrangement with private land owner and site not permitted, and managed by the farmer, but not according to legislation.

### **Joubertina**

Authorised and poorly managed.

### **Kareedouw**

Not authorized and poorly managed and an alternative site has been identified where to relocate the dump site. Cacadu undertook to assist with funding to undertake a study of all dump sites, including the establishment of a new dump site.

### **Clarkson**

Not permitted and poorly managed

### **Coldstream**

Permitted and poorly managed however recycling is done at a small scale in various areas. The Municipality has established a number of co-operatives in all wards and will assist with funding that will be made available from the Provincial Government in order that re-cycling can be conducted at a higher rate throughout Koukamma.

## **(b) Cemeteries**

The formation, conduct and control of facilities for the purpose of disposing of human and animal remains. There is no formal site to dispose of the remains of animals.



## Existing Capacity and Future Needs - Cemeteries

Ward	Settlements	Current spare capacity available (%)	Anticipated deaths 2005-2010 (SDF)	Raised as a priority issue in Ward meetings
1	Misgund	10%	Included as rural in 1476	Almost full. Has advertised for the fencing of the cemetery whereby it will be expanded. Cleaning done in August 2011. Busy cleaning remainder of cemetery.
	Louterwater	50%	271	Cleaning. Both the old and existing cemeteries were cleaned in August 2011. Busy cleaning a bigger portion of the cemetery whereby it will be expanded.
2	Krakeel	0%	194	Capacitated. In negotiations with adjacent land owner to purchase the land for expansion.
	Joubertina	50%	660	Fencing. Expanded Ravinia cemetery to the west. Invited quotations from service providers in order to fence and expand cemetery.

Ward	Settlements	Current spare capacity available (%)	Anticipated deaths 2005-2010 (SDF)	Raised as a priority issue in Ward meetings
3	Ravinia	40	660	Cleaning. Cemetery cleaned in August 2011. Busy cleaning the adjacent piece of land whereby the cemetery will be expanded.
3	Tweeriviere	40%	660	Two old cemeteries have been earmarked for cleaning in the second round of EPWP projects.
4	Kareedouw - New Rest	85%	427	Fencing. Cleaning done in August 2011. Busy cleaning remainder of cemetery. Invited quotations from service providers in order to fence and expand cemetery.
4	Kareedouw Uitkyk	50%		Fencing. Cleaning done in August 2011. Busy cleaning remainder of cemetery.
4	Kareedouw-Central	8%		Property of the Dutch Reformed Church, also managed by them.

Ward	Settlements	Current spare capacity available (%)	Anticipated deaths 2005-2010 (SDF)	Raised as a priority issue in Ward meetings
5	Clarkson	90%		Need bush clearance. Cleaning done in August 2011. Busy cleaning remainder of cemetery.
5	Eersterivier	40%	1476	Property of the Moravian Church Need bush clearance. Has identified this cemetery to be cleaned as part of the additional list of EPWP projects for implementation.
5	Woodlands	1%	194	Fencing. Cleaning done in August 2011. Busy cleaning remainder of cemetery. Invited quotations from service providers in order to fence and expand cemetery.

Ward	Settlements	Current spare capacity available (%)	Anticipated deaths 2005-2010 (SDF)	Raised as a priority issue in Ward meetings
5	Koomansbos	50% Average	38	Small cemetery sites on private(family) properties as well as on Moravian Church land. These private cemeteries have been earmarked as part of the additional list of EPWP projects for implementation.
	Guava Juice	Private Property		
	Wittekleibos	Private Property		
2	Coldstream	50%	193	Need to expand to adjacent Municipal land. Fenced off adjacent land hence expanding the cemetery.
	Stormsrivier	No cemetery	116	Record of Decision for establishing of cemetery on identified site has been re-issued by DEDEAT. Awaits the process of transfer of the land from SanParks to the Municipality.

Ward	Settlements	Current spare capacity available (%)	Anticipated deaths 2005-2010 (SDF)	Raised as a priority issue in Ward meetings
6	Thornham	Church – 40%	116	Private (Moravian Church) ownership. Bush Clearance. Cleaning done in August 2011. Busy cleaning two older cemeteries.
6	Sanddrif	60%	194	Needs bush clearance and proper maintenance. Cleaning done in August 2011. Busy cleaning remainder of cemetery. Invited quotations from service providers in order to repair fence.
6	Goesa	0.5%		Almost capacitated. Busy cleaning cemetery.

### Formal and Licensed Sites – Cemeteries

Misgund, Louterwater, Krakeel, Joubertina, Ravinia, Kareedouw Central, Uitkyk, New Rest, Clarkson, Woodlands, Sandrift, Coldstream.

## (c) Facilities and Amenities

### Community Halls

Area	Status Quo	Challenges	Opportunities
<b>Louterwater</b>	Walls painted in May 2011. Structural Defects	Poor maintenance and the occurrence of vandalism of the facility. Not enough chairs and tables	Budget adequately to attend to repairs. Communities need to take ownership of community facilities. Buy chairs and tables
<b>Krakeel</b>	Cracks in walls. Roof need repairs Walls need painting One toilet not working Stage floor needs attention	Poor maintenance and the occurrence of vandalism of the facility. No maintenance done this year. Fencing needs upgrade. Plumbing still need attention. Not enough chairs and tables	Budget adequately to attend to repairs. Communities need to take ownership of community facilities. Buy chairs and tables
<b>Ravinia</b>	New doors were fitted in May 2011. Cracks in walls. Roof need repairs Walls need painting Stage floor needs attention	Fencing needs upgrade. Poor maintenance and the occurrence of vandalism of the facility. Not enough chairs and tables	Budget adequately to attend to repairs. Communities need to take ownership of community facilities. Buy chairs and tables
<b>Kagiso Heights</b>	Burglar proofing constructed, Cracks in walls were repaired and walls painted, plumbing attended to in May 2011.	Poor maintenance and the occurrence of vandalism of the facility. Not enough chairs	Budget adequately to attend to repairs. Communities need to take ownership

	Stage floor needs attention	and tables.	of community facilities. Attend to outstanding items that need attention. Buy chairs and tables
<b>Uitkyk</b>	Cracks in walls were repaired and walls painted, plumbing attended to in May 2011. Stage floor needs attention. Not enough chairs and tables	Poor maintenance and the occurrence of vandalism of the facility. Chairs are old and need replacement. Not enough tables.	Budget adequately to attend to repairs. Communities need to take ownership of community facilities. Buy chairs and tables
<b>New Rest</b>	Cracks in walls were repaired and walls painted, plumbing attended to in May 2011. Stage floor needs attention. Not enough chairs and tables	Inadequate budget to attend to all structural defects. Not enough chairs and tables.	Budget adequately to attend to repairs. Communities need to take ownership of community facilities. Buy chairs and tables
<b>Clarkson</b>	Cracks in walls were repaired and walls painted, plumbing attended to, burglar proofing constructed in May 2011. Stage floor needs attention. Not enough chairs and tables	Poor maintenance and the occurrence of vandalism of the facility. Not enough tables	Budget adequately to attend to repairs. Communities need to take ownership of community facilities. Buy tables.
<b>Guava Juice</b>	No hall	No place where community can meet	Access funding to build community hall

<b>Wittekleibos</b>	No hall	No place where community can meet	Access funding to build community hall
<b>Snyklip</b>	No hall	No place where community can meet	Access funding to build community hall
<b>Eersterivies</b>	No hall	No place where community can meet	Access funding to build community hall
<b>Woodlands</b>	Contractor not yet done with reparation work. 200 new chairs purchased.	Slow progress by contractor. Poor maintenance and the occurrence of vandalism of the facility. Not enough tables	Reparation work to be sped up by contractor. Budget adequately to attend to repairs. Communities need to take ownership of community facilities. Buy tables.
<b>Nompumelelo Village</b>	Cracks in walls were repaired and walls painted, plumbing attended to in May 2011. Stage floor needs attention. Not enough chairs and tables	Poor maintenance and the occurrence of vandalism of the facility. Not enough tables. Members of the community and church groups removed chairs from the hall after chairs were borrowed or hired out to them.	Budget adequately to attend to repairs. Buy chairs and tables. Communities need to take ownership of community facilities. Terminate the borrowing and/hiring out of chairs and tables to individuals and church groups.
<b>Blikkiesdorp</b>	No hall. Municipality allocated a space at the MPCC to serve as a temporary meeting place.	No place where community can meet	Access funding to build community hall



<b>Thornham</b>	Community hall in quite good condition	Hall too small.	Access funding for future expansion of hall.
<b>Storm-river</b>	Cracks in walls were repaired and walls painted, plumbing attended to in May 2011. Stage floor needs attention. Not enough tables. 200 new chairs were purchased. Contractor not done with construction of burglar proofing to windows.	Poor maintenance and the occurrence of vandalism of the facility. Not enough chairs and tables. Construction of burglar proofing to windows to be sped up.	Budget adequately to attend to repairs. Communities need to take ownership of community facilities. Buy chairs and tables.
<b>Coldstream</b>	Cracks in walls were repaired and walls painted, plumbing attended to in May 2011. Stage floor needs attention. Not enough tables. 200 new chairs were purchased.	Poor maintenance and the occurrence of vandalism of the facility. Not enough chairs and tables. Timbered walls do not have a very long life span.	Budget adequately to attend to repairs. Communities need to take ownership of community facilities. Buy chairs and tables. Register a project on the MIG to build a new hall.

#### **(d) Disaster Management**

Though the disaster management is the function of the district municipality, Kou-kamma Municipality performs a management function for local fire and rescue incidents. Personnel and equipment is seconded by the district municipality to ensure local capacity. The Disaster Management Advisory Forum has been revived and is now functional. A Disaster Management Plan has been developed with the involvement of relevant role players and was adopted by Council.

### **(i) Key Output Goals for Risk Elimination and Risk Reduction**

- Preventing or reducing the risk of disasters occurring.
- Mitigating the severity or consequences of disaster by promoting sustainable development and sustainable livelihood.
- Increasing and expanding the existing emergency preparedness strategies.
- Planning for effective post disaster recovery and rehabilitation by the incorporation of developmental initiatives.
- Ensuring effective institutional arrangements for efficient disaster management.

### **(ii) Legislation**

Disaster Management is dealt with in terms of Chapter 5 of the Disaster Management Act No 57 of 2002 as read with Section 26(g) of the Municipal Systems Act. The identified hazards for Koukamma Municipality include the following:

- Drought
- Fire
- Severe Wind Storms
- Hazmat
- Epidemics
- Road Accidents
- Tidal Surge

### **(iii) Fire: Urban, Rural and Vehicles**

- In the urban environment fire endangers residential houses, government, commercial and business buildings, school and school hostels, the hospital, old age homes, housing developments, hotels and B & B's.
- In the rural environment there are veld fires, forest fires that endanger farm buildings and homes, stock and people game farms, guest farms, holiday resorts.
- With vehicles travelling on the roads within the Koukamma Municipal area there is always the danger of accidents and vehicles ranging from sedans through to large trucks, trailers and buses. The problem is further compounded when trucks are conveying hazardous materials where specialist knowledge is required to deal with the situation. Fortunately this is not perceived as a serious threat within the Koukamma Municipality area.

## (e) Sport Facilities

Area	Status Quo	Challenges	Opportunities
Louterwater	<p>Sport ground comprising of club house, volley ball court, netball and tennis combination court, ticket office and fenced with cement brick blocks.</p> <p>Club House vandalised to into a state of non-existence.</p> <p>Cement brick fencing vandalised and damaged by heavy rains storm water.</p> <p>Playing surfaced too dangerous to allow any sports to be played.</p> <p>There are flood lights, but not working due to the vandalism of the club house.</p>	<p>Municipality does not have the financial muscle to attend to maintenance.</p> <p>Community and sport people not prepared to take ownership of facility.</p>	<p>Register a project on MIG to access funding for construction of new facility.</p> <p>Communities need to take ownership of community facilities.</p>
Krakeel	<p>Sport ground with one playing field, club house, and a combination netball/tennis court with a fence.</p> <p>Club house has been repaired earlier in the year.</p> <p>Grass on playing field inadequate and surface uneven.</p>	<p>Problematic to re-surface field due to the fact that there is only one field that is used by both rugby and soccer clubs and no space left to attend to upgrading.</p> <p>Inadequate land available to construct additional field.</p> <p>Community and</p>	<p>Identify land and register a project on MIG to access funding for construction of new facility.</p> <p>Communities need</p>

		sport people not prepared to take ownership of facility.	to take ownership of community facilities.
Joubertina	No municipal-owned sport facility. Available facility is owned by the local high school.	No available land. Little interest shown by community members to play sport.	Identify land. Access funding and establish sport field with club house.
Ravinia	No club house and ablution facilities. Advertisement was placed to invite contractors to construct club house and upgrade flood lightning.	Municipality does not have the financial muscle to construct ablution facilities. Community and sport people not prepared to take ownership of facility.	Build club house with ablution facilities. Communities need to take ownership of community facilities.
Litkyk	Sports ground comprising of two playing fields, club house, care taker's cottage and combination netball and tennis court. Club house and care taker's cottage heavily vandalised. Flood lightning not in working condition as a result of vandalism. Advertisements went out for contractors to submit quotations to rehabilitate infrastructure.	Vandalism as a result of no security arrangements. Community and sport people not prepared to take ownership of facility.	Rehabilitate infrastructure. Construct additional field to accommodate cricket. Upgrade surface of B-field. Communities need to take ownership of community facilities.

New Rest	One playing field that must accommodate both soccer and rugby. Surface of playing field uneven and needs upgrading. No netball field. No flood lightning. Club house vandalised.	One field to accommodate both soccer and rugby.  Community and sport people not prepared to take ownership of facility.	Construct additional playing field. Upgrade surface of field. Upgrade surface of field. Install flood lightning. Communities need to take ownership of community facilities.
Mountain View	No sport facilities Land is available.	Lack of funding	Access funding to establish new facility.
Clarkson	Sports ground comprising of two playing fields and unfinished combination of netball and tennis court. No netball field. No club house. No flood lightning. Advertisements went out for contractors to submit quotations to construct club house and upgrade flood lightning.	Surfaces of playing fields uneven.  Community and sport people not prepared to take ownership of facility.	Upgrade surfaces of both fields. Construct club house with ablution facilities and flood lights.  Communities need to take ownership of community facilities.
Guava Juice	No sport facilities	Inadequate budget	Access funding to construct sport facility
Wittekleibos	No sport facilities	Inadequate budget	Access funding to construct sport facility

Snyklip	No sport facilities	Inadequate budget	Access funding to construct sport facility
Eersterivier	No sport facilities	Inadequate budget	Access funding to construct sport facility
Woodlands	Sports ground comprising of one playing field. No netball field. No club house. No flood lightning. Advertisements went out for contractors to submit quotations to construct club house and upgrade flood lightning.	Contractor which upgraded roads constructed a road across the sport field as per an agreement with the previous Councillor. The surface of the field was never rehabilitated. Vandalism of facilities by members of community. Community and sport people not prepared to take ownership of facility.	Register a project on MIG to access funding for construction an additional field and netball field. Upgrade flood lightning. Communities need to take ownership of community facilities.
Nompumelelo Village	Sports ground comprising of one playing field and flood lightning. No netball field. No club house. Advertisements went out for contractors to submit quotations to construct club house and upgrade flood lightning.	Vandalism of facilities by members of community. Community and sport people not prepared to take ownership of facility.	Register a project on MIG to access funding for construction of an additional field and netball field. Communities need to take ownership of community facilities.

Thornham	New field constructed by CONCOR, but the project is not finished.	No community facility to afford young people the opportunity to play rugby, soccer, cricket and netball.	Register a project on MIG to access funding for construction of new sport complex.
Stormsriver	New field constructed by CONCOR, but the project is not finished.	No community facility to afford young people the opportunity to play rugby, soccer, cricket and netball.	Register a project on MIG to access funding for construction of new sport complex.
Goldstream	Sport complex comprising of one playing field, pavilion, club house. Also a combination tennis/netball track separately constructed. Facilities are vandalised. Advertisement went out for contractors to submit quotations to do necessary repairs to infrastructure.	Vandalism is one of a main challenge. Community and sport people not prepared to take ownership of facility.	Register a project on MIG to access funding for construction of an additional field. Communities need to take ownership of community facilities.

## (f) Recreational Facilities

### (i) Play Parks

Area	Status Quo	Challenges	Opportunities
Misgund	No play park. Quotations were invited from local service providers to upgrade infrastructure.	Inadequate land for construction of play park.	Identify land. Construct new play park.
Louterwater	One play park – steel equipment vandalised. Quotations were invited	Inadequate maintenance budget.	Upgrade infrastructure. Construct

	from local service providers to upgrade infrastructure.	One facility is too little for the size of area.	additional play park.
Krakeel	No play park	Inadequate land for construction of play park.	Identify land. Construct new play park.
Joubertina	No play park	Inadequate budget	Identify land. Construct new play park.
Ravinia	No play park. Quotations were invited from local service to construct new facility.	Inadequate maintenance budget. One facility is too little for the size of area.	Construct new play park.
Litkyk	One play park - vandalised. Quotations were invited from local service to construct upgrade facility.	Play park equipment used by adults which cause equipment to break more easily. Inadequate maintenance budget.	Upgrade play park and maintain.
Kagiso Heights	One play park - vandalised. Quotations were invited from local service to construct upgrade facility.	Play park equipment used by adults which cause equipment to break more easily. Inadequate maintenance budget.	Upgrade play park and maintain.
New Rest	One play park - vandalised. Quotations were invited	Play park equipment used by adults which cause	Upgrade play park and maintain.



	from local service to construct upgrade facility.	equipment to break more easily. Inadequate maintenance budget.	
Mountain View	No play park	Inadequate budget	Access funding to establish new facility.
Clarkson	No play park. Quotations were invited from local service to construct new facility.	Inadequate maintenance budget. One facility is too little for the size of area.	Access funding to establish at least two new facilities.
Guava Juice	No play park	Inadequate budget	Access funding to establish new facility.
Wittekleibos	No play park	Inadequate budget	Access funding to establish new facility.
Snyklip	No play park	Inadequate budget	Access funding to establish new facility.
Eersterivier	No play park	Inadequate budget	Access funding to establish new facility.
Woodlands	No play park. Quotations were invited from local service to construct new facility.	Inadequate maintenance budget.	Access funding to establish at least two new facilities.
Koomansbos	No play park	Inadequate budget	Access funding to establish new facility.
Nompumelelo Village	No play park. Quotations were invited from local service to construct new facility.	Inadequate maintenance budget.	Access funding to establish at least two new facilities.

Thornham	No play park	Inadequate budget	Access funding to establish new facility.
Stormsriver	One play park – not enough equipment. Quotations were invited from local service to construct new facility.	One facility is too little for the size of area.	Identify land. Access funding to establish new facility.
Coldstream	No play park. Quotations were invited from local service to construct new facility.	Inadequate maintenance budget.	Access funding to establish at least two new facilities.

## (ii) Crèches

Area	Status Quo	Challenges	Opportunities
Misgund	No crèche facility	Houses at new project not yet occupied and no sewer reticulation as yet.	Access funding to convert housing support centre into crèche facility.
Louterwater	One crèche building	Inadequate maintenance budget. One facility is too little for the size of area.	Maintain infrastructure. Upgrade infrastructure. Construct additional crèche.
Krakeel	One crèche building	Inadequate maintenance budget.	Maintain infrastructure. Upgrade infrastructure.
Joubertina	One crèche building, privately owned	Funding.	Assist committee to access funding from Dept of Social Development.

Ravinia	Two crèche buildings.	Inadequate maintenance budget. One crèche accommodated in a smaller community hall.	Maintain infrastructure. Upgrade infrastructure. Source funding for new crèche building.
Uitkyk	One crèche building.	Inadequate maintenance budget.	Maintain infrastructure.
Kagiso Heights	One crèche building. Crèche is not operational as a result of no subsidy being received from the Department of Social Development.	Department of Social Development is slow in responding to subsidy application. Inadequate maintenance budget.	Apply to the Department of Social Development for subsidy for the crèche. Maintain infrastructure.
New Rest	One crèche building.	Inadequate maintenance budget.	Maintain infrastructure.
Mountain View	No crèche building.	Inadequate budget.	Source funding to build new crèche building.
Clarkson	Two crèche buildings.	Inadequate maintenance budget. One crèche accommodated in an old bakery. No service in formal building.	Establish crèche at official building. Source funding to upgrade infrastructure at old bakery or to build second crèche. Maintain infrastructure.

Guava Juice	No crèche	Inadequate budget	Access funding to establish new facility.
Wittekleibos	No crèche	Inadequate budget	Access funding to establish new facility.
Snyklip	No crèche	Inadequate budget	Access funding to establish new facility.
Eersterivier	Crèche accommodated in an informal structure	Inadequate budget	Access funding to establish new facility.
Woodlands	One crèche building.	Inadequate maintenance budget.	Maintain infrastructure.
Koomansbos	No crèche building	Inadequate budget	Access funding to establish new facility.
Nompumelelo Village	One crèche building.	Inadequate maintenance budget.	Maintain infrastructure.
Thornham	One crèche building.	Inadequate maintenance budget.	Maintain infrastructure.
Stormsriver	One crèche building.	Inadequate maintenance budget.	Maintain infrastructure.
Coldstream	One crèche building.	Inadequate maintenance budget.	Maintain infrastructure.

### (g) Libraries

Area	Status Quo	Challenges	Opportunities
Misgund	No Library facility	Houses at new project not yet occupied and as such no space where to	Access funding to established facility.

		accommodate a facility.	
Louterwater	Satellite facility accommodated in hall complex. Operated by a Library Assistant under supervision of a qualified Librarian that is stationed at Kareedouw. There is one wheely wagon which accommodates 600-800 books. Facility has been expanded recently.	Inadequate space to accommodate enough and relevant study material. No Information Technology available.	Access funding to expand building. Access funding from DSRAC to install computer centre and to purchase relevant study material.
Krakeel	No Library facility	Inadequate space in hall to accommodate a library.	Access funding to build new facility.
Joubertina	One Library with computer centre. Operated by a Library Assistant under supervision of a qualified Librarian that is stationed at Kareedouw. Not sufficient books, especially for study purposes.	Building too small.	Access funding from DSRAC to expand building.
Ravinia	No Library	Users have to travel about 3 kms to Joubertina to have access to a facility	Access funding from DSRAC to establish satellite in Ravinia.
Uitkyk	No Library	Users have to travel about 1,5	Access funding from DSRAC to

		kms to Kareedouw Central to have access to a facility	establish satellite.
Kagiso Heights	No Library	Users have to travel about 1 km to Kareedouw Central to have access to a facility	Access funding from DSRAC to establish satellite.
New Rest	No Library	Users have to travel about 4 kms to Kareedouw Central to have access to a facility	Access funding from DSRAC to establish satellite.
Mountain View	No Library	Users have to travel about 1 km to Kareedouw Central to have access to a facility	Access funding from DSRAC to establish satellite.
Clarkson	Satellite Library without computer system. Operated by a Library Assistant under supervision of a qualified Librarian that is stationed at Kareedouw. Building has been expanded recently to accommodate more material. Not enough and relevant books for study purposes.	Facility still too small to be fully equipped.	Access funding from DSRAC to expand Satellite and buy more material, especially study material.
Guava Juice	No Library	Users have to travel about 5kms to Clarkson to have access to a facility	Access funding from DSRAC to establish satellite.

Wittekleibos	No Library	Users have to travel about 5kms to Clarkson to have access to a facility	Access funding from DSRAC to establish satellite.
Snyklip	No Library	Users have to travel about 5kms to Clarkson to have access to a facility	Access funding from DSRAC to establish satellite.
Eersterivier	Library (Information Centre) accommodated at the local Primary School. The centre was established by local business people with the assistance of donors.	Limited stock due to space challenges	Access funding to expand the existing facility.
Woodlands	Library without computer centre. Busy expanding the building. Operated by a Library Assistant under supervision of a qualified Librarian that is stationed at Kareedouw.	Library out of operation for too long due to construction work. Users have to travel about 20kms to Kareedouw for accessing a library.	Speed up the construction work. Source funding to install computer centre and for purchasing new books.
Koomansbos	No Library	Users have to travel about 8kms to Woodlands to have access to a facility	Access funding from DSRAC to establish satellite.
Nompumelelo Village	Library without computer centre. Busy expanding the building. Operated by a Library Assistant under supervision of a qualified Librarian that	Library out of operation for too long due to construction work. Users have to travel about 20kms to Kareedouw for accessing a library.	Speed up the construction work. Source funding to install computer centre and for purchasing new books.

	is stationed at Kareedouw.		
Thornham	Satellite facility without a computer centre and not well equipped. Operated by a volunteer without receiving a stipend.	Facility not well equipped, especially for study purposes.	Source funding to expand building, install computer centre and buy more and relevant material.
Stormsriver	Satellite facility equipped with two wheelie wagons, without a computer centre and not well equipped. The facility is currently not in use due to lack of space.	Community do not have access to library. Accommodation is a major challenge.	Source funding to erect new building at the community hall, install computer centre and buy more and relevant material.
Coldstream	Satellite facility without a computer centre and not well equipped. Currently not in operation due to shortage of human resources. The facility is supposed to be accommodated in a small room at the Resource centre.	Community do not have access to library. Accommodation and human resources are major challenge.	Source funding to expand building, install computer centre and buy more and relevant material. Lobby with DSRAC to appoint personnel.



## CHAPTER 3: DEVELOPMENT STRATEGY

### 3.1 STRATEGIC OBJECTIVES

The strategic objectives of Koukamma Municipality derive its existence and meaning from the Local Government Strategic Agenda which broadly outlines their distinct but related elements, as stated below:-

#### **(i) Good Governance and Public Participation**

- Legislative Compliance and Policy Choices
- Audit Analysis State and Quality Assurance (AG and Annual Reports)
- Stakeholder Formations and Engagement (CBOs, NGOs, Ward Committees)
- King 3 Report on Good Governance Practices

#### **(ii) Basic Service Delivery and Infrastructure Investment**

- Water Quality, Sufficient Bulk Water Supply and Treatment Plant Maintenance
- Energy Provision (Alternative Renewable Energy and Environmental Responsive)
- Transport Network (Roads and Rail)

#### **(iii) Local Economic Development**

- Tourism Diversification and Investment
- Agricultural Growth and Investment
- Forestry (Energy, Furniture)
- Coastal Management and Fisheries
- SMMEs and Cooperative Movement/Organisations
- Enterprise Development and Entrepreneurship Investment
- Local Community Empowerment

#### **(iv) Financial Viability, Management and Sustainability**

- Fiscal Discipline and Policy Framework (MFMA)
- Revenue Enhancement Strategy and Debt Collection Mechanisms
- Creditors (Business Stakeholder Contract Management)
- Investment Arms and Financial Management Ratings
- Affirmation of Business or Financial Sector Confidence

#### **(v) Municipal Transformation and Institutional Development**

- Institutional Arrangements, Alignment and Functioning
- Municipal Integrated Development Planning (IDP and SDBIPs)
- HRD Strategy (Training, Learnerships, ABET)

- Organisational Performance and Review Planning Processes
- Monitoring and Evaluation Mechanisms

### 3.2 STRATEGIC PRIORITIES

The strategic priorities of Koukamma Municipality are derived and aligned to the national, provincial and district priorities and further linked to the strategic objectives which define its mandate as a Municipality.

National	Provincial	Local Government
1. Quality Basic Education	1 and 5 Quality based education and skilled and capable workforce to support an inclusive Growth Path	HRD Strategy to address scarce skills and retention measures. ABET Implementation Internship and Learnership
2. A long and healthy life for all South Africans	A long and healthy life for all people of Province	
3. All People in SA are and feel safe	All People in the Province are and feel safe	
4. Decent Employment through inclusive Economic Growth	Decent Employment through inclusive Economic Growth	Local Economic Development and Job Creation
5. Skilled and capable workforce to support an inclusive Growth Path		
6. An efficient, competitive and responsive Economic Infrastructure Network		Communication Infrastructure, Roads Infrastructure, Water and Electricity
7. Vibrant, equitable, sustainable Rural Communities contributing towards Food Security for all	Vibrant, equitable, sustainable Rural Communities contributing towards Food Security for all	EPWP Cooperatives Poverty Alleviation

8. Sustainable Human Settlements and improvement quality of Household Life	Sustainable, cohesive, caring communities and Human Settlements for improved quality of Household	Integrated and Sustainable Human Settlements
9. Responsive, accountable, effective and efficient LG Systems	9 & 12 An efficient, effective and development oriented Public Service and an empowered, fair and inclusive citizenship with responsive, accountable, effective and efficient LG Systems	Responsive, accountable, effective and efficient LG Systems
10. Protect and enhance our environment assets and natural resources		Community Based Recycling Initiatives Management of the Coastal Zone
11. Create a better SA, Africa and World		
12. An efficient, effective and development oriented Public Service and an empowered, fair and inclusive citizenship	An efficient, effective and development oriented Public Service and an empowered, fair and inclusive citizenship with responsive, accountable, effective and efficient LG System	An efficient, effective, responsive, service oriented and accountable Municipality

**These are further aligned to the medium term strategic framework (MTSF) and outcomes 9 with all its related outputs, namely:-**

- Differentiated approach to municipal finance, planning and support
- Improve access to basic services
- Implement community work programme and cooperatives supported
- Actions supportive of human settlement outcomes
- Deepen democracy through a refined ward committee model
- Improve municipal finance and administrative capability
- Single window of coordination

MTSF Strategic Priority	Key Focus Area
<b>Outcome 9: Output 1: Implement a differentiated approach to municipal financing, planning and support</b>	
Sustainable Resource Management and Use	<ul style="list-style-type: none"> <li>● Land Use Planning needs to reflect protection and regeneration of the natural environment;</li> <li>● Sustainable agricultural practices need to be complimented with nature conservation interventions;</li> <li>● Waste minimization practices require implementation;</li> <li>● Climate change should be considered in project planning initiatives as this holds consequences for the tourism and agricultural economic base of the District;</li> <li>● Water conservation and demand management need to be incorporated into project planning;</li> <li>● Conservation of natural resources should be incorporated into Land Use Management Guidelines.</li> </ul>
<b>Outcome 9: Output 2: Improve access to basic services</b>	
Massive program to build economic and social infrastructure	<ul style="list-style-type: none"> <li>● Drought and poor water quality impact on the success of LMs as Water Services Authorities;</li> <li>● Staff numbers and capacity impact negatively on the provision of services – primarily housing and water;</li> <li>● Public Education campaigns are required in relation to water conservation and waste recycling;</li> <li>● The provision of water and sanitation services impact heavily on the tourism industry and related economies;</li> <li>● Access to banking facilities is highlighted as a priority;</li> <li>● The identification of suitable land for housing is identified as a delaying factor in service provision.</li> </ul>

MTSF Strategic Priority	Key Focus Area
Improve the health profile of all South Africans	<ul style="list-style-type: none"> <li>● Hospital care and ambulance services are identified as challenges;</li> <li>● Number of clinic staff need to be assessed with relevance to the size of the communities that they serve;</li> <li>● Accurate health related statistics are not readily obtained;</li> </ul>

	<ul style="list-style-type: none"> <li>• Seasonal employment increases pressure on clinic staff;</li> <li>• A strategy is required on the facilitating of health access to vulnerable groups.</li> </ul>
<b>Outcome 9: Output 3: Implement the community work program and cooperatives supported</b>	
Strengthen skills and human resource base	<ul style="list-style-type: none"> <li>• The need was identified for a skills audit per LM relevant to the dominant economic sectors in the area;</li> <li>• Need identified for LMs to actively manage existing agricultural resources with a particular focus on commonage land;</li> <li>• Ensure that the appropriate people participate in training programs that will make them marketable and employable;</li> <li>• Provide learner ship opportunities for unemployed graduates to improve their skills base.</li> </ul>
Speeding up growth and transforming the economy to create decent work and sustainable livelihoods	<ul style="list-style-type: none"> <li>• The tourism sector is not fully exploited;</li> <li>• There is a perception that agricultural employment is poorly paid and exploitative;</li> <li>• The opportunity was identified for a District-wide LED Interactive Forum;</li> <li>• Increasing population sizes are not coupled with increasing economic opportunities;</li> <li>• The exploration of alternative agricultural opportunities (as identified in LM LED Plans) is proposed;</li> <li>• A district wide formalization of the relationship with the Department of Agriculture, Forestry and Fisheries is identified;</li> <li>• LED strategies need to be combined with training and capacity building programs;</li> <li>• Programs are required to develop and mentor SMME's;</li> <li>• Municipal infrastructure operational and maintenance planning needs to take industrial expansion and tourism into account to secure local economic benefits;</li> <li>• Waste recycling initiatives require support and encouragement in order to entrench the practice in the economy and social identity of the area.</li> </ul>
<b>Outcome 9: Output 4: Actions supportive of human settlement outcomes</b>	
Comprehensive rural	<ul style="list-style-type: none"> <li>• The National land redistribution program is regarded as a slow</li> </ul>

<p>development strategy linked to land and agrarian reform and food security</p>	<p>process that lacks post-implementation support;</p> <ul style="list-style-type: none"> <li>● Project sustainability is challenging and marred by the beneficiaries' lack of farming skills, education, insufficient government support, low profit margins and lack of access to markets;</li> <li>● Agriculture is the dominant economic activity in the majority of LMs;</li> <li>● An agrarian reform and food security plan needs to be devised that holds specific relevance to the unique land tenure and use arrangements in the LMs;</li> <li>● Unfair labour practices, farm evictions and preferential employment need to be monitored and victims are to be educated on recourse options;</li> <li>● Informed spatial planning can accommodate new land demands, land use challenges and support initiatives.</li> </ul>
--	--

**Outcome 9: Output 5: Deepen democracy through a refined ward committee model**

<p>Build cohesive, caring and sustainable communities</p>	<ul style="list-style-type: none"> <li>● The need was identified for the formulation of public participation structure / model that is suitable for rural / spatially dispersed areas;</li> <li>● LMs could also benefit from the identification of key community organizations and the formulation of joint capacity building and supportive interventions;</li> <li>● Indigent registers require updating including an assurance that the document is credible;</li> <li>● A focus is required on youth development;</li> <li>● There is a need to focus on raising awareness of the range of funding programs available in various institutions in order to broaden the scope for economic development opportunities;</li> <li>● Improve mechanism of communication with communities through development programs which seek to enhance and strengthen the role of ward committees.</li> </ul>
---	---

**MTSF Strategic Priority**

**Key Focus Area**

**Outcome 9: Output 6: Improve municipal financing and administrative capacity**

<p>Building a developmental state including the</p>	<ul style="list-style-type: none"> <li>● Formulation and adoption of a Fraud Prevention Plan;</li> <li>● Implementation of Performance Management Systems and</li> </ul>
---	--

improvement of public services and strengthening of democratic institutions	<p>schedule of regular assessments;</p> <ul style="list-style-type: none"> <li>• Revision of Capital Investment Frameworks;</li> <li>• Develop a Human Resource Strategy that focuses on staff development and improvement as opposed to service provider appointment.</li> </ul>
<b>Outcome 9: Output 7: Single window of coordination</b>	
	<ul style="list-style-type: none"> <li>• Opportunities to be identified to develop and establish the coordination role of the District Municipality.</li> </ul>
<b>Other MTSF Priorities not catered for in outcome 9 outputs</b>	
Pursing African advancement and enhanced international cooperation	<ul style="list-style-type: none"> <li>• LM documents are generally silent on this issue;</li> <li>• It can be inferred that this is a District competency to be pursued on behalf of and in the interests of the Local Municipalities.</li> </ul>

### 3.3 SUMMARY OF PROJECT PROFILE

Project Name	Activity	Outcome	Ward	Area	Responsible Directorate	Cost	Source of Funding
Electrification	Electrification of housing	Completion of electrification of housing project	1	Misgund	Tech and Infrastructure	R5m still to be sourced	Department of Human Settlement
High mast lights	Recommissioning high mast lights	Completion of project	1	Misgund	Tech and Infrastructure	R250 000 still to be sourced	Department of Human Settlement
Multi-purpose centre	Building of multi-	Completion of building	1	Misgund	Tech and Infrastructure	R4m	MIG

	purpose centre	of multi-purpose centre			re		
Plastic factory	Manufacturing refuse bags and other plastic accessories	Supply municipality and other businesses with refuse bags	1	Loutherwater	Strategic services	R1.m	Department of Economic Development Environmental Affairs and Tourism
Library Services	Expansion of Library	Improve quality educational support	1	Loutherwater	Community Services	R30 000	DSRAC and KKM
Play Park Services	Upgrade play park	Provide recreational services	1	Loutherwater	Community Services	R35 000	KKM
Cemetery	Fencing	Improve maintenance	1	Loutherwater	Community Services	R20 000	KKM
Water	Expansion and Fencing of the Dam and Reservoir	Maintenance and Storage Capacity	1	Loutherwater	Community Services	Funding to be sourced	KKM and MIG
Recycling	Recycling of refuse material	Job creation to assist the municipality with refuse collection	2	Coldstream	Strategic Services	R1.m	Department of Economic Development and Environmental Affairs
Roads upgrade	Upgrading of roads	Upgraded roads	2	Coldstream	Tech and Infrastructure	R5,9m	MIG
Multi-purpose centre	Building of multi-	Completion of building	2	Coldstream	Tech and Infrastructure	R4m	MIG



	purpose centre	of multi-purpose centre			re		
Club house and ablution block	Upgrading of club house and improving the ablution block	Completion of the project	2	Coldstream	Tech and Infrastructure	R150 000	MIG / Koukamma
Library facilities	Conversion of a building for library facilities	Completion of the project	2	Coldstream	Community & Tech and Infrastructure	R180 000	DSRAC
Recreational facilities	Building of play parks	Completion of the project	2	Coldstream	Community & Tech and Infrastructure	R35 000	Koukamma Municipality
Rock arts	Building rock art centre	Completion of the project	2	Joubertina	Strategic services	R1.9m	Department of Tourism
Housing	Rectification of housing	Completion of the project	3	Ravinia	Tech and Infrastructure	R11m	MIG
Honey bush tea	Renovation of the building for purposes of establishing a nursery	Planting of honey bush tea in the nursery	3	Tweeriviere	Strategic services	R2,3m	Coega Development Corporation
Paving factory	Establishing a paving factory	Assisting municipality on paving the gravel road	4	Kareedouw	Strategic services	R1.5m	Department of Economic Development and Environmental Affairs

Ostrich breeding	Growing of ostrich chickens and selling them to Klein Karoo International	Job creation	4	Kareedouw	Strategic services	R1.5m	Klein Karoo International
Library	Building of a new library	Provision of library services	4	Kareedouw	Community Services	R7m	DSRAC
Small town regeneration	Town beautification	Town beautification	4	Kareedouw	Community & Tech and Infrastructure	Cost still to be determined	Department of Economic Development and Environmental Affairs
Water bond and water purification	Installation of water bond system and purification	Improved sewerage and purification system	5	Clarkson	Tech and Infrastructure	R1,5m	MIG
Housing	Rectification of RDP housing	Completion of project	5	Clarkson	Tech and Infrastructure	Cost to be determined	Department of Human Settlement
Library	Buying of library material	Improved library	5	Clarkson	Tech and Infrastructure	R50 000	MIG
Poultry	Revival of the poultry project	Job creation	5	Clarkson	Strategic services	R50 000	Department of agriculture
Sewing	Sustaining the sewing project	Job creation	5	Clarkson	Strategic services	R50 000	Department of Social Development
Sport field	Fencing and building ablution	Completion of project	5	Clarkson	Community & Tech and Infrastructure	R650. 000	MIG

					re		
Roads	Tarring of access roads	Completion of project	5	Clarkson	Tech and Infrastructure	R1,5m	MIG
Honey bush tea	Harvesting of honey bush tea	Job creation	5	Guava Juice	Strategic services	R1 525 000m	Coega Development Corporation
Dumping site	Establishment of dumping site	Improved waste management	5	Guava Juice	Community Services	R1,5m	MIG
Health facilities	Facilitate the building of new clinic	Improved health profile of the community	5	Guava Juice	Community Services	Cost to be determined by Department of Health	Department of Health
Recreational facilities	Building a new play park	Establishment of a play park	5	Guava Juice	Community Services	R50 000	MIG
				Woodlands		R50 000	
Essential oils	Essential products	Job creation	5	Woodlands	Strategic services	R500 000	Koukamma Local Municipality
Furniture factory	Establishment of furniture factory	Job creation	5	Woodlands	Strategic services	R1,5m	Department of Economic Development and Environmental Affairs
Sport field	Fencing and building ablution	Completion of project	5	Woodlands	Community & Tech and Infrastructure	R500 000	MIG
Cemetery	Extension and fencing	Completion of project	5	Woodlands	Community & Tech and	R100 000	MIG

	cemetery				Infrastructu re		
Housing	New Housing	Building of houses	5	Eersteri vier	Tech and Infrastructu re	Cost to be advised by Department of Human Settlement	Department of Human Settlement
Housing	New housing	Building of houses	5	Kwaaibr and	Techn and Infrastructu re	Cost to be advised by Department of Human Settlement	Department of Human Settlement
Roads	Upgrading of roads	Improve roads	5	Kwaaibr and	Tech and Infrastructu re	Cost still to be determined	MIG
Housing	New housing	Building of 60 houses	6	Kooman sbos	Tech and Infrastructu re	Cost by Dept of Human Settlement	Department of Human Settlement
Water	Digging a borehole	Water provision	6	Kooman sbos	Tech and Infrastructu re	R50 000	MIG
Electrification	Establishing a vending station	Provision of electricity	6	Blikkies dorp	Tech and Infrastructu re	R100 000	MIG

Sewer Upgrading	Upgrading of Sewer	Improve sewer system	6	Blikkies dorp	Tech and Infrastructure	Cost still to be determined	MIG
Bakery project	Resuscitation of the project	Job creation	6	Mandela Park	Strategic services	R150 000	Koukamma Municipality
Ceramic project	Establishment of ceramic factory	Job creation	6	Mandela Park	Strategic services	R1,5m	Department of Economic Development and Environmental Affairs
Recreational facilities	Building a new play park	Establishment of a play park	6	Mandela Park	Community Services	R35 000	Koukamma Municipality
Sport field	Building ablution	Completion of project	6	Mandela Park	Community & Tech and Infrastructure	R100 000	MIG
Recreational facilities	Supporting mobi-gym	Encourage healthy living	6	Mandela Park	Community Services	R35 000	Koukamma Municipality
Water	Water purification plant	Improved water quality	6	Mandela Park	Tech and Infrastructure	R1,2m	MIG
Sanitation	Changing from Pit toilet to flush toilets	Improved sanitation	6	Thornham	Tech and Infrastructure	R1,2m	MIG
Cemetery	Fencing of Cemetery	Cemetery fencing	6	Thornham	Community Services	R70. 000	Koukamma Municipality
Community hall	Building of the community hall	Completion of project	6	Thornham	Community Services	R1.5m	MIG

Roads	Upgrading of roads	Improved roads	6	Thornham	Tech and Infrastructure	Cost still to be determined	MIG
Housing	Building of houses	Completion of project	6	Thornham	Tech and Infrastructure	Cost to be determined	Department of Human Settlement
Libraries	Upgrading of Library	Library to be completed	6	Thornham	Community Services	R250.000	DSRAC
Cemeteries	Cleaning of cemeteries	Clean cemeteries	6	Griquas Trust	Community Services	R25.000	Kou kamma Municipality
Electrification	Houses electrification	Completion of project	6	Griquas Trust	Tech and Infrastructure	Cost still to be determined	Department Human Settlement
Housing	Building of new houses	New housing project	6	Griquas Trust	Tech and Infrastructure	R3.2M	Department Human Settlement
Library	New library	Improve library services	6	Stormsriver	Community Services	R1.5m	DSRAC
Multipurpose centre	Building of Multipurpose centre	Completion of building Multipurpose Centre	6	Stormsriver	Tech and Infrastructure	R4m	MIG
Sports-field	Building of new sports-field with Ablution, Grand stand and	Completion of project	6	Stormsriver	Community and Tech and Infrastructure	R4m	MIG

	Fencing						
Cemetery	Building of new Cemetery, water, parking area and fencing	Completion of project	6	Stormsr iver	Community Service	R500.000	Cacadu/Koukamma
Play Park	Building of new Play Park	Completion of Play Park	6	Stormsr iver	Community Service	R35000	KKM

## CHAPTER 4: INTEGRATION AND ALIGNMENT OF SECTOR PLANS TO THE IDP

### 4.1 SPATIAL DEVELOPMENT FRAMEWORK

#### 4.1.1 Overview

Koukamma Municipality had a five year strategy document on Spatial Development Framework for 2007-2012. The fundamentals covered the following strategic areas:-

- Description of the study area
- Legislative and policy context
- Guidelines for desired spatial form
- Nodal development plans
- Capital investment framework

Its lifespan came to an end in May 2012 which continues with another start of a five year term of Local Government. This necessitated a review of the existing spatial development framework to address the strategic objectives, priorities including the current challenges confronting the Koukamma Municipality.

In partnership with the Department of Local Government and Traditional Affairs, a service provider in the form of Set-Plan was appointed to conduct a review of the existing spatial development framework as well as developing a new one which must talk to the developmental nodal points of Koukamma Municipality.

This assignment was undertaken by Set-Plan in consultation with the political leadership and management of Koukamma Municipality, Sector Departments, Ward Committees and Local Stakeholders. As a consequence, a Draft SDF has been developed or generated which focuses a range of factors, namely:-

#### 4.1.2 Strategic Objectives

The strategic objectives that the Spatial Development Framework seeks to achieve are consistent with those of a Developmental Local Government, and therefore of Koukamma Municipality as shown below:-

- Municipal transformation and institutional development
- Provision of basic services
- Financial viability and sustainability
- Promotion and enhancing of local economic development
- Enhancement of public participation



### **4.1.3 Strategic Outcomes**

The Spatial Development Framework aims at obtaining a range of outcomes which are summed as follows:-

- Environment Interventions
- Social Development and Human Settlements
- Integrated Rural Development
- Infrastructure Development and Investment
- Economic Development and Sustainability
- Human Capital (HRD Interventions)
- Governance Interventions and Best Practices

At this stage, the Draft SDF is undergoing a refinement phase, as consultation is taking place between Koukamma Municipality, Set-Plan and other role players, and this process must culminate into the development of a Final SDF which has to be tabled before the Council of Koukamma Municipality for consideration and adoption. The Draft SDF is attached as Annexure A.

## **4.2 LOCAL ECONOMIC DEVELOPMENT STRATEGY**

### **4.2.1 Overview**

In 2009, the Council of Koukamma Municipality adopted a five year local economic development strategy which arisen out of a partnership between itself and the Department of Economic Development, Environmental Affairs and Tourism together with the Cacadu District Municipality. In this regard, Urban Econ as a service provider was commissioned to assist in the facilitation and development of the local economic development strategy, and further consulted with a number of role players such as local business community, ward committees, youth sector, women groups, non-governmental organisations, sector departments and many others.

### **4.2.2 Economic Hubs**

The local economic development strategy of Koukamma Municipality remains relevant and coherent as it continues to address the key economic interventions that are consistent with the primary and secondary economic hubs. These can be summed as follows:-

#### (a) Primary Economic Hubs

- Agrarian Economy
- Tourism Development and Diversity

#### (b) Secondary Economic Hubs

- Forestry and Timber Production
- Renewable Energy
- Fisheries

These represent the strategic interventions in addressing the local employment opportunities and also the poverty alleviation which continue to undermine the urban and rural livelihoods of our communities and further weaken the revenue base including the institutional capabilities of the organisation in providing quality and sustainable service delivery.

In addition, our local economic development strategy is meant to address the immediate job creation through expanded public works interventions that are based on infrastructure upgrade and maintenance, environment management through greening projects including coastal conservation and preservation, as well as social programmes in the form of recreational facilities and provision of amenities. The local economic development strategy is attached as Annexure B.

### 4.3 HOUSING SECTOR PLAN

#### 4.3.1 Overview

The Integrated Human Settlement Strategy is the primary policy focus to influence the approach to the development of municipal housing strategies. It emphasises a movement away from the concept of housing as mere shelter, to housing as part of an overall strategy to achieve human settlements that provide good quality homes with proper access to the necessary socio-economic opportunities for its residents. It also highlights the importance of social, economic and racial integration in the settlements linked to the objectives of densification and integrated mixed land use in South African urban areas.

It is given more detailed focus and forms of delivery through a range of housing and planning legislation, policy and mechanisms. The important housing legislation and policy includes the Housing Act; the Social Housing Act 2009, the Rental Housing Act and the National Housing Code. From a planning perspective the following legislation and policy

initiative are important including the Municipal Systems Act 2000, Municipal Structures Act 1998; the Municipal Finance Management Act, the Provincial Financial Management Act, the National Spatial Development Initiative, the government's Urban and Rural strategies, the Development Facilitation Act, the land reform and land restitution legislation and the Land Use Management Act 2007.

### 4.3.2 Primary Focus

The housing sector plan of Koukamma Municipality is under review in partnership with the Department of Human Settlement and in this regard, ALCARI Consulting has been appointed as a service provider to undertake this assignment. In the main, the primary focus is to develop a housing sector plan which is an integral component of the IDP to address the housing planning and demand through a multi-dimensional intervention plan such as:-

- Land availability, use and management
- Provision of integrated human settlement
- Different housing schemes or categories
- Access and linkages to transport network
- Access and quality provision of basic infrastructure and services
- Viable and sustainable economic integration and development

The process has since a direct interface between Koukamma Municipality and the ALCARI together with the Department of Human Settlement to firstly have a commonly shared understanding of the core focus of the project as well as setting its intended outcomes or deliverables. This initiative has culminated into a collection of a data that has been screened through direct interaction and desktop research and as a result, a Draft Housing Sector Plan has been developed for the 2011-2016 for Koukamma Municipality.

It must be however stated that the Draft Housing Sector Plan for Koukamma Municipality is still at the initial stage, and the collated data further require a detailed refinement to ensure its credibility, proper packaging and facilitation of better planning as well as addressing land availability, use and management including housing demands, though not limited to. The Draft Housing Sector Plan of Koukamma Municipality is attached as Annexure C.

## **4.4 INTEGRATED WASTE MANAGEMENT PLAN**

### **4.4.1 Overview**

A partnership between Koukamma Municipality and the Cacadu District Municipality saw a development of an integrated waste management plan for Koukamma Municipality wherein KV 3 was appointed to undertake the assignment. Over the years, Koukamma Municipality has experienced a series of challenges in tackling its waste management function due to ageing infrastructure, resource limitations and other related matters. This necessitated interaction with a number of social partners to seek appropriate, responsive and sustainable ways of enhancing its capacity to address the question of integrated waste management interventions. It is against this background that a formalised partnership is about to be consummated between the Koukamma Municipality, Cacadu District Municipality and the Department of Economic Development, Environmental Affairs and Tourism to strengthen the performance of Koukamma Municipality in terms of the waste management function. This anticipated formalised relationship is going to culminate into the development of a five year integrated waste management strategy and a comprehensive plan that talks to specific areas of intervention such as landfill sites, transfer stations, operational license and other related matters. A draft concept document which outlines the process, approach and methodology to develop the integrated waste management strategy is being developed and will be utilised to deliver the waste management services of Koukamma Municipality.

## **4.5 WATER SERVICE DEVELOPMENT PLAN**

The Department of Water Affairs has in partnership with the Koukamma Municipality commissioned a service provider by the name of Arcus-GIBB to undertake a review and also develop a Water Service Development Plan (WSDP) for Koukamma Municipality. The process of undertaking this assignment is in its initial stages and therefore an extensive consultation and interaction with a number of role players will be conducted. This process is expected to culminate into a draft WSDP which will be further refined to emerge with a final WSDP. This is useful for Koukamma Municipality given the fact that it serves as both the Water Service Authority as well as the Water Service Provider and that places a huge responsibility over its shoulders in delivering a seamless and sustainable water services to its customers and residents. The document that outlines the processes to be undertaken including the guiding legislative prescripts as well as the scope of work is attached as Annexure D.

## **4.6 DISASTER DEVELOPMENT PLAN**

Koukamma Municipality is required in terms of the law to require disaster function and in order for it to perform this function Koukamma Municipality has to have a comprehensive disaster development plan which covers a wide range of strategic areas. In this regard, Koukamma Municipality in partnership with the Cacadu District Municipality is in a process of reviewing its disaster development strategy which will culminate into a generation of a disaster development plan to attend to its challenges within this discipline. The document which outlines the review process is attached as Annexure E.

## **4.7 SPECIAL PROGRAMME SECTOR PLANS**

### **4.7.1 Designated Groups**

Koukamma Municipality has developed a number of interventions to address the plight of the designated groups through policy formulation and development of special programmes that are responsive to the challenges of young people, women and people living with disabilities including elderly people. In this regard, Koukamma Municipality has established a number of forums that are specifically meant as platforms of consultation with the different designated groups as well as platforms of generating policy development and comprehensive programme implementation. These assignments were done in partnership with the Cacadu District Municipality, Sector Departments and the relevant role players and culminated into policy generation including programme responses to address job creation, poverty alleviation, skills development and other related matters.

### **4.7.2 HIV and AIDS Plan**

Koukamma Municipality in partnership with Cacadu District Municipality and Sector Departments as well as Non-Governmental Organisations and Community Based Organisations has developed a draft HIV and AIDS Plan in response to the social challenges experienced by the local communities.

The HIV and AIDS Plan rests on the following pillars:-

- Prevention measures to curb the spread and impact of HIV and AIDS by reducing vulnerability to HIV infections and the impact of AIDS, reducing sexual

transmission of HIV including reducing mother to child transmission of HIV as well as minimise the risk of HIV transmission through blood and blood products.

- Treatment, care and support by reducing HIV infection and AIDS morbidity as well as its socio-economic impacts by providing appropriate packages of treatment, care and support the HIV positive people and their families as well as special needs of pregnant women including mitigating the impact of HIV and AIDS.
- Care and support for orphans and vulnerable children by creating enabling social environment for care, treatment and support of orphans and vulnerable children.
- Research, monitoring and evaluation by developing and implementing a monitoring and evaluation framework for defined relevant indicators including support research in the development of new prevention technologies including promotion of research behaviour change.
- Human rights and access to justice by ensure public knowledge of and adherence to the existing legal and policy provisions as well as mobilise society, and build leadership of people living with HIV in order to mitigate against stigma and discrimination including removal of legal policy religious and cultural barriers effective HIV prevention, treatment and support as well as focusing the human rights of women and girls including people with disabilities, and mobilise the society to promote gender and sexual equality to address gender-based violence.

The local AIDS Council in Koukamma Municipality is chaired and driven by the Mayor is working with other sector departments and the administrative support is provided by the municipal officials through the guidance of the Special Programmes. Please find attached the draft HIV and AIDS of Koukamma Municipality as Annexure F.

## **4.8 PERFORMANCE MANAGEMENT FRAMEWORK**

### **4.8.1 Organisational Performance**

Performance management in Local Government begins essentially with the need to ensure the realization of the IDP and the continued improvement in the standard of performance of the Koukamma Local Municipality as a whole through the following interventions:-

- Increased accountability and transparency
- Provision of a platform for learning and development
- Facilitation of decision making through the clarification of goals and priorities
- Provision of early warning signals highlighting underperformance

- Continual assessment of the performance of the Municipality so as to assess areas requiring improvement
- Creation of a culture of performance of the Municipality amongst all officials

The function of performance management and its use by officials thereof is regulated by the following legislation:-

- The Municipal Systems Act (32/2000)
- The Municipal Planning and Performance Management Regulations (2001)
- The Municipal Finance Management Act (56/2003)
- The Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers (2006)

Legislation states that key performance indicators and targets must be formulated and delegated to posts within the municipality. These indicators pin-point areas of focus for each financial year as developed through the process of public participation. Essentially they are derived both from the projects listed in the IDP and also from needs identified in the Institutional plan following hereafter. In addition to the indicators developed through the IDP process, the Municipal Planning and Performance Management Regulations also stipulate a set of national KPIs which must also be included where applicable.

Once approved, the IDP is married with the budget in a document called the Service Delivery and Budget Implementation Plan (SDBIP) which provides a workable management tool from which to operate under and monitor progress. The utilization of the SDBIP is how institutional performance management is monitored. The SDBIP is then transformed into a personalized performance management system for each and every official through the delegation of activities included in the SDBIP, and as agreed in individual performance plans. As every activity of the KKM is attached to an official who is responsible for its conclusion, one can see that institutional performance is inseparable from Individual performance. For KKM to succeed in its objectives, it depends on the performance of each employee. Through a system of quarterly reviews, performance of each individual is monitored to ensure that progress remains in line with what was originally planned in the IDP. The final result is fed back to the community via the annual report. The scope of performance management is required to cover the following three areas, thus spanning all activities under the control of the Municipality:

- The Municipality as an organization and all its employees
- All entities reporting to the Municipality
- All service providers contracted by the Municipality

## **4.8.2 Individual Performance Agreements (Financial Year 2012/2013)**

For the current financial year, all Section 57 Managers have signed the performance agreements as shown below:-

- Municipal Manager
- Director Strategic Planning and LED
- Director Corporate Services
- Chief Finance Officer
- Director Technical and Infrastructure Services
- Director Community Services

## **4.9 THE SDBIP**

The service delivery and budget implementation plan (SDBIP) for 2012/13 translates the development objectives, strategies and priorities into practical, specific and measurable interventions in the form of projects, be they in-house interventions or otherwise. The projects contained therein are a derivative of the objectives and strategies of Koukamma Municipality as contained within Chapter 3. A detailed or comprehensive service delivery and budget implementation plan for the 2012/2013 financial year of Koukamma Municipality is attached as Annexure H.

## **4.10 INSTITUTIONAL PLAN**

### **4.10.1 Overview**

Governance is the set of structures, processes and policies, used to direct, guide, administer and control an organisation, in achieving its objectives. Key elements of good governance principles relate to honesty, integrity, openness, trust, performance orientation, responsibility and accountability, mutual respect, and commitment. The 2009 King Report on Governance for South Africa, and the King Code of Governance Principles 2009 - together referred to as King III - offers guidance on good governance principles and practices. It emphasises the importance of an inclusive approach to governance as such inclusivity of stakeholders is essential to achieving sustainability and the legitimate interests and expectations of stakeholders must be taken into account in decision making and strategy.



The philosophy of King III revolves around leadership, sustainability and corporate citizenship:-

- Leadership is characterised by the ethical values such as: responsibility, accountability, fairness and transparency and based on moral duties that find expression in the concept of Ubuntu. Responsible leaders direct organisation strategies and operations with a view to achieving sustainable economic, social and environmental performance.
- Sustainability requires that the organisation conducts its operations in a manner that meets existing needs without compromising the ability of future generations to meet their needs. It means having regard to the impact that operations have on the economic life of the community in which it operates. Sustainability includes environmental, social and governance issues.
- Corporate citizenship implies an ethical relationship of responsibility between the organisation and the society in which it operates. As a responsible corporate citizen, the organisation should protect, enhance and invest in the wellbeing of the economy, society and the natural environment.

Effective governance is recognized by the Koukamma Local Municipality as a critical factor in achieving sustainable success, anticipating needs and goals, and assigning accountability. Koukamma Municipality is, therefore, committed to upholding the highest standards of governance and ethical conduct. The Koukamma Municipality provides oversight of the municipality affairs and constantly strives to improve and build on the already strong governance practices.

#### **4.10.2 Processes, Structures and Policies**

The processes, structures and policies of Kou-Kamma Municipality have been developed in a manner that ensures compliance with laws and regulations and further provide clear lines of authority and responsibility for decision-making and accountability, which also include but not limited to:-

- Ethical leadership and corporate citizenship
- Council, Councillors
- Management and staff

Council is vested with the responsibility to oversee the performance of their respective municipality, as required by the Constitution, the Municipal Finance Management Act (MFMA) and Municipal Systems Act (MSA). This oversight responsibility of council is particularly important for the process of considering annual reports.

The MFMA and MSA recognise that council has a critical role to play to ensure better performance by municipal departments and entities. There now exists an explicit linkage between the strategic goals, set by council through the IDP, which are translated into the budget, and the delivery of those goals, which is reported in the Annual Report. It is important for council to ensure that the budget gives effect or expression to priorities contained in the IDP. A good budget will lay a basis for better oversight and cement the contracts between the council, the administration and the public. The MFMA gives effect to financial management reforms that place greater service delivery responsibilities on managers and makes them more accountable for performance. The council is vested with the power and responsibility to oversee administration.

### **4.10.3 Separation of Roles**

The separation of roles between the council and administration is intended to strengthen the oversight function of councillors. Good governance and effective oversight and accountability are predicated on there being this separation of functions. It is fundamental for the achievement of the objects for local government in the Constitution relating to a democratic and accountable system of local government. Council oversees the performance of the administration through council and committee meetings. The mayor provides the link between the council and administration and is responsible for regular monitoring and for tabling reports before the council. Therefore, the administration is responsible for the day-to-day operations. The MFMA gives council a number of financial management tasks to fulfil its oversight role, and the approval of an oversight report is one of its responsibilities.

#### **(a) Audit Committee**

In terms of providing technical capacity, it is a legislative requirement that an audit committee be established which considers the Auditor General's report and its implications for internal risk management, amongst other responsibilities. The purpose and objective of the audit committee is to advise the municipal manager on a range of strategic areas, namely:-

- Financial reporting process
- Systems of internal control
- Audit process
- Advise the council on matters relating to internal control and performance as set out in section 166 of the Municipal Finance Management Act and the process for monitoring compliance with approved procedures and systems.

### **(i) Financial Statements**

Ensure that all financial reports are complete and consistent with the information required.

Review financial reports with management and the external auditors, before filing with regulators.

### **(ii) Internal Control**

Ensure the effectiveness of the council's internal control over annual and interim financial reporting, including information technology security and control. Understand the scope of internal and external auditor's review of internal control, and obtain reports on significant findings with specific reference to the safeguarding of assets, accounting records and the maintenance of effective internal control systems.

### **(iii) Internal Audit**

Review with management the charter, plans, activities, staffing organisational structure of the internal audit activity. Ensure there are no unjustified restrictions or limitations. Review the effectiveness of the internal audit activity, including compliance with the Institute of Internal Auditor's Standards for the Professional Practice of Internal Auditing. On a regular basis, meet separately to discuss any matters that the committee or auditors believe should be discussed privately.

### **(iv) External Audit**

On a regular basis, meet with the external auditors to discuss any matters that the committee or external audit believes should be discussed privately.

### **(v) Compliance**

Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of investigations, follow-ups and (including disciplinary action) of any instances of non-compliance. Review the findings of any examinations by regulatory agencies, and any auditor observations. Review the process for communicating the code of conduct to council personnel and for monitoring compliance therewith. Obtain regular updates from management and legal counsel regarding compliance matters. Assess the reliability of performance information reported and commission in-depth performance investigations where there is continued poor performance. Evaluate the committee's performance on a regular basis. Submit a performance audit report to council at least twice a year. Institute and oversee special investigations as needed. Review and assess the adequacy of the committee charter annually, requesting executive committee approval for proposed changes. Confirm

annually that all responsibilities outlined in this charter have been carried out. Section 14(4) (a) (iii) of the Local Government Municipal Planning and Performance Management Regulations requires that the audit committee submit a report to the Municipal Council at least twice a year, regarding the Performance Management System.

#### **(vi) General**

In fulfilling its role and in carrying out its duties and responsibilities, the audit committee may conduct such investigations and seek from any employee or councillor such information as it considers necessary to enable it to fulfil its functions, and all employees and councillors are required to co-operate with any request made by the audit committee. The committee must consider and recommend improvements in financial control and accounting systems as well as assess extraordinary items or abnormal disclosures with specific reference to:-

- The annual financial statements
- Accounting policies and practices
- Specific strategic reports
- External audit procedure
- The annual external audit report before submission to the relevant committee
- All internal audit activity
- Compliance with law, audit and accounting standards
- Reports of the Head: Investigations

#### **(vii) Internal Audit**

All municipalities must ensure that a fully functional, effective and efficient internal audit function is established, and maintained. It is essential for monitoring the effectiveness of risk management within the municipal entity. In terms of best practice, the internal audit is an independent, objective assurance and consulting activity to add value and improve the organization's operations. It adds a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes in the municipality. The MFMA requires that the system of internal audit is under control and direction of an audit committee. Internal audit must report at the audit committees, and have unrestricted access to the chairperson of the municipal entity and the audit committee.

### **(viii) Information Technology Governance**

Information technology governance is a framework for implementing policies, business processes, and internal controls to effectively support all the services that an IT unit provides. IT governance seeks to improve the value of business operations, rationally prioritize project requests, and measure the IT organisational performance.

### **(viii) Performance Measurement**

Performance measurement demonstrates how well the departments accomplish their objectives and identify under-performing areas. Performance measurement allows for continual organizational improvement.

### **(x) Municipal Public Accounts Committee (MPAC)**

Koukamma Municipality has established a Municipal Public Accounts Committee (MPAC) in accordance with the legislative prescripts as well as in compliance with the guidelines issued by the National Treasury in promotion of good governance and best practices. The lack of effective oversight can be attributed in some measure to the absence of an oversight body like MPAC at local government level or its failure to effectively function, where it exists. Koukamma Municipality is not an exception to this challenge as it recently was confronted by the weaknesses in the functioning of its MPAC which nearly watered-down its oversight responsibility however the matter has since been rescued as of now. It is against this background that the functioning of MPAC remains critical and as Koukamma Municipality, we have decided to incorporate its performance into the IDP, to ensure that we improve governance record as well as accountability. In addition, the reporting lines of MPAC require, at all times, close monitoring through the Office of the Speaker to ensure observation of separate roles and responsibilities of the structures of Council, as well as avoid any potential ambiguity or tension due to blurred lines of authority and accountability.

As a MPAC performs an oversight function on behalf of council it is not a duplication of, and must not be confused with the audit committee. The audit committee is an independent advisory body that advises council and the executive on financial and risk matters and can act as an advisory body to MPAC. The primary function of MPAC is to help council to hold the executive and the municipal administration to account and to ensure the efficient and effective use of municipal re will do this by reviewing public accounts and exercising oversight on behalf of the Council. The committee must examine:

- financial statements of all executive organs of council
- any audit reports issued on those statements
- any reports issued by the AG on the affairs of any municipal entity

- any other financial statements or reports referred to the committee by council
- the annual report on behalf of council and make recommendations to council thereafter
- may report on any of those financial statements or reports to council
- may initiate and develop the annual oversight report based on the annual report
- may initiate any investigation in its area of competence
- must perform any other function assigned by resolution of council

When the committee examines the financial statements and audit reports of a municipality or municipal entity, it must take into account the previous statements of and reports of the entity and report on the degree to which shortcomings have been rectified; The committee must monitor the extent to which its recommendations and that of the AG are carried out; The outcomes and the resolutions of the deliberations of this committee must be reported to council and made public; and It must enhance the accountability process by ensuring that there is objective political oversight, which allows for public involvement and comments in addition to other established governance committees, such as the finance portfolio committee and the independent audit committee.

#### **(xi) Human Resources**

An important component for the development of effective and efficient human resources is continuous Organisational Development and Training plan which seeks to enhance service delivery with efficient institutional arrangements through the following three strategies:

- Development and implementation of institutional frameworks and business systems;
- Implementation of human capital management systems and processes to enhance staff alignment with business needs and improve staff morale and performance.
- Implementation of efficiency gains interventions through business improvement initiatives.

#### **(xii) Financial Management**

The management of key financial and governance areas will be achieved by focusing on the following:

- Ensuring a high level of financial management in order to contribute toward an unqualified audit opinion;
- Ensuring a high standard of financial management by reducing the amount of money owed to the KKM; and

### **(xiii) Spending budgets to maximise delivery**

The annual budget of Koukamma Municipality is made up of two parts: an operating budget and a capital budget. The capital budget is set aside for spending on infrastructure and services such as roads, stormwater drainage, water, sanitation, electricity and other utilities and services that Koukamma Municipality needs in order to function, grow, and offer opportunities for its residents. The budget is based on the income that Koukamma Municipality expects to derive from rates, service charges and grants including subsidies where applicable.

## **4.11 FINANCIAL PLAN**

The IDP laid a foundation that informed the 2012/2013 budget process including the engagement with the local stakeholders as well as the operations of the budget steering committee to ensure integration and alignment of the service delivery priorities and budget availability and allocation in accordance with Section 53 (i) (a) of the MFMA which states that the Mayor of a municipality must provide political guidance over the budget process and the priorities that must guide the preparation of the budget. Budgeting is primarily about prioritizing objectives to be achieved due to limited funding available.

### **(a) Financial Sustainability**

Council is experiencing major cash flow challenges due to the low level of recovering of outstanding debt. For the 9 month period ending 31 March 2012 councils average monthly debt collection rate was 34,5% if the collection of rates is excluded this from the above collection of services was 15,6% painting a very disturbing picture.

Challenged by the low collection rate, and as result thereof a debt collection agent was appointed to recover outstanding debt on a risk basis, and to assist in the cleansing of the data on councils debt register. The current debt outstanding for a period exceeding 30 days is in excess of R90 million. The challenge faced by council in this regard is the following:-

- This amount includes balances relating to indigents amount to ±R37 million
- Take a balance of ± R8million included in the amount relates to balances brought onto the balance system prior to 2005 with no supporting documentation to confirm the legality of the existence of these opening balances.

## **(b) Components of the Budget**

### **(i) Funding of the Budget**

The budget is funded by the following revenue sources, equitable share allocation in terms of the 2011 DORA Bill.

<b>Equitable Share</b>	<b>2012/2013</b>	<b>2013/2014</b>	<b>2014/2015</b>
Equitable Share	27810,000	29785,000	31997,000
Councillors Remuneration	1400,000	1771,000	2080,000
<b>Total Equitable Share</b>	<b>29210,000</b>	<b>31556,000</b>	<b>34077,000</b>

### **(ii) Grants included in the budget in terms of the 2011 DORA Bill.**

The following table reflects grants to be received in 2012/2013 to 2014/2015 in terms of the DORA report published after the 2012 National Budget speech by Minister of Finance.

<b>Conditional Grants</b>	<b>2012/2013</b>	<b>2013/2014</b>	<b>2014/2015</b>
Finance Management grant	1500,000	1500,000	1750,000
Municipal systems improvement grant	800,000	870,000	950,000
Municipal Infrastructure grant	17763,000	18738,000	19821,000
DSRAC	987,000		
EPWP	1 000,000		
<b>TOTAL</b>	<b>21 063,000</b>	<b>21108,000</b>	<b>22521,000</b>

### **(iii) Tariffs**

The Budget 2012/2013 to 2014/2015 the tariffs for Rates, service charges and other revenue are increased by 6%, electricity is increased by 11.03%. The expected revenue received from Traffic fines has been increased due to the expectation of a fully-fledged and operational Traffic division. It is also foreseen that the test station will be operational during this period.

### **Expenditure**

The budget provides for a 6% increase in expenditure and 8% increase in the salaries of employees 18% increase is provided for the increase in councillor allowances awaits the outcome of the recommendation on the grading of a municipality.



## Welfare Package

An amount of R6 934 096 million has been allocated from the 2012/13 equitable share to provide relief to the indigent consumers. The package has been designed to subsidise the indigent consumers by 100% on all services as well as a basic free electricity grant of 50kwh per month. The 100 % subsidy in respect of Rates is also included.

Indigent Split	2012/2013	2013/2014	2014/2015
Rates	1547,600	1655,932	1755,288
Refuse	403,754	432,017	457,938
Sanitation	942,022	1007,964	1068,442
Water	1547,600	1655,932	1755,288
Electricity	2493,120	2667,639	2827,698
<b>Total</b>	<b>6934,096</b>	<b>7419,484</b>	<b>7864,654</b>

**Table: Welfare Package**

INDIGENT & OTHER benefits		2012/2013 Inclusive	
Qualification Criteria - Household Income		R 1,300 per month	
No sliding scale to be implemented - See benefits for Elderly & poor under rates.			
	<b>R 308.00</b>		<b>R 326.11</b>
<b>Water</b> 100.00%	R 67.00	Service Charge 100.00%	R 71.00
NB Tariff policy determines that only indigent consumers receive first 6 Kl per month free.	R 23.40	Kiloliter Benefit per month 6 kl	R 24.60
<b>Sewerage</b> 100.00%	R 94.00	Service Charge 100.00%	R 100.00
<b>Refuse</b> 100.00%	R 41.00	Service Charge 100.00%	R 43.00
<b>Electricity</b> 50@ R0.52	R 25.99	Kwh 50@ R0.55	R 27.50
<b>RELIEF : RATES</b>			
Indigent - Property: Market value not exceeding R120 000. Should market value exceed limit, benefit will be determined as for elderly & poor, as set out below.	100%	R 56.61	100% R 60.01
Elderly & Poor	R 50,000	Further Rebate in addition to initial R15 000	Further Rebate in addition to initial R15 000
		R 2,600	Maximum Household Earnings per month

## Assets

Due to the above, as well as cash flow constraints no provision has been made for purchasing any capital assets in the budget. Considering the large volume (and value) of outstanding debt to be recovered by the appointed debt collecting agent, the funding of assets will be from the debt collected which has been previously considered irrecoverable.

## Bad debt provision

As a result of the continued poor payment rate experienced provision was made for bad debt amounting to R2, 434,361. This is based on a payment rate of 92%. The steps taken in the improvement of the collection of outstanding debt is expected to result in the improved payment rate compared to the prior financial year.

**(iv) Revenue by source and expenditure by type**

Operating Budget 1 JULY 2012 to 30 July 2015 (revenue by source and expenditure by type)

Line Items	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>Revenue by Source</b>						
PROPERTY RATES	-8 417 036	-10 640 200	-10 640 200	-11 278 612	-12 068 114	-12 792 201
PROPERTY RATES - PENALTIES & COLLECTION	-424 000	0	0	-550 000	-583 000	-623 810
ELECTRICITY TARIFF - TRADE	-80 348	-80 000	-80 000	-84 800	-90 736	-96 180
ELECTRICITY TARIFF - PREPAID	-1 415 842	-1 700 000	-1 700 000	-1 802 000	-1 928 140	-2 043 828
REFUSE REMOVAL FEES	-3 326 598	-3 072 000	-3 072 000	-3 256 320	-3 484 262	-3 693 318
SEWERAGE / SANITATION FEES	-6 283 680	-6 746 000	-6 746 000	-7 150 760	-7 651 313	-8 110 392
WATER TARIFF	-7 396 998	-6 976 000	-6 976 000	-7 394 560	-7 912 179	-8 386 910
RENTAL OF FACILITIES & EQUIPMENT	-230 444	-96 160	-96 160	-101 930	-109 064	-115 608
INTEREST EARNED - EXT INVESTMENTS	-74 000	-1 112 300	-1 120 900	-1 188 154	-1 271 324	-1 347 604
INTEREST EARNED - O/S DEBTORS	-695 490	0	0	0	0	0
FINES	-303 796	-359 600	-359 600	-2 752 012	-3 385 952	-3 663 210
LICENSES & PERMITS	-1 378	-600	-600	-636	-681	-722
INCOME FOR AGENCY SERVICES	-927 818	-2 297 300	-2 297 300	-3 135 138	-3 368 597	-3 593 603
GOV GRANTS & SUBSIDIES REC - CONDITIONAL	-41 772 354	-60 806 354	-60 806 354	-22 050	-21 108 000	-22 521 000

GOV GRANTS & SUBSIDIES	-25 455	-9 709	-9 700	-11 950	-13 925	-15 192
REC - UNCONDITION	068	287	687	973	053	325
OTHER INCOME	-2 188	-16 080	-16 080	-5 404	-4 052	-4 290
	324	045	045	306	310	380
<b>Total revenue (Excluding Capital transfers and Contributions)</b>	<b>-98 993 174</b>	<b>-119 675 846</b>	<b>-119 675 846</b>	<b>-78 100 201</b>	<b>-80 938 725</b>	<b>-86 471 091</b>
<b>Expenditure by Type</b>						
EMPLOYEE RELATED COSTS	25 455	21 930	21 930	29 226	31 528	34 017
- REMUNERATION	932	000	000	676	776	747
EMPLOYEE RELATED COSTS - SOCIAL CONTRIBU	4 761 259	3 603 800	3 603 800	4 650 722	5 019 013	5 416 069
REMUNERATION OF COUNCILLORS	2 520 698	2 081 700	2 081 700	2 646 990	2 858 740	3 087 440
BAD DEBTS	10 498 346	13 779 400	13 779 400	2 434 361	1 607 553	1 658 028
COLLECTION COSTS	956 014	956 000	956 000	1 013 360	1 084 295	1 149 353
REPAIRS AND MAINTENANCE	2 175 968	1 949 300	1 949 300	2 338 014	2 232 570	2 376 335
INTEREST PAID	198 856	151 400	151 400	160 484	171 718	182 021
BULK PURCHASES	2 062 018	3 171 900	3 171 900	3 362 214	3 597 569	3 813 423
CONTRACTED SERVICES	1 865 812	1 921 900	1 921 900	2 582 848	2 179 819	2 310 608
GRANTS & SUBSIDIES PAID - CONDITIONAL	31 564 991	45 192 941	45 192 941	2 717 546	1 787 546	2 117 546
GRANTS AND SUBSIDIES PAID: UNCONDITIONAL	5 336 534	10 029 000	10 029 000	10 630 740	11 374 893	12 057 387
GENERAL EXPENSES - OTHER	11 596 746	14 908 505	14 908 505	16 336 247	17 496 233	18 285 134
<b>TOTAL OPERATING EXPENDITURE</b>	<b>98 993 174</b>	<b>119 675 846</b>	<b>119 675 846</b>	<b>78 100 201</b>	<b>80 938 725</b>	<b>86 471 091</b>
<b>NETT OPERATING BUDGET</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**(v) A high level summary of the three year plan is set out in the tables below:**

Operating Budget 1 July 2012 to 30 June 2015 (Revenue and expenditure by vote)

Vote description	0			0		
	0	0	DETAILS	0	0	0
<b>REVENUE BY VOTE</b>						
EXECUTIVE & COUNCIL	(4 299 520)	(4 363 700)	(4 363 700)	(4 429 632)	(5 852 088)	(6 606 929)
FINANCE & ADMINISTRATION	(20 700 829)	(22 168 383)	(22 168 383)	(20 928 742)	(20 587 968)	(22 022 167)
PLANNING & DEVELOPMENT	(9 495 824)	(2 234 000)	(2 234 000)	(169 432)	(180 338)	(191 159)
HEALTH COMMUNITY & SOCIAL SERVICES	(10 059 856)	(10 073 400)	(10 073 400)	(2 155 964)	(6 200 792)	(191 640)
HOUSING	(503 000)	(21 503 000)	(21 503 000)	(4 -)	(5 -)	(5 -)
PUBLIC SAFETY	(2 817 690)	(2 873 600)	(2 873 600)	(4 419 401)	(5 175 128)	(5 577 429)
SPORT & RECREATION	(1 760 000)	(1 760 000)	(1 760 000)	(3 -)	(3 -)	(4 -)
WASTE MANAGEMENT	(4 262 409)	(3 833 500)	(3 833 500)	(4 024)	(3 924 785)	(4 160 272)
WASTE WATER MANAGEMENT	(17 664 216)	(9 757 000)	(9 757 000)	(8 092 782)	(8 659 277)	(9 178 834)
ROAD TRANSPORT	(2 938 818)	(18 965 800)	(18 965 800)	(14 175 138)	(15 149 697)	(22 423 553)
WATER	(20 358 266)	(17 841 263)	(17 841 263)	(15 672 474)	(10 512 837)	(11 141 544)
ELECTRICITY	(4 132 746)	(4 302 200)	(4 302 200)	(4 388 612)	(4 695 815)	(4 977 564)
<b>TOTAL</b>	<b>(98)</b>	<b>(119)</b>	<b>(119)</b>	<b>(78)</b>	<b>(80)</b>	<b>(86)</b>

REVENUE BY VOTE	993 174)	675 846)	675 846)	100 201)	938 725)	471 091)
<b>EXPENDITURE PER VOTE</b>						
EXECUTIVE & COUNCIL	9 601 056	7 727 187	7 727 187	8 401 082	9 065 909	9 777 295
FINANCE & ADMINISTRATION	28 283 790	30 507 134	30 507 134	26 903 020	28 078 743	29 961 564
PLANNING & DEVELOPMENT	8 380 829	9 000 900	9 000 900	1 558 379	1 520 144	1 638 704
HEALTH	8 847	12 000	12 000	13 630	14 608	15 522
COMMUNITY & SOCIAL SERVICES	9 989 722	10 413 881	10 413 881	3 671 193	2 924 778	3 150 702
HOUSING	21 263 136	21 272 924	21 272 924	21 253 797	21 270 516	21 290 822
PUBLIC SAFETY	3 294 637	3 177 093	3 177 093	3 854 003	4 141 121	4 444 055
SPORT & RECREATION	3 75 196	3 65 300	3 65 300	3 209 218	4 74 063	4 78 505
WASTE MANAGEMENT	3 210 154	6 932 941	6 932 941	5 913 907	6 169 551	6 579 319
WASTE WATER MANAGEMENT	16 173 037	9 752 451	9 752 451	6 343 302	6 465 627	6 848 166
ROAD TRANSPORT	3 345 987	3 720 002	3 720 002	3 843 480	4 137 130	4 438 168
WATER	10 935 992	8 703 354	8 703 354	8 560 874	8 898 104	9 510 651
ELECTRICITY	5 430 791	8 390 679	8 390 679	8 574 316	9 178 432	9 737 618
<b>TOTAL EXPENDITURE PER VOTE</b>	<b>R 98 993 174</b>	<b>R 119 675 846</b>	<b>R 119 675 846</b>	<b>R 78 100 201</b>	<b>R 80 938 725</b>	<b>R 86 471 091</b>
Surplus/deficit for the year	R -	R -	R -	R -	R -	R -

The application of sound financial management principles, for the compilation of financial plan should be considered an on-going process by which the essential and critical refinement of the integration of the IDP and Budget is ultimately achieved. The financial planning imperatives as embedded in the Long-Term Financial Strategy will contribute to ensuring that the municipality remains financially viable and that the municipal services are provided economically to all communities and that support and capacity building programmes are provided to local municipalities. The public participation and consultation process, of which this report forms the departure point, will strengthen the principles of people-centred governance, transparency and accountability within municipality.

## **CHAPTER 5: MONITORING AND EVALUATION**

### **5.1 OVERVIEW**

Every organisation has a responsibility to monitor and evaluate its performance in order to track the implementation of its decisions and integrated development programme as well as to identify its strengths, weaknesses, opportunities and threats so as to inform the strategic areas that warrant consolidation and sustainability including those that require specific intervention to address its limitations and risks to enhance organisational performance.

It is against this backdrop that Koukamma Municipality has a similar responsibility to track the implementation of its decisions and the integrated development programme so as to assess its organisational performance and further identify the existing gaps for intervention to address its limitation and thus strengthen its performance. In undertaking this work, Koukamma Municipality has a range of institutional mechanisms which places it at a position to systematically track its record of performance including strategic areas that require consolidation and sustainability as well as seamless and specific responses to address the existing limitations and risks to better organisational performance.

### **5.2 INSTITUTIONAL ARRANGEMENTS**

#### **5.2.1 Municipal Council**

As per the legislative environment, the Council of Koukamma Municipality has both the legislative and executive authority in terms of its powers and function so as to undertake its oversight role and responsibility. In discharging this function, Council has to meet on a quarterly basis to consider the implementation of decisions and the integrated development plan. It has therefore required to obtain quarterly reports based on the service delivery and budget implementation plans which serve as an organisational assessment tool including using its performance management system to track individual performance of senior managers as translated through performance agreements as well as departmental service delivery and budget implementation plans.

## **5.2.2 Council Committees**

In terms of Section 79 of the Municipal Structures Act, 1998, Council of Koukamma Municipality has a legislative obligation to establish its committees whose core functions is to undertake oversight functions on its behalf. In this regard, Council has already established a series of committees, ranging from corporate services, local economic and special programmes, finance and budget services including technical and infrastructure services as well as community services. These committees are required to meet on a monthly basis consider reports on the execution of departmental service delivery and budget implementation plans in line with the broad strategic objectives and priorities of Koukamma Municipality.

## **5.2.3 Municipal Public Accounts Committee**

At the core of its legislative obligations, is the establishment of the municipal public accounts committee whose responsibility is to undertake an oversight role in terms of the following strategic areas:-

- Financial statements
- Oversight (Annual) report
- Outcomes of the Auditor-General
- Monitor implementation of the audit action plan

## **5.2.4 Inter-Governmental Relations**

Likewise, Koukamma Municipality has a duty of performing its inter-governmental function in order to strengthen its relations with a number of sector departments and other social partners. In this regard, Koukamma Municipality has a responsibility through the Mayor to convene and drive the inter-governmental function through cooperation and collaboration with a range of role players. Equally, Koukamma Municipality has a responsibility to participate in the inter-governmental forum under the ambit and jurisdiction of Cacadu District Municipality through the leadership of the Executive Mayor.



## CHAPTER 6: CONCLUSION

The final IDP contains organisational and strategic objectives including priorities for the political term running from 2012-2017, and it outlines key projects and performance expectations on five key areas of local government strategic agenda. This document incorporated the submissions from the public based on extensive consultation, as well as submissions from sector departments and Cacadu District Municipality based on the interaction with these social partners.