

NO.	PROJECT NAME	PROJECT OUTPUT	BUDGET	MUNICIPALITY	STATUS PAC/ BP PROGRESS
8.	EC- Elimination of Invasive Species within Ikwezi	Alien invasive removal	5 M	Ikwezi	Letter of support of BP is outstanding and the municipality has promised to forward it as soon as possible.
9.	AP1 Botanical Gardens Makana Expansion	Construction of an EEC within the Grahamstown Botanical Garden infrastructure. Upgrade Ornee Cottage and erect new ablution facility	10 M	Makana	Project finalised, outstanding person days
10.	EC- Working for the Coast SANParks, Tsitsikamma 11/13	Beach clean-up, boardwalk construction and maintenance dune rehabilitation, maintenance of camp sites	8 M	Kou-Kamma	Lat PAC- 30 Sept 2011
11.	Makana Greening	Construction of Zion Dam	10 M	Makana	Project requested extension from the Department.

Source: DEA

3.5.12 Department of Social Development

Table 3.27 Proposed projects for 2012/13

Name of project	Local municipality	Locality	Activity	Amount
Ubugqi Upholstered Furniture Manufacturing Cooperative Limited	Makana	Fingo, Grahamstown	Furniture manufacturing	500 000
Makana Young Manufacturers	Makana	Fingo, Grahamstown	Coffin making	500 000
Ikhaka Farming Project	Makana	Salem	Piggery	500 000
Sanddrift Vegetable Youth Project	Kou-Kamma	Sanddrift	Crop production	500 000
MKSM Trading Enterprise	Kouga	Thornhill	Brick making	500 000
Ezezwe ICT Centre	Ikwezi	Jansenville	ICT and silk-screening/printing	125 000
Sisakha Youth Project	Camdeboo	Graaff-Reinet	Braai house	250 000
Asikhule Upholstery Project	Camdeboo	Aberdeen	Upholstery	500 000
Loerie Bakery	Kouga	Loerie	Bakery	750 000
Oyster Bay Fishing Project	Kouga	Oyster Bay	Fishing (sea)	750 000
Kamva Elihle Agricultural Project	Kouga	Cambria	Poultry	750 000
Nomfuneko Feedlot	Ikwezi	Jansenville	Feedlot	750 000
Siyazama Agro-Project	Blue Crane	Somerset East	Lucerne production	375 000
Zatshoba Crop Farmers	Makana	Alicedale	Crop production	375 000
VukaPhile Agricultural Services	Sundays River Valley	Kirkwood	Crop production	750 000
Siyachluma Gardens	Sundays River Valley	Addo	Crop production	750 000
Khayalesizwe Burial Society	Ikwezi	Jansenville	Coffin making	500 000
Masaqhame (Create a stitch) Women's Project	Kou-Kamma	Kareedouw	Sewing	500 000
Clarkson Sewing and Beadwork	Kou-Kamma	Clarkson	Sewing	250 000
Siyazama Women's Project	Blue Crane	Somerset East	Broiler production	250 000
Masiqhame Chicken Project	Camdeboo	Aberdeen	Broiler production	500 000
Sinethemba Sewing Project	Blue Crane	Somerset East	Garment making	500 000
Masaphakame	Kou-Kamma	Kareedouw	Sewing	500 000
Thembelihle Poultry Project	Ndlambe	Bathurst	Poultry	500 000
Sinalo Cooperative	Makana	Tantyi, Grahamstown	Poultry	500 000
Masiphile Agricultural Primary Cooperative	Ndlambe	Mimosa, Port Alfred	Chicory	500 000
Vukuhambe Self-Help Group	Makana	Grahamstown	Craft production	500 000

Source: Dept: Social Development

CHAPTER 4: INTEGRATION

4.1 PART 1: THE CACADU DISTRICT MUNICIPALITY'S SPATIAL DEVELOPMENT FRAMEWORK (SDF)

The CDM's core function is to facilitate development within the District whilst supporting and capacitating Local Municipalities in their efforts to develop their various communities. As a principle, Local Municipalities are to function as the preferred service providers of municipal services. As such, the role of the CDM is defined as an organisation that is both supportive and facilitative in nature in terms of:

- Serving as a district-wide integrated development planning authority.
- Serving as an infrastructure development agent.
- Serving as a technical and institutional capacity resource to local municipalities.

The intention of the CDM's SDF is to enhance the CDM's role as development facilitator, where the institution is able to deem developmental levels of importance, thereby allowing it to promote cross-cutting developmental aspects that contribute to the betterment of the region as a whole. Furthermore, as a primary component of the district wide IDP, the SDF of the CDM, may be defined as a management tool that seeks to:

- Ensure a collective spatial representation of the District's Vision and Objectives.
- Ensure mechanisms in which to effectively prioritise not only capital investment, but investment in the form of developmental programme areas.
- Ensure cohesive planning.

Although the SDF seeks to strive towards the District's Vision and Objectives for both urban and rural communities, it is important to note that such an aim is underpinned by two underlying fundamental principles which have an influence on where and how investment should take place, namely:

- Historical backlogs associated with engineering and service provision.
- Financial constraints associated with public spending.

Given the implications of the above, the SDF needs to recognise the consequences of such and as a result guide development in an appropriate and suitable manner.

4.1.1 PLANNING PHILOSOPHY AND COMPONENTS OF THE CDM's SDF

As the CDM faces the situation where the demands and expectations of its community and stakeholders far outweigh its resources, the CDM has to adopt a planning philosophy that seeks to identify how to appropriately allocate scarce resources, which by implication dictates that:

- The most important need is for local government to supply basic services to its entire community.
- Resources should next be allocated where they will be the most effective and the most beneficial as viewed from a District wide perspective.

This targeted approach is the cornerstone on which the SDF is developed, whilst recognising the fact that it is done so within the political mandate that currently exists.

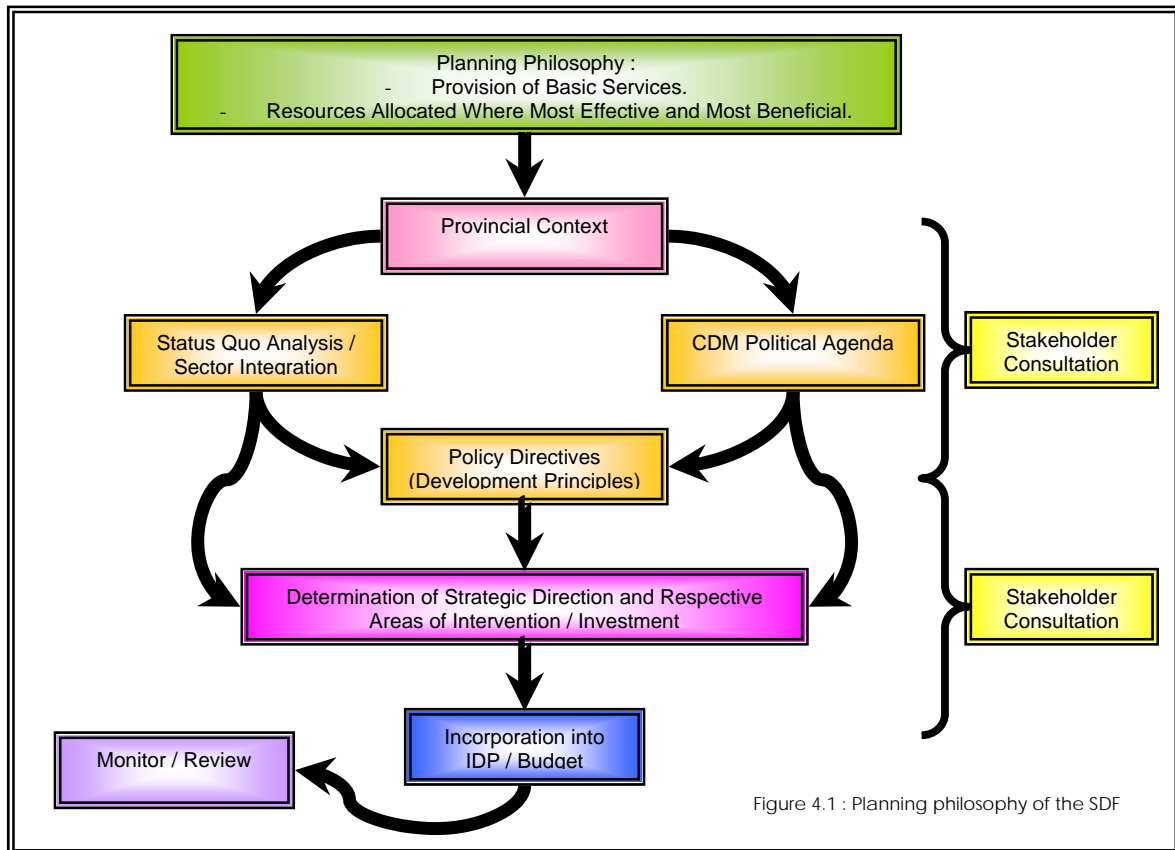


Figure 4.1 : Planning philosophy of the SDF

The CDM's SDF is essentially comprised of four components, namely:

- A contextual overview of the District in relation to structuring elements.
- Spatial policy guidelines.
- A related investment framework.
- Identified areas of strategic intervention.

Physical structuring elements shape the urban and rural form of the District and ultimately have an influence on the future form and growth. As such spatial policy guidelines are informed by the physical structuring elements. The role of spatial policy guidelines is therefore to guide and / or direct development through applicable interventions in order to achieve a sustainable urban and rural environment along with associated efficiency. The implementation of the envisaged policy guidelines is ensured through linkages with capital investment, i.e. the Investment Framework (IF), where infrastructure decision-making processes link with urban / rural management strategies and the budgeting process. The relationship between the SDF and the IF enables areas of strategic intervention to be identified, an especially crucial element considering the accepted financial constraints of public spending.

4.1.2 PROVINCIAL CONTEXT

The development and subsequent review of the SDF for the CDM needs to be developed within the context of the Eastern Cape Spatial Development Plan. The Eastern Cape Spatial Development Plan (ECSDP), as developed by the Provincial Administration of the Eastern Cape, is intended to be a co-ordinating document that sets out a broad framework for the investment of public funding and the management of development in the Province towards the achievement of a common vision and set of objectives. As such the development of the ECSDP aims to establish clear strategic principles for the ordering of spatial development and is not intended as a prescriptive plan.

In an attempt to formulate clear strategic principles for the ordering of spatial development within the Eastern Cape, the ECSDP highlights key spatial development issues which ultimately inform the approach to managing spatial development. The premise of this approach is to ensure the optimal arrangement of settlements in space where access to services and / or resources provided in a settlement is equitably in balance with the level of services and / or resources provided there, yet also satisfies the level of demand or need amongst the surrounding rural and peri-urban population. Spatial management should therefore seek to recognise the limitations of available resources but also propose targeted and phased development in an effort to address basic needs and to create a facilitating environment for local economic development in both urban and rural contexts through:

- The focussing of investment in existing rural settlements, villages and towns on a phased basis according to available resources and development priorities.
- Reinforcing development nodes and development areas through channels of opportunity and bulk infrastructure.
- Focussing on economic upliftment and employment creation through LED, agriculture, SMMEs and industrial programmes.

The adoption of the above-mentioned notion and strategic approach would ensure that the development of policies of investment and management is applied through three levels in order to attain significant results, these being:

- Level One: Fulfils basic human rights in the provision of basic services to both urban and rural areas, at a minimum level in terms of available resources. This would be guided by the incidence of service and infrastructure backlogs, the proximity of existing bulk services and the priorities as identified from a District Municipality's point of view.
- Level Two: Ensures the managed sector of public sector funding in urban and rural areas in order to strengthen local capacity, build on the strengths and opportunities that exist and maximises the development potential of existing infrastructure and settlements systems.
- Level 3: Involves the provision of adequate funding to strategically targeted development zones which have development potential. These will represent areas, nodes or areas of opportunity where focussed investment will attract interest from the private sector in such a way as to develop economic growth opportunities and to realise the potential that already exists.

Overall, policy should be based on equity as an ideal, such that focus on Level Three investment will not deny access to basic services to the general order.

4.1.3 CONTEXTUAL VIEW OF THE DISTRICT

The Cacadu District's development pattern is influenced by the primary structuring elements of:

- **Nodal Development :**
The most significant nodal points within the district consist of the towns of Grahamstown, Graaff-Reinet, Jeffreys Bay, Humansdorp and Port Alfred.
- **Settlement Patterns :**
The process of colonisation within the Eastern Cape, based on the function of urban centres as either district service or administrative centres, has resulted in a network of settlements at varying levels of urbanisation ranging from rural villages to towns servicing predominantly extensive farming areas. In addition, most urban centres are characterised by functionality based on the divisional policies of the past in the form of marginalised townships. These areas have promoted sprawl due to their peripheral location, and are subsequently compromised in the form of sustainability as inadequate linkages exist between the settlement and the core of the urban area.
- **Rural Patterns of Development :**
The district of Cacadu is predominantly rural in nature as the existence of low and erratic rainfall, coupled with sparse vegetation, can only support extensive grazing on large farms. As a result the majority of the District is characterised by a small rural population living in scattered towns and settlements.
- **The Prominence of the Agricultural Sector :**
The agricultural sector within the District is characterised by privately owned commercial family farms. The land uses on these farms range from extensive grazing of sheep and goats in the semi-arid Karoo, to more intensive cultivation and dairy farming in the southern coastal belt and the fertile irrigated river valleys.
- **Environmental / Tourism Sector :**
The District's wide range of environmental assets is the primary catalyst behind the prevalence of the tourism industry in the District. These range from the expansive stretch of coastline to the developments of the Addo Elephant National Park and the Baviaanskloof Reserve. The District is also home to several world-class private nature reserves and five star eco-tourism lodges.

4.1.4 SPATIAL POLICY GUIDELINES

4.1.4.1 THE PROGRESSION OF PROFICIENT DEVELOPMENT

Appropriate policy formulation and the resultant implementation in accordance therewith, ultimately results in the improved functioning of any urban or rural spatial environment. Arguably, the implementation of policy directives is achieved through linkages with capital investment, where infrastructure decision-making processes link with urban / rural management strategies and the budgeting process. The critical success factor within the above-mentioned process is to ensure that there is continual long term adherence to the principles of the below mentioned policy directives and the manner in which they are employed through an Investment Framework (IF), or what may collectively be termed as a progression of proficient development.

The benefits of policy directives and the resultant implementation through an associated investment framework may not necessarily be instantaneously reflected. As the process is progressive and accordingly reviewed on an annual basis, the benefits to the varying communities, in addition to the envisaged attainment of the District's Vision, will be achieved and amplified over time as implementation is undertaken in terms of policy directives as diagrammatically represented below.

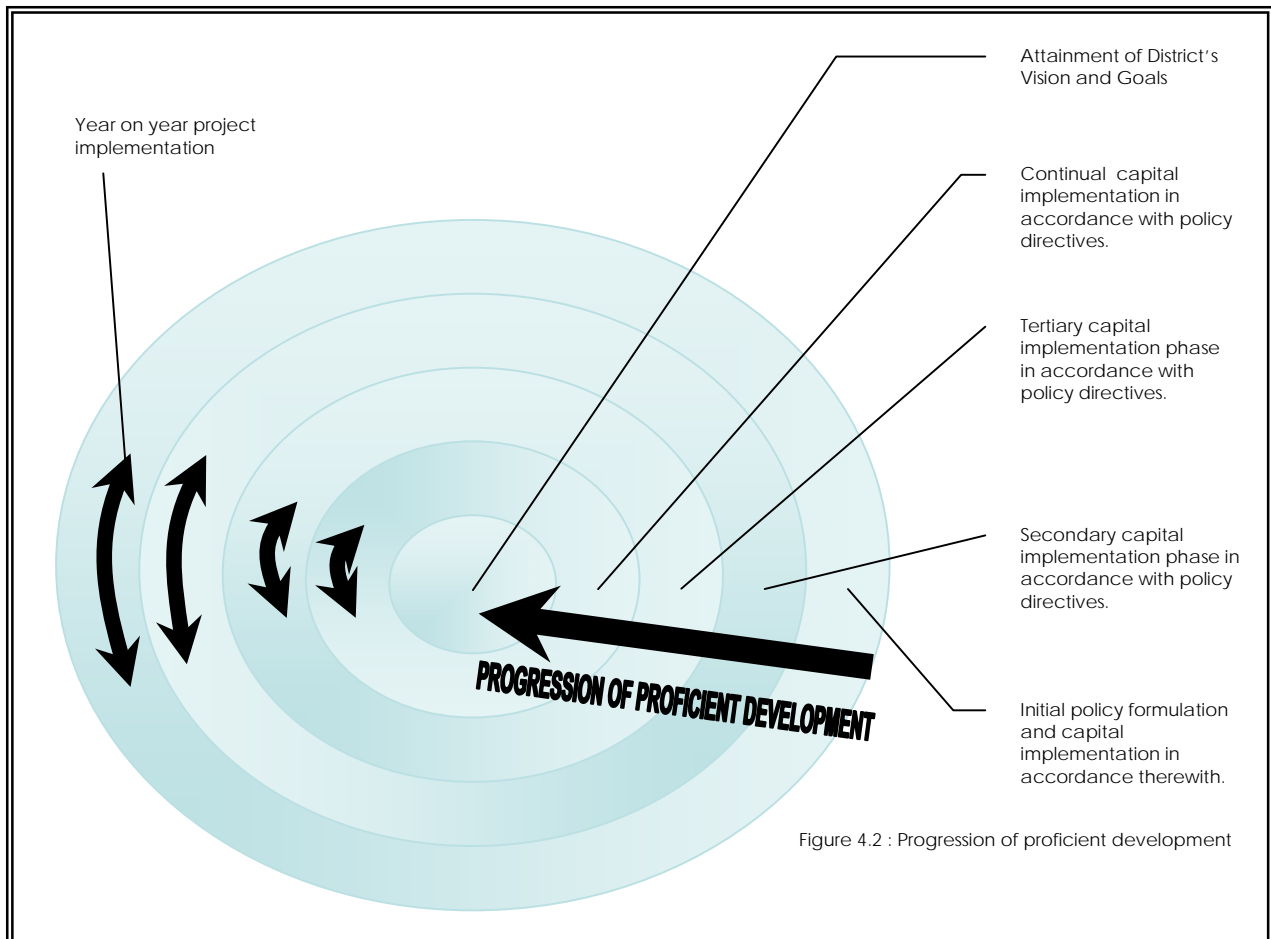


Figure 4.2 : Progression of proficient development

In essence the applied policy directives, along with the Investment Framework, which enable the progression of proficient development, dictate how and where development should be accommodated through the utilisation of available resources. The sustainability of the District is achieved through the implementation of the enabling mechanisms (policy directives) which allows for an environment that encourages a desirable urban and rural spatial form which ultimately impacts on the economy of the region and on the associated lives of the community at large.

Although the SDF along with associated policy directives and implementation mechanisms are legislatively required to be reviewed on an annual basis, the basic principles of the progression of proficient development and the resultant implementation thereof, need to be adhered to and as a result remain constant.

These basic principles may be summarised as follows:

- That the progression of proficient development serve the needs of the community, encourage a desired urban and rural spatial form and contribute to the development of the regional economy.
- That a balance is struck between the fulfilment of basic needs, the maintenance of existing assets, be they infrastructural or social in nature, and the potential for future growth and development.
- That the progression of proficient development seeks to create opportunities that will facilitate economically competitive communities.

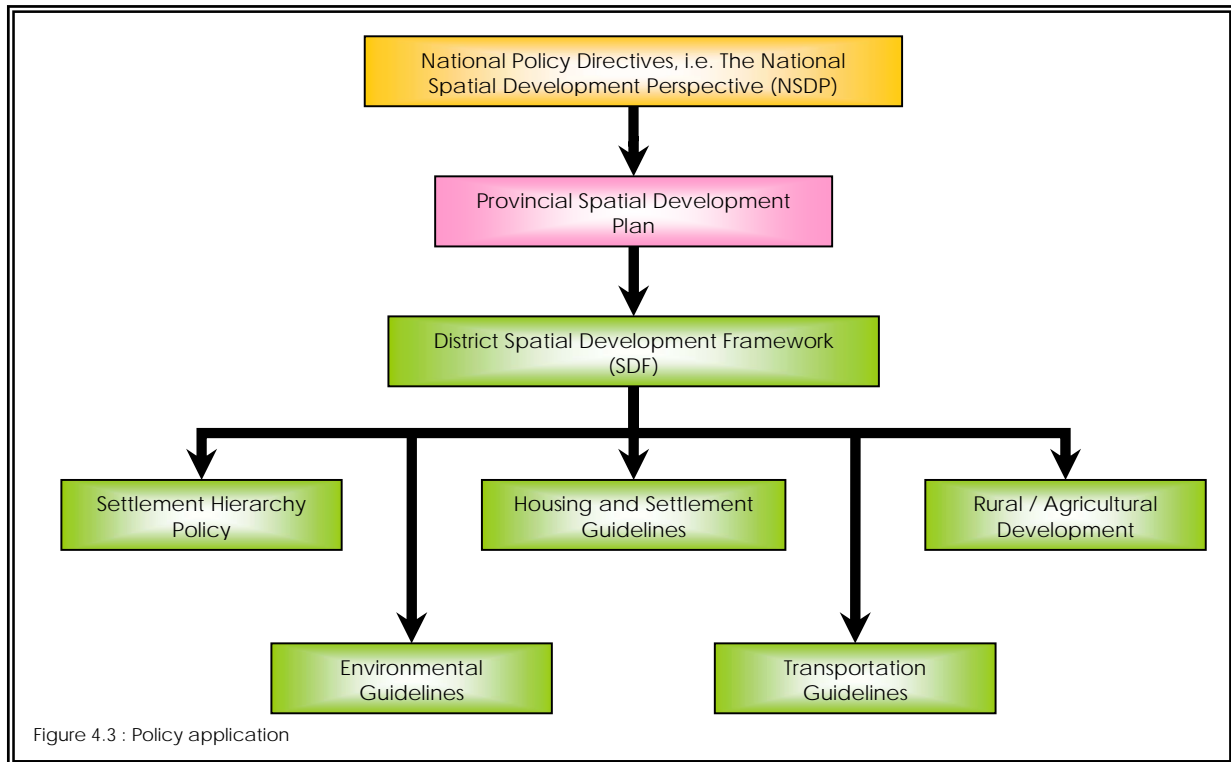
Development patterns, be they urban or rural in nature, will always be influenced by a variety of factors. While not discounting the fact that market forces play an enormous role in the shaping of development patterns, non-market factors such as that of strategic government interventions play a substantial role in the envisaged accomplishment of specific public policy goals thereby ultimately influencing the development pattern of a particular region. The progression of proficient development is therefore a process in which to influence development patterns within the context of promoting sustainability.

4.1.4.2 POLICY APPLICATION

In order to attain the District's envisaged vision, development needs to be directed and managed, through applicable policies and interventions, in order to:

- Create a sustainable urban and rural environment.
- Ensure optimal accessibility to potential developmental opportunities.
- Ensure efficiency within the Districts varying structural components.

Applicable policy directives may be grouped into three distinct categories, the aim of which is to achieve the above-mentioned goals. The three categories relate to National, Provincial and District policy directives which are invariably interlinked in their objective to attain sustainable development.



- 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.

- Provincial Policy Directive – Provincial Spatial Development Plan :

The Eastern Cape Spatial Development Plan (ECSDP), as developed by the Provincial Administration of the Eastern Cape, is intended to be a co-ordinating document that sets out a broad framework for the investment of public funding and the management of development in the Province towards the achievement of a common vision and set of objectives. As such the development of the ECSDP aims to establish clear strategic principles for the ordering of spatial development and is not intended as a prescriptive plan.

4.1.4.3 DISTRICT-WIDE SDF POLICY DIRECTIVES

The District wide SDF policy directives consist of five primary areas of intervention that seek to achieve a sustainable urban and rural environment as viewed from a regional perspective. These strategies are inter-related and impact on one another and are listed as follows:

- The Settlement Hierarchy Policy :
Seeks to ensure the appropriate positioning of infrastructural development which facilitates growth and development in strategic locations, whilst providing for basic needs in areas that are not of strategic importance.
- Housing and Settlement Guidelines :
Seeks to assist decision makers, designers, community organizations and municipalities in planning various settlements with due regard to:
 - The ideal spatial structure of each level of settlement.
 - Criteria to be used to determine the best location of land uses within each settlement.
 - Steps to determine what to do in each settlement in order to promote integration, sustainability, equity and efficiency.
- Environmental Guidelines.
- Transportation Guidelines.
- Rural / Agricultural Development Guidelines :
Where agricultural management seeks to maximise opportunities at appropriate locations.

4.1.5 NSDP ALIGNMENT

As mentioned previously, the principles of the NSDP are recognised as tools to coordinate government action and alignment, maximise overall social and economic impact of government development spending and provide a rigorous base for interpreting strategic direction.

Given the importance of the principles of the NSDP, it was felt pertinent to reflect the alignment of such principles with the CDM's spatial principles and strategies through the table overleaf.

Table 4.1 NSDP Alignment

NSDP ASSUMPTIONS	NSDP PRINCIPLES	PGDP SPATIAL PRINCIPLES	CDM SPATIAL FRAMEWORK PRINCIPLES	CDM SPATIAL DEVELOPMENT STRATEGIES
<ul style="list-style-type: none"> Location is critical for the poor to exploit opportunities for growth. 	<ul style="list-style-type: none"> In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channelled into activity corridors and development nodes. 	<ul style="list-style-type: none"> Reinforcing development nodes and development areas through channels of opportunity and bulk infrastructure. 	<ul style="list-style-type: none"> A balance must be struck between the fulfilment of basic needs, the maintenance of existing assets, be they infrastructural or social in nature, and the potential for future growth and development. 	<ul style="list-style-type: none"> Settlement hierarchy policy Housing and settlement guidelines.
<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Government spending on fixed investment, beyond the constitutional obligation to provide basic services to all citizens, should 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. 	<ul style="list-style-type: none"> Spatial management should seek to recognise the limitations of available resources and propose targeted and phased development in an effort to address basic needs and to create a facilitating environment for local economic development in both urban and rural contexts. 	<ul style="list-style-type: none"> Proficient development must serve the needs of the community, encourage a desired urban and rural spatial form and contribute to the development of the regional economy. 	<ul style="list-style-type: none"> Settlement hierarchy policy. Housing and settlement guidelines. Rural development guidelines.
<ul style="list-style-type: none"> Areas with demonstrated economic potential are most favourable for overcoming poverty. The poor are making rational choices about relocating to areas of opportunity. 	<ul style="list-style-type: none"> 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, this 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. 	<ul style="list-style-type: none"> Ensure the optimal arrangement of settlements in space where access to services and / or resources provided in a settlement is equitably in balance with the level of services and / or resources provided there, yet also satisfies the level of demand or need amongst the surrounding rural and peri-urban population. 	<ul style="list-style-type: none"> A balance must be struck between the fulfilment of basic needs, the maintenance of existing assets, be they infrastructural or social in nature, and the potential for future growth and development. 	<ul style="list-style-type: none"> Settlement hierarchy policy. Housing and settlement guidelines. Rural development guidelines.
<ul style="list-style-type: none"> Government needs to ensure that the poor are able to benefit fully from growth and employment in these areas. 	<ul style="list-style-type: none"> Economic growth is a prerequisite for the achievement of other policy objectives, key among which would be poverty alleviation. 	<ul style="list-style-type: none"> The focussing of investment in existing rural settlements & towns according to available resources & development priorities. Focussing on economic upliftment & employment creation through LED, agriculture, SMMEs & industrial programmes. 	<ul style="list-style-type: none"> Proficient development must seek to create opportunities that will facilitate economically competitive communities. 	<ul style="list-style-type: none"> Settlement hierarchy policy. Housing and settlement guidelines. Environmental guidelines. Transportation guidelines. Rural development guidelines.

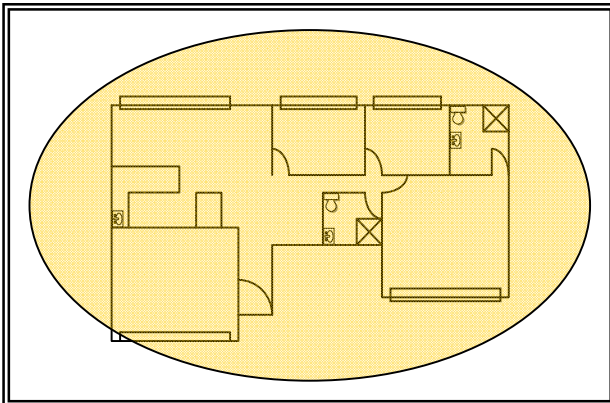
4.1.6 THE INVESTMENT FRAMEWORK

The contextual depiction pertaining to issues influencing the spatial functioning of the District along with the associated spatial policy directives, culminates into an investment framework which seeks to best address the needs of the District within the confines of the current political agenda, the existing policy directives and limited financial resources. In addition, the investment framework seeks to aid the CDM as an institution on where best to facilitate targeted strategic intervention, a key component of its function as a District wide 'development facilitator'.

4.1.6.1 ANALOGY

A further elaboration on the concept of an investment framework as applicable to the CDM's set of circumstances may be better illustrated by the simple analogy as detailed below.

The District of Cacadu may be likened to a house, a house along with its residents, which the District Municipality has been tasked with to care for. Due to historical planning, social and infrastructural provision disparities, varying components within the house differ, namely :

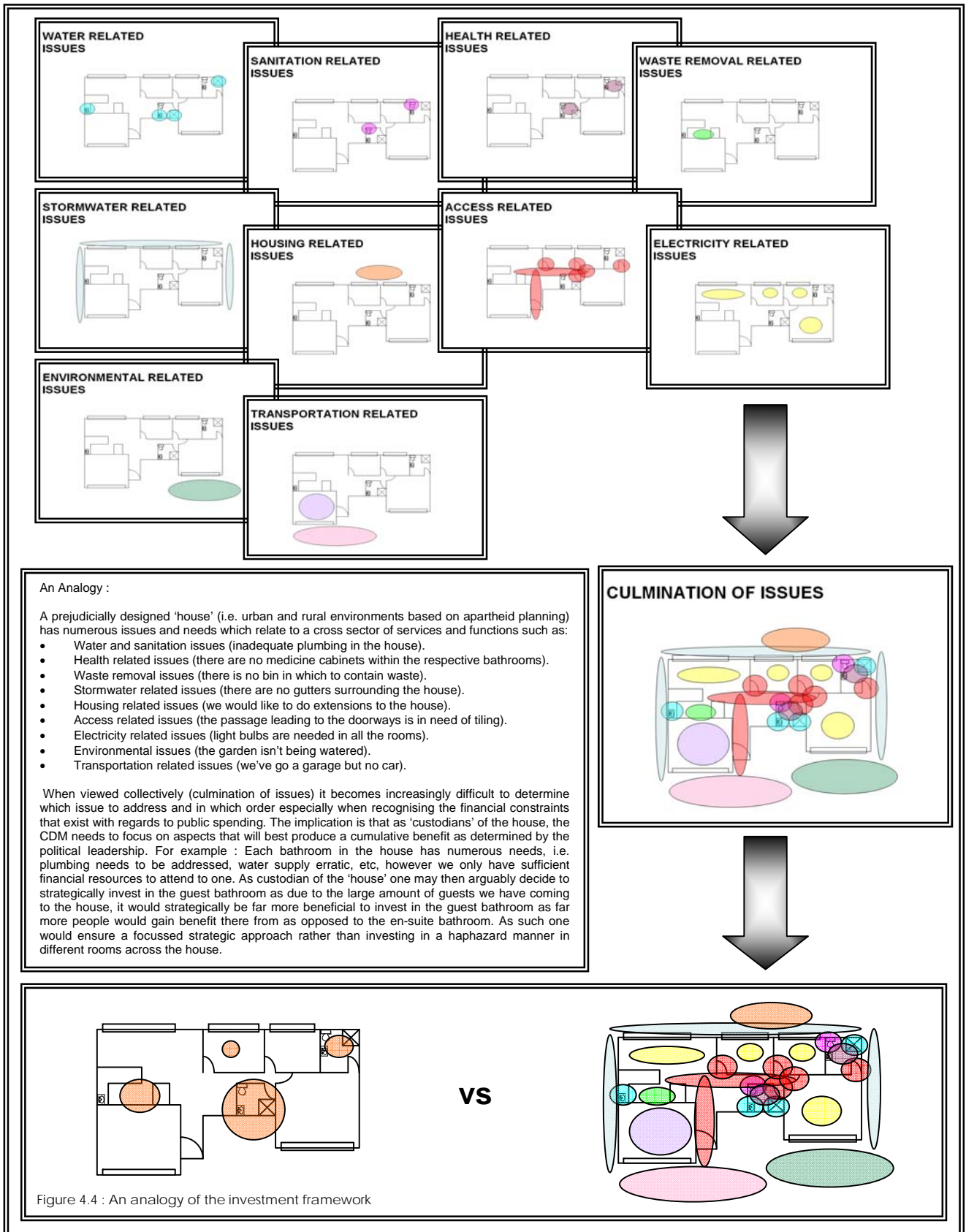


- Certain components of the house have not been developed in accordance with accepted levels of service (e.g. previously disadvantaged areas within the District).
- Certain components of the house require continued maintenance if they are to continue to function effectively (e.g. established areas of acceptable levels of service).
- Certain components of the house will require future improvements if

the house is to be marketable in years to come (e.g. public investment in areas of future potential economic activity).

Within the context of these three components are needs and issues relating to a cross-sector of services and functions be they water related issues, sanitation related issues, roads and transportation related issues, economic development issues, etc. When viewed collectively, the task of allocating sufficient resources from limited funding sources in order to address areas requiring intervention is a complicated and challenging task.

Given the above coupled with the responsibility as acting as custodians of the 'house', the CDM, as directed by the political mandate, needs to strategically intervene in identified areas which are deemed to be of a greater cumulative benefit as viewed from a District wide perspective.



4.1.6.2 STRATEGIC FOCUS

As one of the primary components of the IDP, the SDF must seek to aid the IDP in the development of its strategic focus which will by consequence inform all planning, management, investment, development and implementation decisions. The ever evolving nature of developmental issues dictates that a municipality, within the context of the IDP / SDF review process, should annually review its strategic focus, the objectives of which are to:

- Allow the CDM's political leadership a better opportunity to review and determine the institution's strategic focus.
- Promote a better understanding across the organisation, from both a political and an official level, of issues currently facing the District in order to ensure informed strategic decision making and co-ordination.
- Identify focus areas that require activity or project based responses.
- Ensure strategic alignment as a principle and outcome.

As mentioned previously the National Spatial Development Perspective (NSDP), as developed by the Office of the Presidency, is an indicative tool for development planning in government. In order to develop functional coherent regions which are underpinned by the principles of the NSDP, the Office of the Presidency has used District and Metro areas as building blocks in which to achieve the principles as contained within the NSDP. Through the programme the following objectives were achieved :

- Developing a shared analysis & understanding of respective district and metro areas.
- Developing a shared socio-economic vision or development trajectory of respective district and metro areas.
- Laying the foundation for priority interventions and critical strategies.
- Building the institutional base for multi-stakeholder co-operation and action.

Of particular significance in developing the shared understanding of the District was the reaffirmation of the priority areas as identified by the CDM's SDF of 2006, namely:

- That the CDM facilitate the implementation of projects or programmes that will seek to benefit previously disadvantaged communities to a minimum basic level of service as stipulated by the Constitution.
- That the CDM exploit its development facilitation role within the Local Municipalities of Ikwezi (in terms of cumulative agricultural development), Kou-Kamma, Kouga and Ndlambe (in terms of the cumulative tourism and agricultural potential in addition to catering for developmental / population growth within those respective municipalities), termed as 'Current and Future Development Areas (CFDAs), as applicable to a cross sector of intervention areas, i.e. investment programmes pertaining to infrastructure provision, health care initiatives, tourism initiatives, capacity building initiatives, etc).

- That the CDM exploit its development facilitation role within those identified areas with the potential to stimulate economic growth within the District, namely:
 - Area Based Plan focus areas.
 - Grahamstown (level 3 settlement).
 - Graaff-Reinet (level 3 settlement).
 - Baviaanskloof and Addo (tourism hubs).
- That the above broad focus areas be undertaken within the confines of the policy directives as contained within the SDF, i.e. the Settlement Hierarchy Policy, etc.

4.1.6.3 CURRENT AND FUTURE DEVELOPMENT AREAS (CFDAs)

The sustainability of the District is dependant on how efficiently and effectively varying Local Municipalities, and the settlements contained within those Local Municipalities, operate in terms of relative functionality. Although all Local Municipalities within the District have relative developmental needs, certain Local Municipalities are distinct by way of one or a combination the following:

- Their potential economically competitive edge as a result of their geographical positioning.
- The accumulative need of infrastructural development to harness that economic potential.
- The accumulative need of infrastructural development to cater for projected increased population growth rates.
- Existing infrastructural needs by way of backlogs.
- Existing capacity building needs in order to properly manage the implementation of initiatives that seek to address the above needs.
- Proposed Provincial / National initiatives (i.e. Kouga Development Agency, Proposed Rural Economic Development Zone Pilot Project in Ikwezi, etc).

The CDM's political agenda coupled with both those distinctions as described and the constraints associated with public spending determines that the CDM should exploit its development facilitation role with in the Local Municipalities of Ikwezi (in terms of cumulative agricultural development), Kou-Kamma, Kouga and Ndlambe (in terms of the cumulative tourism and agricultural potential in addition to catering for developmental / population growth within those respective municipalities), termed as 'Current and Future Development Areas (CFDAs).

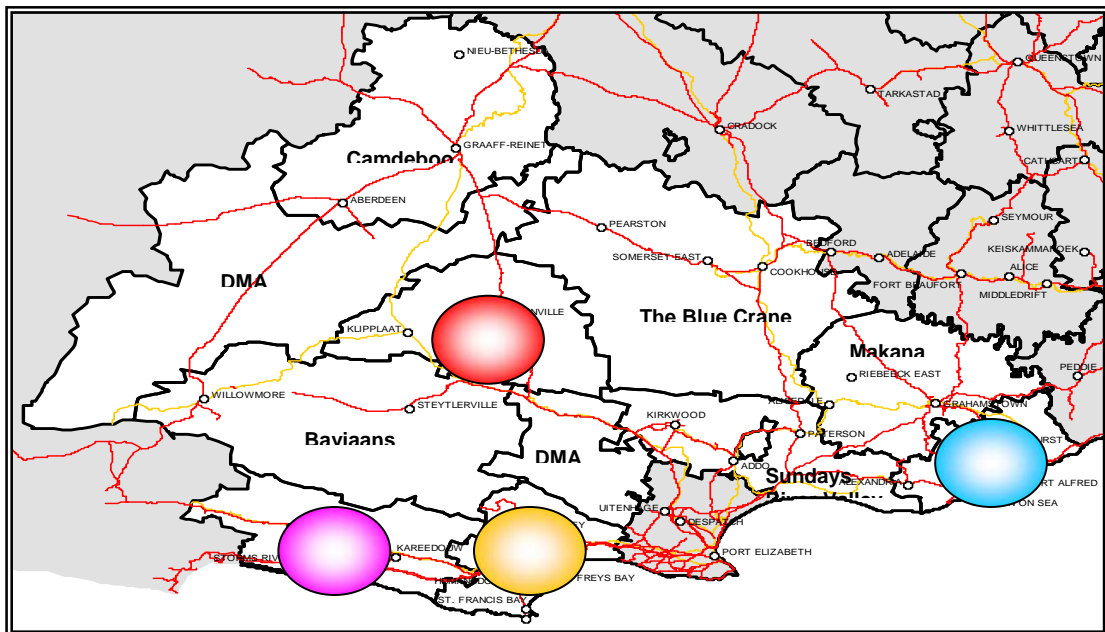


Figure 4.5 : Current & future development areas (CFDAs)

4.1.6.4 MEANS OF DETERMINING THE STRATEGIC FOCUS

The CDM as a District wide authority has the responsibility and obligation to facilitate responsible development in a sustainable manner. The District wide rural and urban environment however, due to historical factors and past planning disparities, has needs and aspirations that may in instances conflict the concept of a sustainable environment. This coupled with financial constraints associated with public spending necessitates the need to focus public sector intervention. The policy directives as contained within the SDF, particularly the settlement hierarchy policy and the housing and settlement guidelines, are tools in which to facilitate development towards the concept of sustainability.

Over and above these spatial planning tools from which to promote the concept of sustainability, strategic focus areas are identified from which to unleash potential economic potential and promote social inclusion. The rationale for determining these strategic focus areas are as follows:

- The competitive advantage of an area in terms of agriculture and tourism. Agriculture and tourism being the primary economic drivers of the District.
- The accumulative need of infrastructural development to harness the development potential.
- Projected population growth rates.
- Infrastructural needs by way of backlogs.

- Building the economy and alleviating poverty through:
 - The development and maintenance of infrastructure
 - Strengthening community structures
 - Co-ordinating multi-sector activities

As such, the geographical positioning of certain Local Municipalities within the District coupled with future potential private / public sector led interventions stipulate areas of relative need and future economic potential. The CDM as a District wide authority therefore has a responsibility to facilitate that economic potential to fruition hence the need to exploit its development facilitation role within those respective Local Municipalities.

Although the Municipal Planning and Performance Management Regulations, 2001 (Government Notice 22605, 24 August 2001) state that a SDF must set out a Capital Investment Framework, the nature of the CDM's core function as development facilitator does not solely lend itself to the implementation of capital investment, but also resource investment which seeks to fulfil the development facilitation role, hence the need to encapsulate proposed broader interventions within an investment framework, e.g. capacity building initiatives as relevant to the broad focus areas as described above. The investment framework, as based on those broad focus areas as described above, therefore attempts to co-ordinate various 'development facilitation' initiatives in order to facilitate an environment that is conducive to sustainable development.

4.1.6.5 DEVELOPMENT OF PROGRAMMES AND PROJECTS IN ACCORDANCE WITH THE BROAD FOCUS AREAS

The development of programmes and projects that are in accordance with the broad focus areas is affirmed through the prioritisation of programmes and projects through a simplistic prioritisation model as detailed under Section 4.3, whereby potential programmes and / or projects are scored according to their impact, influence and relevance to the primary broad focus areas. These criteria are not only applied to potential programmes and projects that the CDM may possibly undertake, but to all potential projects and programmes that may exist within the District across varying government sectors be they proposed Local Municipality initiatives, proposed Provincial Government initiatives, etc. The motivation behind such an approach is that as a District wide authority and 'development facilitator', the CDM must facilitate develop initiatives through the lobbying of various funding sources, etc that seek to benefit the District regardless of who the implementing agent is.

This cross-hierarchical government approach will seek to ensure a consolidated developmental approach in the development of the District and theoretically greatly enhance the potential attainment of those developmental needs that are contained within the broad focus areas.

The investment framework, through the prioritisation model, is a broad framework that starts to integrate cross-hierarchical government interventions that seek to address the developmental needs of the District. It is by no means holistically conclusive, but part of a progressive process to be improved upon and further enhanced through the annual review cycle. Above all one needs to acknowledge that the determination and assessment of prospective programmes, projects and action areas is largely a subjective process influenced by the political mandate that exists within the CDM.

4.1.6.6 MEANS OF PRIORITISATION

The mechanism in which the CDM attempts to prioritise its action areas is by no means a sophisticated process. The scale and enormity of a multitude of issues currently occurring within the District (e.g. from insufficient capacity and resources to the inappropriate geographical location of certain settlements) coupled with the political mandate to predominantly address previously disadvantaged areas, cannot dictate that the prioritisation of action areas be done purely on a scientific basis. As a result the CDM needs to determine from a broad perspective what the critical issues are and from thereon package those issues into appropriate development programmes.

The basis of the prioritisation mechanism is to determine prospective programme areas / projects, regardless of where the project originated from (e.g. a Local Municipality, Provincial Government, etc) that best suites the aims and objectives of the CDM by interrogating the relevance of each proposed programme / project through a list of questions, the scoring of which will reflect the CDM's priority areas in which to concentrate its development facilitation function. The scoring of a prospective programme or project is determined by the weighting attached to each question as reflected by the table overleaf. It must be stated however that such a prioritisation model does not distract from the obligation by government to provide a basic level of service to all citizens. The prioritisation model comes into effect when viewing infrastructure provision above and beyond the constitutional obligation to provide basic services to all in the spirit of the NSDP principles. As reflected by the table below, potential programmes / projects are more favourably scored according to:

- Their impact, influence and relevance to the CDM's primary broad focus areas.
- Their compliance with the policy directives of the SDF (i.e. The Settlement Hierarchy Policy, etc).

As such broader implementation is ensured in terms of the broad focus areas and the SDF policy directives.

BASIS OF POTENTIAL PROGRAMME / PROJECT PRIORITISATION

Table 4.2 Project Prioritisation Model

Questions	If	Pts	Total
Filter 1 : Does the project / programme conform to policy guidelines as contained within the Spatial Development Framework (SDF) – i.e. The Settlement Hierarchy Policy, etc?			
Filter 2 : Does the project / programme seek to enhance the economic development potential within the focus areas of the CFDAs (i.e. Ndlambe, Kouga, Kou-Kamma & Ikwezi)?	Y	25	
Filter 3 : If located outside the focus areas of the CFDAs, does the project or programme enhance the economic potential (be it in the form of agriculture or tourism), in relation to the spatial functioning, of Graaff-Reinet, Grahamstown, Addo Elephant National Park, the Baviaanskloof Mega Reserve, the Golden Valley agricultural belt or the Sundays River Valley agricultural belt?	Y	15	
Filter 4 : Have contracts for the Project already been signed or is it funded by a grant given specifically for that purpose?	Y	10	
Will the project aid in the development of long term job creation?	Y	9	
Will the project assist the previously disadvantaged?	Y	8	
Will the project make a significant difference to the fight against HIV / AIDS?	Y	7	
Has the feasibility of the project been investigated and found viable?	Y	6	
If the project require the district or local municipality to fund significant ongoing operational costs have these been identified?	N	-10	
Will the project facilitate future potential private sector investment?	Y	5	
Will the project have a district wide influence?	Y	4	
Will the project serve a large population?	Y	3	
Will the project directly benefit or assist target groups (youth, women, etc)?	Y	3	
Will the project sustain existing / current infrastructure?	Y	3	
Will the project advance basic service delivery?	Y	3	
Will there be negative socio-economic consequences if the project is not implemented?	Y	3	
Is the project multi-faceted i.e. will it serve more than one purpose? (One point for each purpose)	Y	3	
Will the project support small, medium and micro enterprises?	Y	3	
If the project requires the relevant local municipality to be capacitated after implementation, does the CDM or some other body have the capacity to offer that support?	N	-3	
Will the project encourage community participation / empowerment?	Y	3	
Will the project improve the skills and capacity of the Local Municipality?	Y	3	
Is the project economically viable?	Y	2	
Will the project provide for a community's social needs, i.e. multi-purpose centres, welfare, library, museum, etc?	Y	2	
Will the project improve the public transportation service?	Y	2	
Will the project be completed in a single financial year?	Y	1	
Assuming the project complies with an EIA will the project impact negatively on the environment?	Y	-1	
Is the project part of a National / Provincial initiative?	Y	1	
Total Points			

Note : Although the above means of prioritisation provides a platform from which the CDM may assess potential programmes or projects that may best seek to address the CDM's set of priorities, it does not seek to exclude those programmes or projects that are either financially committed or immediately required to be implemented from a technical perspective. Should a potential project warrant inclusion within a prioritised list of projects due to a technical need, etc, it may be done so within the process.

The graphical representation of those localities in space as defined under filter 2 and filter 3 in the prioritisation model is reflected on the map overleaf.

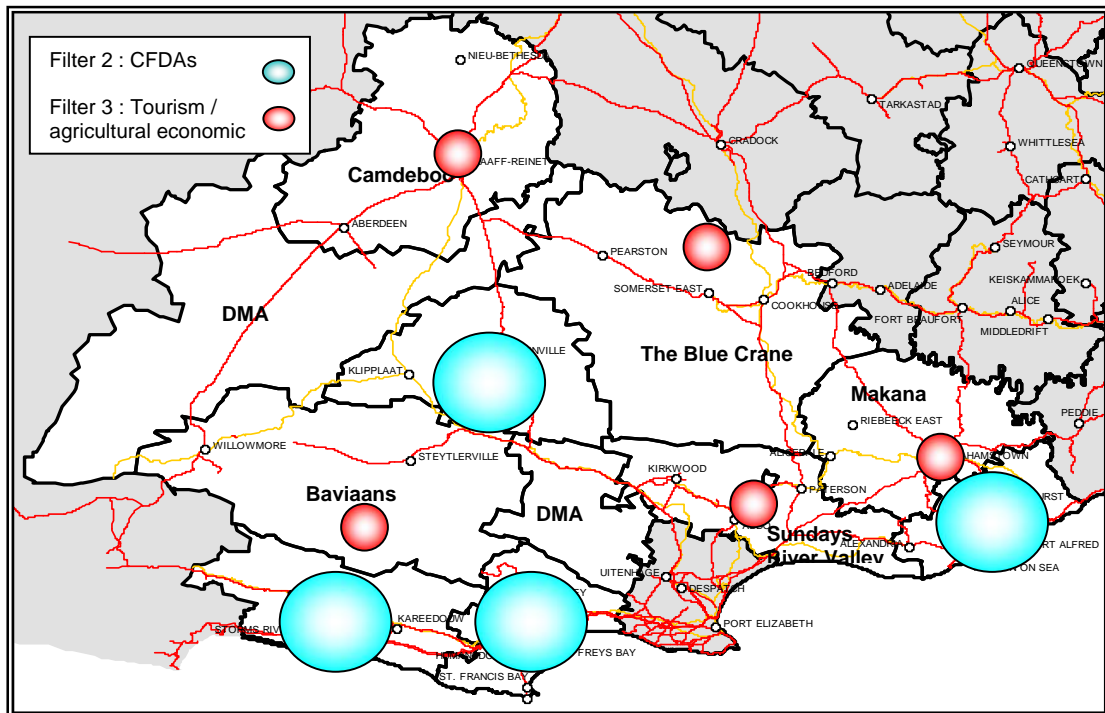


Figure 4.6 : Basis of project prioritisation

CACADU DISTRICT: SPATIALLY REPRESENTATIVE POLICY GUIDELINES

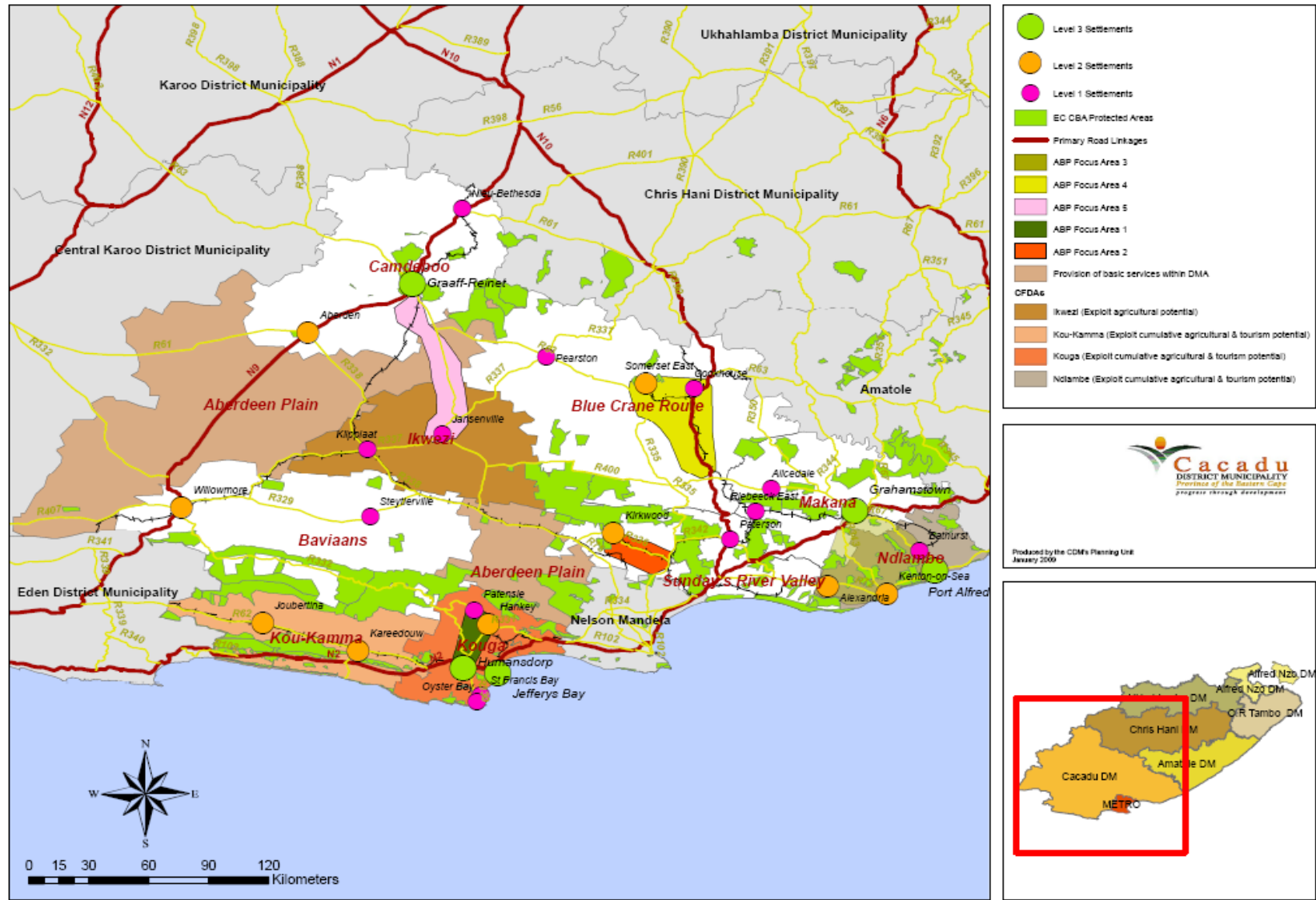


Figure 4.7: Spatially Representative Policy Guidelines
Chapter 4: Integration

4.2 PART 2: PERFORMANCE MANAGEMENT FRAMEWORK

4.2.1 PERFORMANCE MANAGEMENT PLAN FOR THE CDM IDP 2012/13

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 Cacadu District as a whole through the following:

- 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
- Capacitation of officials at Local Municipalities within the District, to enable the entire District to benefit from the above.

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 CDM is attached to an official who is responsible for its conclusion, one can see that institutional performance is inseparable from Individual performance. For CDM to succeed in its objectives, it depends on the performance of each employee. The SDBIP and performance plans of the Municipal Manager and Directors are published on the municipal website.

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

4.2.1.1 PRESENT SITUATION

Cacadu is monitoring the organization through the SDBIP. The Municipal Manager and his Directors through signed performance agreements and plans. In addition, all levels (thus encompassing senior management) are also being monitored and measured through signed performance plans.

The achievement of a compliant performance management system can only be a key contributing factor in ensuring that Cacadu District Municipality is adequately able to support and partner its Local Municipalities.

4.2.1.2 FUTURE IMPLEMENTATION

The next few years will see concentration on the achievement of two objectives, namely:

- Achievement of an Clean Audit Report for Performance Measures thereby proving full compliance with all requirements in terms of Performance Management.

The CDM has been working towards the achievement and maintaining of the above objective, this is evident with unqualified audit opinion that the institution has achieved in the past two financial years. It is envisaged that following this huge leap in the strategic governance of Cacadu, refinements will be conducted in subsequent years to ensure the system goes from strength to strength. Such refinements must include the promoted use of more 'outcome' indicators.

- To increase effectiveness and promote a district-wide approach to Performance Management, which will include the implementation of the CDM Automated Performance Management System at all Local Municipalities.

A primary role of the Cacadu District Municipality is to facilitate development of the Local Municipalities within the boundaries of the District. It is the aim of the Cacadu District Municipality, that as it becomes more practiced in the field, it can in turn use this practical experience to provide hands-on support to those Municipalities requiring it. It will be an on-going development and support priority of the District Municipality until such time Local Municipalities become self-sufficient in Performance Management.

4.2.2 THE SDBIP

The table overleaf reflects the CDM's draft SDBIP for 2012/13 which translates the development priorities, objectives and strategies into interventions in the form of projects, be they in-house interventions or otherwise. The projects contained therein are influenced by the perceived attainment of the CDM's objectives and strategies as illustrated in the IDP Monitor as contained within chapter 3. The milestones contained within the draft SDBIP 2012/13 overleaf are indicative and still needs refinement. The final SDBIP is approved by the Mayor twenty eight days after the approval of the Budget / IDP with the applicable revised milestones. This is available from the CDM on request and placed on the CDM Website.

Table 4.3 Service Delivery Budget Implementation Plan (SDBIP)

CACADU DISTRICT MUNICIPALITY: DRAFT SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2012/13

Objective	Strategy	Project	Key Performance Indicator	Annual Target 2012/13	Department	GFS	2012/13 Rs	Performance Milestones and Performance Redress			
								30 Sep 2012 Target	31 Dec 2012 Target	31 Mar 2013 Target	30 Jun 2013 Target
DEVELOPMENT PRIORITY 1: INFRASTRUCTURE DEVELOPMENT											
To provide support to LMs on planning and implementation of bulk water supply projects, contributing to the reduction of the backlog to 5% by 2017	Implementation of water projects as mandated by LMs	Jansenville Water Source Exploration	Augmentation of Water Source	Additional Water Source found	Planning and Infrastructure Services	Water	R 1 000 000	To be determined	To be determined	To be determined	To be determined
		Jansenville Water Conservation and Demand Management	To be determined	To be determined	Planning and Infrastructure Services	Water	R 2 000 000	To be determined	To be determined	To be determined	To be determined
		Municipal Drought Relief (Paterson Rainwater Harvesting)	To be determined	To be determined	Planning and Infrastructure Services	Water	R 1 998 686	To be determined	To be determined	To be determined	To be determined
		LEDI Infrastructure Assess Support (Ndlambe)	Completed O&M Study by Ndlambe	Adopted O&M Study by Ndlambe	Planning and Infrastructure Services	Water	R 1 200 000	To be determined	To be determined	To be determined	To be determined
Ensure that WSA/WSP function is correctly placed by 2015	WSA/WSP Review	WSA/WSP Model Review / Capacity Assessment	To be determined	To be determined	Planning and Infrastructure Services	Water	R 800 000	To be determined	To be determined	To be determined	To be determined
To ensure that all transport plans for all LMs are in place and are annually reviewed	Develop and review ITPs	Reviewal of the ITP for the district	Reviewal and improvement of the ITP	District ITP Reviewed	Planning and Infrastructure Services	Planning & Development	R 150 000	To be determined	To be determined	To be determined	To be determined
To promote integration between spatial planning and transportation planning to achieve sustainable human settlements	Implementation of transportation projects	Construction of sidewalks and walkways	Sidewalks and walkways constructed	..... m of Sidewalks and walkways constructed	Planning and Infrastructure Services	Roads	R 1 000 000	To be determined	To be determined	To be determined	To be determined
		Construction of a inter-city bus terminals	Provision of Inter-City Bus Terminal	Construction of Bus-terminal Complete	Planning and Infrastructure Services	Road Transport	R 2 849 206	To be determined	To be determined	To be determined	To be determined

Objective	Strategy	Project	Key Performance Indicator	Annual Target 2012/13	Department	GFS	2012/13 Rs	Performance Milestones and Performance Redress			
								30 Sep 2012 Target	31 Dec 2012 Target	31 Mar 2013 Target	30 Jun 2013 Target
To provide roads infrastructure from basic service to a higher level in key strategic areas for at least 10 kms per annum over 5 years	Develop CIPs	Rietbron Roads and Stormwater - EPWP	Upgrade of Rietbron roads & stormwater infrastructure - EPWP project	.....m of internal access roads paved, and work opportunities created	Planning and Infrastructure Services	Roads	R 4 000 000	To be determined	To be determined	To be determined	To be determined
		Somerset East Roads and Stormwater	To be determined	To be determined	Planning and Infrastructure Services	Roads	R 1 000 000	To be determined	To be determined	To be determined	To be determined
DEVELOPMENT PRIORITY 2: CAPACITY BUILDING AND SUPPORT TO LMs											
To support LMs in ensuring that all communities have access to decent sanitation by 2017	Implementation of sanitation projects as mandated by LMs	Eradication of Buckets -LMs	No. of Bucket system reduced in Makana / Kou-Kamma	.... No. of Bucket eradicated	Planning and Infrastructure Services	Sanitation	R 3 000 000	To be determined	To be determined	To be determined	To be determined
Development of Capacity Building and Support Programmes for Local Municipalities which include Financial Management and Human Resource Management Support	Improvement of Financial Management at Local Municipalities and HR Management at local municipalities as well as CDM	GAMAP/GRAP Assistance to LM's 9 (phase 1)	Provision of assistance to 5 LMs in respect to GAMAP/GRAP compliance (Financial Statements) (Phase 1)	Provide assistance to 5 LM's through 1 training workshops held in GMAPP/GRAP compliance and by making available a financial management improvement plan to the 5 LMs	Finance & Corporate Services	Finance and Admin	R 1 000 000	Improved Financial Management process, policies, procedures and internal controls	Improved Financial Management process, policies, procedures and internal controls	Improved Financial Management process, policies, procedures and internal controls	Improved Financial Management process, policies, procedures and internal controls
		Financial Management Improvement Plan (PE 2)	GRAP Tender - Service Provider Appointed (Phase 2)	GRAP Tender - Service Provider Appointed Phase 2 - Implementation of FMIP	Finance & Corporate Services	Finance and Admin	R 2 000 000	Improved Financial Management process, policies, procedures and internal controls Implementation of FMIP	Improved Financial Management process, policies, procedures and internal controls Implementation of FMIP	Improved Financial Management process, policies, procedures and internal controls Implementation of FMIP	Improved Financial Management process, policies, procedures and internal controls Implementation of FMIP

Objective	Strategy	Project	Key Performance Indicator	Annual Target 2012/13	Department	GFS	2012/13 Rs	Performance Milestones and Performance Redress			
								30 Sep 2012 Target	31 Dec 2012 Target	31 Mar 2013 Target	30 Jun 2013 Target
Maximise the potential of LMs to effectively and efficiently deliver services to their communities	Building in-house capacity in LM so that they can perform their functions and stabilise institutional systems	MSIG: Support LMs in Reviewing and Drafting of Policies	To be determined	To be determined	Municipal Manager's Office	Other	R 200 000	To be determined	To be determined	To be determined	To be determined
		MSIG: Roles and Responsibilities	To be determined	To be determined	Municipal Manager's Office	Other	R 200 000	To be determined	To be determined	To be determined	To be determined
		Review of municipal by laws	To be determined	To be determined	Municipal Manager's Office	Other	R 150 000	To be determined	To be determined	To be determined	To be determined
		MSIG: Community Based Planning	To be determined	To be determined	Municipal Manager's Office	Other	R 190 000	To be determined	To be determined	To be determined	To be determined
To Improve effectiveness in municipal financial management	Improve corporate governance systems both in the district and LMs	MSIG: Good Governance Survey 3 LMs	To be determined	To be determined	Municipal Manager's Office	Other	R 200 000	To be determined	To be determined	To be determined	To be determined
Proactively encourage stakeholder , people centred and community driven approach annually	Facilitate with the LMs the Audit of stakeholders	Stakeholder Audit, Host People assembly	Compilation of Stakeholder Audit Report	Stakeholder Audit and People Assembly Report	Municipal Manager's Office	Other	R 100 000	Stakeholder Audit	Imbizos	Compilation of Report	NA
Promote Moral Regeneration in all LM in the district annually	Ensure visibility of the district MRM structure	POA of MRM	Implementation of POA of MRM	25% Implementation of POA of MRM	Municipal Manager's Office	Other	R 120 000	5% Implementation of POA of MRM	5% Implementation of POA of MRM	5% Implementation of POA of MRM	5% Implementation of POA of MRM
To facilitate HIV Counselling and Testing (HCT) of 87 000 community members in all LMs annually	Arranging and organising HCT Campaigns in partnership with the department of health	HIV and AIDS Plan	25% Implementation of the HIV and AIDS Plan	Implementation of the HIV and AIDS Plan	Municipal Manager's Office	Other	R 300 000	5% Implementation of the HIV and AIDS Plan	5% Implementation of the HIV and AIDS Plan	5% Implementation of the HIV and AIDS Plan	5% Implementation of the HIV and AIDS Plan

Objective	Strategy	Project	Key Performance Indicator	Annual Target 2012/13	Department	GFS	2012/13 Rs	Performance Milestones and Performance Redress			
								30 Sep 2012 Target	31 Dec 2012 Target	31 Mar 2013 Target	30 Jun 2013 Target
To provide support on cleanliness of the towns and townships and to mitigate health risks posed by each landfill site in all the 9 LMs by 2017	Develop waste management plan	Licensing of Solid Waste sites for Kou-Kamma and Camdeboo	Solid Waste sites Licensing for Kou-Kamma and Camdeboo	Feasibility studies for Solid Waste sites Complete	Planning and Infrastructure Services	Health	R 500 000	Submit Application for Waste Disposal Permit to DEDEAT	Consolidation of Waste Permit Requirements for Waste Disposal Sites	Implementation of Waste Permit Requirements	Submission of final report from DEDEAT for adoption by Kou-Kamma & Camdeboo
To increase effectiveness and promote a district-wide approach to performance management	To assess and enhance the use of performance management at all LMs	General performance management support to LMs	PMS Support to 9 LM's	PMS Support to 9 LMs in terms of their support requirements	Municipal Manager's Office	Other	R 50 000	PMS Support to LM's based on their support needs	PMS Support to LM's based on their support needs	PMS Support to LM's based on their support needs	PMS Support to LM's based on their support needs
		Implementation of the Automated Performance Management Tool at LMs	Implementation of the Automated CDM PMS System	Performance Management Support (PMS) Support to the 9 LM's in CDM with the implementation of the Automated CDM PMS System based on readiness for the system.	Municipal Manager's Office	Other	R 300 000	Implementation of CDM Automated PMS System in 1 LM	Implementation of CDM Automated PMS System in 1 LM	Implementation of CDM Automated PMS System in 1 LM	Implementation of CDM Automated PMS System in 1 LM
DEVELOPMENT PRIORITY 3: ECONOMIC DEVELOPMENT											
Increase agricultural income to achieve a 1% year on year growth in the agriculture and agro-processing sectors.	Facilitate investment in local and regional agro-processing plant to increase product demands and improve prices	CDM funded: Agri-incubator feasibility study (REDI)	Feasibility study complete	To be determined	Economic Development	REDI	R 50 000	To be determined	To be determined	To be determined	To be determined
		Natural Fibre Cluster	Natural Fibre Cluster registered as a legal entity	To be determined	Economic Development	REDI	R 240 000	To be determined	To be determined	To be determined	To be determined
		Pellet factory in Rietbron	Plant Designs and RODs completed. Community and Farmer support secured	Pellet Factory Registered. Funding applications presented to 4 Development Funding Institutions	Economic Development	REDI	R 350 000	To be determined	To be determined	To be determined	To be determined

Objective	Strategy	Project	Key Performance Indicator	Annual Target 2012/13	Department	GFS	2012/13 Rs	Performance Milestones and Performance Redress			
								30 Sep 2012 Target	31 Dec 2012 Target	31 Mar 2013 Target	30 Jun 2013 Target
Invest in natural capital to contribute to government's target of creating 20,000 "green" jobs by 2020.	Promote and incentivise natural resource restoration and conservation	CDM funded: Fonteinbos Nature Reserve restoration (REDI)	Phase two of Fonteinbos NR restoration complete	To be determined	Economic Development	REDI	R 240 000	To be determined	To be determined	To be determined	To be determined
		Nature Reserves	Council resolution on ownership and expression of interest solicited through open tender and cons with LMs	Nature Reserve ownership declared. PPP/ or LMs	Economic Development	REDI	R 80 000	To be determined	To be determined	To be determined	To be determined
	Create new generation green jobs rooted in renewable energy	CDM funded: Waste to energy feasibility studies(REDI)	One waste to energy feasibility study complete	To be determined	Economic Development	REDI	R 100 000	To be determined	To be determined	To be determined	To be determined
	Grow rural tourism economy	Tourism Infrastructure Investment	To support at least 3 tourism infrastructure projects	3 tourism infrastructure projects supported	Economic Development	Tourism	R 600 000	To be determined	To be determined	To be determined	To be determined
Broaden economic participation and inclusion by increasing the number and support to small enterprises by 10%.	Establish community-based beneficiation projects	CDM funded: Apiculture industry development (REDI)	One apiculture project initiated.	To be determined	Economic Development	REDI	R 50 000	To be determined	To be determined	To be determined	To be determined
	Facilitate community and worker participation in share ownership	CDM supported: Pineapple industry beneficiation project, wind farms' community trusts, Eco-Pullets, SRV Citrus Co-op	Revised Business Plan completed	PPP arrangement with Citrus Coop and SRV LM is completed	Economic Development	REDI	R 500 000	To be determined	To be determined	To be determined	To be determined

Objective	Strategy	Project	Key Performance Indicator	Annual Target 2012/13	Department	GFS	2012/13 Rs	Performance Milestones and Performance Redress			
								30 Sep 2012 Target	31 Dec 2012 Target	31 Mar 2013 Target	30 Jun 2013 Target
Developing skills and education base by increasing the number of semi-skilled and skilled by 10%.	Create further education opportunities	CDM funded: Uzi Wethu; New Beginnings Academy (REDI)	New Beginnings business plan complete.	To be determined	Economic Development	REDI	R 80 000	To be determined	To be determined	To be determined	To be determined
	Develop skills transfer partnerships between established and emerging farmers	CDM funded: Agricultural mentorship programme (GIZ)	Mentorship programme institutionalized and evaluated in 6 LMs	12 Emerging farmers projects mentored in 7 LM and experiences documented	Economic Development	REDI	R 2 200 000	5 pilot projects and 7 roll-out projects are implemented and monitored	first 12 month cycle for 2 roll-out projects evaluated	first 12 month cycle for 2 roll-out projects evaluated	2nd cycle of 1 pilot project and 1st cycle of 1 roll-out project evaluated. Guidelines for the implementation of mentorship programme prepared and workshopped.
Regenerating at least four core towns as service and economic hubs	Improve education and health services	CDM supported: Maths and Science programme (NMMU)	NMMU maths programme rolled out to one additional town	To be determined	Economic Development	REDI	R 100 000	To be determined	To be determined	To be determined	To be determined

Objective	Strategy	Project	Key Performance Indicator	Annual Target 2012/13	Department	GFS	2012/13 Rs	Performance Milestones and Performance Redress			
								30 Sep 2012 Target	31 Dec 2012 Target	31 Mar 2013 Target	30 Jun 2013 Target
Regenerating at least four core towns as service and economic hubs	Promote rural tourism and niche services and manufacturing	CDM funded: CDM Craft Hub	3 Craft Initiatives supported	Incorporated into the SMME development plan	Economic Development	REDI	R 500 000	To be determined	To be determined	To be determined	To be determined
		Tourism marketing	To conduct review and implementation of tourism marketing strategy	Tourism marketing strategy reviewed and implemented	Economic Development	Tourism	R 1 500 000	To be determined	To be determined	To be determined	To be determined
		Support to LTOs	To support at least 3 LTO's i.e. preference be given to Kou-Kamma, Ndlambe &SRV LTO's	Three LTO's supported	Economic Development	Tourism	R 200 000	To be determined	To be determined	To be determined	To be determined
		Destination and sub-branding signage	To install billboards in Addo, Tsitsikamma, Baviaans & Grahamstown (wonders)	Billboards installed	Economic Development	Tourism	R 160 000	To be determined	To be determined	To be determined	To be determined
		Tourism month activities	To host one tourism month domestic awareness event/tour	Domestic awareness event/tour hosted	Economic Development	Tourism	R 80 000	To be determined	To be determined	To be determined	To be determined
		Tourism education and awareness	Support to Uzi Wethu	Uzi Wethu supported	Economic Development	Tourism	R 550 000	To be determined	To be determined	To be determined	To be determined
		Tourism stats system	To pilot visitor survey in Ndlambe, Sundays River Valley, Blue Crane, Ikwezi	Visitor Information uploaded in tourism statistics system	Economic Development	Tourism	R 200 000	To be determined	To be determined	To be determined	To be determined
	Establishment of District Development Agency	Formulation of Business case for the DDA	To be determined	To be determined	Economic Development	REDI	R 1 100 000	To be determined	To be determined	To be determined	To be determined

Objective	Strategy	Project	Key Performance Indicator	Annual Target 2012/13	Department	GFS	2012/13 Rs	Performance Milestones and Performance Redress			
								30 Sep 2012 Target	31 Dec 2012 Target	31 Mar 2013 Target	30 Jun 2013 Target
Regenerating at least four core towns as service and economic hubs	Service delivery improvement partnerships	CDM funded: Local multi-stakeholder partnership development (REDI)	Institutional arrangements established in three towns	To be determined	Economic Development	REDI	R 80 000	To be determined	To be determined	To be determined	To be determined
		CDM funded: District support team (DST)	3 LATs are established. 1 Local Study visit to Cape Winelands. 2 LED seminars	LED facilitation is strengthened in LMs.	Economic Development	REDI	R 300 000	To be determined	To be determined	To be determined	To be determined
Building local and regional networks and collaboration through the creation of partnerships with (a) government, (b) the private sector and (c) education / research.	Building government to government partnerships	SMME support (SMME's & District Cooperatives Development)	Est. CDM business support network (ECDC, DTI, DEDEAT & SEDA)	Increase access to business opportunity from LM and CDM for SMMEs and Coop by 2%	Economic Development	REDI	R 700 000	To be determined	To be determined	To be determined	To be determined
	Building Higher Education Institutions, agriculture and business partnerships	CDM funded: HEI partnership development (REDI)	Two workshops convened with NMMU, Rhodes University	To be determined	Economic Development	REDI	R 40 000	To be determined	To be determined	To be determined	To be determined
	Building emerging and established business partnerships	CDM funded: Private sector partnership development (REDI)	Establishment of district-wide business chamber	To be determined	Economic Development	REDI	R 60 000	To be determined	To be determined	To be determined	To be determined
	Building investor and local business partnerships	CDM funded: Trade and Investment promotion	CDM funded: Trade and Investment promotion	To host Investors Conference	Economic Development	Trade and Investment	R 1 000 000	To be determined	To be determined	To be determined	To be determined

Objective	Strategy	Project	Key Performance Indicator	Annual Target 2012/13	Department	GFS	2012/13 Rs	Performance Milestones and Performance Redress			
								30 Sep 2012 Target	31 Dec 2012 Target	31 Mar 2013 Target	30 Jun 2013 Target
DEVELOPMENT PRIORITY 4: COMMUNITY SERVICES											
To provide effective fire fighting to all LMs in the district by 2017	Provide fire fighting capacity	Standardisation of fire hydrants in the district	Restored and standardised Fire Hydrants in the district	Standardised Hydrants in place for 2 LM's	Planning and Infrastructure Services	Public Safety	R 1 000 000	To be determined	To be determined	To be determined	To be determined
	Provide resources	Refurbishment of a satellite station in Ndlambe	Satellite station upgraded	Refurbishment of a satellite station Complete	Planning and Infrastructure Services	Public Safety	R 3 000 000	To be determined	To be determined	To be determined	To be determined
		Construction of fire station in BCRM	Construction of fire station in BCRM	Fire station Constructed	Planning and Infrastructure Services	Public Safety	R 1 500 000	To be determined	To be determined	To be determined	To be determined
To provide infrastructure development and service delivery support to LMs	Provide technical support to LMs	Connect with Cacadu-hardware installation within additional libraries within the District	To achieve access to CwC in additional libraries	To be determined	Municipal Manager's Office	Planning & Development	R 1 050 000	To be determined	To be determined	To be determined	To be determined
		Infrastructure - Rietbron Solar Water Heating (Electricity Infrastructure DMA)	Installation of Rietbron Solar Water Heating	All households in the DMA fitted with Solar Water Heating	Planning and Infrastructure Services	Planning & Development	R 900 000	To be determined	To be determined	To be determined	To be determined
		Construction of a Community Library in Riebeeck East	Provision of a new Community Library in Riebeeck East	Construction of Library Complete	Planning and Infrastructure Services	Planning & Development	R 850 000	To be determined	To be determined	To be determined	To be determined
		Construction of a Community Library in Somerset East	Provision of a Community Library in Somerset East	Construction of Library Complete	Planning and Infrastructure Services	Planning & Development	R 850 000	To be determined	To be determined	To be determined	To be determined
		Re-furbishing of Community Library in Kirkwood	Additions and Alterations of a Community Library in Kirkwood	Extensions and alterations of existing library complete	Planning and Infrastructure Services	Planning & Development	R 1 300 000	To be determined	To be determined	To be determined	To be determined

Objective	Strategy	Project	Key Performance Indicator	Annual Target 2012/13	Department	GFS	2012/13 Rs	Performance Milestones and Performance Redress			
								30 Sep 2012 Target	31 Dec 2012 Target	31 Mar 2013 Target	30 Jun 2013 Target
DEVELOPMENT PRIORITY 5: INSTITUTIONAL DEVELOPMENT											
Effective Monitoring and Evaluation (M&E) in CDM	Development of a M&E Tool	M&E Tool for CDM	Development and Implementation of a M&E Tool for CDM	M&E Tool Developed and Implemented	Municipal Manager's Office	Planning & Development		50% of M&E Tool completed	100% of M&E Tool completed	M&E Tool implemented	M&E Tool implemented

4.2.3 INSTITUTIONAL PLAN

4.2.3.1 Introduction

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 Cacadu District Municipality as a critical factor in achieving sustainable success, anticipating needs and goals, and assigning accountability. The CDM is, therefore, committed to upholding the highest standards of governance and ethical conduct.

In its role as the district's primary governing body, the CDM provides oversight of the district's affairs and constantly strives to improve and build on the already strong governance practices. Hence, the CDM has adopted King III as the basis for good governance practices.

4.2.3.2 PROCESSES, STRUCTURES AND POLICIES

The CDM's processes, structures and policies that help ensure compliance with laws and regulations and provide clear lines of sight for decision-making and accountability, include:

1. Ethical leadership and corporate citizenship
2. Council, Mayoral Committee and Councillors
3. 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 executive/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. Whilst, in the first instance it is left to the mayor or the Executive Committee to resolve any performance failures, ultimately the council is vested with the power and responsibility to oversee both the executive and administration. Oversight occurs at various levels in a municipality and is explained in the following table:

(i) Financial Governance Framework Applicable to Local Government

Table 4.4: Financial governance framework

	Responsible for	Oversight over	Accountable to
Council	Approving policy and budget	Executive Mayor or Committee	Community
Executive Mayor or Committee	Policy, budgets, outcomes, management of/oversight over municipal manager	Municipal Manager	Council
Municipal Manager	Outputs and implementation	The Administration	Executive Mayor or Committee
Chief Financial Officer and Directors	Outputs and implementation	Financial Management and Operational Functions	Municipal Manager

(ii) 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. This separation avoids conflict of interest and a “referee/player” situation arising and is similar to the role played by Parliament.

The MFMA further assumes a separation between councillors serving on the executive (i.e. mayor or executive committee) and non-executive councillors. This separation is vital to ensure council maintains oversight for the performance of specific responsibilities and delegated powers to the mayor or executive committee.

The MFMA gives council a number of financial management tasks to fulfil its oversight role. The adoption of an “Oversight Report” is one such task. The diagram on the following page illustrates the various oversight intervention points from the adoption of the Integrated Development plan (IDP), Budget, Annual Report and Oversight Report.

(iii) 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.

The purpose and objective of the audit committee is to:

Advise the municipal manager on:-

- Financial reporting process
- Systems of internal control
- Audit process
- Advise the executive committee and 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.

The Committee has the following responsibilities:

• **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.

• **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.

• **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.

• **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.

• **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 noncompliance.

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.

(iv) 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

Audit committee members do not have any authority to make any decisions on behalf of the council.

(v) 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.

The Cacadu District Municipality's internal audit services have been outsourced to an auditing enterprise.

(vi) Anti-Corruption & Fraud Prevention and Risk Management

The municipality is accountable for risk management within a municipality, it must therefore regularly verify that the municipality has appropriate processes that identify, manage, monitor and report potential and relevant risks. The council formulate, monitor and review the risk policy and regularly identify key risk areas based on both financial and non-financial objectives of the municipality.

The Anti-Corruption and Fraud and Risk Management committee is responsible for the quality, integrity and reliability of the municipality's risk management. It is vital to the long term survival and success of a municipality that it must understand and manage the risks that face it. No enterprise can be without risk but it is possible in most cases to manage risk in such a way that the business can survive a series of disasters without collapsing.

The identification and evaluation of risks is vital for an effective internal audit plan.

(vii) 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 department's performance. IT governance recognizes that for IT to truly add value the IT unit must be accountable for IT investments.

The following best practices are divided among five IT Governance "focus" areas.

"...IT governance is at least as important as any piece of infrastructure or any application – perhaps more so in an environment where the municipality has to do more with less."

(viii) Strategic IT Alignment

Strategic IT alignment ensures that IT services and investments meet business objectives that are outcomes of strategic planning. Information technology is “aligned” when IT management allocates resources and undertakes projects in coordination with the municipality’s strategic plans and business objectives and the municipality’s strategic vision. Strategic IT alignment is only possible when municipality has strategic plans and specific business objectives in place.

(iv) Value Delivery

The IT unit demonstrates value to the municipality when it completes projects as specified, on-time, and within budget.

The IT unit also delivers value by meeting customer expectations for basic IT services such as e-mail and internet access. To deliver value, IT expenditures and the return on IT investments need to be managed and evaluated.

(x) Risk Management

Internal controls and policies enable the IT department to assess and control the many risks related to IT projects.

(xi) Resource Management

The IT unit needs to manage its resources to optimize resource value. Staff, customers, vendors, hardware, software and relationships are resources that need to be managed.

(xii) Performance Measurement

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

(xiii) Integrated Reporting and Disclosure

A municipality must have an effective system of internal control to ensure that all financial reporting is accurate and reliable. The council must have a rigorous process to ensure the quality and integrity of all in year financial reports, (monthly, quarterly, annual, etc) including relevance, reliability, comparability, accuracy and timelessness. Annual reports of a municipality must, in addition to all information required by law, include sufficient meaningful financial and non-financial information, to enable the municipality and other stakeholders to be able to assess the performance on a municipality entity and to take appropriate action where necessary.

(xiv) Municipal Public Accounts Committee (MPAC)

The CDM has established a Municipal Public Accounts Committee (MPAC) on municipal accounts.

The lack of effective oversight can be attributed in some measure to the absence of an oversight body like MPAC at local government level. Weakness in accountability, may have led, at least partly, to a perpetual situation of qualified and adverse audit reports, without clear and concrete interventions by municipalities to correct the situation.

The MPAC must report directly to council through the Speaker: Any other form of reporting line will compromise its independence, authority and integrity.

Functions

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 Mayoral Committee deals with financial management issues such as budgetary, revenue and expenditure management and supply chain management.

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 resources. It 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.

(xv) 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.

(xvi) 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 CDM; and
- Maintaining an unqualified audit for the CDM by resolving audit findings as per follow up audits performed.

(xvii) Spending budgets to maximise delivery

CDM's annual budget 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, water, and electricity and the many other utilities and services that CDM needs in order to function, grow, and offer opportunities for its residents. The budget is based on the income the CDM expects to derive from rates, service charges and grants and subsidies.

(xviii) General Governance Issues

a. A closer look at CDM's governance and compliance status

The CDM aims to ensure that the district is a healthy and a socially inclusive society. Over the last year the CDM received its fifth consecutive unqualified annual audit from the Auditor-General.

(xix) CDM's Risk Management Priorities

Risks were identified around a range of internal operation areas and the CDM has a Strategic Risk Register and various plans in place to manage financial, human capital, integrity, management, and non-delivery risks across the CDM's various strategic focus areas.

4.2.3.3 FOCUS AREAS

Strategic Focus Area A: Ensure Enhanced Service Delivery with Efficient Institutional Arrangements

Objective 1- Increase levels of Employee Morale and Organisational Efficiency

Continuous Organizational Development, Maintenance and Review provides the direction for implementing corporate objective 1 by identifying and developing internal transformation and institutional strategies and programmes that will enable the CDM to achieve its strategic goals and objectives. The focus of the CDM's transformation plan is on changing the institutional arrangements, processes, managerial practices and culture, with the ultimate aim of improving service delivery. This will be achieved by focusing on the following areas:

- Improving service delivery standards by aligning staff delivery with business strategies, implementing business improvement initiatives, and expanding the use of technology to improve customer access and improve business processes;
- Shifting the organisation to a high-performance and an achievement culture based on best practice benchmarking and through the alignment of people strategies with business strategies;
- Measuring the improvement in service delivery and staff performance;
- Identifying and prioritising key projects that will have the greatest impact on service delivery; and
- Enhancing service delivery through the development and implementation of institutional frameworks and business systems, including alternative service delivery mechanisms.

Strategy 1: Development and implementation of institutional frameworks and business systems to support the CDM's development and service delivery strategies and objectives

➤ **Review of Existing Organizational Structure**

Since April 2003, there have been many changes in the internal and external environment which have impacted on the operations of the CDM. It is necessary in view of changes in the environment, to assess the existing organizational structure on an ongoing basis. The basic organizational structure is reviewed using a set of guiding principles.

At the Strategic Planning intervention held on 31 August to 2 September 2006, the successes and challenges of the development facilitation model were debated. It was agreed that CDM's current position, its service menu and institutional arrangements must be reviewed in order to improve and maximize its service delivery impact at local municipalities.

The shifting of powers and functions from one government institution to another, changes in legislation and the changing needs of clients (LMs) continually impact on the operations of the CDM and require it to review its role, business operations, processes and its organizational structure to respond to these changes.

The CDM's current service delivery menu has been developed in terms of its new business model and legislative requirements. **The CDM has adopted a policy of appointing local municipalities as "Preferred Service Providers" which has impacted on the way it is currently organized and on its staff establishment.**

The primary role of the CDM would be that of a Development Facilitator. This role included three complementary subsidiary roles:

- **District as a district wide integrated development planning authority;**
- **District as an infrastructure development agency; and**
- **District as a technical and institutional capacity resource (capacity building and support) to local municipalities.**

These roles focused on high level planning, management, facilitation, capacity building and support rather than direct service delivery.

➤ **Development Priorities and Strategic Trust**

The CDM's development priorities were debated and adopted at the IDP / Budget Stakeholders Forum held on 23 January 2012. The development priorities are:

- Infrastructure Development
- Capacity Building and Support to LMs
- Economic Development
- Community Services
- Institutional Development

The revision of the development priorities had a significant influence on the institutional arrangements of the municipality

The Continuous Organizational Development initiatives include the following two programmes, through which this strategy will be achieved:

- Information and Communications Technology (ICT) Programme - which will enable the operations integration model and improve the efficiency of the administration; improve services to citizens and business; and enable social and economic development; and
- Organisational Development and Design Framework - to enable the CDM to continually adapt to internal and external changes.

Through these programmes, the CDM aims to:

- Improve functionality of the corporate works management process;
- Implement the Information & Communication Technology strategy; Install its wireless network;
- Establish video conferencing facilities in the district;
- Develop and implement the support services model, including delivery of standard operating procedures for all support functions.

Strategy 2: Implementation of human capital management systems and processes to enhance staff alignment to business needs and improve staff morale and performance.

The following programme will be initiated through which this objective will be pursued. These projects are guided by the current Human Resources Strategy for the district.

- The Human Capital Management Programme - which will deliver competency frameworks across all job families and personal development plans (PDPs) for all employees through a skills audit. The Competency Frameworks and the PDPs will provide line managers with invaluable tools to manage their human resources. The frameworks contain the actual description of the job requirements while the PDPs identify the gap between the individual employee and the job requirements, as well as a plan to close the gap.

➤ **Strategic Human Resources Management Plan (SHRMP)**

The CDM's most valuable asset, when optimally utilised, motivated and developed, is its staff. Staff costs are also its single biggest budget item. The CDM's human resource management plan is aimed at delivering the right people with the right skills at the right place and the right time. It ensures that the staff is correctly aligned with business needs and this, in turn, improves service delivery within budget parameters. It achieves this by:

- identifying the top four areas of intervention that will have the greatest impact on staff loyalty and productivity, and addressing these areas across the organisation;
- improving the efficiency and effectiveness of core human resource business processes that affect human resources management;
- increasing investment in staff development; and
- identifying and monitoring key measurements that will support the above outcomes.

The main aim of the strategy is to achieve an improvement in the staff loyalty index as measured every 24 months through the culture/climate survey; and an improvement in staff productivity as measured by a range of productivity measures - including the percentage loss of skills and staff availability (absenteeism).

➤ **Human resources budget and staff numbers**

Annually, the CDM will consider whether to re-prioritise a percentage of the staffing budget to fund growth services, and shrink others. This must, however, be based on proper benchmarking of each department, input on IDP priorities, and departmental attrition. Directorates will base their proposals on their individual staffing strategies.

Strategy 3: implementation of efficiency gain interventions through business improvement initiatives.

This objective will be pursued through the following two components:

- A business improvement and quality management (QM) programme aimed at improving operational efficiency and organisational effectiveness; and
- The maintenance and improvement of organizational performance management system (OPMS) to institutionalise and formalise performance management at political, organisational and community level.

The desired outcomes of these programmes are:

- A decrease in the cost and increase in the income of targeted services;
- Organisation-wide individual performance management; and
- Enterprise wide organisational performance management.

Key District Focus Area B: Manage Key Financial And Governance Areas Such As Income Control, Cash Flow, Indigent Support, Alternative Income Opportunities, Asset And Risk Management

Objective 2 - Reduce the amount of money owed to the CDM

The CDM aims to reduce the amount of money it is owed by introducing revenue enhancements strategies and processes.

➤ **Programmes**

The CDM aims to implement the following processes and programmes to reduce the amount of money it is owed:

- Increase debt management actions in terms of final demands, warning notices, restrictions/disconnections and legal actions;
- Setting of monthly targets to achieve a payment ratio of 95% and above;
- Enhancement of systems; and

- Continued engagement with National and Provincial Government departments to settle their debts.

➤ **Measuring Performance**

The CDM will measure the success of its debt management initiatives and strategies by:

- Its ability to maintain a collection ratio of 95% and above.

Objective 3 - An unqualified audit

The CDM endeavours to maintain sound financial management controls to ensure good governance and an unqualified Audit Report. The key challenge in achieving this objective includes the CDM's onerous compliance requirements with rigorous accounting and disclosure standards in an ever-changing environment. As a result, the CDM is required to constantly engage with the Accounting Standard Board and National Treasury regarding suggested changes to the accounting standards, as well as directives issued.

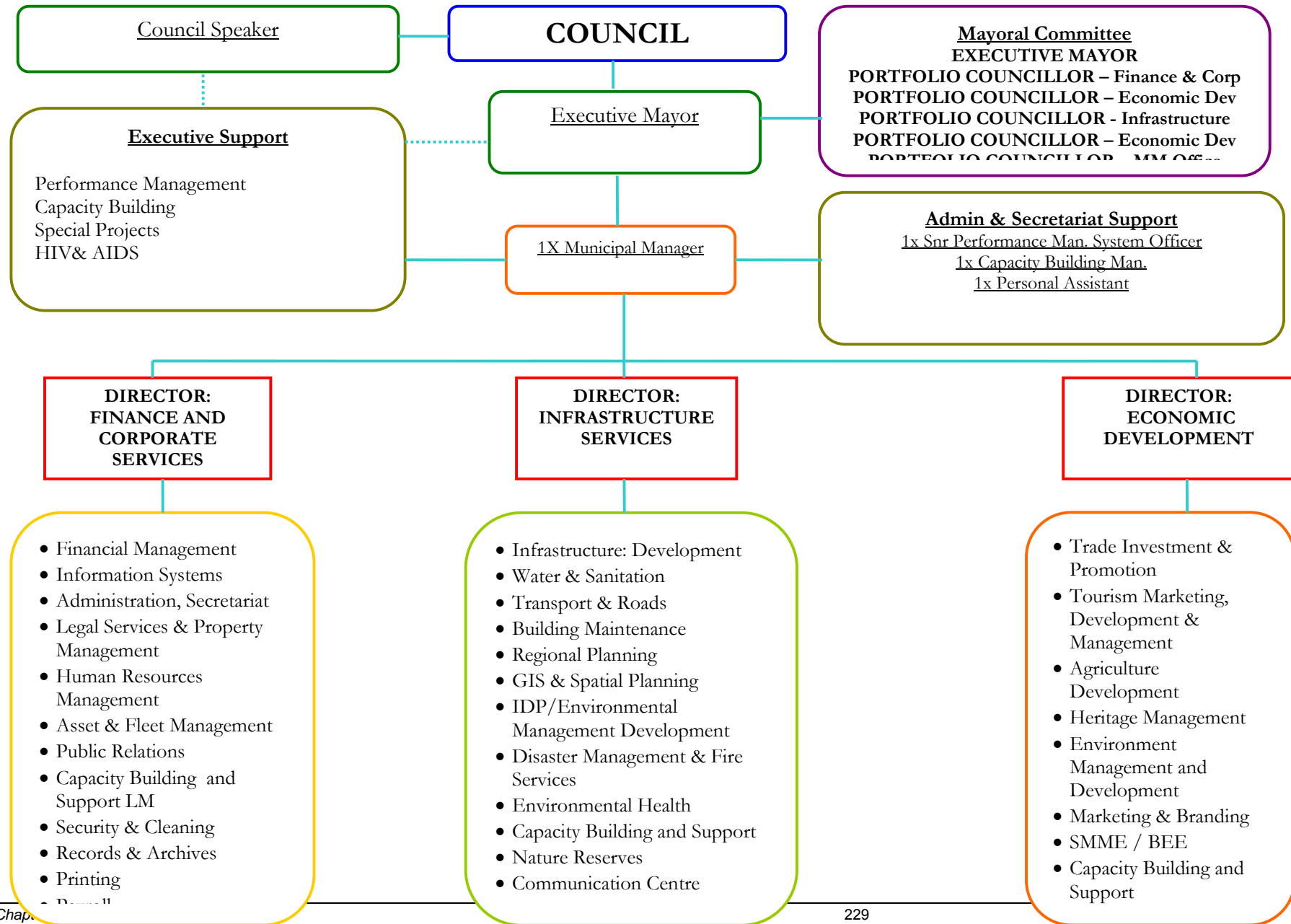
The CDM has allocated adequate training and bursary budget resources for staff to be trained and to attend relevant subject workshops for skills enrichment in this area. Forums and discussions are regularly held to exchange ideas on interpretation of new issues and how to best implement them.

4.2.3.3 HUMAN RESOURCES REQUIREMENTS

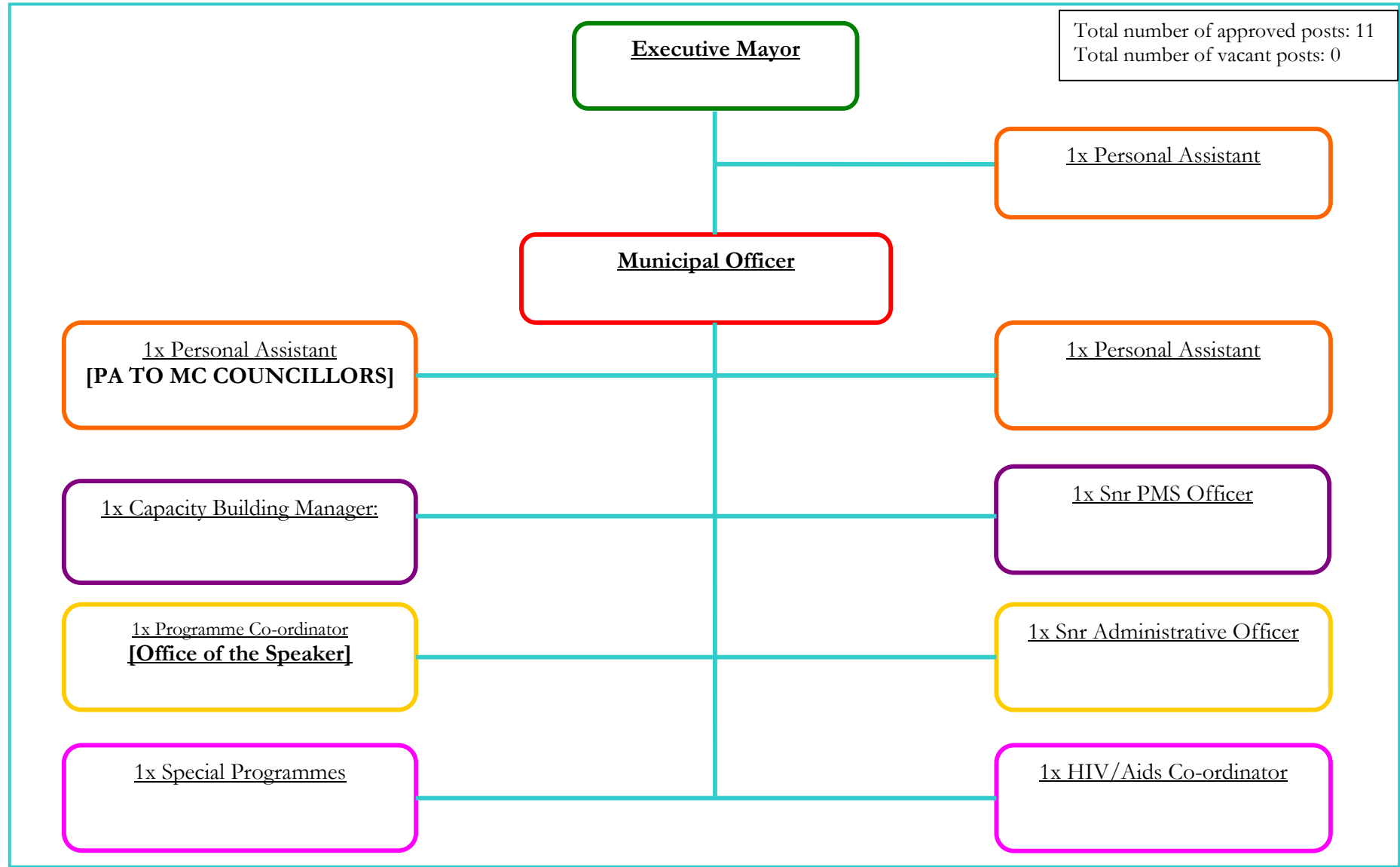
Given its current staff size and structure, the CDM has amended its organogram to ensure that the organization has the required human resources capacity to cope with all its new focus and functions. The need for this became particularly apparent once the IDP projects had been formulated. At the same time, it is necessary to consider the cost implications. It is important that the CDM ensures that it can both afford and justify the additional personnel costs. The CDM has therefore undertaken to explore all possible avenues that will ensure delivery through creative and innovative means.

The following organogram was adopted and will be maintained for 2012/13 financial period, and will be subject to review during the IDP annual review processes:

MACRO ORGANISATION DESIGN

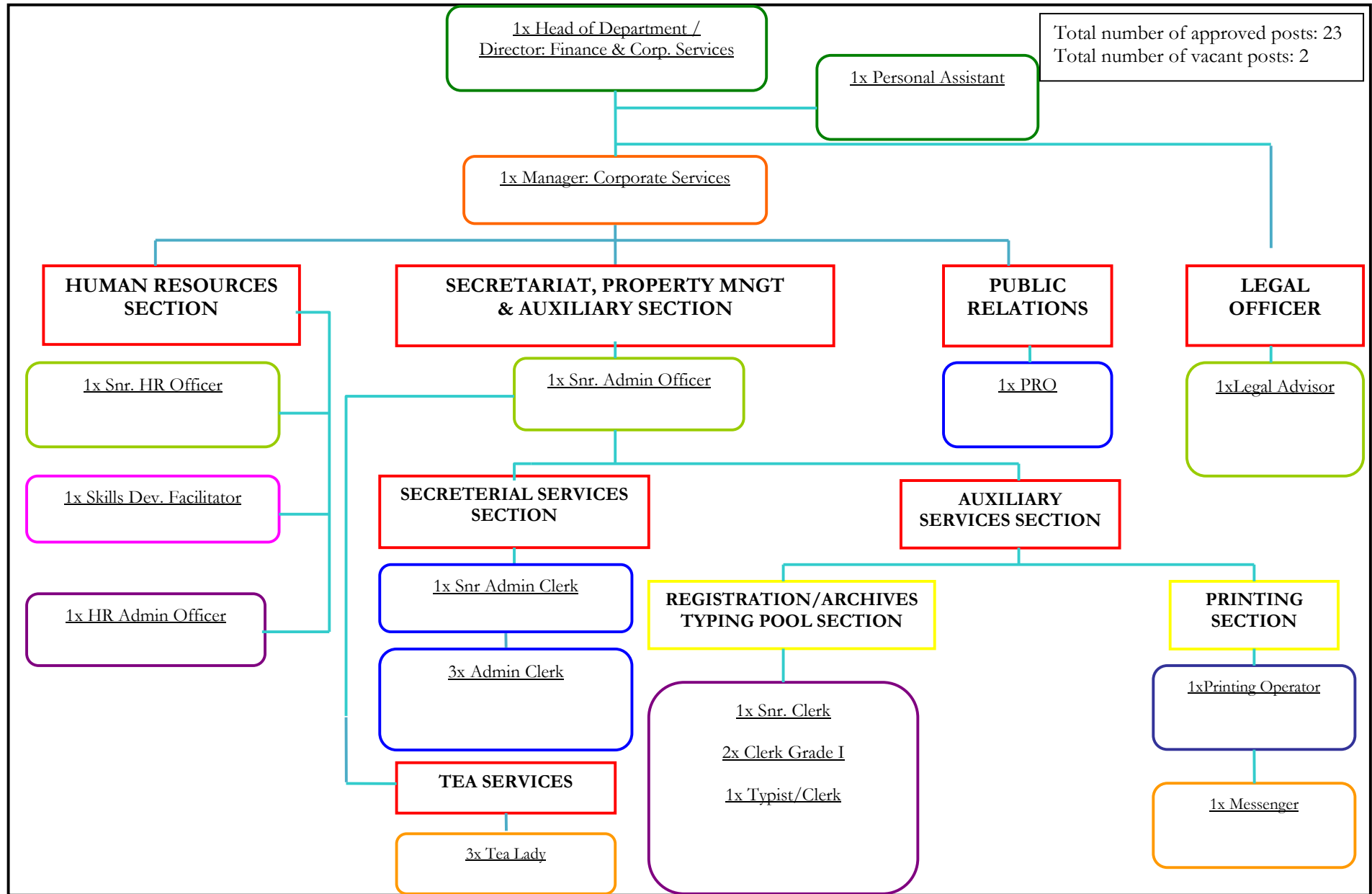


DIRECTORATE: OFFICE OF THE MUNICIPAL MANAGER



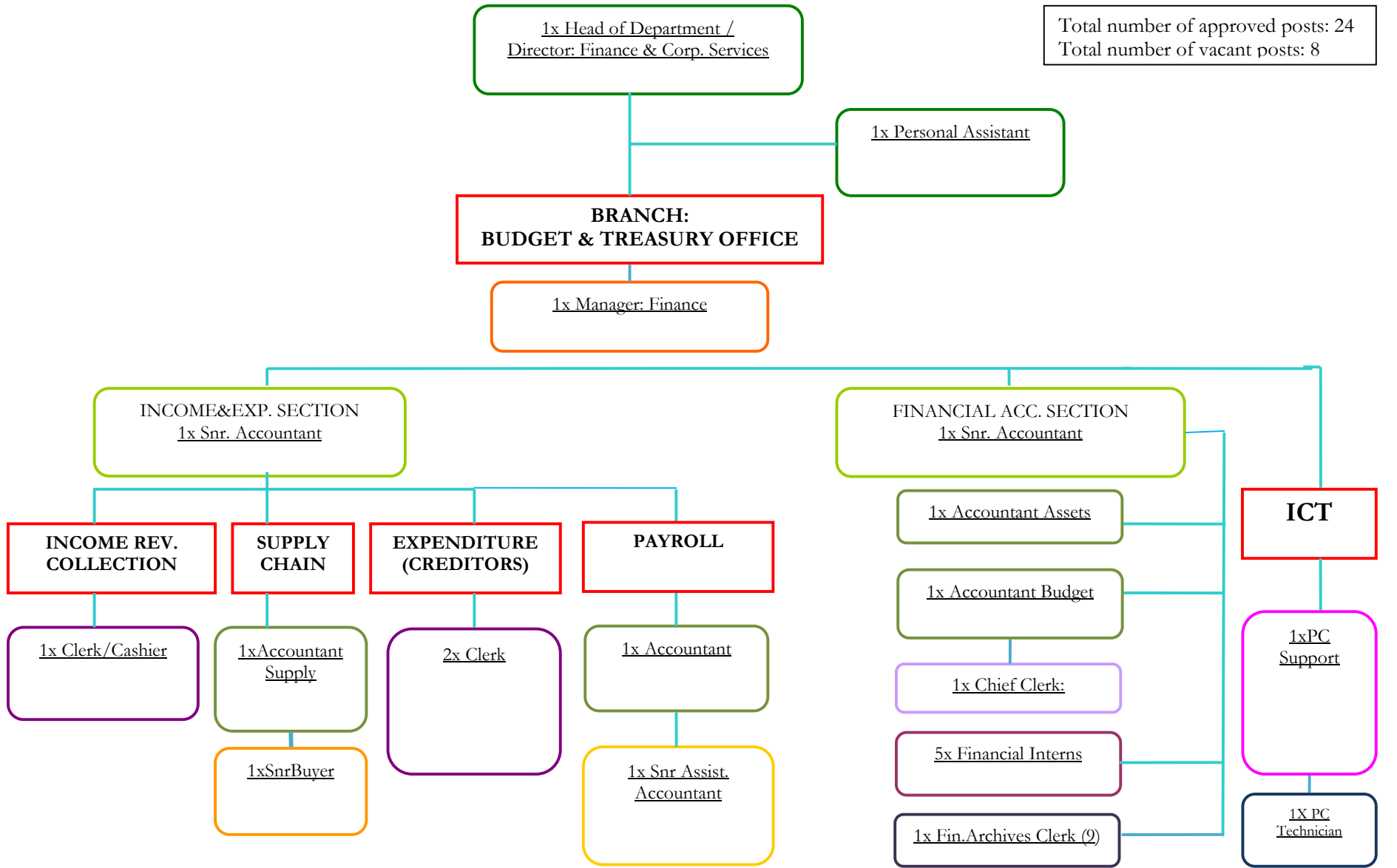
DIRECTORATE: FINANCE & CORPORATE SERVICES

CORPORATE SERVICES DIVISION



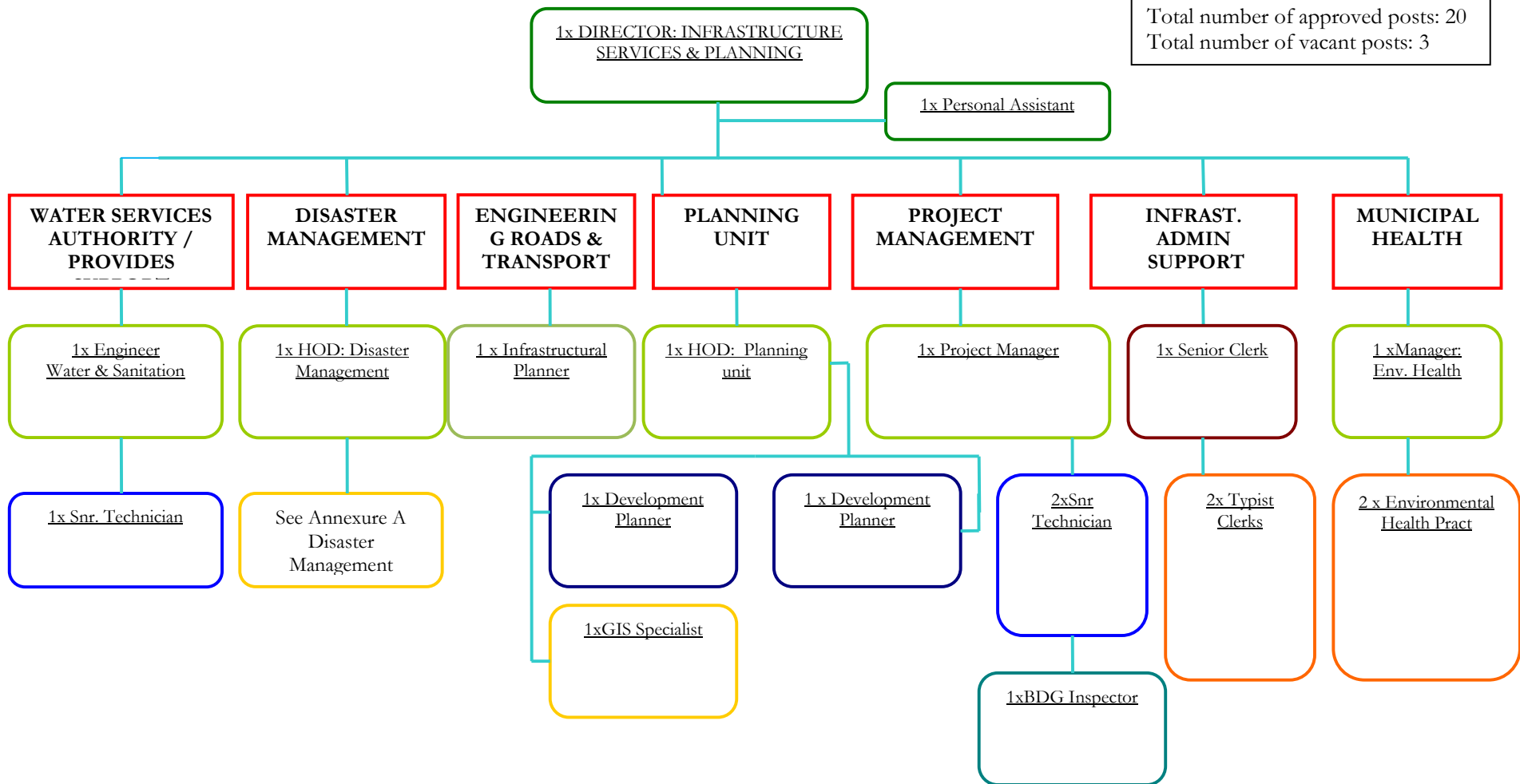
DIRECTORATE: FINANCE & CORPORATE SERVICES

FINANCE DIVISION

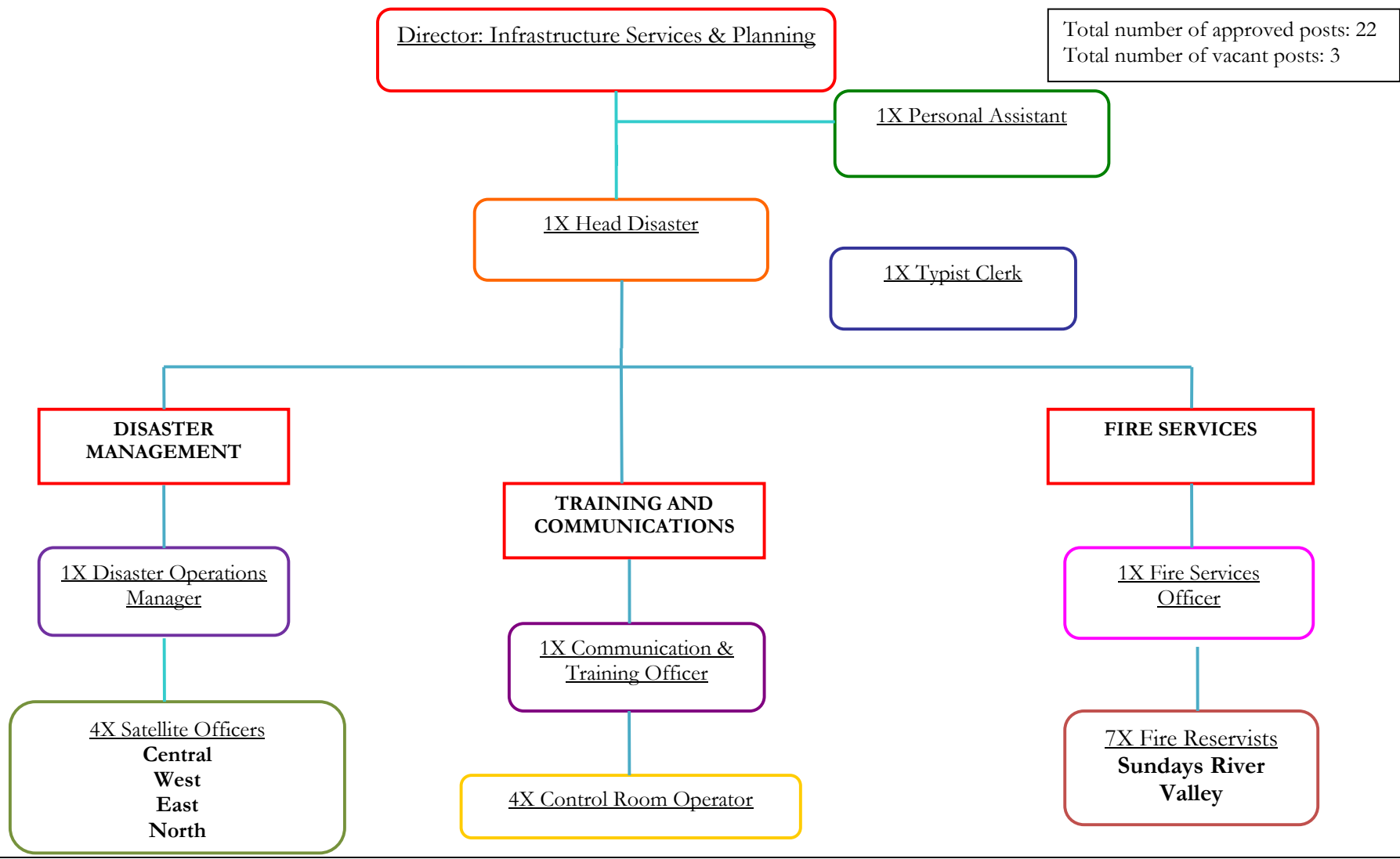


DIRECTORATE – PLANNING AND INFRASTRUCTURE SERVICES

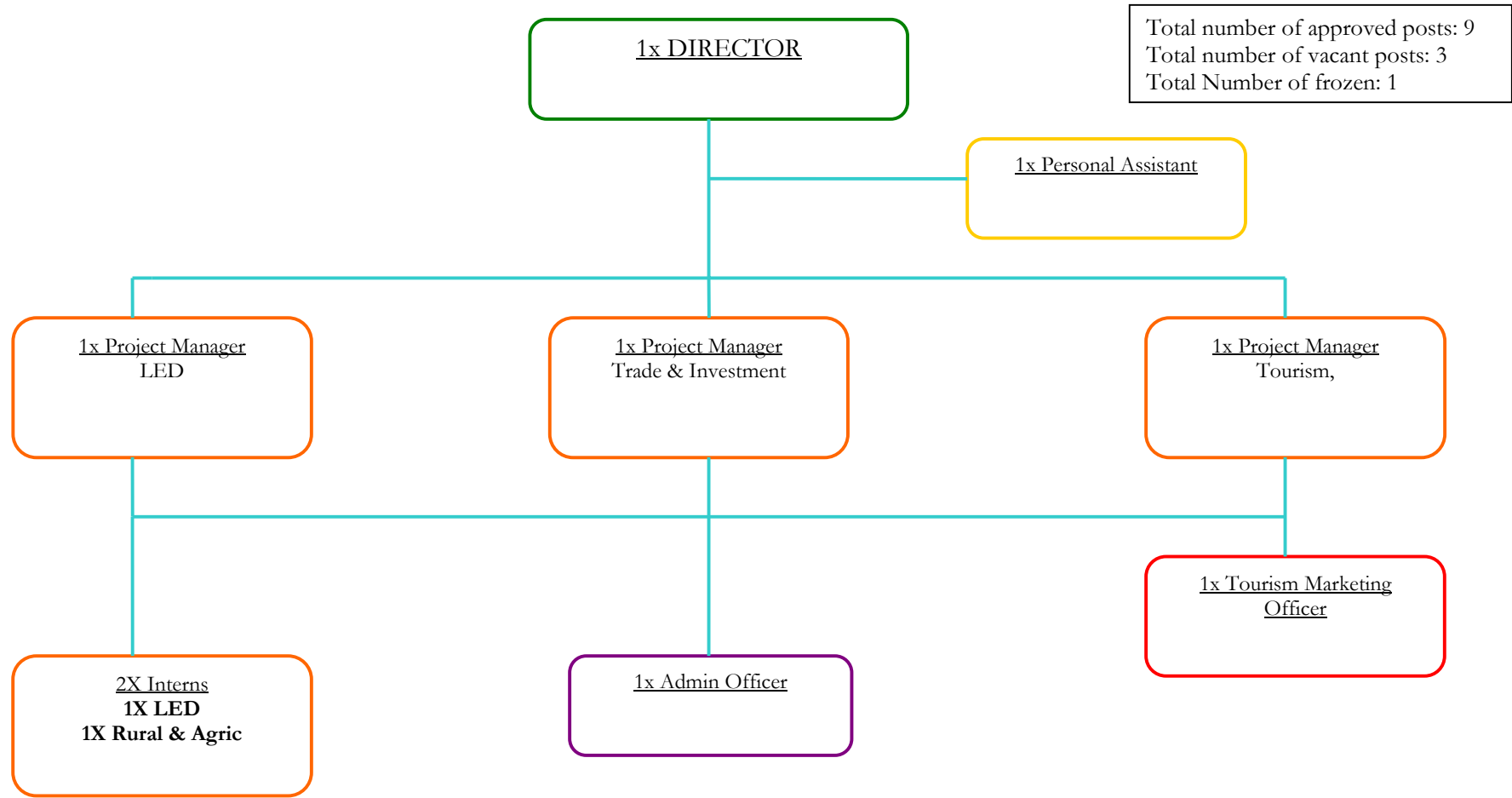
Total number of approved posts: 20
Total number of vacant posts: 3



DISASTER MANAGEMENT BRANCH



DIRECTORATE: ECONOMIC DEVELOPMENT



4.2.4 THE FINANCIAL PLAN

The IDP has been re-confirmed as the guiding document for the 2012/13 budget planning process. The outcome of this Integrated Development Plan was the alignment of the planning process and resource allocations to the imperatives of the strategic direction. Thus compilation and approval of the 2012/13 Medium-term Revenue and Expenditure Framework (three year budget) was a direct product aligned to the imperatives and strategic direction of this Municipality.

The key to strengthening the link between priorities and spending plans lies in enhancing political oversight of the budget process. Section 53(1)(a) of the MFMA 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.

The Mayoral Budget Committee has a significant role to play in the financial planning process. Strengthening the link between Government's priorities and spending plans is not an end in itself, but the goal should be to enhance service delivery aimed at improving the quality of life for all the people within the district.

Political oversight of the budget process is essential to ensure that:

- The political executive is responsible for policy and prioritization; and
- Policy priorities are linked to departmental spending plans and the delivery of quality services.

Budgeting is primarily about the priorities and choices that the Municipality has to make in deciding how to meet the agreed set of policy objectives through better service delivery. Political oversight of the budget process allows Government and in particular the Municipality to manage the tension between competing policy priorities and fiscal realities. The key to strengthening the linkage between priorities and departmental plans lies in enhancing political oversight of the IDP and Budget process. The Mayoral Committee and the Budget Committee play a leading role in guiding the alignment of resource allocations with national, provincial and local priorities.

The diagram below provides further details on the oversight and management structures as well as their key roles and responsibilities.

<p>Council Considers and approves the IDP and Final Budget</p>
<p>Mayoral Committee Provides political oversight to allow the municipality to manage the tension between competing policy priorities and fiscal realities Receives recommendations from the Budget Steering Committee on policy options and changes to baseline allocations Recommends the IDP and Final Budget to Council Considers draft and final budget proposals before tabling at Council Review departmental budget inputs with municipal priorities</p>
<p>Budget Steering Committee Compile budget document and report in line with the provisions of the MFMA Align business planning outputs/targets to resource allocations Manage departmental hearings Provide guidance on policy options</p>

4.2.4.1 BUSINESS PLANNING & FINANCIAL STRATEGY

(i) Five-Year Integrated Development Plan

The IDP was translated into the business and financial planning process leading up to the Draft 2012/13 budget. The business planning process has subsequently been refined and further aligned to the imperatives and objectives of the Integrated Development Plan.

Integration during the first IDP drafting cycle focused on the relationship between the CDM Integrated Development Plan and the following national, provincial and local endeavours:

- Focus on infrastructural development and job creation;
- National Key Performance Indicators (NKPIs);
- Municipality's Strategic and Business Plan;
- Accelerated and Shared Growth Initiative of South Africa (ASGISA);
- National 2014 Vision; and
- National Spatial Development Perspective.

The end product of the above mentioned process is a 2012/13 MTEF not only aligned to the imperatives of the IDP, but also the national and provincial drivers.

(ii) Corporate & Business Planning

The Council approved IDP Process Plan established an integrated corporate and business planning process with the following principles in mind:

- Seamless integration of strategic development planning
- Strategy driven resource allocation, based on political strategic priorities
- A holistic approach to programmes and project identification
- Measurability of plans and hence delivery

With the compilation of the 2012/13 MTEF, each strategic unit/department had to review the business planning process, setting of priorities and targets in consultation with the relevant Members of the Mayoral Committee. These have essentially informed the detail operational budget appropriations and three year capital programme. The extensive business planning process as undertaken with the compilation of the 2012/13 MTEF has essentially been refined and further aligned incorporating key measurable objectives and targets to ensure the planning process translates into actual performance.

(iii) Long-Term Financial Strategy

The Long-term Financial Model (LTFS) (Sustainability Assessment Model-SAM) has essentially informed the compilation of the 2012/13 MTEF relating directly to issues of affordability and sustainability. One of the salient features of the LTFS is the attentiveness to ultimate sustainability, not only from a municipal finance perspective, but also relating to service delivery in line with the IDP. Emphasis has also been placed on the dependence of the CDM on Grant Funding and interest earnings to finance its operating expenditure and projects.

(iv) Financial Sustainability Assessment – Impact on Accumulated Surplus Account & Interest Earnings

Since the first financial sustainability assessment report that was tabled in Council on 26 August 2009, there have been on-going debates on how CDM with its limited discretionary revenue sources should achieve its development objectives without negatively affecting the long term financial sustainability of the CDM.

The Financial Sustainability Report tabled in Council in 2009 highlighted the risks of utilizing the accumulated surplus to finance infrastructure projects in the District. It was evident that the CDM had adopted a pragmatic approach and that it was using the interest earned on the accumulated surplus and investments in respect of provisions and grant funding to finance its operations.

Based on the spending patterns which included financing of infrastructure projects from the accumulated surplus, it was estimated that the Municipality would experience a cash crisis in the medium term unless it drastically reduces its infrastructure project expenditure. Based on the findings detailed in the financial sustainability report, the Council adopted the following resolutions on 26 August 2009.

- (a) that the objectives of the CDM's business model be revisited to ensure that the Municipality is still applying the principles adopted;
- (b) that an efficiency drive be undertaken to reduce unnecessary or wasteful expenditure and that a task team be established to monitor the process;
- (c) that the payroll costs as a percentage of total expenditure (excluding projects) be monitored.

At a subsequent meeting held on 25 November 2009 and as a result of basic infrastructure needs and growing demands to finance its own functions such as fire fighting services and increase fire expenditures the Council rescinded its decision (resolution C). Since then the infrastructure spending from own funds included contributions from the accumulated surplus. Until the 2009/2010 financial year the CDM was able to limit the contributions from the accumulated surplus to finance infrastructure projects due to the following factors:

- The discretionary revenue (Levy Replacement grant, equitable share, interest on investments) was sufficient to finance operating expenditure. This meant that the unspent balance of the discretionary revenue could be utilized to finance infrastructure projects;
- Interest on investments over the financial years 2002/2003 – 2007/2008 was significantly higher than current interest rates which have decreased below 6,0% per annum;
- Other income in the initial years (since 2002/2003 – 2007/2008) exceeded the budget as RSC levies collected by the NMBM were higher than estimates; and
- Slow expenditure on projects financed from own funding.

These were the main reasons that the accumulated surplus was not utilized annually until the 2009/2010 financial year when, for the first time, an amount of R14,2 million was utilized to balance the operating account which was due mainly to infrastructure projects which were financed from own funds.

To illustrate the above, a summary of the operating income and expenditure for the 2010/2011 financial year is detailed below:

Table 4.5 Statement of financial performance

Statement of Financial Performance		
Figures in Rand	2010	2011
Revenue		
Rental income	991,168	1,115,413
Tariffs and charges	239,970	263,394
Property rates	174,301	366,996
	1,405,439	1,745,803
Other income		
Investment interest	30,818,431	22,986,979
Income from agency services	29,698	32,640
Government grants & subsidies	217,620,103	106,966,469
Equitable Share Plus Levy Replacement Grant	63,645,546	69,386,566
Other revenue	2,591,528	2,773,164
Reduction in provision for debt impairment	1,539,342	62,807
Fair value adjustments	-	1,083,000
	316,244,648	203,291,625
Operating expenses		
Employee costs	34,985,144	36,092,721
Contribution to bad debt provision	-	-
Bad debts written off	-	99,293
Collection costs	25,449	11,023
Depreciation	2,902,397	3,052,619
Repairs and maintenance	952,239	1,034,981
Bulk purchases	12,621	6,310
Contracted services	3,173,393	3,241,827
Conditional grant expenditure	211,688,220	100,971,595
Other grants and subsidies paid	13,660,646	9,929,553
General expenses – other	56,291,279	47,967,249
Discounting of post-employment medical benefit	5,695,008	4,650,930
Loss on donation of assets	2,099,003	260,110
Actuarial loss on post-employment medical benefit	1,564,301	3,218,610
Impairment	175,351	1,447,316
Loss on de-recognition of assets transferred	-	7,205,544
	330,249,565	219,189,681
Finance costs	109,968	11,131
Fair value adjustments	712,500	-
Deficit from equity accounted investments	800,000	864,000
	1,622,468	875,131
Surplus/ (Deficit) for the year	(14,221,946)	(15,027,384)

The following is evident:

In the subsequent financial year (2010/2011), a further R15 million from accumulated surplus was used to finance the deficit on the operating account. At the end of the 2010/2011 financial year the payroll costs were 16.5% of total expenditure but 37.5% of the Municipality's discretionary revenue. The total expenditure, excluding conditional grant funding expenditure, amounted to R118, 2 million. This means that in order to balance the operating expenditure including projects funded from own resources, investment income amounting to R23 million plus a contribution from the accumulated surplus amounting to R15 million, had to be used to finance the deficit on the operating account.

It is therefore critical that the current practice of redistributing non sustainable discretionary resources to finance service delivery projects should be revisited.

A medium term financial sustainability model based on the 2012/2013 Operating Budget provided some insight on what will happen in the medium term should current expenditure trends continue. The assumptions that were made are:

- that payroll cost will increase at 5% pa;
- that the interest on investments will be 6%
- that other operating expenditure will increase by 5.4% pa;
- that the Conditional Grant balances are constant;
- that project expenditure for 2012/2013 will amount to R40million and would reduce by R5million in the outer years; and
- that interest earned on investments will decrease as follows from the 2012/2013 financial year:

2012/2013	:	R16.9 million
2013/2014	:	R16.4 million
2014/2015	:	R14.6 million
2015/2016	:	R12.8 million

It is evident based on the above assumptions and current expenditure trends that the use of the accumulated surplus to finance infrastructure projects will have the following impact:

- interest income will be drastically reduced in the medium term;
- the accumulated surplus will be depleted in the medium term; and
- by 2015/2016 financial year there will be inadequate revenue sources to balance the budget.

4.2.4.2 2012/13 MEDIUM-TERM REVENUE & EXPENDITURE FRAMEWORK

(i) Principles & Guidelines

The following budget **principles** and **guidelines** have directly informed the compilation of the 2012/13 MTREF

- Confirmation of the 2012/13 priorities and targets as well as the MTREF baseline allocations per main function
- Confirmation of the use of service level standards subsequently informing the measurable objectives, targets and backlog eradication goals
- Maintain best practice logics within the planning context always taking into consideration the funded budget constraint
- An analysis of performance trends in terms of operational and capital budget components, with specific attention being given to underperforming functions/strategic units
- “Ring-fence” specific allocations to departments
- Specific allocations towards the Cacadu Development Agency (CDA)
- Specific allocations towards the financing of the relocation costs

(ii) Operational Budget

The following table represents the 2012/13 MTREF in terms of the service delivery structure as informed by the Municipality’s business planning process and IDP.

Details of Cacadu District Municipality’s three year Financial Plan is laid out in its budget document. Rather than repeat issues which are dealt with in depth in the Budget Book, this commentary will deal with the broad principles of that plan.

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**

Table 4.6 Revenue and expenditure by vote

Vote Description R thousand	Current Year 2011/12			2012/15 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Budget	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue by Vote						
Executive and Council Finance and Corporate Services	20,621	21,188	1,899	8,650	9,963	11,878
Planning and Development	94,982	93,603	88,421	91,570	95,293	97,709
Health	23,235	22,260	9,754	16,753	12,675	10,525
Community and Social Services	1,365	3,122	1,385	-	-	-
Housing	10,132	4,100	4,000	6,132	-	-
Public Safety	1,950	1,169	219	1,000	529	-
Sport and Recreation	13,176	13,446	1,000	3,400	7,750	8,900
Waste Management	-	773	-	-	-	-
Roads	1,000	1,188	-	-	-	-
Water	7,159	16,079	7,450	8,313	-	-
Electricity	16,208	10,907	8,001	13,999	2,030	1,500
Other	1,000	229	-	1,600	-	-
	950	1,556	-	1,883	-	-
Total Revenue by Vote	191,778	189,620	122,129	153,300	128,239	130,512
Expenditure by Vote to Be appropriated						
Executive and Council Finance and Corporate Services	50,047	50,615	32,448	32,701	36,045	37,482
Planning and Development	36,020	34,641	28,658	34,229	35,490	37,423
Health	30,168	29,193	23,512	22,609	18,352	17,530
Community and social Services	10,448	12,205	11,990	10,322	10,087	10,664
Housing	10,132	4,100	4,100	6,132	-	-
Public Safety	2,295	1,514	592	1,245	364	384
Sport and Recreation	18,579	18,849	17,158	15,684	18,658	19,065
Waste Management	500	1,273	1,260	300	500	500
Roads	1,000	1,188	1,188	-	-	-
Water	8,246	17,166	8,498	9,337	958	1,009
Electricity	17,165	11,864	10,455	14,964	3,049	2,573
Other	1,000	229	229	900	-	-
	6,177	6,783	5,962	4,878	4,737	3,882
Total Expenditure by Vote	191,778	189,620	146,048	153,300	128,239	130,512
Surplus/(Deficit) for the year	-	-	(23,919)	-	-	-

REVENUE BY SOURCE & EXPENDITURE BY TYPE

Detailed below is the Revenue by source and expenditure by type.

OPERATING BUDGET 1 JULY 2012 TO 30 JULY 2015 REVENUE BY SOURCE AND EXPENDITURE BY TYPE

Table 4.7 Revenue and expenditure

Description R thousand	Current Year 2011/2012			2012/15 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
<u>Revenue By Source</u>						
Property rates	-	-	-	-	-	-
Service charges – water Revenue	-	-	-	-	-	-
Service charges – Sanitation revenue	-	-	-	-	-	-
Service charges – refuse Revenue	-	-	-	-	-	-
Service charges – other	-	-	-	-	-	-
Rental of facilities and Equipment	1,073	1,073	1,050	1,120	1,180	1,250
Interest earned – external Investment	18,930	18,930	16,601	16,924	17,403	16,880
Interest earned – Outstanding debtors	-	-	-	-	-	-
Agency services	30	30	20	25	25	25
Transfers recognised – Operational	123,385	124,410	102,434	106,484	82,179	85,665
Other revenue	46,360	45,177	2,024	28,746	27,453	26,692
Gains on disposal of PPE	-	-	-	-	-	-
Total Revenue (excluding Capital transfers and Contributions)	191,778	189,620	122,129	153,300	128,239	130,512
<u>Expenditure by Type</u>						
Employee related costs	33,465	33,465	27,125	34,048	35,955	37,897
Remuneration of Councillors	6,402	6,402	5,857	6,199	6,546	6,900
Debt impairment	250	250	50	463	72	72
Depreciation & asset Impairment	1,031	1,031	1,031	1,134	1,134	1,134
Finance Charges						
Bulk purchases						
Other materials						
Contracted services	3,697	3,738	3,387	4,205	4,540	4,905
Transfers and grants	60,653	59,678	40,548	37,740	11,330	11,356
Other expenditure	80,280	85,057	68,051	69,511	68,662	68,248
Loss on disposal of PPE						
Total Expenditure	191,778	189,620	146,048	153,300	128,239	130,512
Surplus/(Deficit) for the year	-	-	(23,919)	-	-	-

From the above table it can be seen that the total revenue equates to R 153,300 million inclusive of capital grants utilised to fund the projects. The detail outcomes of the 2012/13 MTREF will be discussed further below as well as in the Budget Document.

4.2.4.3 REVENUE FRAMEWORK

The Cacadu District Municipality is committed to improving the quality of life of all its citizens in the district; to promoting a living environment which fosters harmony and provides opportunity for growth and prosperity for all living within its district. Municipalities must table a funded and credible budget, based on realistic estimates of revenue that are consistent with their budgetary resources and collection experience. The needs of the communities and local municipalities have to be met within the financial capacity and resource constraints of the Municipality. National Treasury Budget Circular 58 of 2011 and previous Budget Circulars provide specific guidance on MFMA requirements for funding the budget.

(i) Revenue

CDM has very few significant sources of discretionary or sustainable revenue. In addition to this fact, there are a few areas of particular concern to the municipality:

- Interest Earnings;
- Equitable Share;
- Levy replacement Grant;

The Pie Chart (figure 4.8) below indicates all the discretionary revenue sources utilized to fund the 2012/2013 operating budget.

REVENUE BY SOURCE

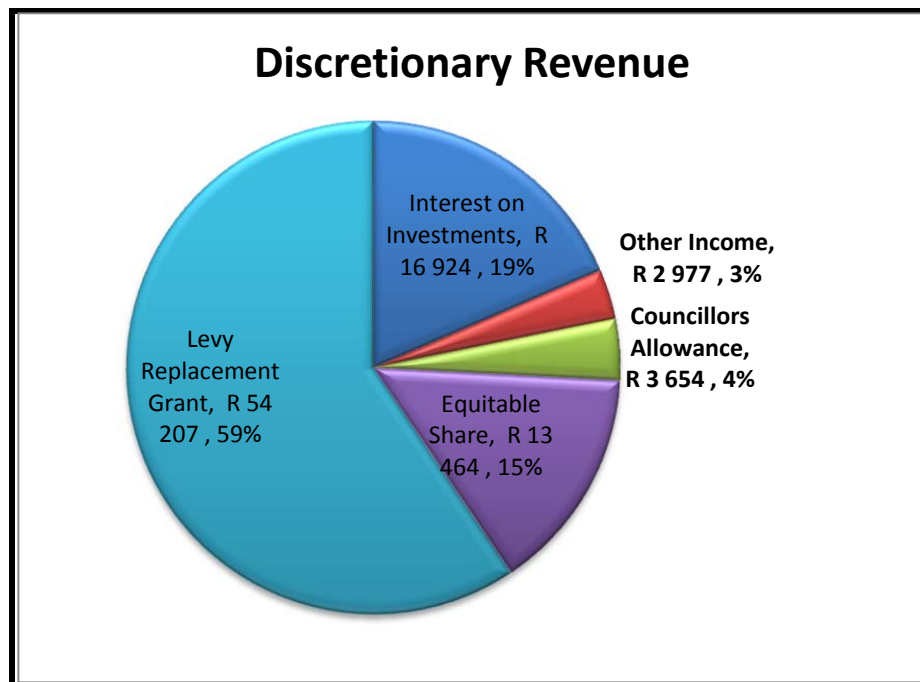


Figure 4.8

Interest Earnings

In 2012/13 interest earnings on investments are budgeted to contribute R16.9m (19%) of total revenue. It is evident that the municipality has become dependent on interest earning to balance its operating budget. This financing approach is not sustainable and strategies must be developed to reduce expenditure in line with discretionary sources of revenue. The irony is that, in the medium to long term, the more efficient the municipality becomes at delivering its budgeted result, the greater this investment income will be reduced.

The graph below illustrates the extent to which interest has been reducing since the 2009/2010 financial year and how this will continue:

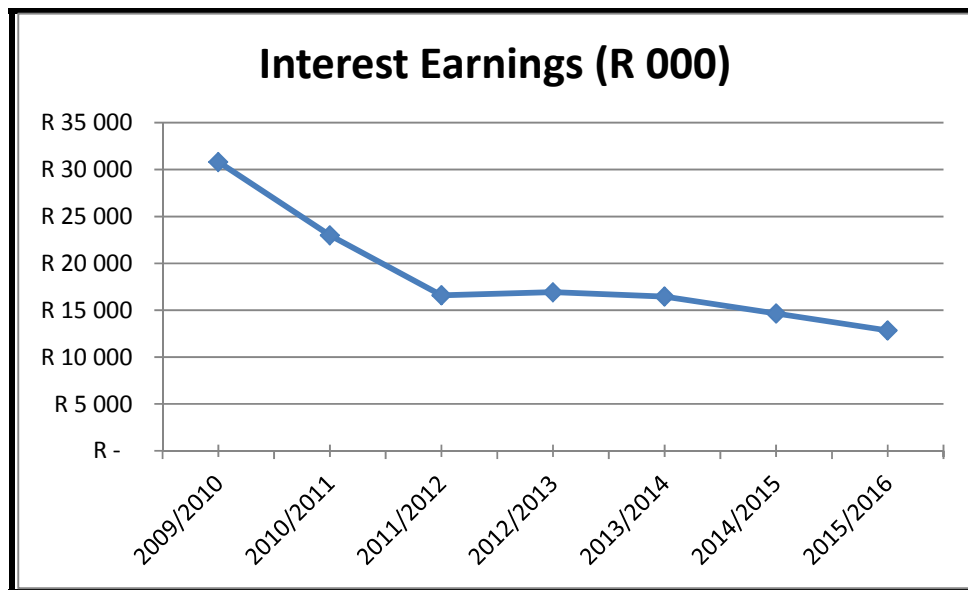


Figure 4.9

Equitable Share

The local government equitable share allocation is based on achieving the Constitutional requirements as provided for in sections 214 and 227 of the Constitution. In terms of these provisions, local government is entitled to an equitable share of nationally raised revenue to enable municipalities to provide basic services to communities and to assist municipalities in maintaining functioning administrations.

Equitable share takes into account the fiscal capacity, fiscal efficiency, developmental needs, extent of poverty and backlogs in municipalities. It is an unconditional grant which has the following components on it in terms of the Division of Revenue Act, 2007 (DoRA)

- BS = Basic services component
- D = Development component
- I = Institutional support component
- R = Revenue Raising Capacity
- C = Correction and stability factor

It should be noted that the basic component support only poor households earning less than certain category of income and it also distinguish between poor households provided with services and those provided with lesser or no services.

A municipality should prioritise its budget towards poor households and national priorities such as free basic services and the expanded public works programme. In line with the National and Provincial Government's policy objectives, the Cacadu District Municipality has adapted the theme of job creation in the IDP and Budget.

While previous financial models have been based on the premise that the CDM's Equitable Share would rise at similar rates to the increase in national funds for this purpose, this has not proved to be the case. Unless these funds can be increased, CDM will be very restricted in the range of services and support it can deliver to local municipalities.

The equitable share allocation to the local sphere of government takes account of the fiscal capacity, fiscal efficiency, developmental needs, extent of poverty and backlogs in municipalities, to the extent that such information is available.

The Division of Revenue Act DORA 2012/2013 reflects an increase in equitable share of national revenue amounting to R0.7 million subsequent to the decrease of R4 million in 2011/2012, due to the demarcation process and the incorporation of DMA's into the affected local municipalities in the previous year.

Table 4.8 DORA Allocations

Financial year	Amount	% increase
2011/12	R12.8 m	(23.8%)
2012/13	R13.5 m	5%
2013/14	R14.5 m	7%
2014/15	R15.8 m	9%

Municipal Infrastructure Grant

The largest infrastructure transfers over the MTEF years are through the MIG, which supports government's objectives of expanding the delivery of basic services to poor households and alleviation of poverty. The grant also seeks to stimulate economic development and job creation over the medium term. Municipalities are required to dedicate a portion of their capital budgets to labour-based infrastructure methods to meet the objectives of the expanded public works programme. As from the 1 July 2011, due to the demarcation process no further MIG allocations will be made to CDM. However the MIG allocations to the local municipalities have increased significantly.

Levy Replacement Grant

Recognizing that the RSC levies performed poorly with regards to the generally accepted principles of sound taxation (e.g. equity, efficiency, certainty, simplicity, ease of administration), the Minister of Finance announced in the 2005 Budget that RSC levies will be phased out on 1 July 2006. However, for municipalities to meet their expenditure obligations, especially in terms of poverty alleviation and social and economic development, it is important to maintain existing levels of revenue. The 2005 *Medium Term Budget Policy Statement* indicated that national government would compensate municipalities for lost revenue within the national budget framework, and options for alternative tax or revenue sharing arrangements are under

consideration. The RSC Levy Replacement Grant for the 2012/2013 financial year and outer years reflects a low growth rate as more fully detailed below:

Table 4.9 RSC levy replacement grant

Financial year	Amount	% increase
2011/12	R52.6 m	2.9%
2012/13	R54.2 m	2.9%
2013/14	R55.8 m	2.9%
2014/15	R57.5 m	3%

Future allocations for the Budget will be subject to further reforms to replace RSC levies with alternative sources of revenue. A discussion document on Options for the *Replacement of RSC and JSB levies* has been released for comment. The discussion document highlights the following options as possible replacement sources:

- **Tax sharing of an existing national tax instrument** (such as general fuel levy);
- **A surcharge on user charges for municipal services**, including a municipal electricity surcharge;
- **Grant** which could perform two functions, namely:
 - A guaranteed revenue source for municipalities or categories of municipalities; and
 - A transitional funding mechanism to smooth any possible shocks from the abolition of RSC Levies.

It is evident that the increases in the Levy Replacement Grant are significantly lower than the inflation rate. This means that the programmes of the Cacadu District Municipality will be negatively affected and it is therefore becoming more difficult to perform its legal mandate.

Donor funding

In the light of funding uncertainties described above, Council is keen to pursue options for accessing other funds, notably from donors, both internal (e.g. Development Bank of Southern Africa) or external (overseas aid). It needs to be noted, however, that even if the CDM should prove successful in its attempts to secure such funds, they can only ever be regarded as short term and unsustainable sources of revenue.

4.2.4.4 REVENUE & TARIFF-SETTING

(i) Revenue Strategy

The revenue strategy is a function of the following key components:

- Growth and economic development
- Revenue enhancement through;
 - Cleansing of indigent register to eliminate free basic services to unqualifying households
 - Changes in tariff structures
- National Treasury guidelines; and
- Achievement of full cost recovery of specific user charges
- Review power and functions of the district on infrastructure development, such as water services authority; District roads

- Adopt an agency-approach to infrastructure development, i.e. Department Of Transport, Roads And Public Works

4.2.4.5 GRANTS & SUBSIDIES

With the promulgation of the Division of Revenue Act, 2012, cognizance needs to be taken of the following operational and capital allocations:

Table 4.10 Grants and subsidies

	MUNICIPAL FINANCIAL YEAR 1 JULY - 30 JUNE		
	2012/2013 R'000	2013/2014 R'000	2014/2015 R'000
Infrastructure Grants			
Expanded Public Works Programme Integrated Grant	1,000	-	-
Recurrent Grant Allocation			
Local Government Financial Management Grant	1,250	1,500	1,250
Municipal Systems Improvement Grant	1,000	870	950
Equitable Share			
Equitable Share Formula	17,118	18,684	21,059
RSC Levies Replacement	54,207	55,833	57,507
TOTAL	74,575	76,887	80,766

4.2.4.6 EXPENDITURE FRAMEWORK

The following table is a high level summary of the 2012/13 Medium-term Expenditure Framework (classified per main category of expenditure) for the CoT based on departmental budget proposals aligned to the Five-year Integrated Development Plan, financial planning guidelines and a detail analysis of performance trends:

Table 4.11 Medium-term expenditure framework

CDM – BUDGETED & FORECAST PARENT ENTITY STATEMENT OF FINANCIAL PERFORMANCE								
DESCRIPTION	NOTES	Preceding Year 2011/12	Current Year 2011/12			2012/13 Medium Term Revenue and Expenditure Framework		
		Audited Actual	Approved budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Operating Expenditure by Type								
Employee related costs		31,528	33,465	33,465	27,125	34,048	35,955	37,897
Remuneration of Councillors		4,565	6,402	6,402	5,857	6,199	6,546	6,900
Bad debts		99	250	250	50	463	72	72
Depreciation		3,053	1,031	1,031	1,031	1,134	1,134	1,134
Repairs and maintenance		1,035	1,795	1,795	926	990	1,046	1,102
Contracted Services		3,242	3,697	3,738	3,387	4,205	4,540	4,905
Grants and subsidies paid		110,901	60,653	59,678	40,458	37,740	11,330	11,356
General expenses		64,767	84,485	83,291	67,214	68,521	67,616	67,146
Operating Expenditure by Vote		219 190	191,778	189,620	146,048	153,300	128,239	130,512
(SURPLUS)/ DEFICIT (1)		(14,152)	-	-	(23,919)	-	-	-

A major strategy related to the outcome of the planning process was aligned to generating further operational gains and efficiencies to ensure the CDM undertakes detail financial planning aligned to budgeting for improved service delivery. The above table is a direct product of this initiative, of which operational capacity created has been directed to the affordability limitations.

Total operating expenditure has decreased by 19.2% against the 2011/12 adjustment budget and by 23.8% against the 2011/12 approved budget.

It can be deduced from the above table that the draft operating expenditure equates to R153, 3 million in the 2012/13 financial year and decreases to R128, 2 million in the 2013/14 financial year, a decrease of 16.3%.

4.2.4.7 CAPITAL BUDGET

The compilation of the capital budget in terms of internal capacity (council funds)/affordability was based on the outcome of the Long-term Financial Strategy and funding options targeting an aggressive infrastructure investment framework, directly informed by the 5-year Strategic Integrated Development Programme.

Draft 2012/2013 Capital Budget

Table 4.12 Capital budget 1 July 2012 to 30 June 2013

Narration	2012/2013	2013/2014	2014/2015
Funding Source			
Accumulated Surplus	5 150	-	-
Total		-	-
Asset Type			
Buildings	2 000		
Other motor vehicles	1 400	-	-
Computer equipment	362	-	-
Office equipment	1 185	-	-
Furniture and fittings	203		
Total	5 150	-	-

4.2.4.8 COMMUNITY CONSULTATION PROCESS

Chapter 4 of the Local Government Municipal System Act deals with Community participation. Section 16 (1) of the LGMSA stipulates that a municipality must develop a culture of municipal governance that compliments formal representative government with a system of participatory governance. Of more important to the budget process is section 16(1) (a) and (iv) which stipulate that a municipality must for the purpose of section 16 (1) encourage, and create conditions for, the local community to participate in the affairs of the municipality, including in the preparation, implementation and review of its integrated development plan and the preparation of its budget. Section 16 (2) further stipulate that subsection (1) must not be interpreted as permitting interference with a municipal council's right to govern and to exercise the executive and legislative authority of the municipality.

The mechanisms, processes and procedures for community participation are highlighted in section 17 of the LGMSA.

Section 22 of the Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA) also stipulates that immediately after an annual budget is tabled in a municipal council, the accounting officer must make public the annual budget and documents; invite the local community to submit representations in connection with the budget; and submit the annual budget to the National Treasury and the relevant provincial treasury in printed and electronic formats.

Section 23(2) of the MFMA stipulates further that "after considering all budget submissions, the Council must give the Executive Mayor an opportunity –

- (a) to respond to the submissions; and
- (b) if necessary, to revise the budget and table amendments for consideration by the council".

As indicated previously, the tabling of the draft budget in Council will be followed by extensive publication of the budget documentation, and various consultative meetings will be held to receive submissions from stakeholder's formations.

The following section provides an overview of the consultation and community consultation activities.

- **Budget committee meetings:** Two budget committee meetings were held which involved councillors, ward committee representatives and senior management. The purpose of the meetings was to discuss and inform politicians and management of the budget.
- **Publication of draft budget:** The draft budget report (hard copy) will be made available to the local municipalities in the district and the CDM's municipal offices and the draft document will be made available on CDM's website. Notices will be published in the media calling on the public to submit representation on the budget.
- **Electronic:** The tabled budget document will be published on www.cacadu.co.za.

4.2.4.9 CONCLUSION

The application of sound financial management principals, for the compilation of a 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 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 the District.

4.3 PART 3: DISTRICT STRATEGIES / SECTOR PLANS

District strategies / sector plans have been categorised in terms of infrastructure and land, economic development, the CDM's legislative mandate and institutional issues relating to the CDM. The table below illustrates the relationship between these strategies / sector and the key components of the situational analysis of Cacadu as contained within Chapter 2.

Table .13 District Strategies & Sector Plan

Outcomes of IDP Analysis	Infrastructure and Land	Economic Development	CDM's Mandate	Institutional Issues
Existing Sector Plans	<ul style="list-style-type: none"> ➢ Integrated Waste Management Plan (IWMP); ➢ Water Services Development Plan (WSDP); ➢ Housing Development Guidelines (HDG); ➢ Integrated Transport Plan (ITP); ➢ Area Based Plan (ABP); ➢ Comprehensive Infrastructure Plan (CIP). 	<ul style="list-style-type: none"> ➢ Economic Growth & Development Strategy (EGDS); ➢ Small, Micro and Medium Enterprises (SMME); ➢ Tourism Master Plan (TMP). 	<ul style="list-style-type: none"> ➢ Environmental Health Services (EHS) ➢ Disaster Risk Management Assessment (DRMA) ➢ Health Plan (HP) 	<ul style="list-style-type: none"> ➢ Institutional Sustainability Assessment (ISA) ➢ SPU: ➢ Women's Empowerment Policy (SPU Women); ➢ Communication
MTSF Strategic Priority 1: Speeding up growth and transforming the economy to create decent work and sustainable livelihoods				
1.1 Opportunity to expand formal agriculture in Kouga, Kou-Kamma, SRV and Ndlambe	ABP: Outlines the core land reform objectives and strategies on a District level whilst simultaneously highlighting opportunities that will further unlock socio-economic potential and inform land related decision making at a municipal level.	EGDS: Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.	DRMA: Provides a disaster risk profile unique to the CDM. Identifies fire, storm, tidal surge, hazardous material & drought as potential risks to be catered for in all planning initiatives.	
1.2 Need identified to investigate the establishment of agro-processing opportunities in Kouga, Kou-Kamma, SRV and Ndlambe	ABP: Outlines the core land reform objectives and strategies on a District level whilst simultaneously highlighting opportunities that will further unlock socio-economic potential and inform land related decision making at a municipal level.	EGDS: Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs. TMP: Focuses on the provision guidelines and recommendations on how to develop a functioning tourism system through the application of a defined strategy and specific actions.	EHS: Focuses on Active Environmental Educations, Waste Management monitoring and Pest Control, Water and Food quality Monitoring	

Outcomes of IDP Analysis	Infrastructure and Land	Economic Development	CDM's Mandate	Institutional Issues
<p>1.3 SRV, Baviaans, Camdeboo, Kouga and Ndlambe hold key Tourism focus areas that could benefit from informed interventions</p>	<p>CIP: Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>	<p>TMP: Focuses on the provision guidelines and recommendations on how to develop a functioning tourism system through the application of a defined strategy and specific actions.</p>	<p>EHS: Focuses on Active Environmental Educations, Waste Management monitoring and Pest Control, Water and Food quality Monitoring</p> <p>DRMA: Provides a disaster risk profile unique to the CDM. Identifies fire, storm, tidal surge, hazardous material & drought as potential risks to be catered for in all planning initiatives.</p>	
<p>1.4 Employment opportunities are limited in Baviaans and Ikwezi in relation to economic sectors</p>		<p>EGDS: Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p> <p>SMME: Sector is challenged in CDM. Plan provides a multi-pronged approach to dealing with the major existing impediments, including a poor business environment, lack of financial tools, weak entrepreneurial capacity and the absence of strong linkages with existing large enterprises.</p>		

Outcomes of IDP Analysis	Infrastructure and Land	Economic Development	CDM's Mandate	Institutional Issues
1.5 Baviaans, Ikwezi, Blue Crane require economic interventions to stabilize rural depopulation and improve livelihoods.	CIP: Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.	EGDS: Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs. SMME: Sector is challenged in CDM. Plan provides a multi-pronged approach to dealing with the major existing impediments, including a poor business environment, lack of financial tools, weak entrepreneurial capacity and the absence of strong linkages with existing large enterprises.		ISA: This report highlights the municipality's dependence on unsustainable discretionary revenue sources to balance its operating budget and attempts to identify appropriate strategies and interventions to move away from current unsustainable fiscal practices
1.6 Opportunity for LMs to improve Land Use Management	HDG: Attempts to assist LMs in planning settlements through: <ul style="list-style-type: none"> • Advice on spatial structure; • Criteria to determine best land use locations; • Proposing actions to promote integration, sustainability, equity and efficiency. 			
MTSF Strategic Priority 2: Massive program to build economic and social infrastructure				
2.1 82% of the road network in CDM are gravel – consider impact on economic sector and residents	ITP: Denotes the Public Transport and Transport Infrastructure Strategies for the district in the interests of sustainably increasing mobility of people and goods. CIP: Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.		DRMA: Provides a disaster risk profile unique to the CDM. Identifies fire, storm, tidal surge, hazardous material & drought as potential risks to be catered for in all planning initiatives.	

Outcomes of IDP Analysis	Infrastructure and Land	Economic Development	CDM's Mandate	Institutional Issues
2.2 Primary mode of civilian transport = pedestrian	<p>ITP: Denotes the Public Transport and Transport Infrastructure Strategies for the district in the interests of sustainably increasing mobility of people and goods.</p> <p>CIP: Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>			Communications Policy
2.3 Primary mode of transport supporting economic sectors = road	<p>ITP: Denotes the Public Transport and Transport Infrastructure Strategies for the district in the interests of sustainably increasing mobility of people and goods.</p> <p>CIP: Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>	<p>TMP: Focuses on the provision guidelines and recommendations on how to develop a functioning tourism system through the application of a defined strategy and specific actions.</p>	<p>DRMA: Provides a disaster risk profile unique to the CDM. Identifies fire, storm, tidal surge, hazardous material & drought as potential risks to be catered for in all planning initiatives.</p>	
2.4 Depopulation especially in Ikwezi & Baviaans place limits on the provision & maintenance of infrastructure	<p>IWMP: Identified the following requirements of LM's:</p> <ul style="list-style-type: none"> • Waste Info Systems to be dev for each LM; • An Integrated Operational Plan to be formulated to support effective short and long term waste management planning. <p>WSDP: Each LM is a WSA. The WSDP focuses on addressing the following backlogs:</p> <ul style="list-style-type: none"> • Metered erf connection; • Full waterborne sanitation. <p>CIP: Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>	<p>EGDS: Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p>		<p>ISA: This report highlights the municipality's dependence on unsustainable discretionary revenue sources to balance its operating budget and attempts to identify appropriate strategies and interventions to move away from current unsustainable fiscal practices</p>

Outcomes of IDP Analysis	Infrastructure and Land	Economic Development	CDM's Mandate	Institutional Issues
2.5 Social investment program required to support tourism activities in SRV, Bavianaans, Camdeboo, Kouga and Ndlambe		TMP: Focuses on the provision guidelines and recommendations on how to develop a functioning tourism system through the application of a defined strategy and specific actions.	EHS: Focuses on Active Environmental Educations, Waste Management monitoring and Pest Control, Water and Food quality Monitoring DRMA: Provides a disaster risk profile unique to the CDM. Identifies fire, storm, tidal surge, hazardous material & drought as potential risks to be catered for in all planning initiatives.	1 SPU (Women): This Policy Framework serves to guide the CDM in creating opportunities which contributes to women's empowerment.
MTSF 3: Comprehensive rural development strategy linked to land and agrarian reform and food security				
3.1 Opportunity to expand formal agriculture in Kouga, Kou-Kamma, SRV and Ndlambe	ABP: Outlines the core land reform objectives and strategies on a District level whilst simultaneously highlighting opportunities that will further unlock socio-economic potential and inform land related decision making at a municipal level. CIP: Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.	EGDS: Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.	DRMA: Provides a disaster risk profile unique to the CDM. Identifies fire, storm, tidal surge, hazardous material & drought as potential risks to be catered for in all planning initiatives.	
3.2 Need identified to investigate the establishment of agro-processing opportunities in Kouga, Kou-Kamma, SRV and Ndlambe	ABP: Outlines the core land reform objectives and strategies on a District level whilst simultaneously highlighting opportunities that will further unlock socio-economic potential and inform land related decision making at a municipal level.	EGDS: Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.		

Outcomes of IDP Analysis	Infrastructure and Land	Economic Development	CDM's Mandate	Institutional Issues
3.3 Employment opportunities are limited in Baviaans and Ikwezi in relation to agricultural opportunities	ABP: Outlines the core land reform objectives and strategies on a District level whilst simultaneously highlighting opportunities that will further unlock socio-economic potential and inform land related decision making at a municipal level.	EGDS: Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.		
MTSF 4: Strengthen the skills and human resource base				
4.1 Skills Audit required in relation to dominant economic sectors		<p>EGDS: Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p> <p>SMME: Sector is challenged in CDM. Plan provides a multi-pronged approach to dealing with the major existing impediments, including a poor business environment, lack of financial tools, weak entrepreneurial capacity and the absence of strong linkages with existing large enterprises.</p> <p>TMP: Focuses on the provision guidelines and recommendations on how to develop a functioning tourism system through the application of a defined strategy and specific actions.</p>		2 SPU (Women): This Policy Framework serves to guide the CDM in creating opportunities which contributes to women's empowerment.
4.2 Intervention to provide improved access to and use of Info & Communications Technology	CIP: Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.			

Outcomes of IDP Analysis	Infrastructure and Land	Economic Development	CDM's Mandate	Institutional Issues
4.3 District wide intervention required to encourage sustainable use of commercial and subsistence agricultural land	ABP: Outlines the core land reform objectives and strategies on a District level whilst simultaneously highlighting opportunities that will further unlock socio-economic potential and inform land related decision making at a municipal level.	EGDS: Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs. SMME: Sector is challenged in CDM. Plan provides a multi-pronged approach to dealing with the major existing impediments, including a poor business environment, lack of financial tools, weak entrepreneurial capacity and the absence of strong linkages with existing large enterprises.	EHS: Focuses on Active Environmental Educations, Waste Management monitoring and Pest Control, Water and Food quality Monitoring	

MTSF 5: Improve the health profile of all South Africans				
5.1 Access to clinics are problematic due to staff shortages			HP: Endorses the District Health System of service delivery.	ISA: This report highlights the municipality's dependence on unsustainable discretionary revenue sources to balance its operating budget and attempts to identify appropriate strategies and interventions to move away from current unsustainable fiscal practices 3 SPU (Women): This Policy Framework serves to guide the CDM in creating opportunities which contributes to women's empowerment.

Outcomes of IDP Analysis	Infrastructure and Land	Economic Development	CDM's Mandate	Institutional Issues
5.2 Sparse population distribution in CDM could limit access to health facilities and accurate information	<p>ITP: Denotes the Public Transport and Transport Infrastructure Strategies for the district in the interests of sustainably increasing mobility of people and goods.</p> <p>CIP: Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>		<p>HP: Endorses the District Health System of service delivery.</p>	<p>ISA: This report highlights the municipality's dependence on unsustainable discretionary revenue sources to balance its operating budget and attempts to identify appropriate strategies and interventions to move away from current unsustainable fiscal practices</p> <p>4 SPU (Women): This Policy Framework serves to guide the CDM in creating opportunities which contributes to women's empowerment.</p>
5.3 Particularly vulnerable groups include: farm workers, residents of informal settlements, migrant workers	<p>ITP: Denotes the Public Transport and Transport Infrastructure Strategies for the district in the interests of sustainably increasing mobility of people and goods.</p> <p>CIP: Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>		<p>EHS: Focuses on Active Environmental Educations, Waste Management monitoring and Pest Control, Water and Food quality Monitoring</p> <p>DRMA: Provides a disaster risk profile unique to the CDM. Identifies fire, storm, tidal surge, hazardous material & drought as potential risks to be catered for in all planning initiatives.</p> <p>HP: Endorses the District Health System of service delivery.</p>	<p>ISA: This report highlights the municipality's dependence on unsustainable discretionary revenue sources to balance its operating budget and attempts to identify appropriate strategies and interventions to move away from current unsustainable fiscal practices</p> <p>5 SPU (Women): This Policy Framework serves to guide the CDM in creating opportunities which contributes to women's empowerment.</p>
MTSF 6: Intensify the fight against crime				
6.1 Assault and the various forms of robbery or theft are the most commonly reported crimes in the CDM		<p>EGDS: Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p>		<p>6 SPU (Women): This Policy Framework serves to guide the CDM in creating opportunities which contributes to women's empowerment.</p>

Outcomes of IDP Analysis	Infrastructure and Land	Economic Development	CDM's Mandate	Institutional Issues
<p>6.2 Theft and assault related crime statistics are indicative of underlying development issues in the CDM and needs identification in the following areas:</p> <ul style="list-style-type: none"> ➢ job creation; ➢ substance abuse programs; ➢ youth programs; ➢ secondary and tertiary education programs relevant to required skills on a local level. 		<p>EGDS: Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p> <p>TMP: Focuses on the provision guidelines and recommendations on how to develop a functioning tourism system through the application of a defined strategy and specific actions.</p>		<p>7 SPU (Women): This Policy Framework serves to guide the CDM in creating opportunities which contributes to women's empowerment.</p>
MTSF 7: Build cohesive, caring and sustainable communities				
<p>7.1 District-wide drive to reduce poverty and promote access to economic opportunities, with a specific focus on Bavianaans, Ikwezi and Blue Crane Route</p>	<p>CIP: Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>	<p>EGDS: Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p> <p>SMME: Sector is challenged in CDM. Plan provides a multi-pronged approach to dealing with the major existing impediments, including a poor business environment, lack of financial tools, weak entrepreneurial capacity and the absence of strong linkages with existing large enterprises.</p>		<p>8 SPU (Women): This Policy Framework serves to guide the CDM in creating opportunities which contributes to women's empowerment.</p>

Outcomes of IDP Analysis	Infrastructure and Land	Economic Development	CDM's Mandate	Institutional Issues
7.2 Capacity Building interventions required by key community organisations		<p>EGDS: Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p> <p>SMME: Sector is challenged in CDM. Plan provides a multi-pronged approach to dealing with the major existing impediments, including a poor business environment, lack of financial tools, weak entrepreneurial capacity and the absence of strong linkages with existing large enterprises.</p>		9 SPU (Women): This Policy Framework serves to guide the CDM in creating opportunities which contributes to women's empowerment.

MTSF 8: Sustainable Resource Management and use				
8.1 Community mind-shift required in relation to alternative energy sources	CIP: Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.	EGDS: Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.	EHS: Focuses on Active Environmental Educations, Waste Management monitoring and Pest Control, Water and Food Quality Monitoring	
8.2 Addition to Agricultural Sector may exist in terms of carbon credits	<p>IWMP: Identified the following requirements of LM's:</p> <ul style="list-style-type: none"> Waste Info Systems to be dev for each LM; An Integrated Operational Plan to be formulated to support effective short and long term waste management planning. <p>CIP: Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>	EGDS: Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.	EHS: Focuses on Active Environmental Educations, Waste Management monitoring and Pest Control, Water and Food quality Monitoring	

Outcomes of IDP Analysis	Infrastructure and Land	Economic Development	CDM's Mandate	Institutional Issues
<p>8.3 Economically challenged areas (Baviaans & Ikwezi) may have potential in terms of renewable energy</p>	<p>WSDP: Each LM is a WSA. The WSDP focuses on addressing the following backlogs:</p> <ul style="list-style-type: none"> • Metered erf connection; • Full waterborne sanitation. <p>CIP: Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>	<p>EGDS: Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p>	<p>EHS: Focuses on Active Environmental Educations, Waste Management monitoring and Pest Control, Water and Food quality Monitoring</p>	
<p>8.4 Broad economic development needs to take cognizance of biodiversity and natural habitats</p>	<p>CIP: Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>	<p>EGDS: Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p>	<p>EHS: Focuses on Active Environmental Educations, Waste Management monitoring and Pest Control, Water and Food quality Monitoring</p>	

4.3.1 INTEGRATED WASTE MANAGEMENT ASSESSMENT / INTEGRATED WASTE MANAGEMENT PLAN

An assessment has been conducted on the status quo of all the waste disposal sites in the CDM area which was used in the compilation of an Integrated Waste Management Plan (IWMP) for the District. The results of the afore-mentioned assessment are reflected in the table below.

Table .14 Results of status quo assessment

Waste Site Name	GPS Co-ordinates	Landfill Class (±)	Registration/ permit status	Site Suitability	Estimated Lifespan	Infrastructure	Operation & Management
Camdeboo Municipality							
Nieu-Bethesda existing	S31 52 06.2 E24 32 38.1	G:C:B -	Registered	Inadequate	Poor	Inadequate	Adequate
Nieu-Bethesda proposed	S31 50 26.4 E24 31 38.1	G:C:B -	Permitted	Good	Good	Good	Not Applicable
Graaff-Reinet	S32 17 51.6 E24 31 53.9	G:S:B -	Registered	Good	Adequate	Good	Adequate
Aberdeen	S32 29 34.5 E24 02 44.1	G:S:B -	Registered	Good	Good	Good	Adequate
Blue Crane Route Municipality							
Somerset East	S32 44 03.7 E25 34 14.4	G:S:B -	Registered	Adequate	Inadequate	Inadequate	Inadequate
Cookhouse	S32 43 38.2 E25 48 19.2	G:C:B -	Unknown	Good	Inadequate	Inadequate	Good
Pearston	S32 35 18.2 E25 08 57.0	G:C:B -	Unknown	Inadequate	Good	Inadequate	Adequate
Ikwezi Municipality							
Jansenville	S32 57 15.7 E24 40 30.2	G:C:B -	Registered	Adequate	Inadequate	Adequate	Inadequate
Klipplaat	S33 02 05.0 E24 19 54.8	G:C:B -	Registered	Inadequate	Good	Good	Adequate
District Management Area							
Rietbron	S32 54 13.0 E23 10 12.8	G:C:B -	Unknown	Good	Poor	Adequate	Adequate

Waste Site Name	GPS Co-ordinates	Landfill Class (±)	Registration/ permit status	Site Suitability	Estimated Lifespan	Infrastructure	Operation & Management
Glenconnor railway location	S33 23 52.0 E25 09 50.0	G:C:B -	Unknown	Inadequate	Good	Inadequate	Inadequate
Glenconnor school location	S33 23 34.9 E25 09 23.2	G:C:B -	Unknown	Inadequate	Good	Inadequate	Inadequate
Glenconnor informal 1	S33 23 45.3 E25 09 43.0	G:C:B -	Unknown	Inadequate	Poor	Poor	Inadequate
Glenconnor informal 2	S33 23 41.7 E25 09 36.8	G:C:B -	Unknown	Inadequate	n/a	n/a	n/a
Baviaans Municipality							
Willowmore	S33 16 15.1 E23 29 50.6	G:C:B -	Unknown	Inadequate	Good	Inadequate	Inadequate
Steytlerville	S33 18 50.8 E24 20 55.2	G:C:B -	Unknown	Adequate	Adequate	Good	Adequate
Kouga Municipality							
Hankey	S33 48 21.8 E24 52 31.6	G:S:B -	Permitted	Good	Good	Poor	Inadequate
Humansdorp	S34 00 54.8 E24 46 24.9	G:M:B +	Registered	Good	Adequate	Good	Adequate
Jeffreys Bay	S33 58 43.3 E24 57 38.9	G:S:B +	Unknown	Good	Poor	Adequate	Adequate

Waste Site Name	GPS Co-ordinates	Landfill Class (±)	Registration/permit status	Site Suitability	Estimated Lifespan	Infrastructure	Operation & Management
Oyster Bay Old Waste Site	S34 10 03.7 E24 39 36.2	G:C:B +	Unknown	Poor	Poor	Good	Inadequate
Oyster Bay - Transfer Station	S34 10 04.4 E24 39 20.4	G:C:B +	Unknown	Good	Not Applicable	Adequate	Inadequate
Patensie	S33 44 09.8 E24 47 30.5	G:S:B +	Unknown	Adequate	Poor	Good	Poor
St Francis Bay	S34 11 13.0 E24 49 24.2	G:M:B +	Unknown	Good	Inadequate	Inadequate	Adequate
Kou-Kamma Municipality							
Clarkson	S34 01 24.6 E24 20 53.2	G:C:B +	Unknown	Good	Good	Adequate	Inadequate
Coldstream	S33 57 25.0 E23 41 38.6	G:C:B +	Permitted	Adequate	Adequate	Adequate	Adequate
Joubertina	S33 49 09.1 E23 52 54.8	G:C:B +	Unknown	Good	Good	Adequate	Adequate
Kareedouw	S33 56 40.9 E24 18 34.7	G:C:B +	Unknown	Poor	Poor	Inadequate	Inadequate
Krakeelrivier	S33 48 38.1 E23 44 28.5	G:C:B +	Unknown	Adequate	Inadequate	Inadequate	Poor
Louterwater	S33 47 20.0 E23 37 46.1	G:C:B +	Unknown	Poor	Inadequate	Adequate	Poor
Misgund	S33 44 38.1 E23 29 09.2	G:C:B +	Unknown	Adequate	Good	Not Applicable	Not Applicable
Woodlands	S34 00 39.5 E24 09 35.6	G:C:B +	Unknown	Good	Poor	Adequate	Poor
Sunday's River Valley Municipality							
Addo	S33 30 01.5 E25 41 44.4	G:C:B +	Unknown	Poor	Adequate	Good	Inadequate

Waste Site Name	GPS Co-ordinates	Landfill Class (±)	Registration/ permit status	Site Suitability	Estimated Lifespan	Infrastructure	Operation & Management
Kirkwood	S33 24 04.7 E25 30 04.0	G:C:B +	Unknown	Adequate	Inadequate	Inadequate	Inadequate
Paterson	S33 26 14.3 E25 59 01.2	G:C:B +	Unknown	Adequate	Adequate	Poor	Inadequate
Sunland	S33 28 31.7 E25 37 21.8	G:C:B +	Unknown	Good	Adequate	Good	Adequate
Ndlambe Municipality							
Bathurst domestic	S33 29 31.3 E26 48 51.2	G:C:B +	Unknown	Good	Inadequate	Poor	Poor
Bathurst - garden	S33 29 15.4 E26 48 46.4	G:C:B +	Unknown	Good	Inadequate	Poor	Poor
Boknes	S33 43 29.3 E26 34 19.6	G:C:B +	Unknown	Good	Adequate	Poor	Inadequate
Bushmans River Mouth	S33 40 20.5 E26 37 06.2	G:S:B +	Unknown	Good	Good	Adequate	Adequate
Cannon Rocks - domestic	S33 44 30.4 E26 33 45.8	G:C:B +	Unknown	Poor	Inadequate	Poor	Inadequate
Cannon Rocks - garden	S33 44 38.2 E26 33 38.4	G:C:B +	Unknown	Poor	Adequate	Poor	Inadequate
Fish River Mouth	S33 29 48.9 E27 07 42.3	G:C:B +	Unknown	Good	Adequate	Inadequate	Adequate
Kenton on Sea	S33 40 13.4 E26 39 37.3	G:S:B +	Unknown	Poor	Good	Poor	Poor
Riet River Mouth	S33 33 22.0 E27 00 28.3	G:C:B +	Unknown	Poor	Poor	Poor	Poor
Seafield and Kleinemonde	S33 31 54.8 E27 02 54.0	G:C:B +	Unknown	Poor	Adequate	Inadequate	Inadequate
Port Alfred	S33 34 05.7 E26 52 44.6	G:S:B +	Permitted	Good	Good	Adequate	Inadequate

Waste Site Name	GPS Co-ordinates	Landfill Class (±)	Registration/ permit status	Site Suitability	Estimated Lifespan	Infrastructure	Operation & Management
Alexandria	S33 39 31.5 E26 26 04.0	G:C:B +	Unknown	Good	Good	Poor	Poor
Makana Municipality							
Alicedale	S33 19 04.8 E26 04 35.1	G:C:B -	Permitted	Good	Good	Inadequate	Poor
Grahamstown	S33 17 28.4 E26 29 32.9	G:M:B +	Permitted	Good	Good	Good	Good
Riebeeck East	S33 12 35.1 E26 10 57.9	G:C:B -	Permitted	Good	Good	Adequate	Inadequate

4.3.1.1 PRIORITY WASTE DISPOSAL SITES

The following waste disposal sites have been found to be in an unsatisfactory condition (reasons given in brackets), and would benefit most from additional funding (in no particular order):

- Nieu-Bethesda (Existing site) – No permit, close to drainage feature, partially visible, close to residential area, nearly full, no signpost, fence needs attention, no access control or site office, no compaction or covering of waste, burning of waste, no equipment, no waste separation;
- Glenconnor (Informal 1) – No permit, fully visible, close to residential area, nearly full, no signpost, fence, gate, site office or access control, no compaction or covering of waste, no equipment, excessive illegal dumping, no waste separation;
- Cannon Rocks (Domestic refuse site) – No permit, close to drainage feature, partially visible, nearly full, no signpost, fence, gate, site office or access control, no compaction and covering of waste, abundant litter, bad odour, excessive flies,
- Riet River Mouth – No permit, close to drainage feature, fully visible, nearly full, no signpost, fence, gate, site office or access control, no compaction or covering of waste, bad odour, excessive flies, no equipment, no waste separation;
- Port Alfred – Fully visible, no signpost, fence in disrepair, no access control, no compaction or covering of waste, excessive uncontrolled salvaging, excessive litter and dust, bad odour, excessive flies, burning of waste, excessive noise and traffic;
- Alexandria – No permit, no signpost, gate, site office or access control, inadequate compaction and covering of waste, excessive uncontrolled salvaging, excessive litter and dust, bad odour, excessive flies, burning by municipality, excessive illegal dumping, no waste separation.
- The following waste disposal sites are also in an unsatisfactory condition, and could be considered as a second priority (in order of priority):
- Willowmore – No permit, fully visible, close to residential areas, no signpost, fence requires maintenance, no site office or access control, no compaction and covering of waste, excessive uncontrolled salvaging, burning of waste, no equipment, no waste separation;

- Bathurst (Domestic and garden refuse sites) – No permits, no signpost, poor roads, no fence, no gate, site office or access control, no compaction or covering of waste, salvaging of waste, excessive litter, bad odour, excessive flies, burning of waste;
- Kenton-on-Sea – No permit, fully visible, no signpost, fence, gate, site office or access control, no covering or compaction of waste, burning of waste, excessive noise and traffic;
- Oyster Bay Transfer Station – No permit, close to drainage feature, no signpost, site office or access control, salvaging of waste, illegal dumping,
- Kareedouw – No permit, partially visible, nearly full, no signpost, fence needs maintenance, no covering or compaction of waste, uncontrolled salvaging, excessive litter and dust, burning of waste, no equipment, no waste separation;
- Woodlands – No permit, nearly full, no signpost, fence needs maintenance, no gate or access control, no covering or compaction of waste, uncontrolled salvaging, excessive litter and dust, bad odour, excessive flies, no equipment, excessive illegal dumping;
- Kirkwood – No permit, close to residential area, nearly full, no signpost, fence, site office or access control, no covering or compaction of waste, excessive uncontrolled salvaging, excessive litter and dust, bad odour, excessive flies, burning of waste, illegal dumping;
- Cannon Rocks (Garden refuse site) – No permit, close to drainage feature, partially visible, no signpost, fence, gate or access control, no covering or compaction of waste.

4.3.1.2 CONCLUSIONS & RECOMMENDATIONS

The following conclusion can be drawn from the status quo assessment that was conducted of waste disposal sites in the Cacadu District Municipality:

- A total of fifty waste disposal sites were identified within the study area;
- Of the 50 sites identified, only seven have are permitted;
- The assessment identified six waste disposal sites that should be prioritised, and eight waste disposal sites that should be addressed as a second priority.

The following actions are recommended:

- That the results of this Status Quo assessment form part of the CDM's Integrated Waste Management Plan (IWMP). The preparation of the IWMP should take the following into account:
 - The current waste volumes, types, and sources;
 - The lifespan for each of the identified waste disposal sites (the estimated lifespan of sites presented in this report can be used as a starting point);
 - The current collection and transportation methods to the existing sites;
 - The extent of recycling and materials recovery (if any), and opportunities to improve such activities;
 - The extent of, or need for, hazardous waste disposal sites within the CDM;
 - An economic analysis with respect to collection, transportation, landfill operation costs, landfill closure and aftercare costs and/ or future liabilities; and
 - The need to provide the public with an opportunity to comment on the IWMP prior to it being finalised;

- The main objective of the IWMP should initially be to register and/or obtain permits for each of the existing waste disposal sites. In order to comply with the “Minimum Requirements for Waste Disposal by Landfill” and/or the “Directions for the Control of General Small and General Communal Waste Disposal Sites” a number of the sites will require remedial design. Such design and/or development would typically include the following:
 - Installation of an effective fence;
 - Establishing access control;
 - Establish service roads are in a condition which allows unimpeded access to the site for vehicles transporting waste;
 - Ensure cover material is available for daily covering of wasted, and that a suitable means to apply the cover material is available;
 - Establish a monitoring borehole network as per the requirements of the directions (to include upstream and down stream monitoring boreholes).

4.3.1.3 FORMULATION OF INTEGRATED WASTE MANAGEMENT PLANS (IWMP)

The management of solid waste is the responsibility of each individual Local Municipality (LM). As a requirement of the National Waste Management Strategy and the IDP Process, all LMs are faced with the obligation of compiling an Integrated Waste Management Plan (IWMP). In 2008, the Cacadu District Municipality (CDM) appointed KV3 Engineers to assist with the compilation of IWMP’s for the nine LMs within its area of jurisdiction.

The formulation of the IWMP’s was done in line with the Starter Document for Guidelines for the compilation of IWMP’s (DEAT, 2000). The process of compiling IWMP’s consists of two phases. The first phase consisted of an assessment of the current status of waste collection systems and existing disposal sites, service delivery capacity and needs analysis for each of these aspects. This phase was completed in July 2008.

The second phase comprised of the final compilation of the IWMP inclusive of identified objectives and goals with alternatives for obtaining these being considered and evaluated. This phase was completed in November 2008.

The content of the nine Local Municipal IWMPs is divided into the sections as listed below:

1. Disposal Infrastructure
2. Waste Collection Infrastructure
3. Institutional Capacity and Human Resources
4. Financial Resources
5. Dissemination of Information / Communication
6. Management of Illegal Activities
7. Waste Minimization
8. Recommendations and Conclusion

The content of each section is documented per LM as follows:

i) WASTE DISPOSAL INFRASTRUCTURE

Table .15 Waste disposal infrastructure

Municipality	Landfill Sites	Permitted by DEAT	Comments /Recommendations
Ikwezi	Klipplaat Jansenville Kleinpoort Wolwefontein	Klipplaat – No Jansenville – No Kleinpoort - No Wolwefontein - No	<ul style="list-style-type: none"> • Formulation of Operational Plan; • Hiring of TLB on a part time basis. • Not regarded as legal waste disposal facilities.
Camdeboo	Graaff-Reinet, Nieu Bethesda Aberdeen	Graaff-Reinet – No Aberdeen – No Nieu Bethesda – application made.	<ul style="list-style-type: none"> • Waste should be covered more regularly; • Access to be controlled; • Volumes to be recorded; • Formalize scavenging; • LM should purchase a TLB.
Blue Crane Route	Somerset East Cookhouse Pearston	Somerset East – Yes Cookhouse – Yes Pearston – No	<ul style="list-style-type: none"> • Access controlled; • Pearston to be upgraded to comply with minimum standards; • Upgrade disposal of abattoir waste.
Baviaans	Steytlerville Willowmore Rietbron Vondeling	Steytlerville -No Willowmore - No Rietbron – No Vondeling – No	<ul style="list-style-type: none"> • Sites should be upgraded to comply with minimum standards; • Hiring of TLB on a part time basis. • Poorly located; • Not managed in accordance with proper waste disposal practices; • Sites should be dealt with as illegal dumping sites by CDM.
Kouga	Humansdorp Hankey Patensie St Francis Bay	Humansdorp – application made Hankey – Yes Patensie – No St Francis – No	<ul style="list-style-type: none"> • Sites should be upgraded to comply with minimum standards; • LM to identify new transfer stations to be authorized by DEAT.
Kou-Kamma	Louterwater Krakeelrivier Joubertina Coldstream Kareedouw Woodlands Clarkson	Woodlands -No Krakeelrivier – No Louterwater – No Misgund – No Kareedouw – No Clarkson – No Coldstream – application made Joubertina –Yes	<ul style="list-style-type: none"> • Access to be controlled; • Sites should be upgraded to comply with minimum standards; • Site management should be improved; • Volumes to be recorded.
Makana	Grahamstown Alicedale Riebeek East	Grahamstown – Yes Alicedale – Yes Riebeek East – Yes	<ul style="list-style-type: none"> • Improve access control; • Sites should be upgraded to comply with minimum standards; • Volumes to be recorded.
Ndlambe	Alexandria Bushman's River Mouth Kenton-on-Sea Bathurst Port Alfred	Alexandria – No Bushman's River -No Kenton-on-Sea - No Bathurst - No Port Alfred - Yes	<ul style="list-style-type: none"> • Sites should be upgraded to comply with minimum standards.
Sunday's River Valley	Kirkwood Langbos Sunland Paterson Glencorner	Kirkwood - No Langbos - Yes Sunland - Yes Paterson - Yes Glencorner - No	<ul style="list-style-type: none"> • Improve access control; • Cover waste regularly; • Formalize illegal scavenging; • LM should hire a TLB for part-time use; • Sites should be upgraded to comply with minimum standards. • Not managed in accordance with proper waste disposal practices.

ii) **WASTE COLLECTION INFRASTRUCTURE**

Table .16 Waste collection infrastructure

Municipality	Sufficient Vehicles	Vehicle Condition	Comments / Recommendation
Ikwezi	Yes	Some of the vehicles are old.	<ul style="list-style-type: none"> • Vehicle replacement plan required; • Savings / budget plan should be drafted.
Camdeboo	Yes	Good	<ul style="list-style-type: none"> • Vehicle replacement plan required; • Savings / budget plan should be drafted.
Blue Crane Route	Yes	Some of the vehicles are old.	<ul style="list-style-type: none"> • Vehicle replacement plan required; • Savings / budget plan should be drafted; • Regional landfill site will require the purchase of a designated landfill vehicle & skip loader.
Baviaans	Yes	Some of the vehicles are old.	<ul style="list-style-type: none"> • Vehicle replacement plan required; • Savings / budget plan should be drafted; • Inclusion of ECDMA 10 will necessitate the purchase of additional waste collection vehicles.
Kouga	Yes	Some of the vehicles are old.	<ul style="list-style-type: none"> • Vehicle replacement plan required; • Savings / budget plan should be drafted.
Kou-Kamma	Yes	Some of the vehicles are old.	<ul style="list-style-type: none"> • Vehicle replacement plan required; • Savings / budget plan should be drafted.
Makana	Yes	Some of the vehicles are old.	<ul style="list-style-type: none"> • Vehicle replacement plan required; • Savings / budget plan should be drafted.
Ndlambe	Yes	Some of the vehicles are old.	<ul style="list-style-type: none"> • Vehicle replacement plan required; • Savings / budget plan should be drafted.
Sundays River Valley	Yes	Some of the vehicles are old.	<ul style="list-style-type: none"> • Vehicle replacement plan required; • Savings / budget plan should be drafted; • Inclusion of ECDMA 10 will necessitate the purchase of additional waste collection vehicles.

iii) **INSTITUTIONAL CAPACITY AND HUMAN RESOURCES**

Table .17 Institutional capacity and human resources

Municipality	Waste Management HR Capacity	Staff Requirements per site	Comments / Recommendations
Ikwezi	Limited or no personnel at disposal facilities.	<ul style="list-style-type: none"> • Gate guard; • Site supervisor / operator; • Litter pickers; • General workers; • Drivers. 	<ul style="list-style-type: none"> • Training of municipal workers for specific tasks is required.
Camdeboo	Limited or no personnel at disposal facilities.	<ul style="list-style-type: none"> • Gate guard; • Site supervisor / operator; • Litter pickers; • General workers; • Drivers. 	<ul style="list-style-type: none"> • Training of municipal workers for specific tasks is required.
Blue Crane Route	Limited or no personnel at disposal facilities.	<ul style="list-style-type: none"> • Gate guard; • Site supervisor / operator; • Litter pickers; • General workers; • Drivers. 	<ul style="list-style-type: none"> • Training of municipal workers for specific tasks is required; • Establish a Waste Management Section within the LM.
Baviaans	Limited or no personnel at disposal facilities.	<ul style="list-style-type: none"> • Gate guard; • Site supervisor / operator; • Litter pickers; • General workers; • Drivers. 	<ul style="list-style-type: none"> • Training of municipal workers for specific tasks is required.
Kouga	Limited or no personnel at disposal facilities.	<ul style="list-style-type: none"> • Gate guard; • Site supervisor / operator; • Litter pickers; • General workers; • Drivers. 	<ul style="list-style-type: none"> • Training of municipal workers for specific tasks is required.
Kou-Kamma	Limited or no personnel at disposal facilities.	<ul style="list-style-type: none"> • Gate guard; • Site supervisor / operator; • Litter pickers; • General workers; • Drivers. 	<ul style="list-style-type: none"> • Training of municipal workers for specific tasks is required.
Makana	Limited or no personnel at disposal facilities	<ul style="list-style-type: none"> • Site supervisor / operator for Riebeeck-East & Alicedale. • Environmental Cleaners. 	<ul style="list-style-type: none"> • Training of municipal workers for specific tasks is required.
Ndlambe	Limited or no personnel at disposal facilities	<ul style="list-style-type: none"> • Gate guard; • Site supervisor / operator; • Litter pickers; • General workers; • Drivers. 	<ul style="list-style-type: none"> • Training of municipal workers for specific tasks is required; • Establish a Waste Management Section within the LM.
Sunday's River Valley	Limited or no personnel at disposal facilities	<ul style="list-style-type: none"> • Gate guard; • Site supervisor / operator; • Litter pickers; • General workers; • Drivers. 	<ul style="list-style-type: none"> • Training of municipal workers for specific tasks is required.

iv) FINANCIAL RESOURCES

Table .18 Financial resources

Municipality	Status Quo	Comments / Recommendations
Ikwezi	Payment for services is low.	<ul style="list-style-type: none"> Investigate a pre-paid system; Financial investigation by LM to identify most cost effective & efficient service delivery mechanism.
Camdeboo	Payment for services is low.	<ul style="list-style-type: none"> Investigate a pre-paid system; Financial investigation by LM to identify most cost effective & efficient service delivery mechanism.
Blue Crane Route	Payment for services is low.	<ul style="list-style-type: none"> Investigate a pre-paid system; Financial investigation by LM to identify most cost effective & efficient service delivery mechanism.
Baviaans	Payment for services is low.	<ul style="list-style-type: none"> Investigate a pre-paid system; Financial investigation by LM to identify most cost effective & efficient service delivery mechanism.
Kouga	Payment for services is low.	<ul style="list-style-type: none"> Investigate a pre-paid system; Financial investigation by LM to identify most cost effective & efficient service delivery mechanism.
Kou-Kamma	Payment for services is low.	<ul style="list-style-type: none"> Investigate a pre-paid system; Financial investigation by LM to identify most cost effective & efficient service delivery mechanism.
Makana	Payment for services is low.	<ul style="list-style-type: none"> Investigate a pre-paid system; Financial investigation by LM to identify most cost effective & efficient service delivery mechanism.
Ndlambe	Payment for services is low.	<ul style="list-style-type: none"> Investigate a pre-paid system; Financial investigation by LM to identify most cost effective & efficient service delivery mechanism.
Sundays River Valley	Payment for services is low.	<ul style="list-style-type: none"> Investigate a pre-paid system; Financial investigation by LM to identify most cost effective & efficient service delivery mechanism.