



**C a c a d u**

**DISTRICT MUNICIPALITY**

*Province of the Eastern Cape*

*progress through development*

**INTEGRATED  
DEVELOPMENT PLAN**

**2013/14 REVIEW**



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## ANNEXURE “A”

## EXECUTIVE SUMMARY

Since the assumption of the new term of office of its political office bearers, the Cacadu District Municipality, informed by the provisions in the Municipal Systems Act No. 32 of 2000, embarked on the process of developing a new five year strategic plan, the Integrated Development Plan (2012-2017). A process plan was developed and approved by the Council, whereafter the Steering Committee and Management gathered and sifted information using the existing Integrated Development Plan's data base as the baseline. The expectation as proclaimed in the Municipal Systems Act is that the draft IDP should be tabled to Council on or before the 31 March 2012 and this will be done in tandem with the Municipality's draft budget presentation to council.

This Integrated Development Plan primarily reflects the situational analysis of Cacadu District Municipality from the perspective both of the socio-economic conditions of our population as well as the institutional arrangements, infrastructure and organizational challenges of the Municipality. Cacadu District is the largest District in the Eastern Cape Province in terms of its land mass, which demands long distance travelling and a multiple network of roads. However, the population of this District is low when compared to some districts within the Eastern Cape Province. This affects the Municipality's fiscal share of the country's equitable allocation which leads to challenges in the delivery of services. The analysis findings indicate that unemployment is very high, with about 57% of the population living below an acceptable income threshold. The crime rates are also high due to unemployment.

Notwithstanding this backdrop, the District has economic potential to create employment and livelihoods. The District has strong tourism attractions and economic development opportunities, such as game reserves and agriculture. The investment in alternative energy such as wind turbines, nuclear power plant, and hydro-electrical power plant are potential projects which will stimulate spin-offs for economic growth. The Municipality has identified the establishment of a development agency as a strategy in enhancing economic growth in Cacadu District.

The District has achieved a considerable growth in infrastructure investments, with about 90% of the population having access to clean water. The challenge though is the ability of local municipalities who are Water Service Authorities to deal with bucket eradication and provide efficient and effective operation and maintenance of services to its communities without posing a health risk. The operation and maintenance of water and sanitation services and roads infrastructure is a major challenge in the District, as most local municipalities do not provide sufficient budgets for this purpose. In terms of the Analysis report from the National Department of Co-operative Governance most of the local municipalities are financially distressed. The capacity of Municipalities to exercise the WSA authority is a major question under consideration, and the outcome of the research may influence the review of powers and functions of all Municipalities in the Cacadu District. There are consistent observations from a number of sources such as the blue and the green drop results from the Department of Water Affairs, CDM's water quality monitoring tools, and Rapid Response Unit interventions to six municipalities which indicate that all is not well in most local municipalities who are WSAs/WSPs. The CDM aims at facilitating the process whereby this function will be located to its ideal position. This objective will not be achieved unilaterally; it involves collaboration and engagement with Local Municipalities and other stakeholders in order to find a suitable strategic direction which will final be approved by the National Department of Co-operative Governance in consultation with the departments of Water Affairs and Human Settlements.

This District has identified Capacity Building to Local Municipalities as its key area of focus since the outcome of section 78 assessments in 2002. This remains the approach in its aim to enhance service delivery. The Municipality is regarded as a medium capacity municipality in terms of National Department of Co-operative Governance model of Capacity Analysis. The Cacadu District Municipality prides itself in having achieved an unqualified audit opinion for five consecutive years and continues to increase efforts to improve its management capabilities. There is no major shift in its organisational structure, as this is perceived as adequate until new developments warrant a review.

The CDM adopted a model of delegating the functions of Fire and Disaster Management services to all 9 local Municipalities. A service level agreement has been entered into between the District and each Local Municipality which seeks to strengthen the relationship and commit to fund and monitor performance of Local Municipalities in rendering this function. The District Municipality takes responsibility for providing funding for both operational and capital expenses towards Fire and Disaster Management services. The District Municipality has, however, identified a need for Institutional Development as another development priority in addition to its existing four development priorities. The aim of this development priority is to strengthen its internal capacity in order to provide a significant force for capacity building in Local Municipalities.

The Municipality does not have a revenue base and as such is dependent on grant funding and equitable share. This is a result of the District not providing services that will generate revenue and attract a funding allocation from Municipal Infrastructure Grant. The CDM's revenue base is sustained by the District Municipality's ability to manage its finance through accumulation of interest on its reserves. The District aims to strengthen its visibility and access to the communities it serves through relocating its Municipal Offices to Kirkwood in Sundays River Valley Local Municipality.

The District identifies itself as the centre of co-ordination on behalf of its 9 local Municipalities. This therefore suggests that all sector departments, stakeholders and business investment opportunities will be co-ordinated through Cacadu District Municipality on behalf of all local Municipalities. Consequently, the Integrated Development Plan includes services to be rendered by all sector departments to the communities of Cacadu. Sector alignment is an integral part of the IDP process.

## OVERVIEW OF THE MUNICIPALITY

The Cacadu District Municipality (CDM), is the largest (58 243 km<sup>2</sup>) of the six (6) District Municipalities in the Eastern Cape Province. The District is situated in the western portion of the Province, bordering the Western Cape, Northern Cape and two other District Municipalities in the Eastern Cape, namely Chris Hani District Municipality and Amathole District Municipality.

The District consists of nine (9) local municipalities (Category B Municipalities) and two other portions that are National Parks, namely the Addo Elephant National Park and the Tsitsikamma National Park. These parks are managed by the South African National Parks Board<sup>1</sup>.

The District wholly borders the Nelson Mandela Metropolitan Municipality (NMMM), and consequently, land access to the NMMM is via the CDM. The nine local municipalities in CDM and their respective towns are:

	MUNICIPALITY	MAJOR SETTLEMENTS / TOWNS
EC101	Camdeboo	Graaff-Reinet, Aberdeen, Nieu-Bethesda
EC102	Blue Crane Route	Somerset-East, Cookhouse, Pearston
EC103	Ikwezi	Jansenville, Klipplaat, Waterford, Wolwefontein
EC104	Makana	Grahamstown, Alicedale, Riebeeck-East
EC105	Ndlambe	Port Alfred, Kenton-on-Sea, Bushmans River Mouth, Alexandria
EC106	Sundays River Valley	Kirkwood, Addo, Paterson, Glenconner
EC107	Baviaans	Willowmore, Steytlerville, Rietbron, Vondeling
EC108	Kouga	Jeffreys Bay, Humansdorp, Hankey, Patensie, St Francis Bay
EC109	Kou-Kamma	Joubertina, Kareedouw, Louterwater

Table 1: Local Municipalities, Major Settlements / Towns

Cacadu District Municipality has the largest number of Category “B” Municipalities in the country.

<sup>1</sup>The National Parks in the District do not form part of the 2010 demarcation exercise. All national parks are excluded from disestablishment.

## Cacadu District Offices

The Cacadu District Offices are located within the Nelson Mandela Bay Metro area, with disaster centres located throughout the district.

32 Govan Mbeki Avenue  
Port Elizabeth  
6000  
Tell: 041 508 7111  
Website: [www.cacadu.co.za](http://www.cacadu.co.za)

Cacadu Disaster satellite offices are located throughout the district:

Serviced Municipalities	Satellite Offices Address & contact detail
Sundays River Valley And Blue Crane Route	Fire Station Middle Street Kirkwood Tel: 042 230 0035 Fax: 042 230 0047
Ndlambe And Makana	1 Bathurst Street Port Alfred 6170 Tel: 046 624 1151 Fax: 046 624 1151
Jansenville: Ikwezi, Baviaans And Camdeboo	34 Boom Street Jansenville 6265 Tel: 049 836 0118 Fax: 049 836 0105
Kou – Kamma And Kouga	5 Keet Street Kareedouw Tel: 042 2880225/0303 Fax: 042 2880010



**VISION AND MISSION OF THE CACADU DISTRICT MUNICIPALITY**

**VISION**

An innovative and dynamic municipality striving to improve the quality of life for all our communities



**MISSION**

To provide equitable, affordable services and sustainable socio-economic development through:

- Stakeholder participation
- Capacity building
- Efficient and effective management of resources



## **VALUES**

**Accountability** - We are accountable for our actions

**Creative** - We promote new ideas to promote service delivery to our constituencies

**Effectiveness & Efficiency** - We strive to do the right things timeously

**Service Excellence** - We strive for service excellence and customer satisfaction

**Honesty & Integrity** - We act with honesty and integrity, are truthful & reliable

**Professionalism** - We strive to maintain high professional standards

**Respect** - We earn respect through our actions and seek to embrace humility and discipline

**Responsibility** - We take ownership of our actions

**Responsiveness** - We react rapidly to the needs of our community

**Transparency** - We are committed to openness and transparency in everything we do

## CHAPTER 1: PART 1 - THE PLANNING PROCESS

### 1.1.1 IDP OVERVIEW

This document is the first review of the 2012/13 – 2016/17 IDP. The Municipal Systems Act requires municipalities to review Integrated Development Plans. Cacadu District Municipality developed its five year plan for 2012/13 -2016/17 which serves as its strategic plan. IDPs are compiled in terms of the requirements of chapter 5 of the Municipal Systems Act (Act 32 of 2000). Section 25 of the Municipal Systems Act (Act 32 of 2000) stipulates that:

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

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

Section 35 states that an integrated development plan adopted by the council of a municipality –

- (a) is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development, in the municipality;**
- (b) binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between a municipality’s integrated development plan and national or provincial legislation, in which case such legislation prevails; and**
- (c) binds all other persons to the extent that those parts of the integrated development plan that impose duties or affect the rights of those persons have been passed as a by-law”.**

Section 36 furthermore stipulates that –

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

The Cacadu District Municipality developed a District Framework Plan in consultation with the nine local municipalities in its area. The District Framework Plan was adopted by the CDM Council.

### **1.1.2 THE CDM INTEGRATED DEVELOPMENT PLAN REVIEW**

The IDP document represents the strategic plan of the Cacadu District Municipality that guides and inform all planning and allocation of resources for the five year period, 2012-2016. It is informed by National and Provincial Government priorities. The document highlights the plan of the CDM.

The monitoring tool as illustrated under Section 3.1 is therefore to be utilised as a strategic tool from which the CDM's management and political leadership can strategically direct the institution in terms of maintaining the current level of certain interventions and recognising the need to focus on improving in certain identified areas of intervention.

### **1.1.3 GUIDING PARAMETERS – SOURCES USED TO GUIDE THE IDP REVIEW 2013 -14**

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

#### **THE EIGHT MILLENIUM DEVELOPMENT GOALS**

The Millennium Development Goals and targets stem from the Millennium Declaration by 189 countries in 2000 to work towards achieving economic and social development priorities which were subsequently termed Millennium Development Goals. South Africa is signatory to that agreement. The MDG's have been embraced by Government and are aligned with the Medium Term Strategic Framework, which outlines national government development priorities. The CDM IDP has considered the MDG's below in its development agenda.

1. Eradicate extreme poverty and hunger
2. Achieve universal primary education
3. Promote gender equality and empower women
4. Reduce child mortality
5. Improve maternal health
6. Combat HIV/AIDS, malaria and other diseases
7. Ensure environmental sustainability
8. Develop a global partnership for development

- **NATIONAL POLICY DIRECTIVE – MEDIUM TERM STRATEGIC FRAMEWORK (MTSF):**

In July 2009 the Minister of Planning formulated and distributed a Medium Term Strategic Framework (MTSF) to guide Government Programs in the Electoral Mandate Period between 2009 and 2014.

The MTSF is intent on guiding planning and resource allocation across all the spheres of government through the identification of ten (10) National Strategic Medium Term Priorities. National, Provincial and Local spheres of government are expected to adapt their planning in line with the Strategic Priorities.

The ten Strategic Priorities are conceptualized and summarized as follows:

1. Speeding up growth and transforming the economy to create decent work and sustainable livelihoods:

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

2. Massive program to build economic and social infrastructure:

Continued infrastructure investment program aimed at expanding and improving social and economic infrastructure, transportation, energy, water, sanitation and information and communication infrastructure to increase access to quality and reliable public services and to support economic activities while also considering environmental sustainability and pursuing maximum employment impact.

This strategy identifies thirteen (13) key areas, of which the following hold relevance to the CDM and its nine local municipalities:

- 2.1 Creatively accessing resources from various sources to continue with the economic and social infrastructure program in a manner that supports growth and employment creation; and the involvement of the private sector in financing projects;
- 2.2 Continue with the program to build, revamp and maintain electricity infrastructure, including generation, distribution and reticulation to ensure sufficiency and sustainability of supply and development of alternative energy sources;
- 2.3 Continuing the program to build and maintain water infrastructure to improve reticulation, prevent wastage and ensure reliable and safe supply for human consumption, industrial activity and agriculture;
- 2.4 Implementing formal programs for the development and provision of suitably located low-cost and affordable housing;

- 2.5 In line with the concept of human settlements, and proceeding from the premise that housing provision should promote the building of integrated and sustainable communities, taking active steps to ensure that human settlement formation does not perpetuate apartheid spatial planning and the marginalization of the poor from economic opportunities and social and cultural amenities – critical in this regard will be the finalization of the Land Use management Bill for immediate implementation;
- 2.6 Finalizing and implementing the program to ensure universal access to electricity, water and sanitation by 2014 by not only expanding infrastructure but modifying and repairing ageing or inappropriate infrastructure in order to reduce wastage, contamination of natural systems and service disruptions;
- 2.7 Developing physical infrastructure in rural areas: To address the specific development needs of different rural localities, government will invest in agricultural infrastructure and production services in association with land redistribution and restitution and social infrastructure such as schools, health, water, energy as well as sports and other recreational infrastructure;
- 2.8 Even while new investments are being undertaken, government will ensure proper and appropriate investment in and an ongoing program for the maintenance of existing infrastructure;
- 2.9 Improving provincial and local government capacity to plan for and maintain infrastructure to ensure continued efficient delivery of economic and social services;
- 2.10 Continuing programs to provide and maintain health, education, library, sporting, recreation and other social infrastructure.

3. Comprehensive rural development strategy linked to land and agrarian reform and food security:

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

- 3.1 Aggressive implementation of land reform policies;
- 3.2 Stimulate agricultural production with a view to contributing to food security;
- 3.3 The enhancement of rural livelihoods and rural food security;
- 3.4 Improve service delivery to ensure quality of life – increased investment in the delivery of services to rural areas, including education, health, housing, water, sanitation and energy – using, where appropriate, alternative technologies to overcome physical and other impediments;

- 3.5 Implement a development program for rural transport – the formulation of a Rural Transport Program that will aim at promoting rural transport infrastructure and services through coordinated rural nodes and linkages;
- 3.6 Skills development – financial resources will be committed to develop and run training programs to support rural economies. A database of all farmers and households provided with agricultural support of different kinds will be kept and will receive training and mentoring opportunities;
- 3.7 Revitalization of rural towns – Spatially targeted grants will be provided for the revitalization and development of rural towns to serve as service centers for rural economies. This will involve the development of hard and soft infrastructure, including institutional networks for marketing, storage, advisory services, finance and improved agro-logistics;
- 3.8 Explore and support non-farm economic activities – initiatives need to be devised to support other forms of rural potential, including tourism, light manufacturing and cultural work;
- 3.9 Institutional capacity development – achieving better development outcomes in rural areas will require improved alignment of the efforts of rural local government, nation and provincial departments and other public agencies.

Strengthen the skills and human resource base:

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

4. Improve the health profile of all South Africans:  
A central goal of the MTSF is to improve access to health services and achieve better clinical and patient outcomes from the public health system. There is a clear drive towards reducing inequalities in the health system, improving the quality of care and public facilities boost human resources and extend the fight against HIV and AIDS, TB and other communicable diseases. Life-style awareness and real causes of ill-health and mortality are essential to this target.
5. Intensify the fight against crime and corruption:  
Government is determined to curb the levels of crime and corruption in the country. Critical in this regard is the involvement of individuals and communities in the fight against crime.
6. Build cohesive, caring and sustainable communities:  
Social cohesion is broadly defined as that which gives members of a society the capacity to cooperate in ways that create the possibility for positive change. It is an element required to achieve development success. Inequalities of conditions such as wealth, income, education, health and opportunity are limiting the potential for success of the broader South African community. Within the MTSF period, government aims to meet their target of:

- Halving poverty and unemployment by 2014
  - Strengthen human capabilities
  - Promote shared values and social solidarity
  - Strive to reduce overall inequality
7. Pursuing African advancement and enhanced international cooperation:  
The main goal of our government for the medium term is to ensure that South Africa's foreign relations contribute to the creation of an environment conducive for economic growth and development, especially in Africa and other developing countries.
8. Sustainable Resource Management and Use:  
South Africa, like the rest of the world, is vulnerable to the impacts of climate change, biodiversity loss and diminishing water resources. To fulfill its obligations to both current and future generations, South Africa ratified the United Nations Framework on Climate Change in August 1997 and acceded to the Kyoto Protocol in March 2002. The main objective of government is to encourage sustainable resource management and use by focusing on various interventions including:
- The pursuance of renewable energy alternatives and promotion of energy efficiency;
  - Adopting waste reduction practices by encouraging the re-use of waste outputs as productive inputs;
  - Enforcing zero tolerance to illegal and unsustainable exploitation of resources;
  - Improving air and atmospheric quality for health and well-being of citizens;
  - Supporting local and sustainable food production;
  - Sustainable water use and preserving quality of drinking water;
  - Enhancing biodiversity and the preservation of natural habitats.
9. Building a developmental state including improvement of public services and strengthening democratic institutions:
- The MTSF promotes the further strengthening of the capacity of all spheres of government to:
- Improve the delivery and quality of public services;
  - Promote a culture of transparent, honest and compassionate public service;
  - Build partnerships with society for equitable development;
  - Strengthen democratic institutions.

**GOVERNMENT TARGETS FOR 2014 ARE:**

- Reduce unemployment by half;
- Reduce poverty by half;
- Provide the skills required by the economy;
- Ensure that all South Africans are able to fully exercise their constitutional rights and enjoy the full dignity of freedom;
- Provide compassionate government service to the people;



- Improve services to achieve a better national health profile and reduction of preventable causes of death, including violent crime and road accidents;
- Significantly reduce the number of serious and priority crimes and cases awaiting trial;
- Position South Africa strategically as an effective force in global relations.

## 12 GOVERNMENT OUTCOMES:

In February 2010, the Ministry of Monitoring and Evaluation formulated and presented 12 Outcomes that reflect government's delivery and implementation plans for the MTSF priorities up to 2014.

1. Improved quality of basic education
2. A long and healthy life for all South Africans
3. All people in South Africa are and feel safe
4. Decent employment through inclusive economic growth
5. A skilled and capable workforce to support an inclusive growth path
6. An efficient competitive and responsive economic infrastructure network
7. Vibrant , equitable and sustainable rural communities with food security for all
8. Sustainable human settlements and improved quality of household life
9. A responsive, accountable, effective and efficient local government system
10. Environmental assets and natural resources that are well protected and continually enhanced
11. Create a better South Africa and contribute to a better and safer Africa and the world
12. An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship

Of the 12 Outcomes, Outcome 9 holds reference to District and Local Municipalities as a mechanism to formalize 'A Responsive, accountable, effective and efficient local government system'.

In order to achieve this goal, Outcome 9 identifies 7 Critical Outputs:

- Output 1:* Implement a differentiated approach to municipal financing, planning and support;
- Output 2:* Improving Access to Basic Services;
- Output 3:* Implementation of the Community Work Program;
- Output 4:* Actions supportive of the human settlement outcomes;
- Output 5:* Deepen democracy through a refined Ward Committee model;
- Output 6:* Administrative and financial capability;
- Output 7:* Single Window Coordination

- National Policy Directive – The National Spatial Development Perspective (NSDP) :

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

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

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

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

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

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

- **THE NATIONAL DEVELOPMENT PLAN**

In August 2012 Cabinet agreed to the National Development Plan which seeks to eliminate poverty and reduce unemployment by 2030. The National Development Plan sets out firm proposals to solve the country's problems and to deepen the engagement of all South Africans from all walks of life in building the future. Focus on people's capabilities is at the centre of the plan. These include education, skills, decent accommodation, nutrition, safe communities, social security, transport, and job opportunities.

The NDP suggests the following strategies to achieve its goals:

- Creating jobs and improving livelihoods
- Expanding infrastructure
- Transition to a low - carbon economy
- Transforming human settlements and the national space economy urban and rural spaces
- An integrated and inclusive rural economy
- Improving education, training and innovation
- Social protection
- Promoting health care for all
- Fighting corruption
- Transforming society and uniting the community

Integration into government plans

The NDP highlights the need to strengthen the ability of local government to fulfil its developmental role. Integrated Development Plans need to be used strategically to focus attention on priorities in the NDP, such as spatial planning, infrastructure and basic services. The IDP should strive to focus on areas of the NDP that are in line with the municipality's priorities.

- **THE FIVE - YEAR LOCAL GOVERNMENT STRATEGIC AGENDA (2009 - 2014) (CGTA)**

The Strategic Plan for the Department of Cooperative Governance and Traditional Affairs (CGTA) identified five strategic priorities:

The department adopted five strategic priorities for the period 2009 – 2014:

- Build the Developmental State in Provincial and Local Government that is efficient, effective and responsive
- Strengthen Accountability and Clean Government
- Accelerating Service Delivery and supporting the vulnerable
- Improving the Developmental Capability of the Institution of Traditional Leadership
- Fostering Development Partnerships, social Cohesion and community mobilisation

The five Key Performance Areas (KPA's) still hold relevance in terms of the department's strategy to render support to local government. The department maintains that there is improvement in local government based on the implementation of the Local Government strategic in 2006. The KPA's are:

- Municipal transformation and organisation development
  - Basic service delivery
  - Local economic development
  - Municipal financial viability and management
  - Good governance and public participation
- **PROVINCIAL POLICY FRAMEWORK – PROVINCIAL GROWTH AND DEVELOPMENT PLAN (PGDP):**

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

The PGDP has three core objectives that address the Eastern Cape's most pressing issues, and three foundation objectives that create the conditions and support for development and growth. The three core objectives are:

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

**The foundation objectives are:**

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

The PGDP provides the strategic framework, sector strategies and programmes aimed at a rapid improvement in the quality of life for the poorest people within the Eastern Cape Province. The objectives for growth and development set in the PGDP therefore guide development objectives of any economic development strategy within the province.

The PGDP is under review. It is currently being translated from a strategic framework into an implementation plan. The Office of the Premier will issue an Inception Report which will guide the Review of the PGDP based on the outcome of the assessment conducted.

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

- Decent employment through inclusive economic growth with environmental assets and natural resources that is well protected and continually enhanced

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

### THE STATE OF THE NATION AND THE STATE OF THE PROVINCE ADDRESS

<b><u>Reflections from the State of the Nation Address – 14 February 2013</u></b>	<b><u>Reflections from the State of the Province Address – February 2013</u></b>
<ul style="list-style-type: none"> <li>• Reference is made to the National Development Plan, regarded as the vision of the country for the 20 years; it contains proposals for tackling the problems of poverty, inequality and unemployment.</li> <li>• The National Development Plan outlines interventions that can put the economy on a better footing. The target for job creation is set at 11 million by 2030 and the economy needs to grow threefold to create desired jobs.</li> <li>• Construction is underway to develop a major new transshipment hub in the Port of Ngqura.</li> <li>• Construction work is taking place in five cities, Cape Town, Nelson Mandela bay, Rustenburg, eThekweni, Tshwane to integrate the different modes of transport – bus, taxi and train.</li> <li>• In the energy sector, government has laid 675 kilometres of electricity transmission lines to connect fast-growing economic centres and also to bring power to rural areas. Government signed contracts to the value of R47 billion in the renewable energy programme. 28 projects in wind, solar and small hydro technologies will be developed in the Eastern Cape, Western Cape, Northern Cape and in the Free State.</li> <li>• A national green fund to the Value of 800 million rand was established in 2012. Over 400 million rand investments in green economy projects have already been approved for municipalities, other organs of state, community organisations and the private sector across all provinces</li> </ul>	<ul style="list-style-type: none"> <li>• Effective implementation of the National Development Plan</li> <li>• The Eastern cape province has demonstrated commitment to the NDP through the establishment of the Province’s very own Planning Commission</li> <li>• The Provincial Development Plan will be tabled in 2013</li> <li>• GDP growth at provincial level has dropped from 3.4% and is expected to remain below 3% in 2013</li> <li>• Census 2011 results show a decline in the population of the province, this has had a negative impact on the budget allocation of the province, a decline of R5.1 billion over the Medium Term Expenditure Framework</li> <li>• By 2015, key strategic infrastructure projects and pipeline of private investments to solidify, growth will return to its pre – crisis level of above 4%</li> <li>• Government has secured Job Fund investments in the agro – processing and forestry sectors.</li> <li>• The Community Forest Development Initiative has attracted R 113million from the Jobs Fund, with R30million of Provincial Government funding. The initiatives will support 134 farmers, and create more than 1000 direct jobs.</li> <li>• A provincial Cooperative Strategy has been launched. Government is committed to growing the cooperative sector</li> <li>• Government has started establishing Cooperatives development centres in district and metropolitan municipalities</li> <li>• Government has established a joint forum with Transnet to revive and open some of the key railway lines, such as Cookhouse - Blaney line, Stomberg – Rossmead line, Rossmead - Klipplaat line, Klipplaat – Port Elizabeth line and Alicedale – Grahamstown line.</li> <li>• Sanral is busy with major upgrades and has taken over R72 between east London and Nanaga, and R75 between Port Elizabeth and Graaff Reinet. Sanral plans to maintain all the surfaced roads that have been handed over to them.</li> <li>• Provincial and municipal road authorities are working towards joint planning and prioritization of roads through service level agreements.</li> <li>• District appraisal Committees, which are district - wide infrastructure forums, have been established to ensure effective spending of MIG allocations.</li> <li>• The Community Forest Development Initiative has attracted R 113 million from the Jobs Fund, with R 30m of Provincial Government funding</li> </ul>

<b><u>Reflections from the State of the Nation Address – 14 February 2013</u></b>	<b><u>Reflections from the State of the Province Address – February 2013</u></b>
<ul style="list-style-type: none"> <li>• The Infrastructure Development bill has been published for public comment.</li> <li>• Government must coordinate, integrate and focus on implementation.</li> <li>• The Department is also planning nine Rural Youth hubs per province, including in the 23 poorest districts in the country</li> <li>• The Expanded Public Works Programme and the Community Work programme to absorb young people.</li> </ul>	

<b><u>Accelerated Shared Growth Initiative in South Africa(ASGISA)</u></b>
<ul style="list-style-type: none"> <li>⊕ Education and skills development</li> <li>⊕ Eliminating the second economy</li> <li>⊕ Human resource training</li> <li>⊕ Expanded Public Works Programme</li> <li>⊕ Youth skills training</li> <li>⊕ Governance and institutional interventions</li> <li>⊕ Skills problems identified in Project Consolidate</li> <li>⊕ Deployment of graduates</li> <li>⊕ Expenditure management</li> </ul> <p>ASGISA mandated DPLG to consider the following in respect of municipalities:</p> <ul style="list-style-type: none"> <li>⊕ To improve the capacity of local government to support local economic development</li> <li>⊕ Intervention in the EPWP</li> <li>⊕ New elements of EPWP: Early Childhood Development component, home-based care</li> </ul>

<b><u>Joint Initiative on Priority Skills Acquisition (JIPSA)</u></b>
<ul style="list-style-type: none"> <li>⊕ Acquisition of intermediate artisan and technical skills for the ASGISA infrastructure development programme.</li> <li>⊕ Development of ICT (information and communication technology) skills, which is a priority area for ASGISA.</li> <li>⊕ The recruitment, retraining and employment of unemployed graduates.</li> <li>⊕ Engineering and planning skills</li> <li>⊕ Artisan and technical skills, especially in infrastructure development, housing and energy.</li> <li>⊕ Management capacity in education and health</li> <li>⊕ Mathematics, science, ICT and language competence in public schooling.</li> </ul>

## SOURCES (INTERNAL) USED TO GUIDE IDP 2012 – 2017

SOURCE	INSTITUTION	DATE
A 2013/14 Cacadu District IDP Framework	Cacadu District Municipality	2012
A 2012/13 IDP & Budget Schedule	Cacadu District Municipality	2012
20013/14 Process Plan for 9 Cacadu Category B Municipalities	Nine Local Municipalities in the Cacadu District	2012
Socio Economic and Enterprise Development Strategy (SEEDS)	Redi	2012
Integrated Waste Management Plan	Kwezi V3	2008
Area Base Plan / Land Availability Audit	Urban Dynamics EC	2008
SDF Review	Cacadu District Municipality	2012
CDM's Annual Report	Cacadu District Municipality	2011/12
Five year IDP 2012/13 – 2016/17	Cacadu District Municipality	2012/13
Integrated Transport Plan 2012-2017	Cacadu District Municipality	2012
Comprehensive Infrastructure Plans	Cacadu District Municipality	2009
Water Services Development Plans	Cacadu District Municipality	2009

### 1.1.4 CACADU DISTRICT MUNICIPALITY APPROACH

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

### 1.1.5 IDP / BUDGET WORK SCHEDULE AND DISTRICT FRAMEWORK PLAN

The CDM and adopted an IDP/Budget Schedule and a District Framework Plan to serve as a guide to all of its Local Municipalities in preparation for the re-write of the IDPs. The linkage of the IDP and budget has become a legislative requirement. In brief the IDP/Budget Schedule outlines the time frames of scheduled events/activities, co-ordinating structures involved in the process. The framework plan was adopted on 22 August 2012, Council Resolution number: 14.2.2.3.

### 1.1.6 CACADU DISTRICT MUNICIPALITY IDP STRUCTURES

The following structures have guided the IDP process of the CDM namely:

- Management IDP Support Team
- IDP Steering Committee
- Alignment with Provincial Sector Departments through Sector Alignment Meetings
- IDP Representative Forum
- CDM Mayoral Committee



PERSON/STRUCTURE	ROLES & RESPONSIBILITIES
Executive Mayor	<ul style="list-style-type: none"> <li>• Manage the drafting of the IDP</li> <li>• Assign responsibilities in this regard to the Municipal Manager</li> <li>• Submit an IDP/Budget Schedule</li> <li>• Submit the IDP to the Council for adoption and approval</li> <li>• Chair the IDP Representative Forum</li> </ul>
Municipal Manager	<p>The Municipal Manager had the following responsibilities, assigned to the Director: Infrastructure Services:</p> <ul style="list-style-type: none"> <li>• Preparation of the IDP/Budget Schedule</li> <li>• Day-to-day management and co-ordination of the IDP process in terms of time, resources and people, and ensuring: <ul style="list-style-type: none"> <li>~ The involvement of all relevant role-players, especially officials</li> <li>~ That time-frames are being adhered to</li> <li>~ That the planning process is horizontally and vertically aligned and complies with national and provincial requirements</li> <li>~ That conditions for participation are provided</li> <li>~ That outcomes are documented</li> <li>~ Chairing the IDP Steering Committee</li> </ul> </li> </ul>
PERSON/STRUCTURE	ROLES & RESPONSIBILITIES
IDP Steering Committee	<p>The Steering Committee comprised of a technical working team of dedicated officials to ensure a smooth planning process. The Municipal Manager was responsible for the process but often delegated functions to the officials that formed part of the Steering Committee. It must however be stated that the development and review of the IDP is a collective management effort and not the single responsibility of a particular manager.</p> <p><b>Chairperson:</b> Executive Mayor</p> <p><b>Members:</b> Heads of Department Senior Officials Mayoral Committee Members</p> <p>The IDP Steering Committee was responsible for the following:</p> <ul style="list-style-type: none"> <li>• Commission research studies</li> <li>• Consider and comment on: <ul style="list-style-type: none"> <li>~ Inputs from departments (internal) and provincial sector departments</li> <li>~ Process, summarize and draft outputs</li> </ul> </li> <li>• Make recommendations to the Representative Forum</li> <li>• Prepare, facilitate and minute meetings</li> <li>• Prepare and submit reports to the IDP Representative Forum and Mayoral Committee</li> </ul>
IDP Representative Forum	<p>District-wide participation took place through a number of related structures. The IDP Representative Forum which was used in the initial IDP was resuscitated for the purpose of review and re-write</p> <p><b>Chairperson:</b> The Executive Mayor or a nominee</p> <p><b>Membership:</b> Invitations were submitted to the same members as the previous year, including the representatives of all 9 Local Municipalities and Provincial Sector Departments.</p>

### 1.1.7 SCHEDULE OF ACTIVITIES / MEETINGS

ACTIVITY	2012	2013
IDP - Budget Steering Committee	06 August 2012	
Council meeting to adopt CDM IDP Framework Plan	22 August 2012	
IDP - Budget Representative Forum	02 October 2012	
IDP - Budget Steering Committee	20 November 2012	
IDP - Budget Workshop	11 December 2012	
IDP – Budget Steering Committee		31 January 2013
IDP - Budget Representative Forum and Sector Alignment		14 February 2013
IDP – Budget Steering Committee		28 February 2013
IDP – Budget Representative Forum and Sector Alignment		07 March 2013
Table Draft IDP – Budget to Mayoral Committee		13 March 2013
Council Approval of Draft IDP		27 March 2013
Table Final Draft to Mayoral Committee		17 April 2013
Council approval of Final Draft IDP		29 May 2013

## PART 2: IDENTIFICATION OF STRATEGIC DEVELOPMENT PRIORITIES

### 1.2.1 STRATEGIC PRIORITIES FOR THE CDM

The MTSF's Strategic Priorities and the Outputs of Outcome 9 are to influence District and Local Planning as per national directive. While each priority may not have a distinct application in the Cacadu District, efforts need to be made to ensure that strategic and development planning reflects the current political directives.

In this regard, an analysis of the nine (9) Local Municipalities' IDPs and associated annexure was undertaken in terms of the MTSF Matrix and Outcome 9 outputs.

Documents that were analysed in terms of this methodology include the Local Municipalities':

- Spatial Development Plan
- Area Based Plan
- Turnaround Strategy
- Integrated Waste Management Plan
- Tourism Master Plan
- LED Strategy
- Socio-economic Profile
- Water Services Development Plan

The purpose of the analysis serves to:

- Align National Strategic Priorities with those of local government and identify challenges and opportunities;

- Provide a strategic basis for proactive intervention and project formulation on a District level;
- Identify opportunities for inter and intra-departmental co-operation.

### 1.2.1.1 Key Focus Areas:

The following table comprises a cross-cutting summary of the findings of the Local Municipal MTSF Analysis as aligned with the Outcome 9 Outputs:

MTSF STRATEGIC PRIORITY	KEY FOCUS AREA
<b>OUTCOME 9: OUTPUT 1: IMPLEMENT A DIFFERENTIATED APPROACH TO MUNICIPAL FINANCING, PLANNING AND SUPPORT</b>	
Sustainable Resource Management and Use	<ul style="list-style-type: none"> <li>• Land Use Planning needs to reflect protection and regeneration of the natural environment;</li> <li>• Sustainable agricultural practices need to be complimented with nature conservation interventions;</li> <li>• Waste minimization practices require implementation;</li> <li>• Climate change should be considered in project planning initiatives as this holds consequences for the tourism and agricultural economic base of the District;</li> <li>• Water conservation and demand management need to be incorporated into project planning;</li> <li>• Conservation of natural resources should be incorporated into Land Use Management Guidelines.</li> </ul>
<b>OUTCOME 9: OUTPUT 2: IMPROVE ACCESS TO BASIC SERVICES</b>	
Massive program to build economic and social infrastructure	<ul style="list-style-type: none"> <li>• Drought and poor water quality impact on the success of LMs as Water Services Authorities;</li> <li>• Staff numbers and capacity impact negatively on the provision of services – primarily housing and water;</li> <li>• Public Education campaigns are required in relation to water conservation and waste recycling;</li> <li>• The provision of water and sanitation services impact heavily on the tourism industry and related economies;</li> <li>• Access to banking facilities is highlighted as a priority;</li> <li>• The identification of suitable land for housing is identified as a delaying factor in service provision.</li> </ul>

MTSF STRATEGIC PRIORITY	KEY FOCUS AREA
Improve the health profile of all South Africans	<ul style="list-style-type: none"> <li>• Hospital care and ambulance services are identified as challenges;</li> <li>• Number of clinic staff need to be assessed with relevance to the size of the communities that they serve;</li> <li>• Accurate health related statistics are not readily obtained;</li> <li>• Seasonal employment increases pressure on clinic staff;</li> <li>• A strategy is required on the facilitating of health access to vulnerable groups.</li> </ul>
<b>OUTCOME 9: OUTPUT 3: IMPLEMENT THE COMMUNITY WORK PROGRAM AND COOPERATIVES SUPPORTED</b>	
Strengthen skills and human resource base	<ul style="list-style-type: none"> <li>• The need was identified for a skills audit per LM relevant to the dominant economic sectors in the area;</li> <li>• Need identified for LMs to actively manage existing agricultural resources with a particular focus on commonage land;</li> <li>• Ensure that the appropriate people participate in training programs that will make them marketable and employable;</li> <li>• Provide learner ship opportunities for unemployed graduates to improve their skills base.</li> </ul>
Speeding up growth and transforming the economy to create decent work and sustainable livelihoods	<ul style="list-style-type: none"> <li>• The tourism sector is not fully exploited;</li> <li>• There is a perception that agricultural employment is poorly paid and exploitative;</li> <li>• The opportunity was identified for a District-wide LED Interactive Forum;</li> <li>• Increasing population sizes are not coupled with increasing economic opportunities;</li> <li>• The exploration of alternative agricultural opportunities (as identified in LM LED Plans) is proposed;</li> <li>• A district wide formalization of the relationship with the Department of Agriculture, Forestry and Fisheries is identified;</li> <li>• LED strategies need to be combined with training and capacity building programs;</li> <li>• Programs are required to develop and mentor SMME's;</li> <li>• Municipal infrastructure operational and maintenance planning needs to take industrial expansion and tourism into account to secure local economic benefits;</li> <li>• Waste recycling initiatives require support and encouragement in order to entrench the practice in the economy and social identity of the area.</li> </ul>
<b>OUTCOME 9: OUTPUT 4: ACTIONS SUPPORTIVE OF HUMAN SETTLEMENT OUTCOMES</b>	
Comprehensive rural development strategy linked to land and agrarian reform and food security	<ul style="list-style-type: none"> <li>• The National land redistribution program is regarded as a slow process that lacks post-implementation support;</li> <li>• Project sustainability is challenging and marred by the beneficiaries' lack of farming skills, education, insufficient government support, low profit margins and lack of access to markets;</li> <li>• Agriculture is the dominant economic activity in the majority of LMs;</li> <li>• An agrarian reform and food security plan needs to be devised that holds specific relevance to the unique land tenure and use arrangements in the LMs;</li> <li>• Unfair labour practices, farm evictions and preferential employment need to be monitored and victims are to be educated on recourse options;</li> <li>• Informed spatial planning can accommodate new land demands, land use challenges and support initiatives.</li> </ul>

<b>OUTCOME 9: OUTPUT 5: DEEPEN DEMOCRACY THROUGH A REFINED WARD COMMITTEE MODEL</b>	
Build cohesive, caring and sustainable communities	<ul style="list-style-type: none"> <li>• The need was identified for the formulation of public participation structure / model that is suitable for rural / spatially dispersed areas;</li> <li>• LMs could also benefit from the identification of key community organizations and the formulation of joint capacity building and supportive interventions;</li> <li>• Indigent registers require updating including an assurance that the document is credible;</li> <li>• A focus is required on youth development;</li> <li>• There is a need to focus on raising awareness of the range of funding programs available in various institutions in order to broaden the scope for economic development opportunities;</li> <li>• Improve mechanism of communication with communities through development programs which seek to enhance and strengthen the role of ward committees.</li> </ul>
<b>MTSF STRATEGIC PRIORITY</b>	<b>KEY FOCUS AREA</b>
<b>OUTCOME 9: OUTPUT 6: IMPROVE MUNICIPAL FINANCIAL AND ADMINISTRATIVE CAPACITY</b>	
Building a developmental state including the improvement of public services and strengthening of democratic institutions	<ul style="list-style-type: none"> <li>• Formulation and adoption of a Fraud Prevention Plan;</li> <li>• Implementation of Performance Management Systems and schedule of regular assessments;</li> <li>• Revision of Capital Investment Frameworks;</li> <li>• Develop a Human Resource Strategy that focuses on staff development and improvement as opposed to service provider appointment.</li> </ul>
<b>OUTCOME 9: OUTPUT 7: SINGLE WINDOW OF COORDINATION</b>	
	<ul style="list-style-type: none"> <li>• Opportunities to be identified to develop and establish the coordination role of the District Municipality.</li> </ul>
<b>OTHER MTSF PRIORITIES NOT CATERED FOR IN OUTCOME 9 OUTPUTS</b>	
Pursing African advancement and enhanced international cooperation	<ul style="list-style-type: none"> <li>• LM documents are generally silent on this issue;</li> <li>• It can be inferred that this is a District competency to be pursued on behalf of and in the interests of the Local Municipalities.</li> </ul>

### 1.3 MEC COMMENTS ON THE CACADU DISTRICT MUNICIPALITY IDP

The MEC commented on the CDM IDP during the IDP assessment in April 2012. In reviewing the IDP the comments were considered and responses were formulated as outlined below.

MEC COMMENT	CDM RESPONSE
<b>SPATIAL RATIONALE</b>	
Does the IDP contain a statement on whether or not the SDF require drafting or review	Yes, a statement is included in the IDP
Does the IDP contain a statement on whether or not the SDF requires drafting or review	The IDP contains a statement that the IDP is currently under review. The Draft SDF will be tabled to Council with the final IDP
<b>SERVICE DELIVERY AND INFRASTRUCTURE PLANNING</b>	
Has the municipality undertaken medium term IIP (3-5 year minimum) to determine affordable and sustainable multi-year infrastructure targets and the capital and operating expenditure to meet those targets?	The district municipality only focuses on intervention projects it is not an infrastructure development agent.
Are the other vehicles used to aid investment in infrastructure. (e. g. private/public sector partnerships.)	The CDM has established a Cacadu Development agency for the district to leverage public/private resources for economic and infrastructure development
Is there an indication of own revenue usage in infrastructure?	Yes. The SDBIP under the Development priority "Infrastructure Development" contains information on projects funded from own revenue. The budget allocation is R 40 million
Is there a functional ISD unit in place?	The district does not need an ISD unit
<ul style="list-style-type: none"> <li>• <b>Disaster Management</b></li> </ul>	
Is the centre having an uninterrupted power supply unit?	Yes
Has the municipality adopted a disaster management plan?	The plan is in draft form. The Draft Plan will be reviewed in the 2013/14 financial year.
Is the municipal spatial development Plan informed by vulnerability and risk assessment report	The SDF is currently under review.
Does the municipality operate a full time fire service?	No, it operates an agency service
How is the disaster management centre managing high risk development?	Through education and awareness and close interaction with municipalities
Has the municipality concluded cooperative agreements with the other relevant municipalities for the operation of the fire service	Yes
<b>Environmental Management Plan</b> Does the municipality have an Environmental Management Plan	The CDM will develop an EMP in the 2014/15
<b>Has the municipality adopted by-laws in place?</b>	The bylaws will be adopted after the plan has been reviewed

COMMENT	RESPONSE
Has the municipality investigated alternative sources of renewable energy?	This is a function of local municipalities
Is there a ring fenced budget for operations and maintenance and for new capital projects?	Each municipality has its own plan for provision of energy sources
Does the plan make provision for infrastructure reticulation and bulk infrastructure for electricity?	Local municipalities budget for their own bulk infrastructure and reticulation provision
<b>FINANCIAL PLANNING AND BUDGETS</b>	
Does the municipality have policies regulating: Tariffs Rates Credit control and debt collection Cash management Investment	The municipality does not have tariffs policy, but in the budget book there is a tariffs schedule for internal tariffs. The financial plan elaborates on investment The municipality has credit control and cash management policies
In view of the global economic crisis, are there alternative mechanisms being sought to finance investment in infrastructure, maintenance of old infrastructure and acquiring of new infrastructure? <b>(Optional)</b>	The municipality does not receive MIG allocations The municipality does not invest in / provide capital infrastructure
<b>LOCAL ECONOMIC DEVELOPMENT</b>	
Does the municipality have mechanisms to retain existing businesses and attract further investment	The municipality has developed a Business Investment Guide which is linked to SEEDS and an Investment Promotion Plan
<b>GOOD GOVERNANCE: PUBLIC PARTICIPATION, LABOUR, IGR etc.</b>	
Has the municipality adopted an IDP Process Plan?	Yes. The IDP Framework Plan is included in the IDP. Adopted on 22 august 2012, Council Resolution no. 14.2.2.3
Were the recommendations of the previous year's IDP assessments taken into account?	Yes
Does the municipality display a commitment to community – participation in the IDP; Budget design and development?	The municipality has allocated funds for projects funds for IDP Support in the IDP ( See SDBIP) Development Priorities: Infrastructure Development and Capacity Building and support to LMs
Are ward based plans included in the IDP?	Local municipalities include ward plans in the IDP. The district municipality assists LMs to develop ward plans
Does the audit committee have a framework to regularly audit the implementation of the IDP	Yes
What were the Audit opinions for this municipality over the last three years	The municipality received unqualified audit opinions over the last three years
Is there evidence indicating efforts aimed at inter-municipal planning?	The CDM has formed a partnership with Dr Ruth Mompoti municipality
Does the municipality have an integrated community safety forum	The municipality will establish a safety forum in the 2013/14 financial year.



<b>INSTITUTIONAL ARRANGEMENTS</b>	
Is there a council approved HR Plan/Strategy that responds to the long term development plans of the municipality as reflected in the IDP?	Yes, HR Plan is included in the IDP
Are the vacancies funded or unfunded?	The organizational structure indicates which vacancies are funded or unfunded

## CHAPTER 2: SITUATION ANALYSIS

### 2.1 DEMOGRAPHICS

The release of the South African National census 2011 data provides the District Municipality with the latest information on official population figures, assisting it to make informed decision relating to population challenges faced by the district. The South African National Census of 2011 is the recognized source of South African statistical information, undertaken by Statistics South Africa (Stats SA) in October 2011.

The census determined the country's population as 51.8 million and Cacadu's population to be 450 584.

The 2011 census is committed to the improvement of the population register and the assurance that statistics are accurate, comprehensive and secure. The census 2011 data is the most recent up-to-date source of demographic data, it will assist in the analysis of the current information relating to our area.

With this in mind, the CDM has undertaken to access a number of alternative sources of data to provide a comparative analysis against the census 2011 figures and also assist in evaluating the growth trends within the district, namely:

- Information obtained from the 2003 the Eastern Cape Socio Consultative Council survey;
- Information obtained from the 2004 district economic growth and development strategy as undertaken by the Urban Econ Group;
- Information obtained from the Global Insight Group reflecting projected population estimates as per 2011.

**Table: 2.1** Population Estimates from different sources

Source	Estimated Population
STATS SA 1996 Census	369 782
STATS SA 2001 Census	388 210
ECSECC 2003	428 767
Urban Econ. Group 2004	438 800
Global Insight Database 2011	451 761
STATS SA 2011 census	450 584

The release of the Census 2011 information The Global Insight Database (GID) forms the basis of the CDM's IDP Analysis as the most recent statistical resource available.

### 2.1.1 District and Local Population Distribution:

#### EC area per km<sup>2</sup>

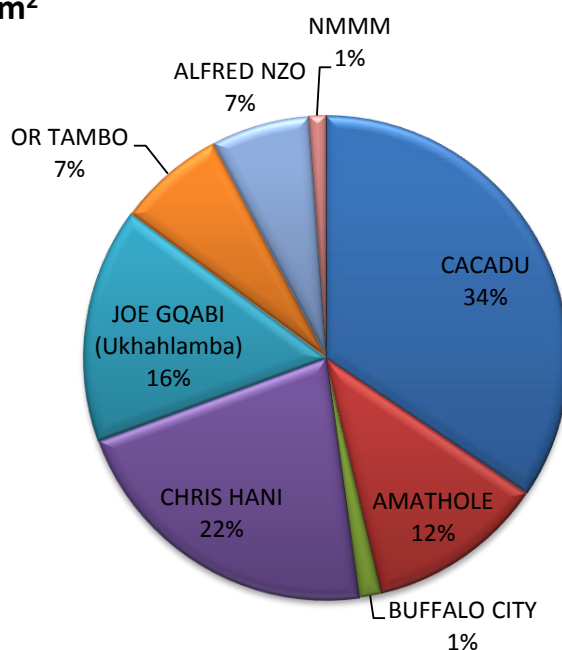


Figure 2.1: Eastern Cape Area per km<sup>2</sup>

The Cacadu District covers approximately one third of the Eastern Cape's land area, however it only houses 6.8% of the provinces' population, with the lowest average distribution of eight people per square kilometre in the Eastern Cape (table 2.2). Only 22% of houses are informal, and 2/3 of households have potable water and a flush toilet or pit latrine on site. Conditions are worse in the small towns of the interior where poverty can be severe, compounded by isolation from the mainstream economy<sup>1</sup>.

It must however be noted that poverty is defined not only by levels of unemployment, but also characterized by a lack of access to, for instance, education, health care, and basic services including water and sanitation.

Table 2.2: Eastern Cape District Municipality Population Area Coverage & Densities

MUNICIPALITY	POPULATION		AREA (Km <sup>2</sup> )		DENSITY	
	2001	2011	2001	2011	2001	2011
CACADU	388 206	450 584	58 266	58 272	6,7	7.7
AMATHOLE	1 664 079	892 637	23 645	20 041	70,4	44.5
BUFFALO CITY		755 200		2 515		300.3
CHRIS HANI	809 984	795 461	36 956	36 561	21,9	21.8
JOE GQABI (Ukhahlamba)	342 436	349 768	25 376	26 518	13,5	13.2
OR TAMBO	1 676 592	1 364 943	15 853	12 087	105,8	112.9
ALFRED NZO	549 687	801 344	7 976	11 119	68,9	72.1
NMMM	1 005 779	1 152 115	1 969	1 950	510,8	590.8
<b>TOTAL EC</b>	<b>6 436 763</b>	<b>6 562 053</b>	<b>170 041</b>	<b>169 063</b>	<b>37,9</b>	<b>38.6</b>

Source: POPULATION CENSUS FIGURES: 2001 & 2011

<sup>1</sup> www.ecprov.gov.za/

The Cacadu area consists of a predominantly rural or agricultural base but differs from the mainstream 'rural' definition that refers primarily to the former homelands.

The Cacadu scenario requires an alternative conceptualization of population placement that can be related to economic opportunity. Thus, it can be stated that the Cacadu population distribution varies spatially based predominantly on coastal and inland placements, with the inland settlements of Graaff-Reinet and Grahamstown being the exception.

Population concentrations are in Makana, Kouga and Ndlambe, with more than 50% of residents in the District residing in these Municipalities. The remaining Municipalities all have less than 60 000 inhabitants per municipality.

One explanation for this distribution is the variation in land types, agricultural practices and associated income generating opportunities that are characteristic of Cacadu's inland and coastal areas.

#### 2.1.1.1 Inland Areas:

Inland areas are typically characterized by a Karoo landmass which restricts agricultural production to extensive practices<sup>2</sup>. Extensive farming (as opposed to intensive farming) is an agricultural production system that uses small inputs of labour, fertilizers, and capital, relative to the land area being farmed.

With reference to 'inland' Cacadu, this results in typically *low* population densities and *scattered small* inland towns as employment opportunities are fewer and the demand for commercial infrastructure, less<sup>3</sup>.

These areas are further characterized by rural depopulation which describes the movement of people to the more densely populated 'coastal' centres in search of improved economic opportunities. Concerns associated with these low populated areas are that it becomes costly to initiate the development of new infrastructure that adequately supports residents. As a result, low populated areas generally result in low liveability due to:

- Long travelling distances to places of employment
- Low-density housing
- Inadequate facilities e.g. health, recreational, entertainment
- Poor rates base to maintain and improve infrastructure

Furthermore these lower population densities do not lessen the demand for infrastructure establishment and maintenance. These areas require housing, transport, health, education, community and safety services in the same manner as more densely populated areas.

If infrastructure grant allocation is dependent on population size, Cacadu and its associated local municipalities will continue to struggle to meet the needs of these sparsely populated areas.

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<sup>2</sup>Extensive farming most commonly refers to sheep and cattle farming in areas with low agricultural productivity

<sup>3</sup>Note that Graaff-Reinet and Grahamstown are exceptions as discussed below.

### 2.1.1.2 Coastal Areas, Grahamstown and Graaff-Reinet:

Coastal areas are characterized by higher population densities primarily due to the prevalence of intensive agricultural practices<sup>4</sup> which are encouraged by the higher coastal rainfall and associated fertile soils and the increased tourism potential of seaside-towns. These areas portray an urban bias which serve to attract residents from the lesser populated 'rural' areas in the search of economic opportunities and improved access to services

Grahamstown is an exception to this rule in the Cacadu area. This inland town is regarded as an economic hub due to the intensive stock farming enterprises in the area and the associated economic spin-offs in terms of employment. Further, Grahamstown is an 'Academic Town' which supports a large student base and academic staff. These factors create demands for more elaborate social and economic infrastructure.

Graaff-Reinet is another inland town that has exception as it serves as the primary settlement within the Karoo providing a full range of services to the surrounding Karoo towns and broader rural area.

### 2.1.2 Population Size per Local Municipality:

In the efforts to understand the population growth dynamics of the area, the municipality has used different statistic sources to get estimates of information

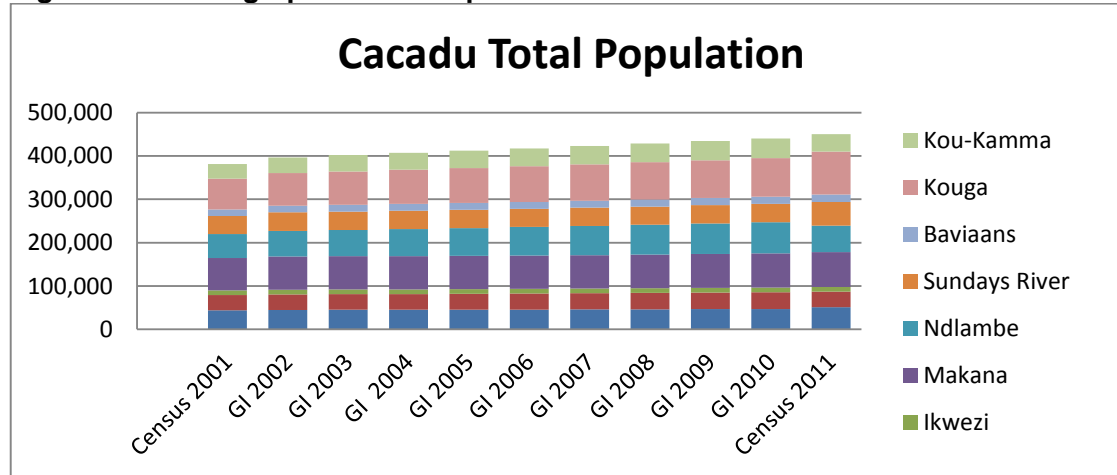
**Table 2.3: Demographic Total Population**

Local Municipalities (2005-12 boundaries)	Census 2001	GI 2002	GI 2003	GI 2004	GI 2005	GI 2006	GI 2007	GI 2008	GI 2009	GI 2010	Census 2011
Camdeboo	44,368	45,075	45,235	45,408	45,606	45,823	46,053	46,310	46,592	46,895	50993
Blue Crane Route	35,015	35,784	36,045	36,321	36,624	36,956	37,324	37,726	38,156	38,592	36002
Ikwezi	10,367	10,534	10,571	10,614	10,665	10,723	10,790	10,865	10,948	11,037	10537
Makana	74,541	77,030	76,853	76,758	76,773	76,912	77,170	77,555	78,062	78,636	80390
Ndlambe	55,480	58,435	60,365	62,182	63,925	65,618	67,282	68,917	70,526	72,064	61176
Sundays River	41582	43,039	42,638	42,318	42,094	41,967	41,938	41,999	42,137	42,332	54504
Baviaans	15339	15,515	15,666	15,814	15,964	16,113	16,265	16,419	16,576	16,733	17761
Kouga	70693	75,004	76,967	78,820	80,588	82,286	83,935	85,530	87,088	88,570	98558
Kou-Kamma	34,294	36,218	37,555	38,814	40,013	41,153	42,247	43,295	44,299	45,247	40663

(IHS Global Insight, Stats SA Census 2001 & 2011)

<sup>4</sup>Intensive farming or intensive agriculture is an agricultural production system characterized by the high inputs of capital, labour or heavy usage of technologies such as pesticides and chemical fertilizers relative to land area.

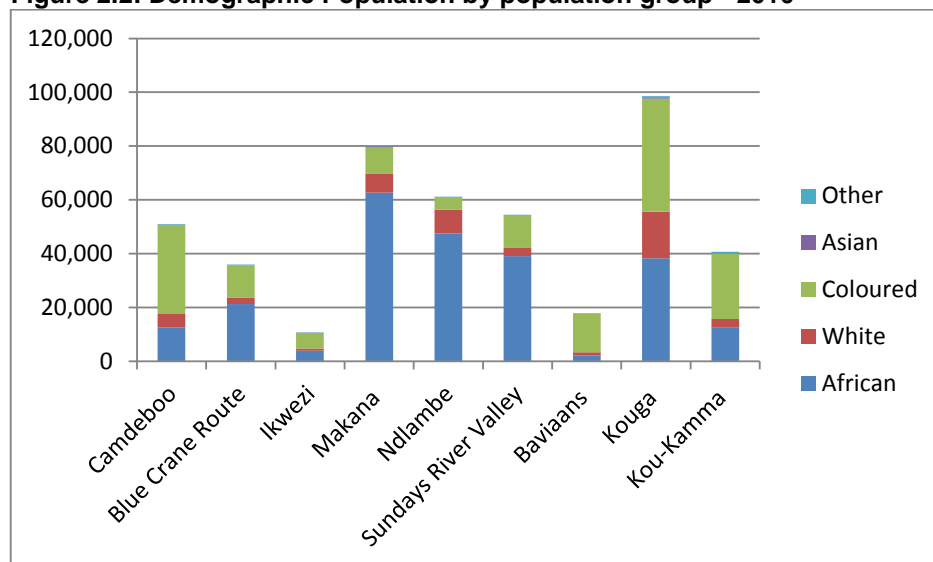
**Figure 2.1: Demographic Total Population**



**Table 2. 4: Demographic Population by population group – Census 2011**

Local Municipalities (2005-12 boundaries)	African	White	Coloured	Asian	Other	Total
Camdeboo	12,638	4,877	33,054	224	201	50,993
Blue Crane Route	21,247	2,453	11,888	118	295	36,002
Ikwezi	3,916	796	5,757	21	48	10,537
Makana	62,702	6,974	9,725	525	464	80,390
Ndlambe	47,556	8,704	4,473	144	299	61,176
Sundays River Valley	39,116	3,209	11,644	96	439	54,504
Baviaans	2,128	1,244	14,254	33	102	17,761
Kouga	38,274	17,376	41,989	245	674	98,558
Kou-Kamma	12,434	3,333	24,335	113	448	40,663
Stats SA 2011 census						

**Figure 2.2: Demographic Population by population group - 2010**



**Table 2.5: Population Statistics per Local Municipality 2001, 2005 and 2010**

Local Municipality	Major Settlements	Comparable Statistics			
		Census (2001)	LM Survey (2005)	Global Insight (2011)	Census (2011)
Camdeboo	Graaff-Reinet, Aberdeen, Nieu-Bethesda	44 366	51 601	49,039	50,993
Blue Crane	Somerset-East, Cookhouse, Pearston	36 384	36 798	39,344	36,002
Ikwezi	Jansenville, Klipplaat, Waterford, Wolwefontein	10 366	9 144	11,332	10,537
Makana	Grahamstown, Alicedale, Riebeeck-East	74 527	140 120	79,258	80,390
Ndlambe	Port Alfred, Kenton-on-Sea, Bushmans River, Alexandria	55 471	58 927	73,523	61,176
Sundays River Valley	Kirkwood, Addo, Paterson, Glenconner	41 464	61 003	42,574	54,504
Baviaans	Willowmore, Steytlerville, Rietbron, Vondeling	15 338	16 522	19,879	17,761
Kouga	Jeffreys Bay, Humansdorp, Hankey, Patensie, St Francis	70 482	88 254	90,333	98,558
Kou-Kamma	Joubertina, Kareedouw, Louterwater	34 289	45 464	46,479	40,663
<b>TOTAL</b>		<b>389 296</b>	<b>510 025</b>	<b>451,761</b>	<b>450,584</b>

The significant difference in Makana could be attributed to the amount of informal settlement taking place in the town as a result of general urbanisation and farm evictions. These numbers are a particular concern as they have a direct impact on Grant Funding allocations. The population variation in Makana is acknowledged.

The 2011 census has tried to resolve disparities in population statistics since 2001 census were conducted. According to the 2011 census information, increased population size is prominent within the Local Municipalities of Kouga, Sundays River Valley, Makana and Ndlambe which by implication will shape and influence how the District and Local Municipalities should provide for future infrastructural and service related operations and maintenance. The average number of household members in the Cacadu District according to census figures is 3.6 members, the highest being in Camdeboo (4.1). As the district population continues to grow, the average household size is decreasing. This increases the infrastructure demands of the district, therefore we have to adjust our infrastructure planning to accommodate the increasing demand pressures.

## 2.2 ECONOMIC INTELLIGENCE PROFILE

### 2.2.1 Age Structure

The population is relatively youthful, with an age structure mapped in the pyramid below being very similar to that of South Africa as a whole, but with the notable exceptions of a relative deficit of boys and girls aged 5-20, possibly indicating that they are being raised and educated in areas with better education opportunities.

**Figure 2.3: Population pyramid CDM**

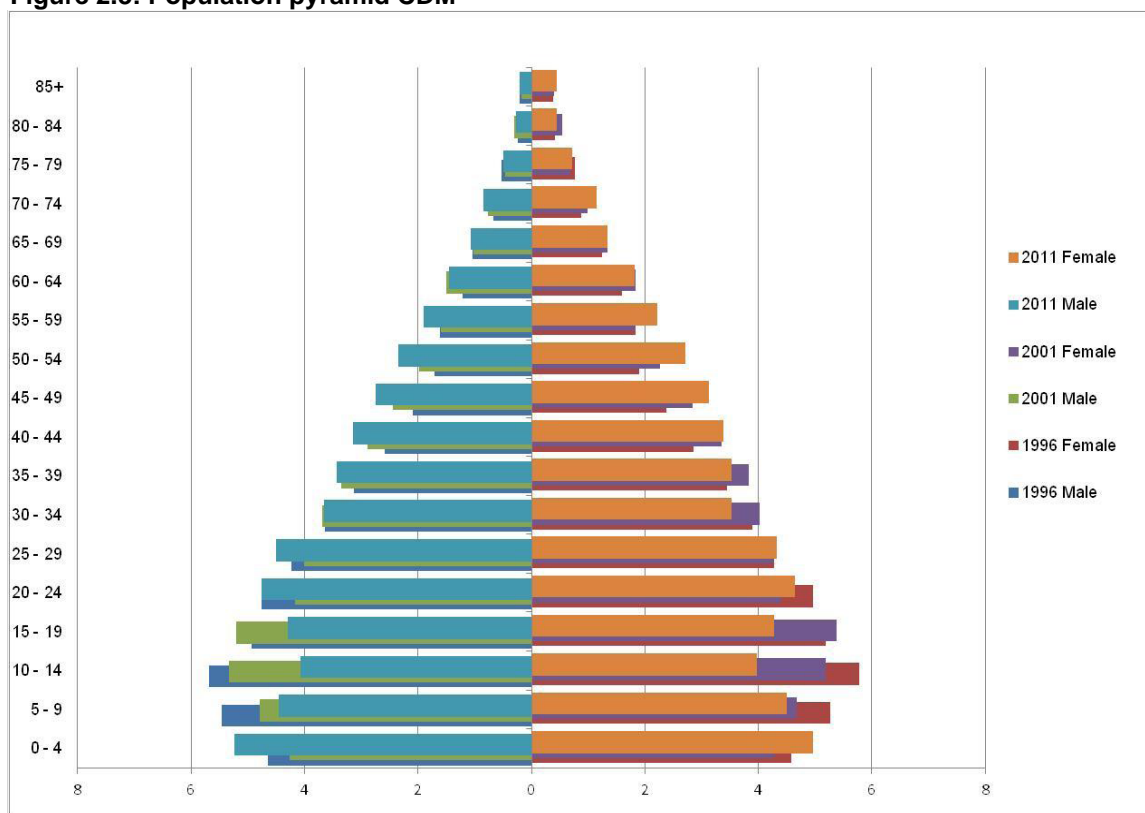


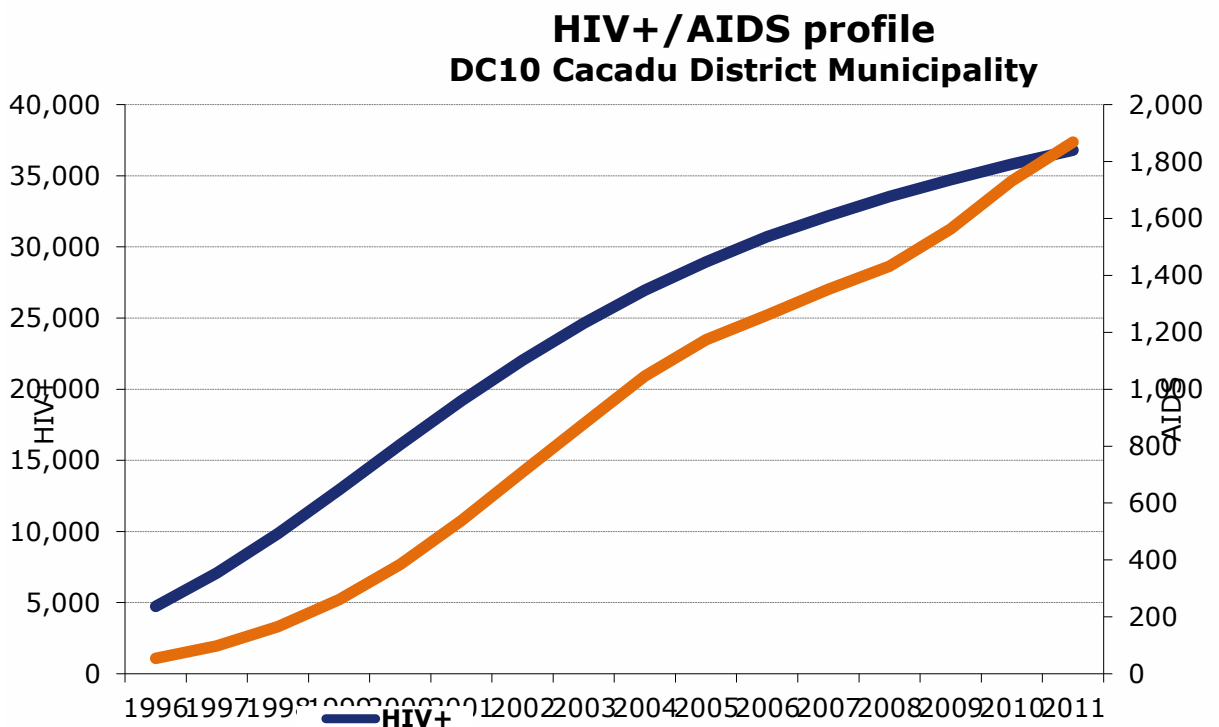
Figure 2.4 below compares the District population for the three census. The 2011 census shows a significant decrease in the age groups between 5-19 year olds, and the graphs also show the decrease in the population gap between males and females.



### 2.2.2 HIV AIDS Profile

The profile below indicates that the epidemic is reaching a plateau, with some 35 000 people or 8% of the population infected with HIV and some 1 800 AIDS sufferers.

Figure 2.6: HIV+/ AIDS profile



Source: IHS Global Insight Regional eXplorer ver

### 2.2.3 HUMAN DEVELOPMENT

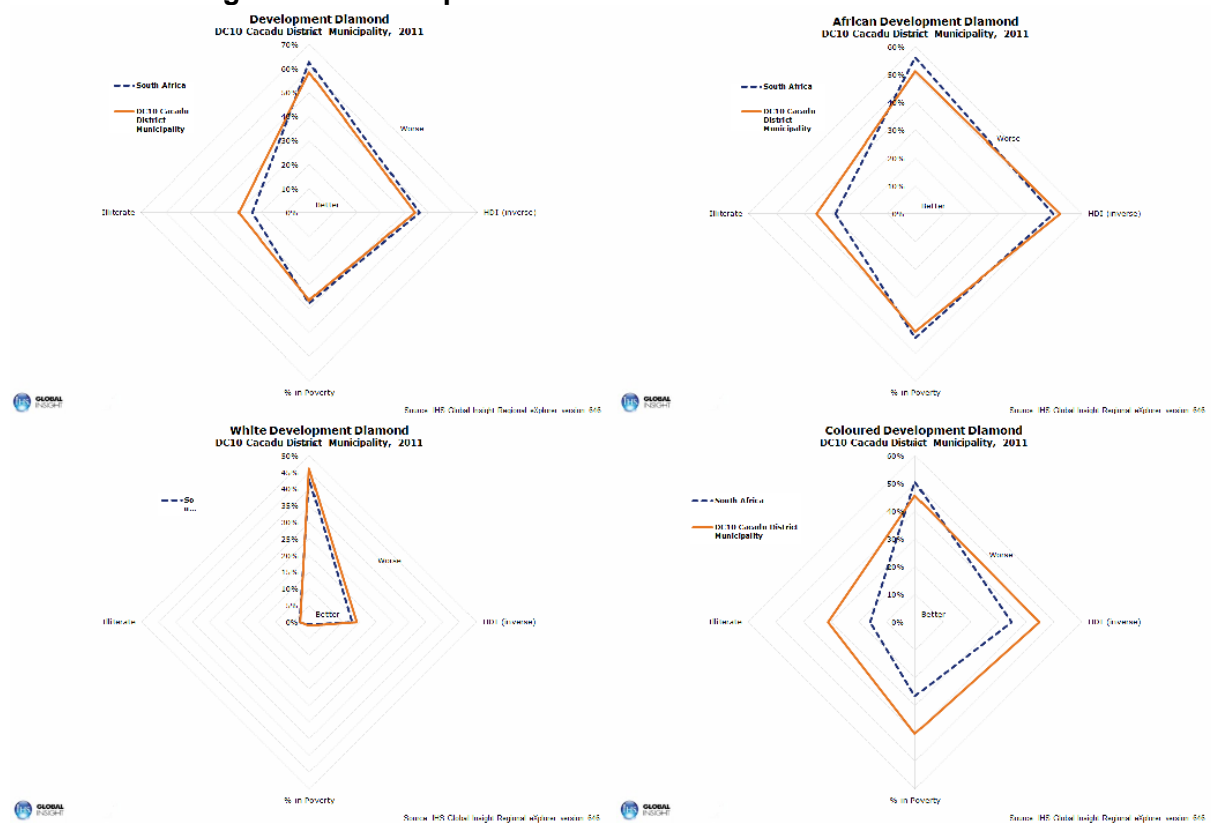
#### 2.2.3.1 The Development Diamond

The Development Diamond measures the extent of inequality (Gini-Coefficient), underdevelopment (the Human Development Index or HDI), Poverty and illiteracy. The Development Diamonds reflect the racially skewed on-going effects of the Apartheid system that officially ended in 1994.

The Diamond for the District is indicated in orange and for South Africa with a blue dotted line.

Whites experience almost no poverty, a high HDI, less than 5% illiteracy and relatively low inequality in keeping with South African norms for this population group, refer to figure 2.7 below.

**Figure 2.7: Development Diamond for Cacadu**



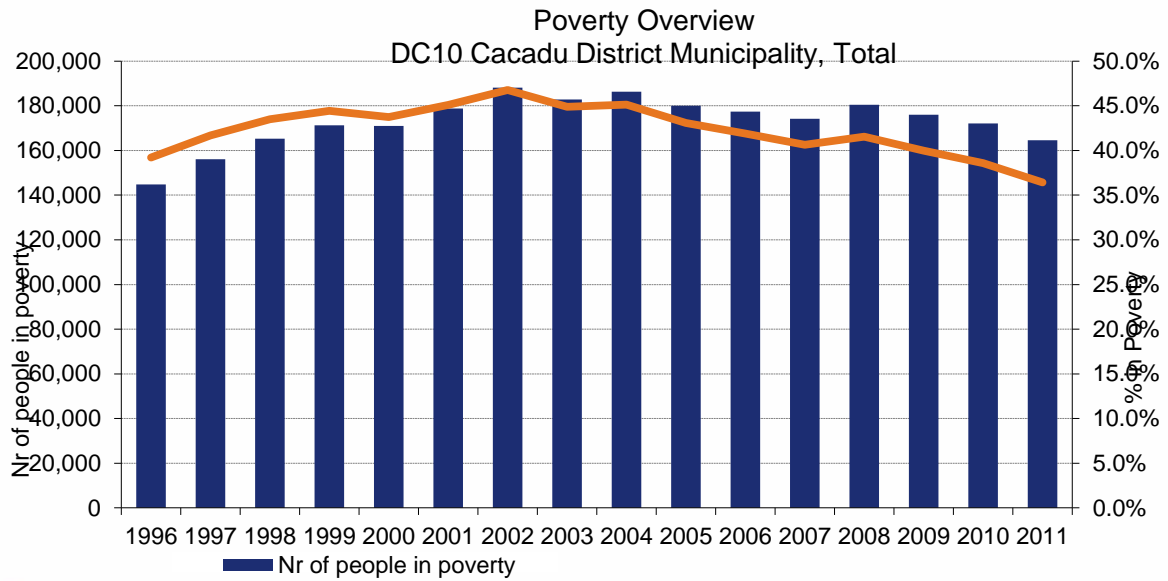
Africans experience high poverty (although lower than the national average), a low HDI, high illiteracy compared to the country as a whole, and high inequality, although lower than the country as a whole.

Coloureds experience lower poverty and illiteracy than Africans, but are significantly worse off than the national average. They also experience a higher HDI and roughly the same level of inequality.

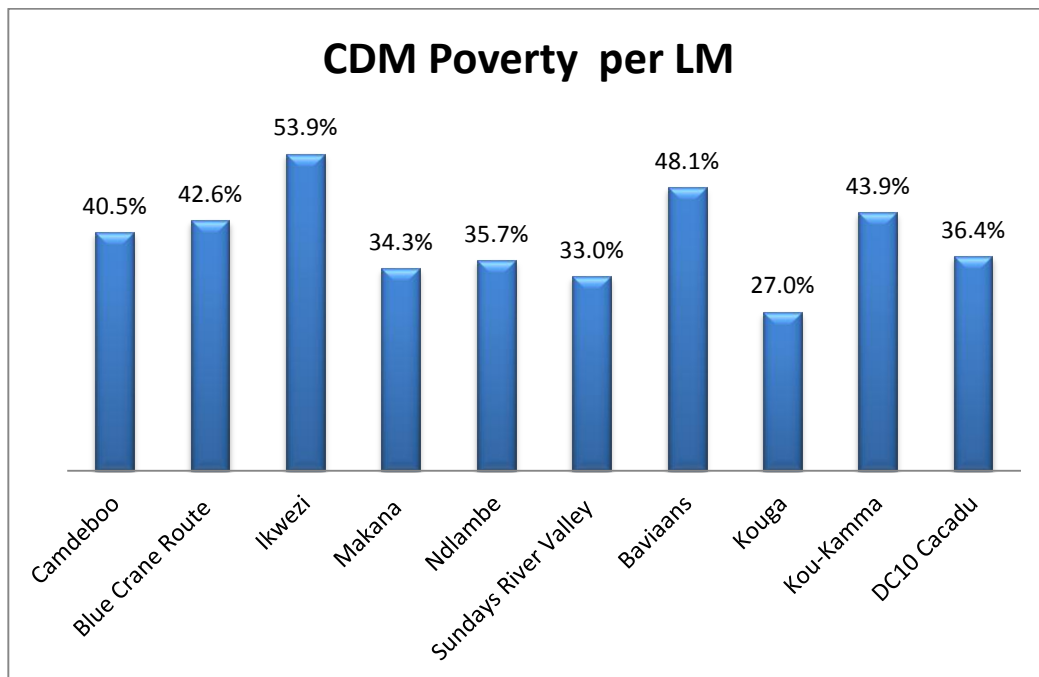
### 2.2.3.2 Poverty

The level of poverty in the District is high, but showing steady decline:

**Figure 2.10: Poverty Overview**

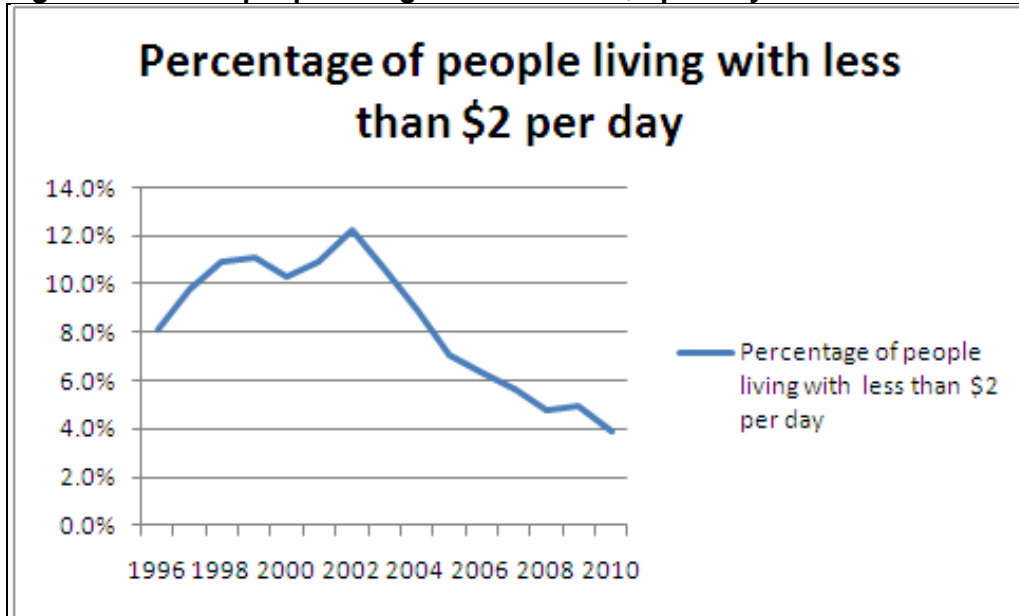


Source: IHS Global Insight Regional eXplorer ver



Very serious poverty (where people live on less than \$2 or R 14 – R 18 per day) is rapidly declining, probably in response to the roll out of social grants in South Africa

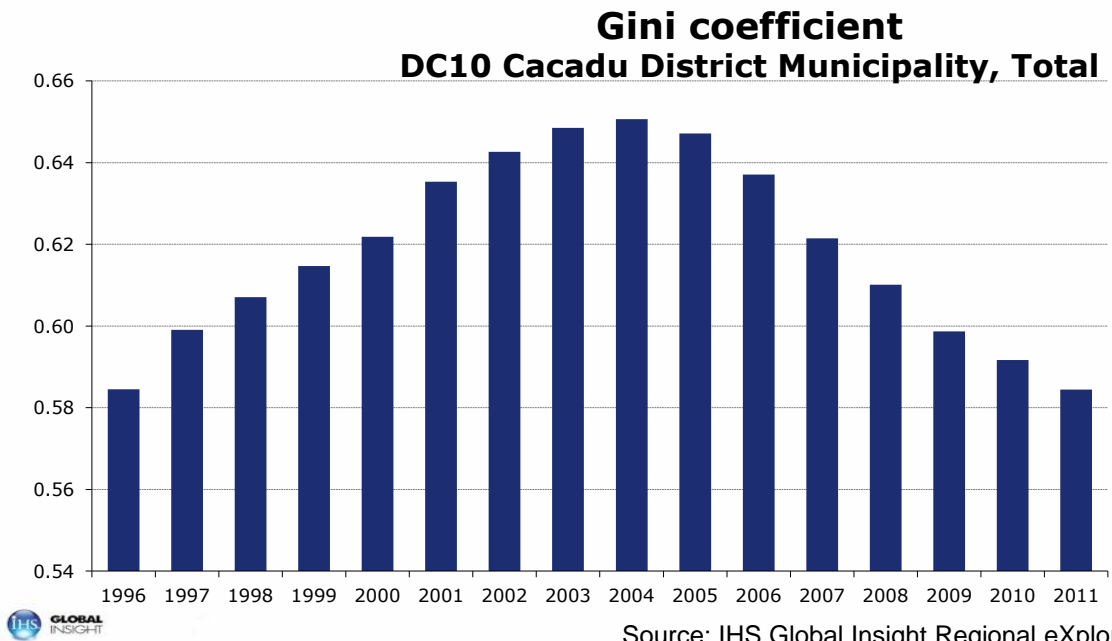
**Figure 2.11: % of people living with less than \$2 per Day**



**2.2.3.3 Inequality**

Inequality is also showing a strong and positive downward trend.

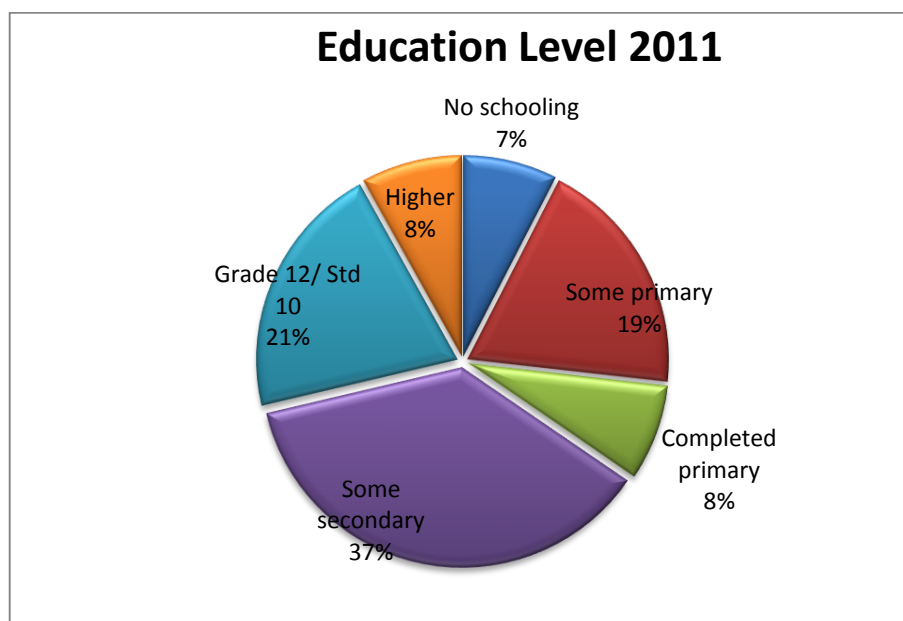
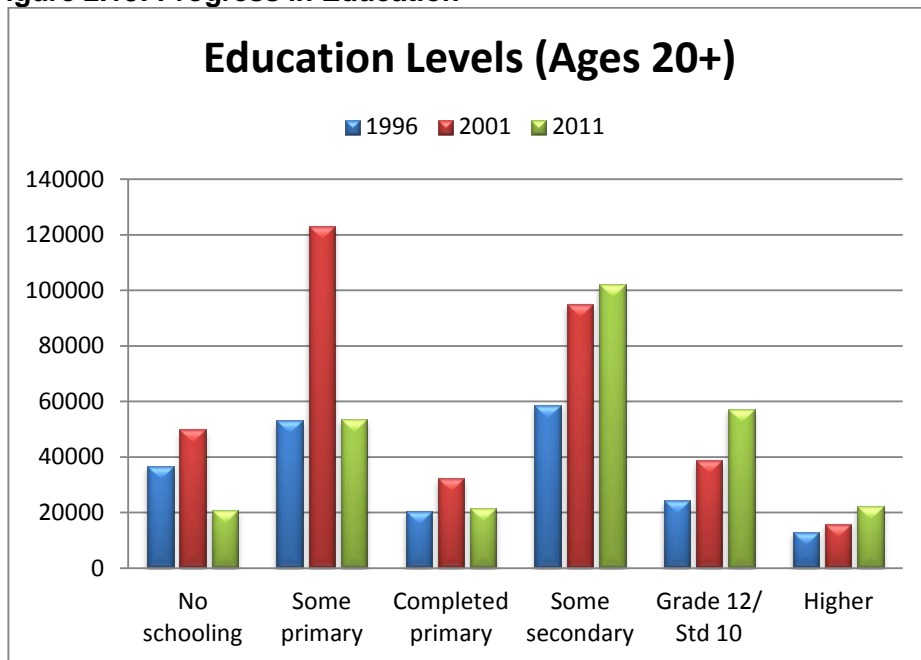
**Figure 2.12: Gini coefficient**



## 2.2.4 EDUCATION

Improvement in educational attainment is showing rapid and sustained progress.

**Figure 2.13: Progress in Education**



The above education graphs depict the changes in education levels in the population of Cacadu. The graphs show that the greater number of the population has some secondary education (37%), with improvements in people with grade 12 and higher. There have been positive improvements, with the decrease in the percentage of the population that has not

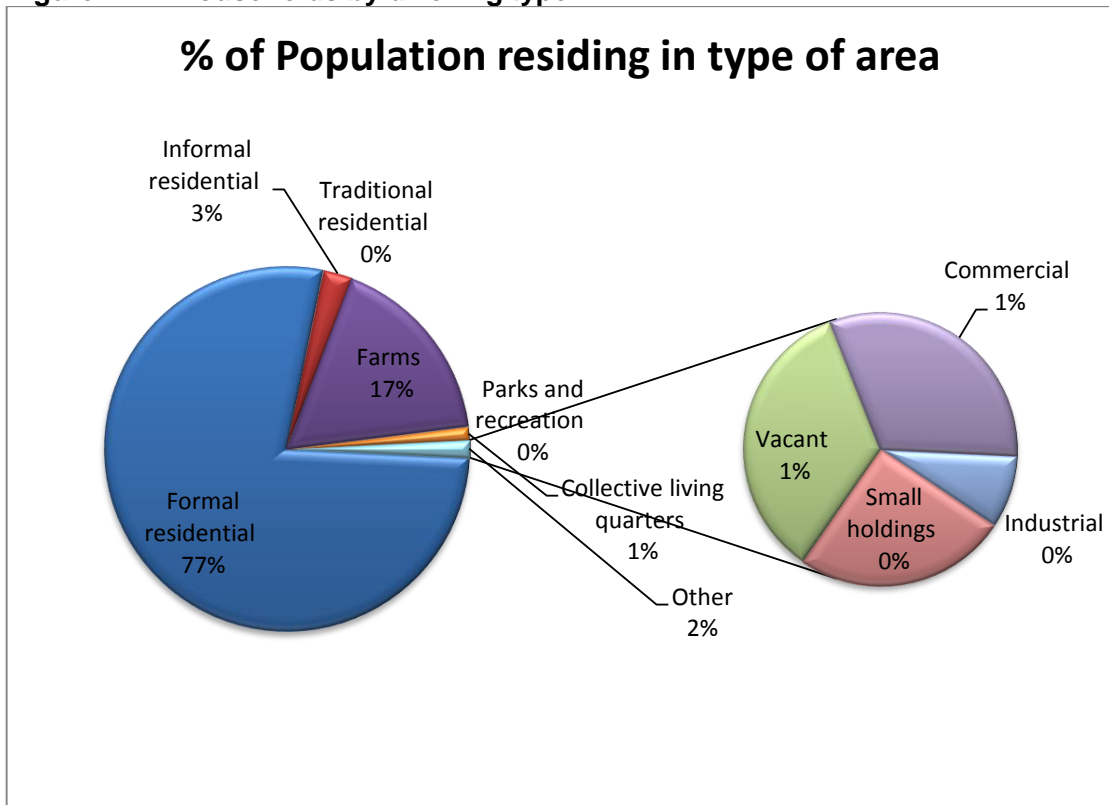
received schooling. The graphs show that there is a high level of dropouts, especially at primary education level.

The level of education indicates the type employment opportunities that we need to invest towards, to fight unemployment and poverty. The available skill mean we should focus on labour intensive programmes, that provide sustainable jobs.

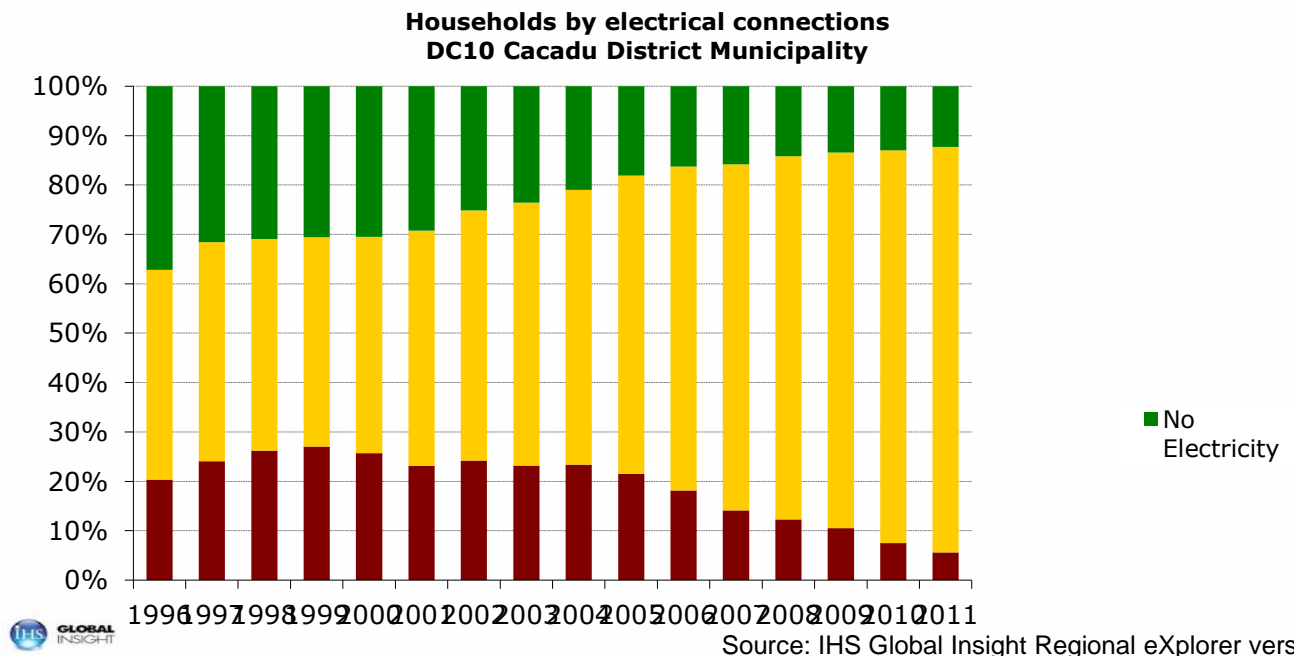
### 2.2.5 HOUSING AND ELECTRIFICATION

Both housing and electrification are showing serious and steady improvement

**Figure 2.14: Households by dwelling type**



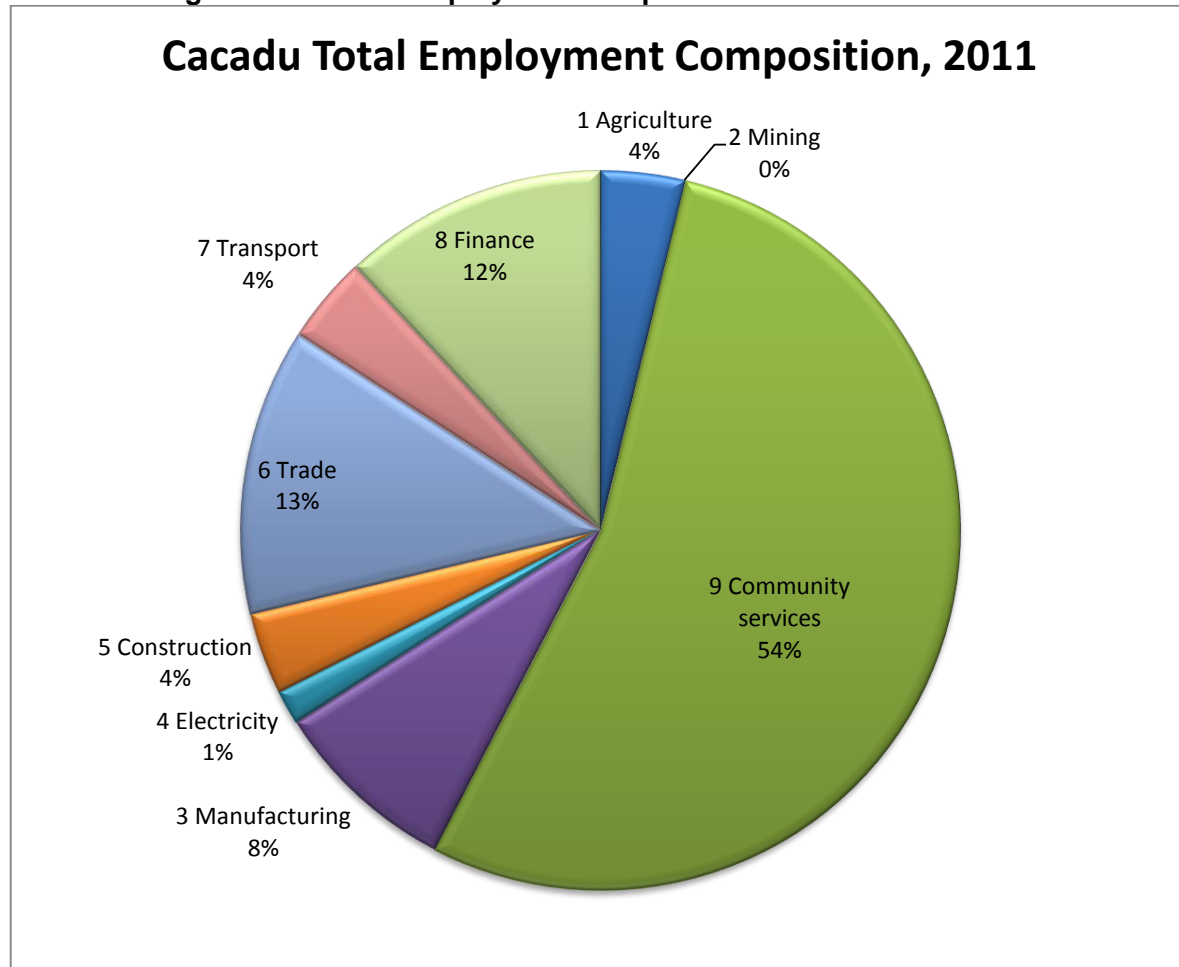
**Figure 2.15: Households by electrical connections**



## 2.2.6 EMPLOYMENT

The District's major employer is Trade (which includes retail and tourism), followed by Agriculture and then Community Services (which includes government).

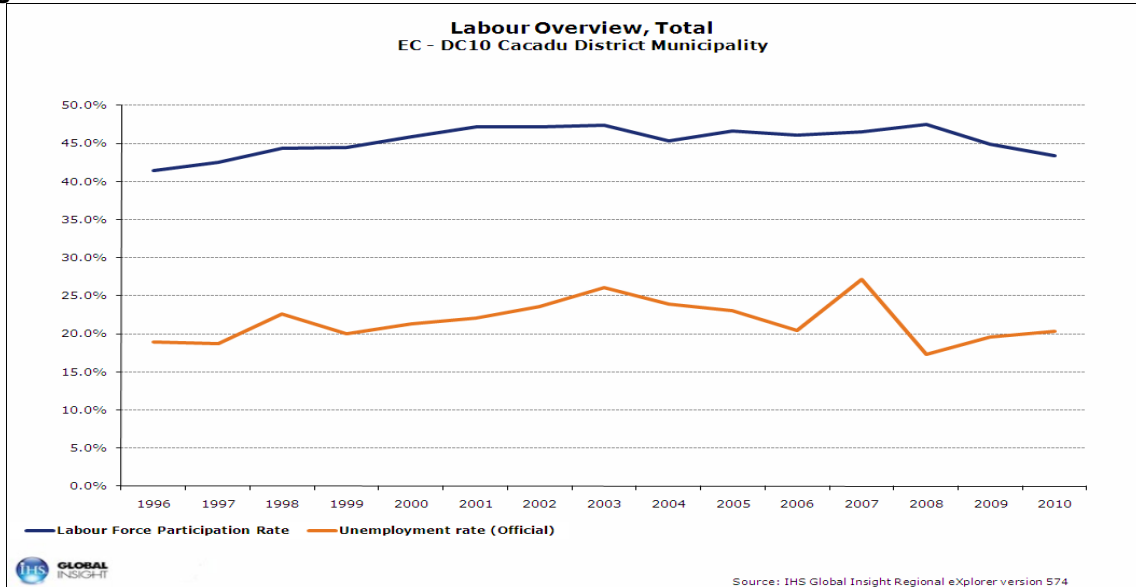
**Figure 2.16: Total Employment composition**



African male unemployment is relatively low by rural South African standards (21%) but is still high, especially since this is the official definition of unemployment and excludes permanently discouraged work seekers, the actual unemployment rate is likely to be much higher. African and Coloured females experience slightly higher unemployment at around 25%. The problem is less serious in the case of Coloured Males which is below 20%.



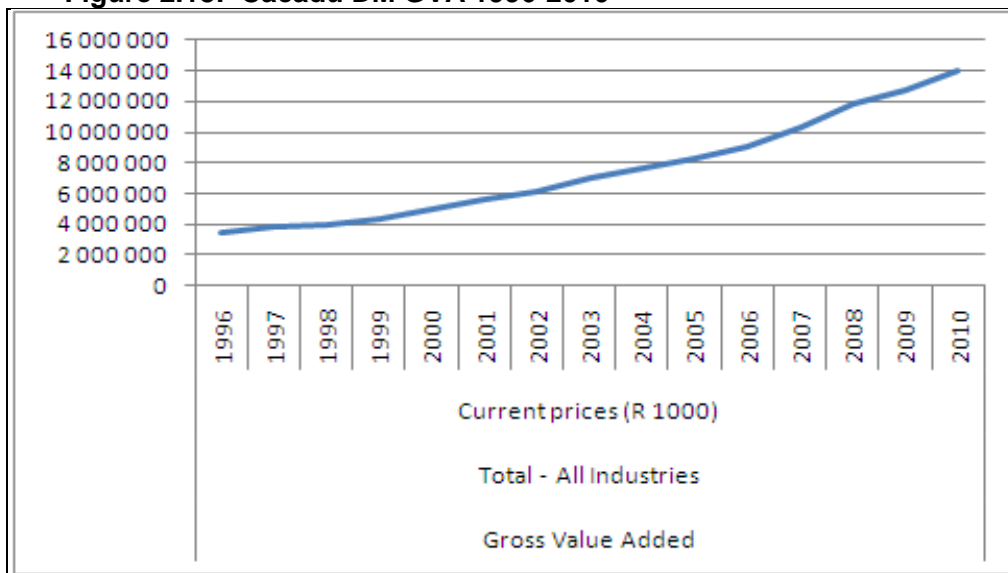
**Figure 2.17: Labour Overview**



**2.2.7 Economic Structure and Growth**

**2.2.7.1 Gross Value Added (GVA)**

**Figure 2.18: Cacadu DM GVA 1996-2010**

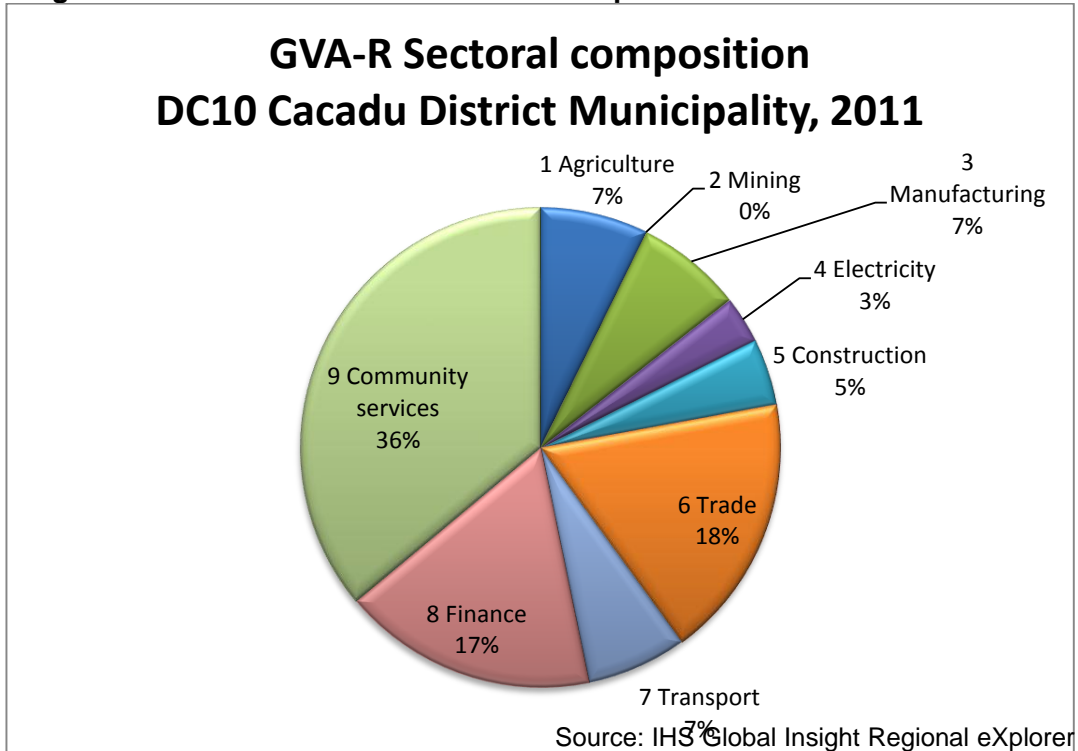


GVA has shown constant and steady growth and is currently at R14 billion

**2.2.7.2 Sector Breakdown**

The leading sectors in SRV in regard to Gross Value Added are Community Services, Trade (which includes tourism), Finance (which includes Real Estate), agriculture, manufacturing and transport.

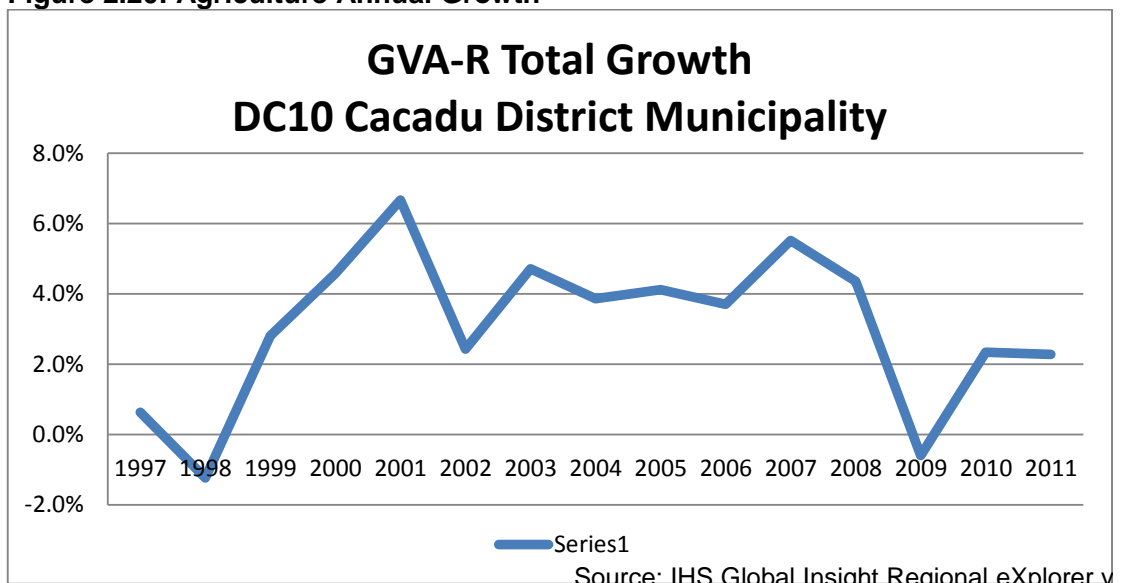
**Figure 2.19: Cacadu DM GVA-R Sector composition**



### 2.2.7.3 Cacadu Economic Growth Rate

Agriculture as a key but declining driving force in the economy indicates a strong “boom –bust” cycle

**Figure 2.20: Agriculture Annual Growth**



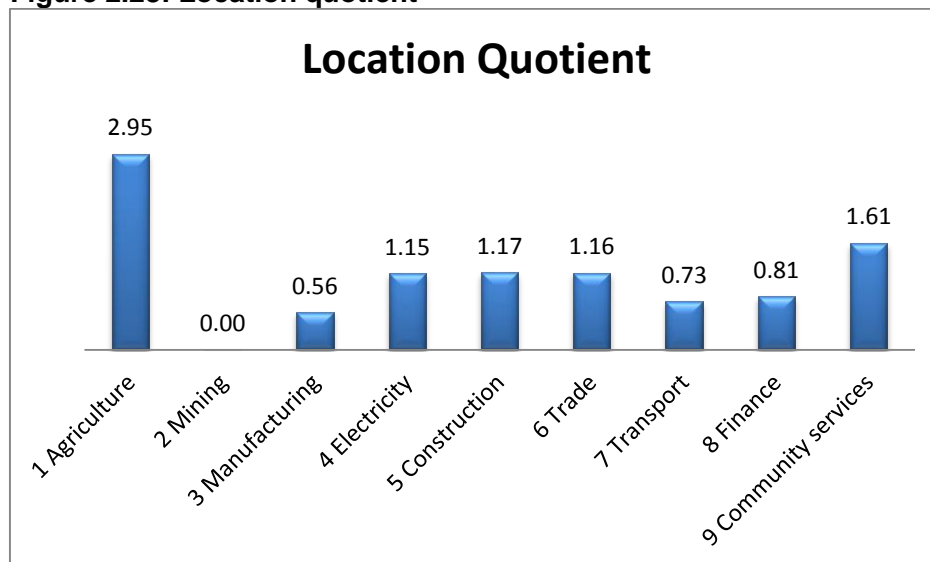
Manufacturing has been showing relatively weak growth over the past seven years and appears to have been hard hit by the recession. Construction growth has been highly cyclical with a progressive decline over the past four years. Trade (which includes retail and tourism) has

shown consistently positive growth since 2009 and appears to have recovered rapidly after the recession. Transport has shown consistently positive growth and rapid recovery after the recession. After a notable pre recession property boom, finance (which includes real estate) is indicating positive growth once more. Community Services has shown consistently positive growth since 2002.

### 2.2.8 Location Quotient

Cacadu has a strong specialization in agriculture when compared with rest of South Africa but this is declining in favour of trade and community services.

**Figure 2.28: Location quotient**

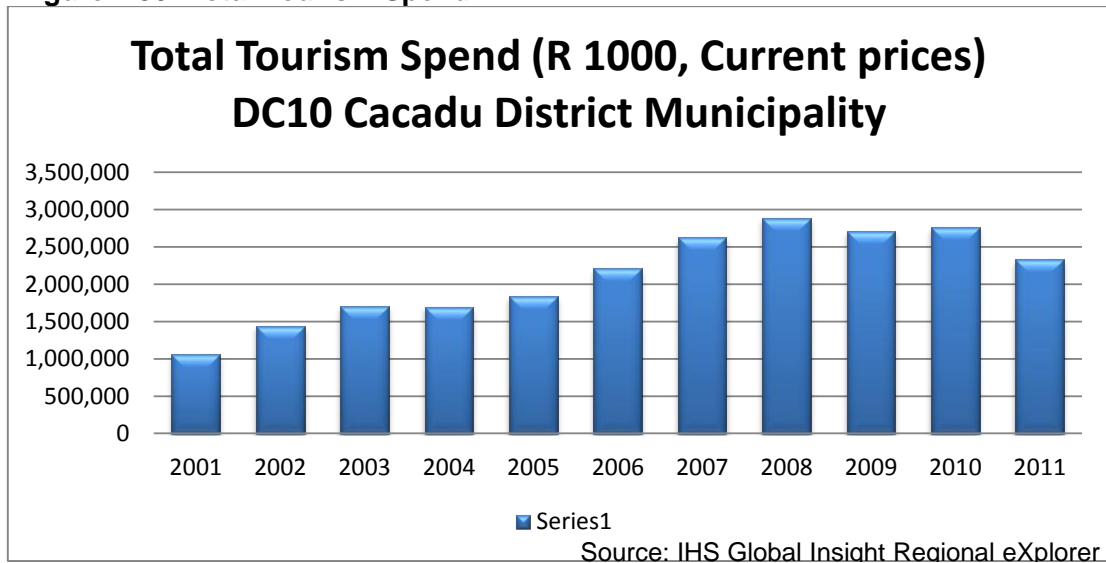


## 2.2.9 Tourism

### 2.2.9.1 Tourism Spend

Tourism spend has shown rapid growth and has reached a plateau at about R3 Billion per annum.

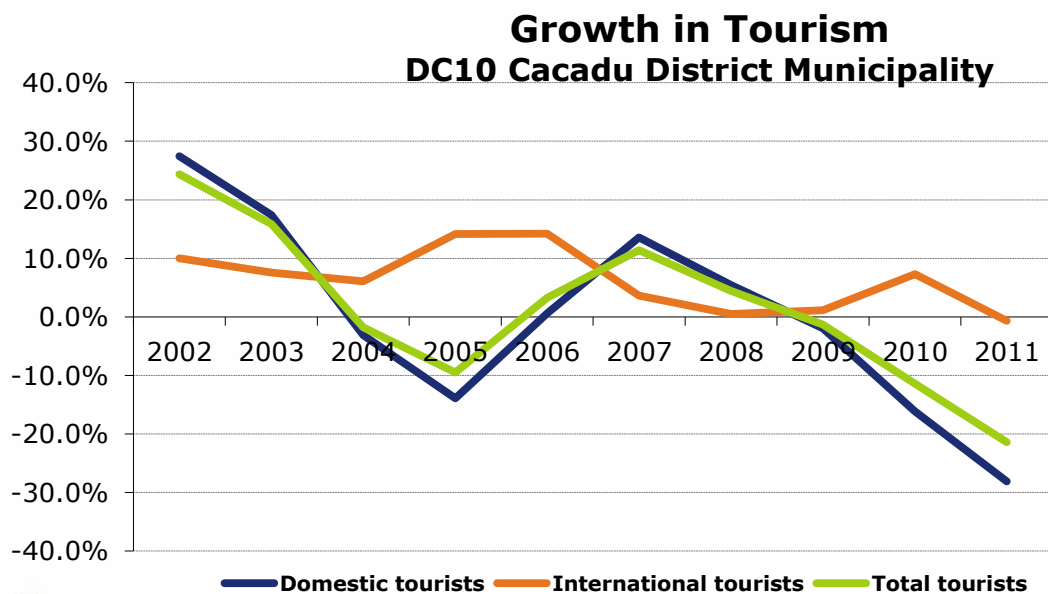
Figure 2.30: Total Tourism Spend



### 2.2.9.2 Visitor Numbers

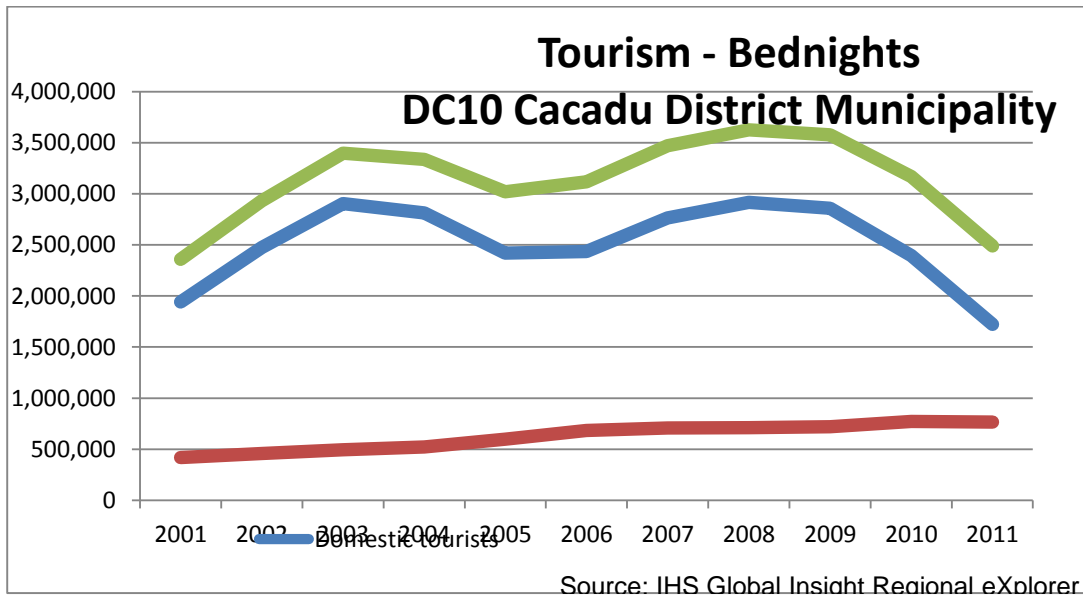
After a sharp decline, international tourism is rising again with domestic tourism remaining buoyant.

Figure 2.31: Growth in Tourism



### 2.2.9.3 Bed Nights Sold

Bed nights sold to foreign tourists are staying relatively constant at about 500 000 per annum whilst bednights sold to domestic tourists are heading towards the 3,5 million mark.



## **2.3 INSTITUTIONAL CAPACITY**

### **2.3.1 Powers and Functions**

The table that follows illustrates the powers and functions allocated to the Cacadu District Municipality along with its associated local municipalities.

Key issues relating to powers and functions within the Cacadu District are as follows:

- In terms of the Water Services Act, Act 108 of 1997 the Local Municipalities are Water Services Authorities and as such they are responsible for water services in their areas.
- In terms of the National Land Transport Act, Act 2 of 2009 the Cacadu District Municipality as a Type 2 Planning Authority is tasked with the responsibility of Transport Planning for the District and is therefore responsible for compiling and reviewing the Integrated Transport Plan.
- There are three road categories in the District namely Municipal, Provincial and National Roads. Local Municipalities are responsible for the construction, upgrading and maintenance of Municipal Roads, Province is responsible for Provincial Roads and National through the South African Roads Agency is responsible for National roads.
- In terms of the Disaster Management Act, Act 57 of 2002, the District is responsible for this function.
- According to the Municipal Structures Amendment Act, Act 1 of 2003, Fire fighting Services is the responsibility of the District Municipality.
- According to the Municipal Structures Amendment Act, Act 117 of 1998, Municipal / Environmental Health Services is the competency and function of the District Municipality. The function is currently being rendered on an agency basis by seven of the nine Local Municipalities.
- Housing is the competency of the Provincial Human Settlement Department.
- Refuse removal, refuse dumps and solid waste disposal is the competency of the Local Municipalities.
- According to the National Waste Management Strategy, all Local Municipalities are responsible for the management of solid waste as well as have the obligation of compiling an Integrated Waste Management Plan.

Table 2.6: Powers & Functions

	Cacadu	Camdeboo	Blue Crane Route	Ikwezi	Makana	Ndlambe	Sundays River Valley	Baviaans	Kouga	Kou-Kamma
<b>POWERS AND FUNCTIONS</b>										
Air pollution		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Building regulations	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Child care facilities		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Electricity reticulation	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Fire fighting	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Local tourism	Yes	Outsourced	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Municipal airports	Yes, excl. EC101, EC108	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes, incl. DM function	Yes
Municipal planning	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Municipal health services	Yes	No	No	No	No	No	No	No	No	No
Municipal public transport	Yes	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Pontoons and ferries		N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Storm water		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Trading regulations		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water (Potable)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sanitation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Beaches and Amusement facilities	No	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Billboards and the display of advertisements in public places	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Cemeteries, funeral parlours and crematoria	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Cleansing	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Control of public nuisances	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Control of undertakings that sell liquor to the public	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Facilities for the accommodation, care and burial of animals	No	N/A. SPCA function	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Fencing and fences	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Licensing of dogs	No	NOT ENFORCED	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Licensing and control of undertakings that sell food to the public	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Local amenities	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Local sport facilities	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Markets	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Municipal abattoirs	Yes	Privatised	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Municipal parks and recreation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Municipal roads	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Noise pollution	Yes, for EC103, EC106, EC107, EC109	Yes	Yes	No	Yes	Yes	No	No	Yes	No
Pounds	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Public places	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Refuse removal, refuse dumps and solid waste disposal	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Street trading	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Street lighting	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Traffic and parking	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

## **2.3.2 Cacadu Institutional Analysis**

### **2.3.2.1 Institutional Background to the CDM**

The Cacadu District Municipality was established after abolition of the Western District Council and was associated with the creation of the Nelson Mandela Metropolitan Municipality. As a metropolitan municipality, the Nelson Mandela Municipality received all income from RSC levies collected in its area of jurisdiction; previously these were paid to the Western District Council. This resulted in a reduction of 94% in the District's RSC Levy tax base.

The reduction in RSC levy income thus removed the capacity of the District Municipality to perform the key function for which it was previously established which was to provide financing for infrastructure projects. In the face of this, the Municipality embarked on a very substantial restructuring and downsizing exercise. The departmental structure was changed from six to three departments and the staff establishment reduced from 255 to 57 people (2002).

While this radical and decisive restructuring process has succeeded in avoiding complete financial collapse, much of the previous rationale for the existence of the District Municipality was also removed in the process. A critical issue was the determination of the new role the District Municipality.

The CDM has developed a new business model and institutional arrangements to support its business strategy. There have been a number of strategic interventions since 2002 to ensure that the necessary institutional capacity is created to enable the municipality to provide support to local municipalities and to achieve its developmental objectives.

### **2.3.2.2 The Development Facilitation Role**

CDM has the legal and policy mandate to undertake a development facilitation role. The development facilitation service integrates a number of different responsibilities of the district (such as the IDP, regional spatial planning, economic development and tourism, infrastructure implementation support, local capacity building and support) to provide a more efficient, integrated and holistic service. The strategic planning/IDP process at district and local level provides a strategic framework for development to identify appropriate projects. The capacity building and implementation support functions must assist local municipalities and other role players to develop coherent project plans, implement the projects and to improve service delivery.

This is supported by a resource leveraging role where CDM:

- identifies and secures potential funding for such projects from donors, national and provincial government and private sector investors;
- facilitates the transfer of appropriate knowledge and learning regarding similar projects from elsewhere in the municipal sector; and
- identifies appropriate partner organizations or individual specialists who help deliver the project where required.

In addition, CDM fulfils a monitoring and evaluation function in regard to the IDP and other projects. This role allows it to identify appropriate support interventions at an early stage where required and to regularly review the efficacy of its policy and strategic frameworks. It will also



provide a measure of comfort for funders where there are concerns regarding the capacity of the local municipality.

#### 2.3.2.3 Local Capacity Building and Support

CDM has already done significant work in developing approaches to supporting local municipalities and building their capacity. The CDM must therefore ensure that all national and provincial capacity building programmes active in the district are channeled through the district municipality and, if appropriate, be housed in CDM premises. This would provide a single, clear reference point and facilitate the co-ordination of local capacity building initiatives.

#### 2.3.2.4 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 was necessary in view of recent changes in the environment, to assess whether the existing organizational structure is still appropriate. The organizational structure is being reviewed on an ongoing basis 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.

#### 2.3.2.5 Development Priorities and Strategic Trust

At IDP / Budget Steering Committee meetings have resulted in the revision of the CDM's development priorities. These priorities were debated and adopted at the IDP / Budget Stakeholders Forum held on 13 December 2006.

The development priorities are:

- Capacity Building and Support to LM's;
- Infrastructure Investment;
- Economic Development; and
- Provision of Community Services.

The revision of the development priorities has had a significant influence on the institutional arrangements of the municipality. A clear was identified to realign functions and to establish two new departments - Economic Development and Community Services - and to abolish the Development Facilitation and Health Services department.

#### 2.3.2.6 Review of Organizational Structure

The capacity building and technical support for local municipalities was viewed as an important focus area and there is strong view that not enough resources and time are allocated to this function. At various strategic planning workshops there was general agreement that unless dedicated personnel / units are established to provide support and capacity building programmes, the district municipality will not make the desired impact in the district.

Over the last three years there have been a number of changes to the organizational structure which has seen a number of functions placed under the direct control of the Municipal Manager. These include Disaster Management, PMS, Fire Fighting, PRO, HIV and Aids and Special Programmes. This has resulted in a structure where the span of control of the Municipal Manager has been increased to such an extent that it was undermining the Municipal Manager's strategic and leadership role.

The relatively small income base of the CDM prevents it from deviating significantly from the 2003 principles and policies adopted in terms of its Development Facilitation Strategy. The municipality must ensure that its payroll costs are maintained within affordable limits. To reduce risks in this regard the CDM has carefully considered its service delivery options.

To facilitate the debate regarding organizational design which is appropriate for the CDM's Development Facilitation and Capacity Building / Support business model, a proposed organizational structure has been developed based on the following principles / assumptions:

- Dedicated personnel / units to provide capacity building and support programmes to local municipalities;
- Priority focus in the design must reflect and give optimal effect to the vision, mission and the capacity building and support function;
- Appropriate organization – Form should follow function. Where it is appropriate similar related functions should be grouped;
- Clear lines of accountability including manageable span of control;
- Use of ICT – the design should exploit modern information technology to establish efficient and effective communication and information management systems;
- Flexible approach to centralization and decentralization;
- Financial sustainability – the design should be realistic in terms of CDM's financial capacity.

It was also necessary to identify operational shortcomings which include:

- Duplication of functions;
- Overlapping of functions;
- Inappropriate splitting of functions;
- Lack of operational integration;
- Streamline the span of control of the Municipal Manager to enhance integration, co-ordination, management and oversight; and
- Identify clear reporting lines.

There have been a number of major developments in the broad local government environment which have necessitated changes to the institutional arrangements to meet ever growing challenges. These include:

- The provincialisation of Primary Health Care Services;
- Inadequate discretionary revenue sources requiring cost cutting measures;
- The ongoing efforts to align the organizational structure to the business model;
- To reduce span of control in the Municipal Managers office to ensure a strategic focus in the MM's office

Initially a high level structure approved by Council on 30 May 2007 made provision for four departments namely:

- Planning and Infrastructure Services;
- Economic Development;
- Community Services; and
- Finance and Corporate Services.

The biggest threat facing the institution was the fact that the municipality was balancing its budget with interest earnings which is not sustainable. These financial constraints and issues relating to the PHC function transferred to the municipality without financial resources has forced the municipality to review previous organizational structure arrangements resulting in the Council approving the following changes on 30 January 2008:

- The functions of Performance Management, Capacity building and SPU remain in the office of the Municipal Manager;
- The function of Disaster Management be placed under the Department: Planning and Infrastructure Services;
- The function of HIV and AIDS be placed under the Administrative Unit – Health Services which falls under the Municipal Manager;
- The function of Public Relations be placed under the Department: Finance and Corporate Services.

In line with the changes that affect the organisational structure of the District, Cacadu plans to review the organisational structure to include the changes that have taken place, the review will be done in the 2012/13 financial year for implementation in 2013/14 financial year. All existing posts attached to abolished departments have been transferred to the new department or existing departments.

2.3.2.5.1 The Revised Organizational Structure and changes are detailed below:

#### Municipal Manager

The PRO function is transferred to Corporate Services Division of the Department: Finance and Corporate Services. The Disaster Management and Fire Fighting Services functions are transferred to the Department: Infrastructure Services and Planning. The functions of Capacity Building and Support and Performance Management Systems, HIV and Aids and Special Programmes will remain in the office of the Municipal Manager.

#### Health Services Administrative Unit

Schedule 4 of the Constitution of the Republic of South Africa, Act No. 18 of 1996, accorded Primary Health Care Services to the Province as an area of exclusive provincial competency. The National Health Council resolved in line with the National Health Act of 2003, that the Primary Health Care services performed by various Municipalities within the Eastern Cape Province were reverted to the Department of Health (ECDoH). The National Health Council resolution was effectively implemented in Cacadu District on 01 January 2011. All eight (8) Local Municipalities in Cacadu District area including Cacadu District Municipality entered into Transfer Agreements with ECDoH to transfer the Primary Health Care Services with effect 01 January 2011

#### Department: Infrastructure Services and Planning

The provision of Infrastructure and Housing will always be an important function of any municipality. The infrastructure grant funding sources such as RSC Levies, NMMM and MIG have almost been exhausted. The future functions of the department will to a large extent be dependent on the availability of new sources of finance. However, there has been a planned and structured shift to a technical support and capacity building role. It has been decided to centralize all Strategic and Spatial Development Planning activities in the Directorate Infrastructure Services and Planning. In future personnel performing all functions relating to the Integrated Development Planning, IDP Support to local municipalities and Spatial Development will report to the Director: Infrastructure Services and Planning.

#### Department: Economic Development

The growing importance and responsibility of municipalities to create an enabling environment for economic development to flourish is recognized. Hence, a new department of Economic Development has been established. With the establishment of the Directorate: Economic Development, centralization of the planning and IDP support functions in the Directorate: Infrastructure Services and Planning and transfer of Capacity Building and Support to the Municipal Manager's office, the Directorate Development Facilitation was disestablished.

#### Department: Finance and Corporate Services

The department provides support services and its size, functions and services are dependent on the needs of its clients. The support services will have to be aligned to the needs of the line departments.

The basic business units / sections and the majority of business processes will continue uninterrupted. It will be necessary to establish the high level structure first and thereafter the placement of activities / services and processes to be placed under departments can be reviewed.

#### 2.3.2.6 Teamwork and Networking

The debates and discussions regarding appropriate institutional arrangements are based on organizational development principles and best practice to improve performance focused on the need to align functions. A hierarchical structure with elements of teamwork and effective networking will be introduced to facilitate creativity and flexibility. Research has established that teams which are committed to a common purpose and performance targets and which accept joint responsibility and accountability play an important role in achieving organizational goals and strategic objectives. Such teamwork can break down barriers to effective performance such as working in silos (departments). In future teams will be established to deal with cross cutting functions, issues and projects.

### 2.3.3 Institutional Issues – Local Municipalities

The table that follows illustrates pertinent operational issues as relevant to each local municipality within the Cacadu District.

**Table 2.7:** Institutional Issues – Local Municipality Scan

ISSUES	CAMDEBOO (12)	BLUE GRANE ROUTE	IKWEZI	MAKANA	NDLAMBE	SUNDAYS RIVER VALLEY	BAVIAANS	KOUGA	KOU-KAMMA	CACADU
Staff Establishment	504	300	72	587	466	210	112	1268	164	95
Vacancies Organizational Structure	188	24	32	100	13	51 (22 funded; 63 unfunded)	2	-	40%	16
Filled Positions	316	300	49	27 (more to come)	13	172	110	1268	60	79
Salary % of Total Budget	28% of total Budget 36% of Oper	39,5%	46%	41%	33,8%	32%	39%	38%	37,1%	22%
Free Basic Services (6kl/ water, 50 KW Electricity)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
By-laws	✓ (Revised during 2012)	✓	✓	✓	✓	✓	✓	✓	No	✓
Internal Audit	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Audit Committees	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Revenue Collection	78%	83%	49,6%	84%	82%	65%	74%	84%	55%	✓
AFS	✓ Up to date until 2011/12	✓	✓	✓	✓	✓	✓	✓	✓	✓
Budget	✓ 2013/14 (adjusted)	✓	✓	✓	✓	✓	✓	✓	✓	✓
Audit Report	✓ 2011/12 (Disclaimer)	09/10	08/09	09/10	06/07	09/10	10/11	08/09	✓	09/10
Audit	December 2012	Aug. 2010	✓	✓	✓	16 Feb 2011	Oct 11	✓	✓	2010
MFMA Implementation (Compliance Cost)	✓ MPAC in place	No Committee	No Committee	No Committee	No Committee	✓	✓	✓	No Committee	MPAC in Place
GAMAP / GRAP Compliance	✓	Yes, with use of Directive 4	No	Yes	1/7/09	✓	Partly done	✓	No	✓
SCM Compliance	✓ (all in place & functioning)	✓	✓	✓	✓	✓	✓	✓	No	✓
Asset Register	✓ (updated Annually)	Yes, being updated	✓	✓	Phase 1	✓	✓	✓	Yes (but not up-to-date)	✓
MM	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
CFO	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Job Evaluation	96%	97%	100%	100%	Not finalised	100%	100%	Awaiting agreement	90%	98%

ISSUES	CAMDEBOO	BLUE GRANE ROUTE	IKWEZI	MAKANA	NDLAMBE	SUNDAYS RIVER VALLEY	BAVIANS	KOUGA	KOU-KAMMA	CAGADU DIMA
Information Management System	√	No	40%	√	√	√	√	√	√	√
Delegations	Approved but still to be implemented	√	50%	√	√	√	√	√	√	√
PMS	√ (in process of being fully implemented)	√	60%	√ Not complete (60%)	√	√	√	√	No	√
Skills Development Plan	√	√	√	√	√	√	√	√	√	√
Employment Equity Plan	√ (Draft only)	No	√	√	√	√	√	√	√	√
Assistance Plan	No	√	In progress	Yes	No	√	No	√	No	√
Occupational Health & Safety	√	√	No	√	No	√	No	√	No	√
Website/Communication Plan	Website : √ Communication Plan : No	√	Serv. prov appointed, reviewing website	√	√	Yes, Website No Plan	Yes	√	No	Yes
Customer Care Strategy (Batho Pele)	No	√	√	√	No	No	√	No	No	√
Indigent Policy	√	√	√	√	√	√	√	√	√	√
HIV/AIDS Plan	Draft HIV/AIDS Policy	√	48%	√	√	√	Yes	√	No	√
Focus Groups - Good Gov. Survey	No	√	√	√	√	√	Yes	√	√	NA
Programme (Youth, Gender, Disability)	√	No	√	√	√	√	Yes	√	No	√
Financial Delegations	√	√	√	√	√	√	√	√	√	√
Procurement Framework	√	√	√	√	√	√	√	√	√	√
Audit Committees	√	√	√	√	√	√	√	√	√	√
Disaster Management Plan	√	No	N/A	√	No	√	√	Draft	No	Yes
Project Management Unit	√	No	√	√	√	√	√	√	√	√
Organisational Structure	√ (revised during 2012)	√	√	√	√	√	Yes	√	√	√
Fin. Maintenance Budget	√	√	√	√	√	√	√	√	No	√
Capital Expenditure Budget	√	√	√	√	√	√	√	√	√	√
Number of Wards	7	5 On 1 July 2011 - 6 wards	1 On 1 July 2011 - 4 wards	12 On 1 July 14 wards	9 On 1 July 10 wards	7 On 1 July 8 wards	4	10 On 1 July 2011 15 wards	5 On 1 July 2011 6 wards	NA

Source : Cacadu Database

### 2.3.4 Capacity Challenges

The Cacadu District Municipality is obliged in terms of section 83 (3) of the Local Government Municipal Structures Act, 1998, Act No,117 of 1998, to ensure that the nine local municipalities within the Cacadu District can fulfil their responsibilities.

In 2007 Cacadu District Municipality developed and adopted a District-Wide Capacity Building Strategy with associated focus areas. Although certain successes have been achieved in terms of the District Wide Capacity Building Strategy capacity challenges still remain within Local Municipalities as suggested by the IDP Assessment Tool as developed by the then Department of Provincial and Local Government (DPLG).

As such projects contained within the CDM's SDBIP seek to fulfil the CDM's capacity building mandate. Those programmes as contained within the CDM's SDBIP seek to support Local Municipalities in the gaining of knowledge, communication and managerial skills necessary to address sustainable development. To operationalise this approach, the CDM's capacity building interventions are viewed as a process that involves value added instruction, the training of trainers, activities with multiplier effects, and networking. This involves both institutional capacity-building, as well as human capacity-building.

Based on current trends Local Municipalities have been categorised per their capacity building requirements, namely:

- Kouga, Ikwezi, Blue Crane Route, Kou-Kamma, Sundays River Valley: High capacity related interventions required.
- Baviaans, Makana, Ndlambe: Medium capacity related interventions required.
- Camdeboo: Low capacity related interventions required.

The CDM's Department of Infrastructure Services & Planning has more than sufficient capacity to implement programmes and Projects under the current funding windows of Council. There is a possibility that should external funding of infrastructure development fail, the capacity we have is a waste of resources. The current organizational structure assume that the District is a water service authority which is not the case, therefore, it can be expressed that there are two possibilities that the council should take: i) Review powers and functions to incorporate water and sanitation functions so that we qualify the current organogram. (ii) Review the current organogram to suite the services the District renders under the current powers and functions. The existence of Infrastructure and Planning department is key to the existence of the District as a service organization. The capacity of the department warrants its capability to serve as a water service authority. However, the organogram will change for better as soon as the conclusion is reached to take over the function of a WSA. The Department is also faced with the possibility of rendering Roads services on behalf of the Department of Roads, Transport and Public works. It is envisaged that this agency service will be finalised in a period of two years, unless a different model is realised at a later stage. This poses a challenge with regards to internal capacity of infrastructure personnel as far as project management and contract administration is concerned. Professional registration with Engineering Council of South Africa becomes one of the key important milestones required to be met by our personnel to effectively and efficiently render these services. Municipal health services are currently rendered through Local Municipalities on an agency basis, however, this services could be required to be strengthened if the District becomes a WSA. Fire services are rendered with limited financial resource to expand the service to all strategic points for incident management. The department is faced with a challenge to resource this unit adequately. It is envisaged that a satellite fire



services station and an incident management centre will be established in the near future in Paterson, this done in collaboration with health department and Municipal and Provincial Traffic Departments.

## **2.4 INFRASTRUCTURE OVERVIEW AND ACCESS TO SERVICES**

### **2.4.1 Locational Characteristics**

The Cacadu District Municipality has a land mass that is dominated by a semi-desert Karoo landscape. The area is characterised by a narrow low-lying land strip along the coast from the west (Storms River) to the east (Port Alfred). Prominent mountains and catchment areas include the Kouga Mountains in the south and the Snow Mountains north of Graaff-Reinet. The central area of the district is characterised by typical Karoo plains between Steytlerville, Jansenville and Rietbron which is periodically subject to drought conditions.

Climatic conditions in the Cacadu District vary from mild conditions and moderate rainfall along the coast to harsh conditions and low rainfall in Karoo. The Tsitsikamma forest in Kou-Kamma Municipality experiences an average summer temperature of 23<sup>0</sup>C, and a winter average of 17<sup>0</sup>C, with an average annual rainfall of 945mm. The town of Graaff-Reinet in Camdeboo Municipality experiences average summer temperatures of 31.5<sup>0</sup>C and winter average winter temperatures of 19.4<sup>0</sup>C with an average annual rainfall of 255mm.

### **2.4.2 Settlement Patterns**

The Cacadu District is characterized by a web of settlements of various sizes scattered over more than 60 000km<sup>2</sup>, originating from the “Ox-wagon trip” planning era. The spatial settlement pattern gives rise to a very particular infrastructure challenge. In towns where the population is concentrated, the existing infrastructure was not planned adequately to cope with rapid development that has occurred over the last decade. To extend the existing infrastructure in towns, services must traverse over long distances into sparsely populated rural hinterlands presenting major challenges. The terrain, due to its Karoo nature, is harsh presenting a shallow hard rock surface that cannot be excavated by hand. Many settlements are further than 250 km’s away from Port Elizabeth. This has an effect on service delivery, as major suppliers and service providers are residing in the Port Elizabeth.

### **2.4.3 Road, Transport and Rail Network**

#### **2.4.3.1 Road Network**

The Cacadu District is extensively covered by a network of both road and rail, with road being the preferred mode of transport.

A total of 8 420km of roads cover the Cacadu District. A vast portion (82% - approximately 6 880km) of the total road network are gravel roads. This is the second largest challenge the District faces, water being the largest. By their nature gravel roads are maintenance intensive and need a structured maintenance programme that will be resourced accordingly, both financially and in terms of human resources.

Cacadu District Municipality in accordance with Legislation is the Planning Authority in the region for the integration of transportation planning activities. The provincial department of Transport and Public Works is the custodian of all District and major roads in the District. The National Roads are administered by the South African Roads Agency Limited (SANRAL). Local Municipalities are responsible for all internal and access roads.

**Table 2.8: Length of Surfaced & Gravel Roads per LM**

Municipality	Gravel Length	Surfaced Length	Total Length
Makana	588.2	169.2	757.4
Blue Crane Route	1 127.1	154.7	1 281.8
Baviaans	827.01	131.8	958.80
Ikwezi	670.1	78.7	748.7
Kou-Kamma	333.90	203.11	537.01
Kouga	305.8	226.9	532.9
Ndlambe	453.6	167.2	620.8
Camdeboo	1 057	263	1320
Sundays River Valley	536.9	204.9	741.8
Former District Management Areas	1 341.6	106.7	1 448.3
<b>Total</b>	<b>7 241.21</b>	<b>1 706.21</b>	<b>8 947.51</b>

Source: Cacadu Database

In 2007, the national Department of Transport compiled an assessment of the municipal road network throughout the entire country. It is of great concern to note that more than 20% of the surfaced road network is in a poor or very poor condition. It is a generally accepted norm that a good road network should not have more than 5% of the surfaced roads below a fair condition, which means that the provincial road network is in dire need of rehabilitation and maintenance.

**Table 2.9: Condition Index: Surfaced Provincial Roads**

Road Category	Condition	Length (km)	Percentage (%)
Surfaced Roads	Very Good	58.23	3.67%
	Good	219.0	13.79%
	Fair	988.55	62.26%
	Poor	322.04	20.28%
	Very Poor	0.0	-
<b>Total</b>		<b>1 587.82</b>	<b>100%</b>

Source: ECDRPW Road Asset Management System

**Table 2.10: Condition Index: Gravel Provincial Roads**

Road Category	Condition	Length (km)	Percentage (%)
Gravel Roads	Very Good	42.45	0.68%
	Good	717.69	11.54%
	Fair	3 000.66	48.26%
	Poor	1 863.86	29.98%
	Very Poor	592.62	9.53%
<b>Total</b>		<b>6 217.28</b>	<b>100%</b>

Source: ECDRPW Road Asset Management System

#### 2.4.3.2 Non-Motorised Transport

##### a. Animal-drawn transport

Animal-drawn carts are occasionally found in the rural areas, but no formal inventory of these vehicles has been made. These vehicles are not licensed and are not allowed on public roads, however, in certain areas, such as on the N2 and R67 near Grahamstown, owners ignore traffic rules and travel on the surfaced roadway, resulting in a major traffic safety problem.

##### b. Bicycle transport & facilities

There is generally no provision for bicycle travel within the CDM. Cyclists share the travelled way with motorized traffic. Cycling, however, is not a prevalent form of transport in the district, but is predominantly are creational sport activity.

##### c. Sidewalks and walkways

Visual assessments of the primary transport corridors in the CDM indicate a dire need for the provision of sidewalks and walkways. Given the limited income profile of the rural population, and the close proximity of residential townships to the business nodes in most of the towns, walking is one of the main transport modes in the CDM. Despite this, there is a distinct lack of suitable pedestrian facilities, and where sidewalks or walkways are present, these are often in a poor condition. The lack of verge maintenance along primary routes often results in pedestrians sharing the travelled way with motorized transport.

**Table 2.11: Pedestrian Infrastructure requirements within CDM**

Local Municipal Area	Length of Sidewalks (km)	Length of Walkways (km)
Baviaans	10.21	4.97
Blue Crane Route	17.97	6.71
Camdeboo	14.88	4.78

Local Municipal Area	Length of Sidewalks (km)	Length of Walkways (km)
Ikwezi	5.29	0.00
Kouga	31.90	7.07
Koukamma	15.69	1.75
Makana	0.00	0.00
Ndlambe	37.21	6.29
Sundays River Valley	16.53	4.70
<b>Total</b>	<b>149.68</b>	<b>36.26</b>

Source: Integrated Transport Plan

#### 2.4.3.3 Scholar Transport

The majority of scholars walk to school. In the urban areas, more than 80% walk, whilst this percentage is slightly lower in the rural areas, with a higher percentage using public transport (bus and taxi) than in the urban areas. This can probably be attributed to the fact that scholar transport contracts are in place in some of the rural areas.

**Table 2.12: Modal Split for Scholars per School Type (Urban/Rural)**

Mode	Percentage of Scholars per School Type	
	Urban (within town or township)	Rural
Walking	80.2	69.1
Car	5.6	0.2
Bus	5.9	14.5
Taxi	5.9	11.3
Bicycle	1.1	1.5
Other	1.4	3.4
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Source: Integrated Transport Plan

#### 2.4.3.4 Public Transport

##### a. Mini-bus Services

There are nine registered taxi associations in the CDM. The OLAS indicates a registered membership of 749 persons, who operate a total of 473 vehicles that have operating licenses and are operating legally. The only location where bakkie taxis were identified is in Port Alfred, but the extent of bakkie taxi utilization has not been quantified.

**Table 2.13: Taxi Associations and Membership**

Association Name	Abbreviated Name	Claimed Members	Members with OL's	Vehicles
Graaff-Reinet UNCEDO Service TA	USTA (Graaff-Reinet)	14	4	7
Grahamstown Taxi Association	GRATA	125	14	26
Grahamstown UNCEDO Service TA	USTA (Grahamstown)	109	13	26
Humansdorp Taxi Association	HUMATA	137	47	124
Norwich Long Distance TA (Graaff-Reinet)	NOLDTA (Graaff-Reinet)	238	58	102
Norwich Long Distance TA (Somerset East)	NOLDTA (Somerset East)			
Norwich Long Distance TA (Willowmore)	NOLDTA (Willowmore)			
Port Alfred Uncedo Service TA	USTA (Port Alfred)	126	10	18
Uitenhage & District TA (Kirkwood)	UDTA (Kirkwood)	-	121	170
<b>Total</b>		<b>749</b>	<b>267</b>	<b>473</b>

Source: Integrated Transport Plan

There are currently a total of 31 mini-bus taxi facilities located in the CDM. In addition to these stops, nearly 100 major stops along these routes were identified in the 2008 CPTR.

**Table 2.14: Taxi facilities in the Cacadu District**

Municipality	Ranks		Stops
	Formal	Informal	
Baviaans	1	0	0
Blue Crane Route	2	1	1
Camdeboo	2	1	27
DMA	1	1	0
Ikwezi	1	0	0
Kouga	3	2	9
Koukamma	0	1	0
Makana	4	2	44
Ndlambe	5	0	17
Sundays River Valley	2	2	0
<b>Total</b>	<b>21</b>	<b>10</b>	<b>98</b>

Source: CDM Integrated Transport Plan

#### b. Bus Services

No subsidized bus services are provided within the Cacadu district. Bus services in the district are therefore limited to long distance bus operations on the main routes through the district, and one private operator who is based in Jansenville and own seven buses that run from Jansenville via Uitenhage to Port Elizabeth three times per week.

The routes, stops and schedule for the long distance buses that operate within the Cacadu are indicated in table below.

**Table 2.15: Long Distance Bus Operations**

Operator	Route	Road	Stops
City to City / Translux	Durban / Cape Town	N2	Grahamstown, PE, Humansdorp, Storms River
	Cape Town / Durban	N2	Storms River, Humansdorp, PE, Grahamstown
	PE / Johannesburg	N2, R67	Grahamstown
	Johannesburg / PE	R67, N2	Grahamstown
	Johannesburg / Cape Town	N9(R57), R61	Graaff-Reinett, Aberdeen
	Cape Town / Johannesburg	R61, N9(R57)	Aberdeen, Graaff-Reinett
Greyhound	Durban / Cape Town	N2	Grahamstown, PE, Humansdorp, Storms River
	Cape Town, Durban	N2	Storms River, Humansdorp, PE, Grahamstown
	PE / Johannesburg	N2, R67	Grahamstown
	Johannesburg / PE	R67, N2	Grahamstown
Intercape	PE / Johannesburg	N2, N10	Cookhouse
	Johannesburg / PE	N10, N2	Cookhouse
	George / Johannesburg	N9(R57)	Willowmore, Aberdeen, Graaff-Reinett
	Johannesburg / George	N9(R57)	Graaff-Reinett, Aberdeen, Willowmore
	PE / Cape Town	N2	Humansdorp, Storms River
	Cape Town / PE	N2	Storms River, Humansdorp
SA Roadlink	Durban / Cape Town	N2	Grahamstown, PE, Humansdorp, Storms River
	Cape Town / Durban	N2	Storms River, Humansdorp, PE, Grahamstown
	PE / Johannesburg	N2, N10	Cookhouse
	Johannesburg / PE	N10, N2	Cookhouse
DMJ Tours	Umtata / Cape Town	R63, N9(R57), R61	Cookhouse, Somerset East, Pearston, Graaff-Reinett, Aberdeen
	Cape Town / Umtata	R61, N9(R57), R63	Aberdeen, Graaff-Reinett, Pearston, Somerset East, Cookhouse

Source: ITP data surveys 2010

#### 2.4.3.3 Metered Taxi

There are no metered taxis operating licences that have been issued within the district.

#### 2.4.3.4 Roads Prioritization Model

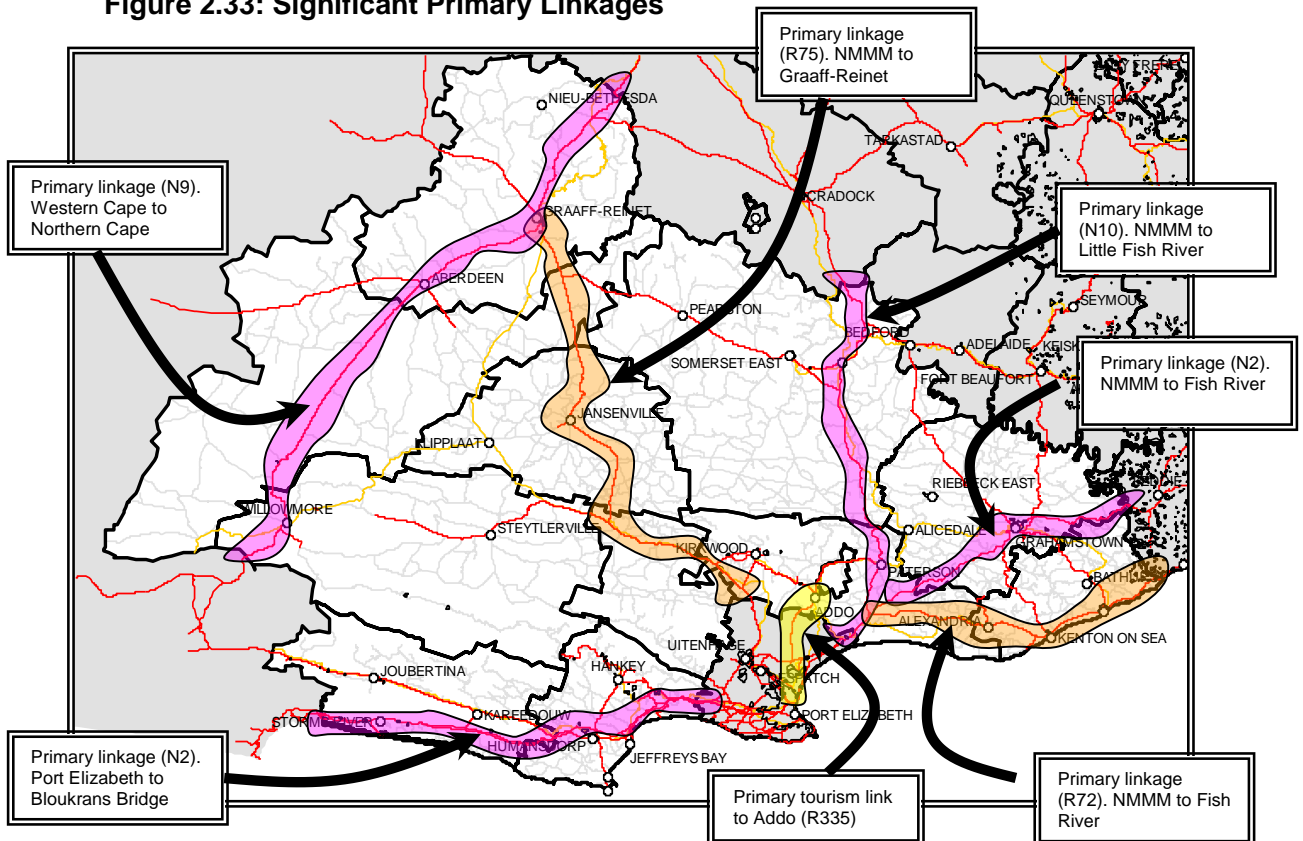
The CDM has recently developed a roads prioritization model to guide economic infrastructure investment and lobby with provincial and national government for funding and expenditure.

The model takes into account a number of inputs, namely:

- Road Condition
- Traffic volumes
- Road Class
- Public transport routes
- Social facilities (health, police, schools etc.)
- Gross Value Add (GVA – Agriculture & Forestry, Community, Financial, Infrastructure, manufacturing, mining and retail)
- Tourism

Weightings can be assigned to each of these factors, from which an algorithm is then generated and prioritization can then be done. Prioritization can therefore be determined for various scenarios, depending on the focus/aim of the exercise.

**Figure 2.33: Significant Primary Linkages**



#### 2.4.3.5 Road Safety

In an attempt to address road safety in the District the CDM has developed a road accident database which includes the following key elements:

- An easy to use management system linked to GIS.
- Accurate locating of accidents.
- Accurate data recording and capturing.

The programme was not only developed to manage accident data and ensure proper storage but also to generate reports from the analysis done on the data. Overleaf is an example of some of the reports that can be created from the programme.



Figure 2.34: Results from the Data Analysis:

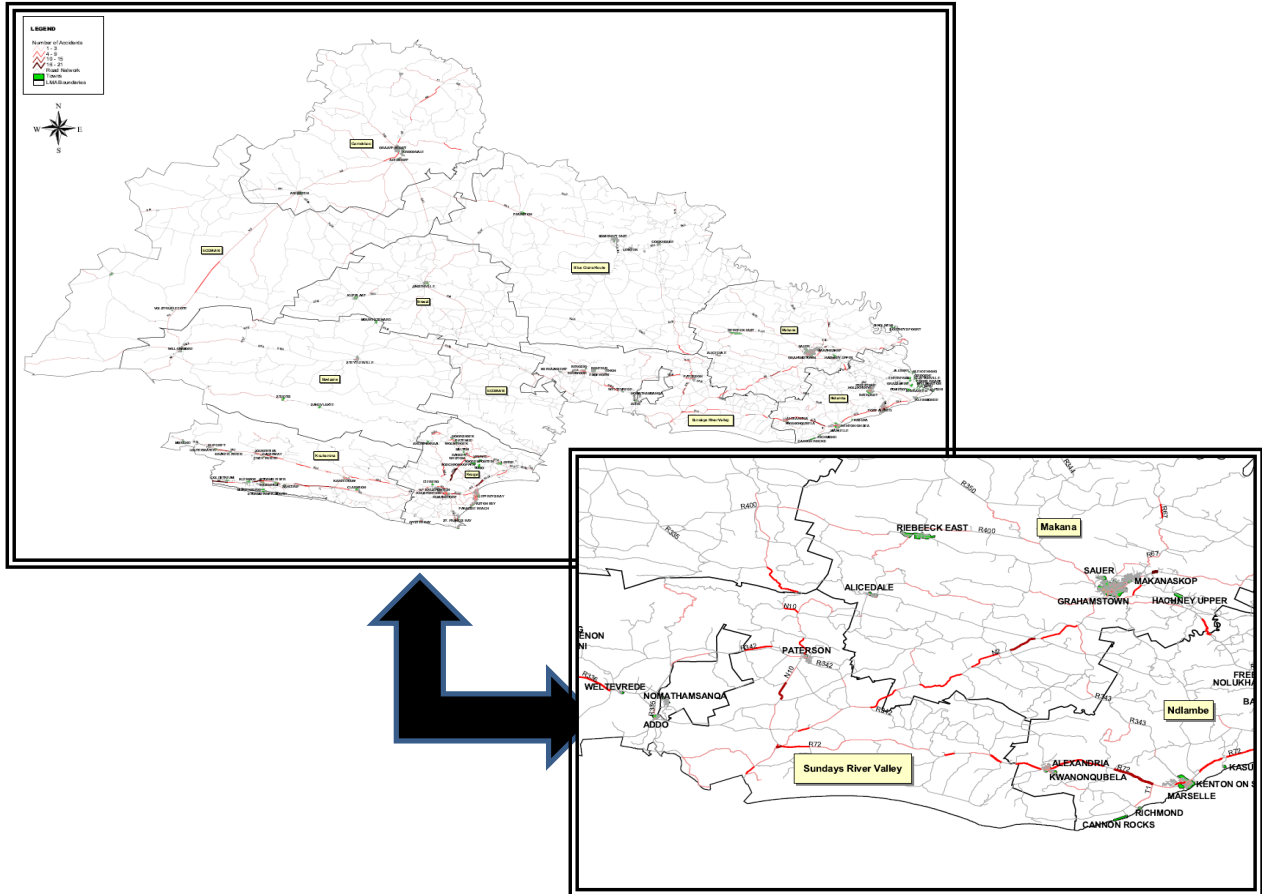
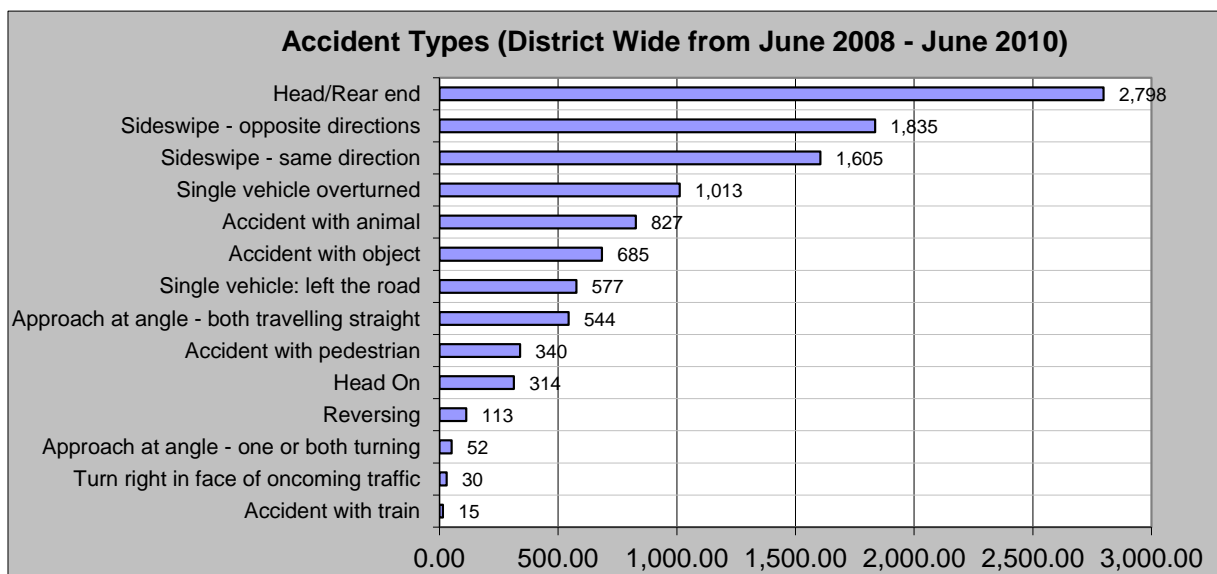
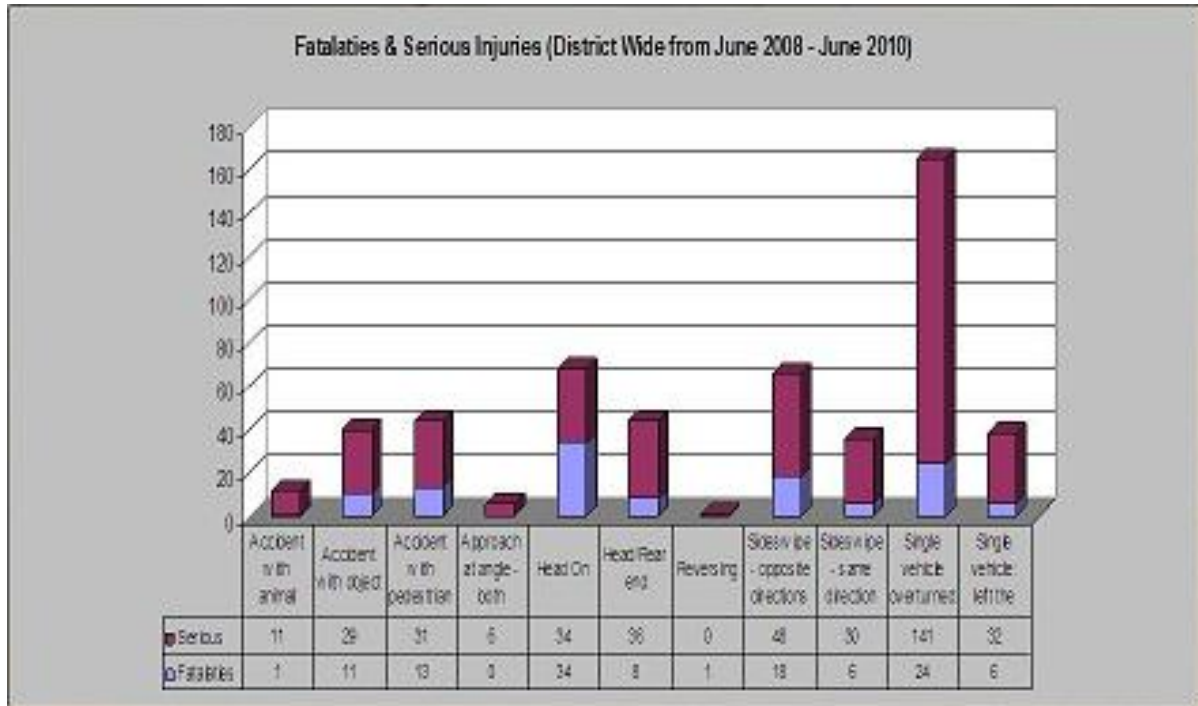


Figure 2.34: District Wide Accident Types: June 2008 to June 2010





**Figure 2.35: District Wide Fatalities and Serious Injuries: June 2008 to June 2010**



The reports from the analysis enables the CDM to identify areas where accident occurrences are most prevalent as well as the type of accidents that are predominant in certain areas on the road network. This therefore enables the CDM to devise actions that would assist in reducing the rate of accidents i.e. increasing signage, upgrading intersections, increasing lighting, introducing devices that repel animals from the road etc. This also enables the CDM to plan holistically for road safety as well as try and influence government programmes for road safety awareness campaigns.

#### 2.4.3.6 Rail Infrastructure

The rail network that used to be a vibrant back-bone to the economy of the District has been neglected and is in a state of dilapidation resulting in the collapse of towns like Cookhouse (Blue Crane Route), Paterson (Sundays River Valley) and Klipplaat (Ikwezi). The narrow gauge line, well known as the “Apple Express”, occasionally operates leisure tours to Thornhill and Van Stadens River Bridge. Limited activity is also experienced in the Langkloof (Kareedouw, Krakeel, Louterwater, with a branch to Patensie in Kou-Kamma Municipality) used for rolling stock.

The ECDOT recently completed a 10 Year Rail Plan which included a status quo assessment of rail infrastructure in the Eastern Cape. The data in this section has been extracted from the status quo assessment.

Shosholozameyl, the long distance rail passenger service, which is part of the South African Rail Commuter Corporation, currently operates four scheduled services to and from the Eastern Cape, of which only two services traverse the Cacadu District.

- **Johannesburg – Port Elizabeth – Johannesburg (Tourism class)**

This service departs Johannesburg on Mondays and Fridays and Port Elizabeth on Tuesdays and Sundays. In the Eastern Cape it Stops at Port Elizabeth, Alicedale, Cookhouse, Cradock and Rosemead.

- **Johannesburg – Port Elizabeth – Johannesburg (Economy class)**

This service runs daily in each direction except Saturday. It stops at the same stations as the previous service.

The following services are provided on the branch lines in the Cacadu District:

- **Alicedale – Grahamstown branch**

A two coach passenger train transport passengers between Alicedale and Grahamstown (and back on the same day), at a frequency of 1 train per day in each direction. This service is under threat from the local taxi industry that is actively trying to lure passenger away.

- **Uitenhage – Klipplaat – Willowmore branch line**

Only freight trains operate along this line, usually 10 – 16 wagons, at a frequency of 0,8 per day in each direction.

- **Cookhouse – Fort Beaufort – Blaney branch line**

Between Blamey and Fort Beaufort, 11 wagon trains move in each direction at a frequency of 1, 3 per day. Between Fort Beaufort and Cookhouse, the frequency drops to half this number. Only freight is being transported.

- **Addo – Kirkwood branch line**

Six to fifteen wagon trains move along this line at a frequency of 0, 2 per day in each direction.

- **Port Elizabeth – Avontuur branch line**

This narrow gauge branch line (610mm versus the 1067mm of the Cape gauge network of the rest of South Africa), is unique in the sense that it does not connect to the rest of the rail network and it does have its own serviceable locomotives and rolling stock.

Transnet Freight Rail and Propnet are the owners of the rolling stock and the infrastructure. With a length of 285km, it is the longest railway line with such a narrow gauge in the world.

#### 2.4.4 Water Resources

The acquisition and provision of water resources in the Cacadu District is a challenge. The District depends predominantly on ground water for human consumption and agricultural activity, which is one of the drivers of the economy in the District.

The low inland rainfall results in sporadic droughts consequently drying up supply boreholes to towns and villages. The water quality during these periods deteriorates to levels that are unsafe

for human consumption. As a result of water being a scarce resource in Cacadu, there are competing demands between servicing the community and servicing agricultural production.

Drought conditions resulting in water shortages have been experienced in Willowmore, Steytleville (Baviaans Municipality), Jansenville (Ikwezi Municipality), Port Alfred (Ndlambe Municipality) and in Graaff-Reinet (Camdeboo Municipality).

A particular challenge exists in the town of Paterson (Sundays River Valley Municipality), where borehole exploration has not yielded any results. The town is currently experiencing a water crisis; this is exacerbated by the influx of people in search of government subsidized housing in the area. Along the coastal areas, in Ndlambe and Kouga in particular, there is a seasonal demand that doubles the normal demand over the holiday seasons. This has resulted in water shortages in the tourist towns of Port Alfred, Kenton-on-Sea (Ndlambe Municipality) and in Jeffreys Bay and Cape St Francis (Kouga Municipality).

Bulk services in the District are under pressure due to overloading and the lack of ongoing maintenance.

**Table 2.16: Major Predominant Dams in Cacadu District**

MAJOR DAM	MAJOR RIVER	MUNICIPALITY	USE
CHURCHHILL & IMPOFU	KROMME RIVER	KOUGA	DOMESTIC & IRRIGATION
LOERIE	KROMME RIVER	KOU-KAMMA	DOMESTIC
BEERVLEI	GROOT RIVER	BAVIAANS	FLOOD RETENTION
KOUGA	KOUGA RIVER	KOUGA	DOMESTIC & IRRIGATION
TRANSFER SCHEME	ORANGE RIVER via FISH RIVER INTO SUNDAYS RIVER	BLUE CRANE	DOMESTIC & IRRIGATION
• UITKYK SCHEME		SUNDAYS RIVER VALLEY	DOMESTIC & IRRIGATION
• GLEN MELVILLE DAM		MAKANA	

Source: Cacadu Database

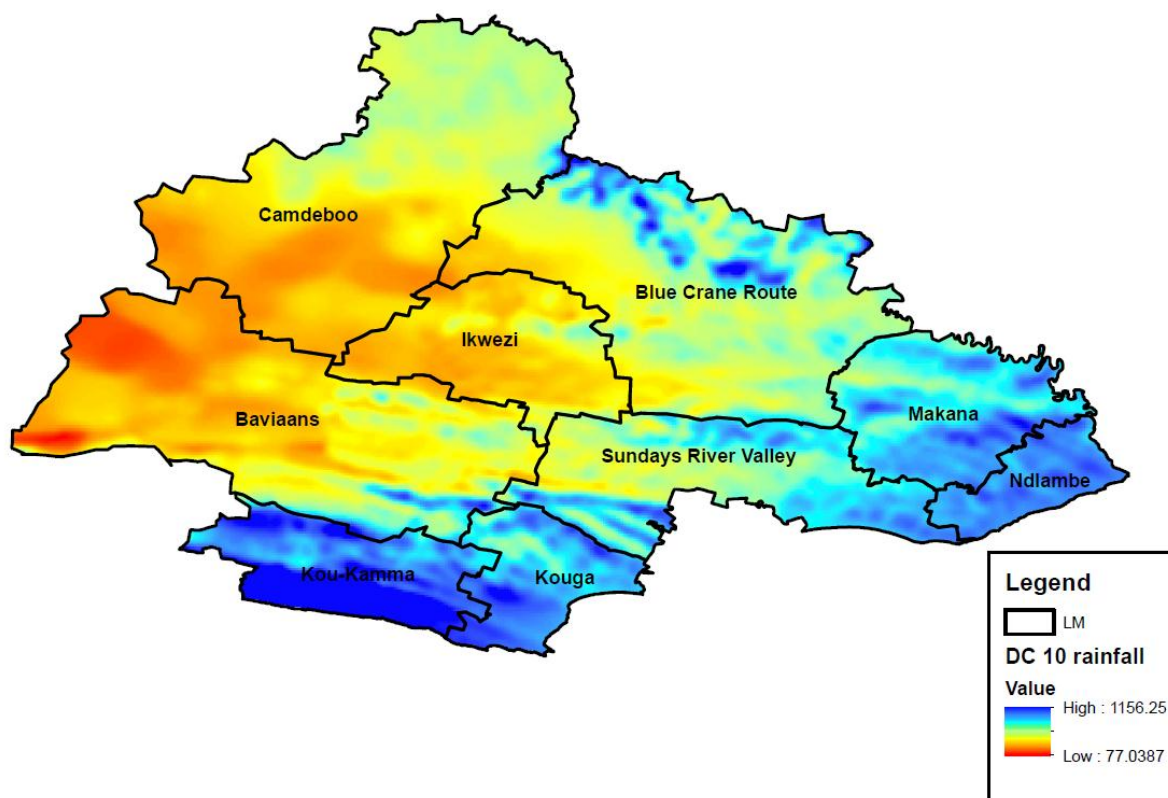
The three major dams, Churchill, Impofu and Loerie are situated in Kouga and Kou-Kamma Municipalities, and predominantly serve the Nelson Mandela Metro, with limited supply to Humansdorp, Jeffreys Bay and St Francis Bay. The transfer schemes were developed predominantly to serve the agriculture sector in the District. There is one water board in Ndlambe Municipality, the Albany Coast Water Board that services Bushmans River Mouth and Kenton-on-Sea. All nine (9) Local Municipalities in Cacadu District are Water Services Authorities.

The District has embarked on a Rainwater Harvesting project where it is envisaged that all low income households within the District will be equipped with rainwater tanks and gutters so as to harvest rainwater in order to substitute municipal supply. This will hopefully alleviate increasing demand on municipal supply.

The tables overleaf illustrate the rainfall figures per town as captured and recorded by the South Weather Services during the 2007 to 2011 period.

Funding is required to successfully implement the proposed Rainwater Harvesting Project discussed above.

**A: Rainfall for the Cacadu District Municipality**



The above maps shows rainfall patterns with the district. The coastal belt has the highest rainfall annually, the level of rainfall decreases as we move inland.

**Table 2.17: Funding Requirements for Rainwater Harvesting**

LOCAL MUNICIPALITY	FUNDING REQUIRED
Camdeboo	R36,368,000
Blue Crane Route	R31,049,000
Ikwezi	R10,157,000
Makana	R5,918,000
Ndlambe	R3,500,000
Sundays River Valley	R5,670,000
Baviaans	R14,250,000
Kou-Kamma	R41,470,000
Kouga	R10,270,000

Source: South African Weather Service

**2.4.5 Water & Sanitation**

Municipalities in the Cacadu District have achieved marked improvements in both the provision of water and sanitation. The number of households with water on site is almost double the Eastern Cape provincial average.

**Table 2.18: Access to water**

Access to Water	Water on site		Community Stand		Borehole/tank		Natural water/dam		Water vendor/other	
	Census 2001	RSS 2006	Census 2001	RSS 2006	Census 2001	RSS 2006	Census 2001	RSS 2006	Census 2001	RSS 2006
	%	%	%	%	%	%	%	%	%	%
Eastern Cape	37.4	41.8	25.3	25.1	4.0	3.8	31.4	28	1.9	1.4
Cacadu DC	74.7	85.8	17.9	10.0	3.1	1.4	2.8	1.4	1.5	1.3
Camdeboo	91.0	98.4	8.2	1.6	0.2	0.0	0.2	0.0	0.4	0.0
Blue Crane	76.8	100.0	13.4	0.0	3.2	0.0	4.4	0.0	2.2	0.0
Ikwezi	91.0	83.1	7.6	0.0	0.5	12.9	0.2	0.0	0.7	4.0
Makana	76.2	76.5	19.0	16.5	2.3	2.5	1.7	1.6	0.9	2.9
Ndlambe	62.1	69.2	27.3	19.7	5.6	0.7	3.1	8.3	1.8	2.2
Sundays River Valley	61.8	86.6	17.6	13.4	9.4	0.0	7.4	0.0	3.8	0.0
Baviaans	86.1	90.6	8.9	0.0	2.0	7.2	2.6	0.0	0.5	2.1
Kouga	75.2	83.6	22.4	15.3	0.4	0.0	0.8	0.0	1.1	1.1
Kou-Kamma	77.0	93.8	12.5	6.2	3.9	0.0	5.3	0.0	1.3	0.0

Source : Population Census 2001 & Rapid Services Survey 2006

**Table 2.19: Access to Sanitation**

Access to Sanitation	Flush toilet (connected to sewerage system)		Flush toilet (with septic tank)		Chemical toilet		Pit latrine with ventilation (VIP)		Pit latrine without ventilation		Bucket latrine		None	
	Census 2001 %	RSS 2006 %	Census 2001 %	RSS 2006 %	Census 2001 %	RSS 2006 %	Census 2001 %	RSS 2006 %	Census 2001 %	RSS 2006 %	Census 2001 %	RSS 2006 %	Census 2001 %	RSS 2006 %
Eastern Cape	30.9	31.1	2.2	1.3	2.0	0.6	5.6	7.2	23.1	33.9	5.6	4.0	30.6	21.8
Cacadu DC	40.3	67.8	11.1	3.5	0.8	0.0	5.3	0.1	16.2	4.9	14.3	14.5	12.0	9.3
Camdeboo	68.7	85.8	7.0	0.8	0.1	0.0	4.3	0.0	3.2	9.4	11.2	0.6	5.5	3.4
Blue Crane	47.1	74.2	4.1	0.0	2.5	0.0	1.4	0.0	8.0	0.0	20.1	25.8	16.7	0.0
Ikwezi	17.7	66.7	11.4	0.0	0.1	0.0	4.8	0.0	2.8	11.6	48.8	21.7	14.5	0.0
Makana	34.1	57.1	2.9	1.6	0.2	0.0	7.9	0.0	13.6	2.9	29.7	17.5	11.6	20.8
Ndlambe	24.3	44.7	27.3	4.7	0.5	0.0	5.8	0.7	28.0	0.7	0.6	17.0	13.6	32.2
Sundays River Valley	24.0	58.8	4.8	0.0	1.6	0.0	8.7	0.0	40.7	28.5	6.5	12.7	13.7	0.0
Baviaans	30.3	34.8	21.7	14.5	0.4	0.0	5.8	0.0	11.4	0.0	19.0	47.5	11.3	3.2
Kouga	51.8	75.2	10.8	7.9	0.7	0.0	2.5	0.0	9.8	1.5	13.3	11.8	11.0	3.5
Kou-Kamma	50.6	88.8	12.3	5.0	1.3	0.0	5.1	0.0	15.5	0.0	5.5	6.2	9.8	0.0

Source : Population Census 2001 & Rapid Services Survey 2006

## 2.4.6 Provision of Housing

There is a considerable housing need particularly within the emerging southern settlements of the District. The tables below indicate current and completed projects with respect to the Local Municipalities within the CDM's area of jurisdiction. Information was derived from the Housing Sector Plans of Local Municipalities for the period 2011 to 2016:

**Table 2.20: Housing Delivery per LM**

Camdeboo Local Municipality

Major Towns & Settlements	Approved Projects			
	No. of Projects	Units Completed	Units to be Constructed	Total
Graaff-Reinet	12	1 374	970	2 344
Aberdeen	2	745	414	1 159
Nieu-Bethesda	1	34	-	34
<b>Total</b>	<b>15</b>	<b>2 153</b>	<b>1384</b>	<b>3 537</b>

Blue Crane Route Local Municipality

Major Towns & Settlements	Approved Projects			
	No. of Projects	Units Completed	Units under Construction	Total
Somerset East	4	1 679	169	1848
Cookhouse	2	669	155	824
Pearston	4	467	400	867
<b>Total</b>	<b>10</b>	<b>2 815</b>	<b>724</b>	<b>3 539</b>

Ikwezi Local Municipality

Major Towns & Settlements	Approved Projects			
	No. of Projects	Units Completed	Units under Construction	Total
Jansenville	3	561	-	561
Klipplaat	3	657	418	1 075
Waterford	-	-	-	-
<b>Total</b>	<b>6</b>	<b>1 218</b>	<b>418</b>	<b>1 636</b>

Ndlambe Local Municipality

Major Towns & Settlements	Approved Projects			
	No. of Projects	Units Completed	Units under Construction	Total
Port Alfred	5	3 369	120	3 489
Alexandria	6	1 986	401	2 387
Bathurst	7	1 699	50	1 749
Kenton-On-Sea	5	1 525	933	2 458
<b>Total</b>	<b>23</b>	<b>8 579</b>	<b>1 504</b>	<b>10 083</b>

Sundays River Valley Local Municipality

Major Towns & Settlements	Approved Projects			
	No. of Projects	Units Completed	Units under Construction	Total
Paterson	3	424	150	574
Kirkwood	2	50	750	800
Addo	4	300	2 059	2 359
<b>Total</b>	<b>9</b>	<b>774</b>	<b>2 959</b>	<b>3 733</b>

Baviaans Local Municipality

Major Towns & Settlements	Approved Projects			
	No. of Projects	Units Completed	Units under Construction	Total
Steytlerville	2	793	-	793
Willowmore	2	832	-	832
<b>Total</b>	<b>4</b>	<b>1 625</b>	<b>-</b>	<b>1 625</b>

Kouga Local Municipality

Major Towns & Settlements	Approved Projects			
	No. of Projects	Units Completed	Units under Construction	Total
Jeffreys Bay	6	1 708	0	1 708
Hankey	6	1 160	0	1 160
Patensie	3	221	0	221
Thornhill	2	362	0	362
St Francis Bay	2	133	235	368
Loerie	2	0	273	273
Humansdorp	10	2 619	423	3 042
Oyster Bay				
<b>Total</b>	<b>31</b>	<b>5 203</b>	<b>931</b>	<b>7 134</b>



Kou-Kamma Local Municipality

Major Towns & Settlements	Approved Projects			
	No. of Projects	Units Completed	Units under Construction	Total
Joubertina	2	598	0	598
Kareedouw	2	924	0	924
Sanddrift/Thornham				
Coldstream				
Clarkson/Mfengu				
Krakeelrivier				
Woodlands				
Storms River- West				
Louterwater				
Eersterivier				-
Misgund	1	0	401	401
<b>Total</b>	<b>7</b>	<b>1 522</b>	<b>401</b>	<b>1 923</b>

Major issues pertaining to housing and settlement aspects within the District include the following:

- The non-availability of the land to address current housing demand, available land is owned by private owners which are intensively used mainly for agriculture, SAN Parks and state land.
- The continued influx of migrants to the area in search of employment opportunities, some short term in the fishing and tourism industry and by farm workers after the fruit harvesting season is over which is the major concerns with regards to housing delivery.
- The isolated settlements and nodes classified as Rural Nodes that are located away from existing community services, often contain low population thresholds that cannot support the essential Community Facilities and are difficult and expensive to provide with bulk and internal services to a level equivalent to settlements in the bigger Urban Areas.
- There has been a rapid increase of informal settlements in and around small towns within the District due to the changing pattern of labour utilisation on farms.

#### 2.4.7 Electricity

Although the distribution network within the District can generally be regarded as reasonable, slight disparities exist between varying local municipalities due to the nature of their location. Although the majority of the communities of most Local Municipalities have direct access to electricity, a significant capital outlay is envisaged in order to upgrade both the urban and rural networks.

Backlogs with respect to electricity provision within the District are indicated by the table below.

**Table 2.21: Electrification Backlog**

LOCAL MUNICIPALITY	NUMBER OF HOUSEHOLDS
Camdeboo	-
Blue Crane Route	-
Ikwezi	-
Makana	2378
Ndlambe	-
Sundays River Valley	-
Baviaans	149
Kouga	-
Kou Kamma	-

#### 2.4.8 Free basic services

Free basic services in the form of water, sanitation, electricity and refuse removal are generally provided throughout the District. Municipalities attempt to update their indigent register annually, but this is not always feasible due to lack of funding. This ultimately results in questioning the credibility of the register and the associated credit control policy governing it.

A summary of free basic services within the District is illustrated by the table below.

**Table 2.22: Cacadu free basic energy & refuse removal status quo report**

FREE BASIC ENERGY & REFUSE REMOVAL STATUS QUO REPORT						
Oct –Dec. 2012						
Municipality	Total No. Of H/holds	Total No. Of Indigent H/holds	No. Of Indigent H/holds provided by Eskom	No. Of Indigent H/holds provided by Municipality	No. Of Indigent H/holds accessing Alternative Energy	No. Of Indigent H/holds accessing Refuse Removal
Cacadu DM	509	190	190	0	0	0
Baviaans LM	3 325	2 249	280	1 969	0	2205
Blue Crane LM	7 824	3757	0	3757	0	3757
Camdeboo LM	8 677	4384	0	2 471	0	4 384
Ikwezi LM	2 576	1 252	819	425	0	1 252
Kouga LM	19 390	5270	1 743	3245	0	5257
Kou-Kamma LM	6020	1537	678	859	0	1537
Makana LM	18 997	7 674	5133	459	0	7674
Ndlambe LM	26873	9007	5548	0	0	9007
Sundays River Valley LM	13 100	7800	1000	587	0	2281

**Table 2.23: Eastern Cape free basic water and sanitation status quo report**

FREE BASIC WATER AND SANITATION STATUS QUO REPORT				
Oct – Dec. 2012				
Water Service Authority	Total No. of Households	Indigent Households	No. of Indigents Served with FBW	No. of Indigents served with Free Basic Sanitation
Cacadu DM	509	190	190	190
Baviaans LM	3 325	2 249	2205	2205
Blue Crane LM	7 824	3672	3672	3672
Camdeboo LM	8 677	4 534	4 534	4 534
Ikwezi LM	2 576	1252	1252	1252
Kouga LM	19 390	5270	5270	4091
Kou-Kamma LM	6020	1537	1537	1537
Makana LM	18997	7674	7674	7674
Ndlambe LM	26873	9007	9007	9007
Sundays River Valley LM	13000	7800	7800	1 207

#### **2.4.9 Access to Social Grants**

Due to the high unemployment, a significant portion of the population is dependent on social grants. Dependency on social grants is reflected by the table below (as provided by SASSA, 2009) which are categorised per SASSA's sub-regions.

The predominant type of grant is for child support followed by old age and permanent disability. There has been a gradual increase in social grant expenditure in the Cacadu District increasing to R 59,736,423.00 in the 2009 financial year from R 59,068,286.00 in the 2007 financial year.

**Table 2.24: Social Grant expenditure in Cacadu 2007-2009**

Source: SASSA, 2009

Office	2007			2008			2009		
	No. of Beneficiaries	No. of Children	Expenditure	No. of Beneficiaries	No. of Children	Expenditure	No. of Beneficiaries	No. of Children	Expenditure
<b>Cacadu</b>	<b>88465</b>	<b>72693</b>	<b>R 59,068,286.00</b>	<b>88790</b>	<b>73370</b>	<b>R 59,297,900.00</b>	<b>89416</b>	<b>74227</b>	<b>R 59,736,423.00</b>
<b>Graaff-Reinet</b>	<b>28964</b>	<b>23928</b>	<b>R 19,915,345.00</b>	<b>29043</b>	<b>24070</b>	<b>R 19,963,502.00</b>	<b>29233</b>	<b>24316</b>	<b>R 20,094,643.00</b>
Care Dependency	208	208	R 210,080.00	206	206	R 208,060.00	213	213	R 215,130.00
Child Support (0-15)	14051	22253	R 5,340,720.00	14087	22338	R 5,361,120.00	14203	22548	R 5,411,520.00
Foster Care	1051	1467	R 997,560.00	1085	1526	R 1,037,680.00	1098	1555	R 1,057,400.00
Grant in Aid	435		R 104,400.00	456		R 109,440.00	451		R 108,240.00
Old Age	7804		R 7,807,191.00	7826		R 7,824,148.00	7839		R 7,834,631.00
Permanent Disability	5177		R 5,215,348.00	5149		R 5,187,068.00	5186		R 5,222,646.00
Temporary Disability	230		R 231,806.00	227		R 228,776.00	236		R 237,866.00
War Veteran	8		R 8,240.00	7		R 7,210.00	7		R 7,210.00
<b>Grahamstown</b>	<b>34253</b>	<b>24953</b>	<b>R 23,009,991.00</b>	<b>34337</b>	<b>25153</b>	<b>R 23,072,349.00</b>	<b>34548</b>	<b>25396</b>	<b>R 23,217,303.00</b>
Care Dependency	353	357	R 360,570.00	346	350	R 353,500.00	346	351	R 354,510.00
Child Support (0-15)	16026	22771	R 5,465,040.00	16081	22892	R 5,494,080.00	16169	23052	R 5,532,480.00
Foster Care	1407	1825	R 1,241,000.00	1465	1911	R 1,299,480.00	1522	1993	R 1,355,240.00
Grant in Aid	764		R 183,360.00	754		R 180,960.00	762		R 182,880.00
Old Age	9942		R 9,951,232.00	9962		R 9,967,907.00	10000		R 9,996,870.00
Permanent Disability	5258		R 5,301,519.00	5247		R 5,290,481.00	5323		R 5,366,811.00
Temporary Disability	498		R 502,120.00	477		R 480,791.00	421		R 423,362.00
War Veteran	5		R 5,150.00	5		R 5,150.00	5		R 5,150.00
<b>Humansdorp</b>	<b>25248</b>	<b>23812</b>	<b>R 16,142,950.00</b>	<b>25410</b>	<b>24147</b>	<b>R 16,262,049.00</b>	<b>25635</b>	<b>24515</b>	<b>R 16,424,477.00</b>
Care Dependency	137	138	R 139,380.00	136	137	R 138,370.00	134	135	R 136,350.00
Child Support (0-15)	14317	22489	R 5,397,360.00	14411	22716	R 5,451,840.00	14534	23007	R 5,521,680.00
Foster Care	849	1185	R 805,800.00	921	1294	R 879,920.00	975	1373	R 933,640.00
Grant in Aid	186		R 44,640.00	187		R 44,880.00	190		R 45,600.00
Old Age	5745		R 5,710,429.00	5771		R 5,732,692.00	5817		R 5,772,745.00
Permanent Disability	3724		R 3,755,126.00	3705		R 3,735,242.00	3710		R 3,739,669.00
Temporary Disability	285		R 285,065.00	274		R 273,955.00	270		R 269,643.00
War Veteran	5		R 5,150.00	5		R 5,150.00	5		R 5,150.00
<b>District Total</b>	<b>88465</b>	<b>72693</b>	<b>R 59,068,286.00</b>	<b>88790</b>	<b>73370</b>	<b>R 59,297,900.00</b>	<b>89416</b>	<b>74227</b>	<b>R 59,736,423.00</b>

## 2.5 SAFETY & SECURITY

### 2.5.1 Crime Statistics and Trend Analysis

The following graphs represent the top 10 report crimes per town, per Local Municipality. The analysis will be written for each municipality below the graphs representing the towns or settlements. The analysis will identify the crime trend of the municipal area between the period of April 2011 to March 2012. The crimes listed below are totalled as follows in order to give an indication of the most prominent types of crime in the Cacadu District between April 2011 and March 2012.

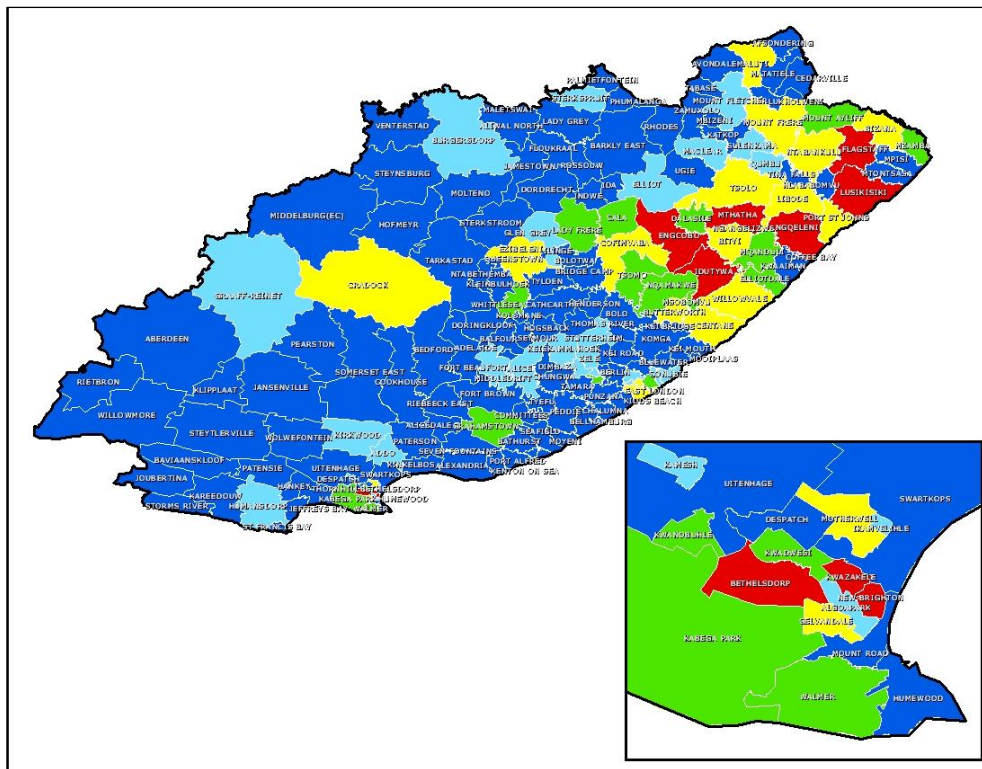
**Table 2.25: Crime Statistics per town and LM**

Type of Reported Crime	Assault with the intent to inflict grievous bodily harm	Malicious damage to property	Burglary at non-residential premises	Burglary at residential premises	Theft out of or from a motor vehicle	Stock-theft	Drug related crime	All theft not mentioned	Shoplifting
<b>IKWEZI LOCAL MUNICIPALITY</b>									
Jansenville	27	9	6	11	4	31	53	19	3
Klipplaat	19	7	2	13	4	10	9	10	0
Wolwefontein	3	1	1	2	3	7	0	4	0
<b>Sub-Total:</b>	<b>49</b>	<b>17</b>	<b>9</b>	<b>26</b>	<b>11</b>	<b>48</b>	<b>62</b>	<b>33</b>	<b>3</b>
<b>KOUKAMMA LOCAL MUNICIPALITY</b>									
Storms River	61	4	23	45	4	6	56	40	2
Kareedouw	57	13	27	64	6	22	56	47	12
Joubertina	348	84	54	175	21	30	136	226	9
<b>Sub-Total:</b>	<b>466</b>	<b>101</b>	<b>104</b>	<b>289</b>	<b>31</b>	<b>58</b>	<b>248</b>	<b>313</b>	<b>23</b>
<b>NDLAMBE LOCAL MUNICIPALITY</b>									
Seafeld	5	4	0	42	7	6	1	17	0
Port Alfred	53	56	52	345	51	6	24	281	57
Ken-on-Sea	89	40	24	214	71	10	14	119	1
Bathurst	81	12	5	69	8	8	26	29	1
Alexandria	103	37	25	135	7	42	37	103	2
<b>Sub-Total:</b>	<b>331</b>	<b>149</b>	<b>106</b>	<b>805</b>	<b>144</b>	<b>72</b>	<b>102</b>	<b>549</b>	<b>61</b>
<b>BAVIAANS LOCAL MUNICIPALITY</b>									
Willowmore	47	22	5	31	3	18	94	39	1
Steytlerville	21	12	6	30	2	6	28	21	0
Baviaanskloof	0	2	2	3	0	1	4	1	0
<b>Sub-Total:</b>	<b>68</b>	<b>36</b>	<b>13</b>	<b>64</b>	<b>5</b>	<b>25</b>	<b>126</b>	<b>61</b>	<b>1</b>
<b>SUNDAYS RIVER VALLEY LOCAL MUNICIPALITY</b>									
Kirkwood	220	45	46	175	22	49	128	150	11
Paterson	54	18	9	34	4	15	31	31	2
Addo	196	34	43	98	32	24	27	110	1
<b>Sub-Total:</b>	<b>470</b>	<b>97</b>	<b>98</b>	<b>307</b>	<b>58</b>	<b>88</b>	<b>186</b>	<b>291</b>	<b>14</b>
<b>CAMDEBOO LOCAL MUNICIPALITY</b>									
Graaff-Reinet	332	153	105	235	126	97	367	386	69
Aberdeen	62	13	29	66	3	55	12	43	1
<b>Sub-Total:</b>	<b>394</b>	<b>166</b>	<b>134</b>	<b>301</b>	<b>129</b>	<b>152</b>	<b>379</b>	<b>429</b>	<b>70</b>
<b>BLUE CRANE ROUTE LOCAL MUNICIPALITY</b>									
Somerset-East	120	40	25	65	7	54	17	117	33
Cookhouse	77	33	15	63	43	98	25	77	0
Pearston	26	12	6	12	1	35	14	24	0
<b>Sub-Total:</b>	<b>223</b>	<b>85</b>	<b>46</b>	<b>140</b>	<b>51</b>	<b>187</b>	<b>56</b>	<b>218</b>	<b>33</b>
<b>MAKANA LOCAL MUNICIPALITY</b>									
Grahamstown	679	342	127	1123	589	64	93	967	228
Riebeeck-East	10	1	0	3	1	11	1	5	0
Seven Fount	9	5	4	10	3	9	0	17	0
<b>Sub-Total:</b>	<b>698</b>	<b>348</b>	<b>131</b>	<b>1136</b>	<b>593</b>	<b>84</b>	<b>94</b>	<b>989</b>	<b>228</b>

Type of Reported Crime	Assault with the intent to inflict grievous bodily harm	Malicious damage to property	Burglary at non-residential premises	Burglary at residential premises	Theft out of or from a motor vehicle	Stock-theft	Drug related crime	All theft not mentioned elsewhere	Shoplifting
<b>KOUGA LOCAL MUNICIPALITY</b>									
Thornhill	38	19	10	45	9	56	56	53	6
Patensie	125	18	16	37	8	0	69	115	7
Humansdorp	230	72	43	193	60	56	243	186	89
Hankey	86	20	18	67	6	4	191	110	7
Jeffreys Bay	128	89	63	437	97	3	107	410	57
St Francis	52	27	10	161	43	4	38	94	1
<b>Sub-total:</b>	<b>659</b>	<b>245</b>	<b>160</b>	<b>940</b>	<b>223</b>	<b>123</b>	<b>704</b>	<b>968</b>	<b>167</b>
<b>TOTAL:</b>	<b>3 358</b>	<b>1 244</b>	<b>801</b>	<b>4 008</b>	<b>1 245</b>	<b>837</b>	<b>1 957</b>	<b>3851</b>	<b>600</b>

Source: SAPS, 2013

**Maps below outline crime levels per contact Crime:  
Murder**

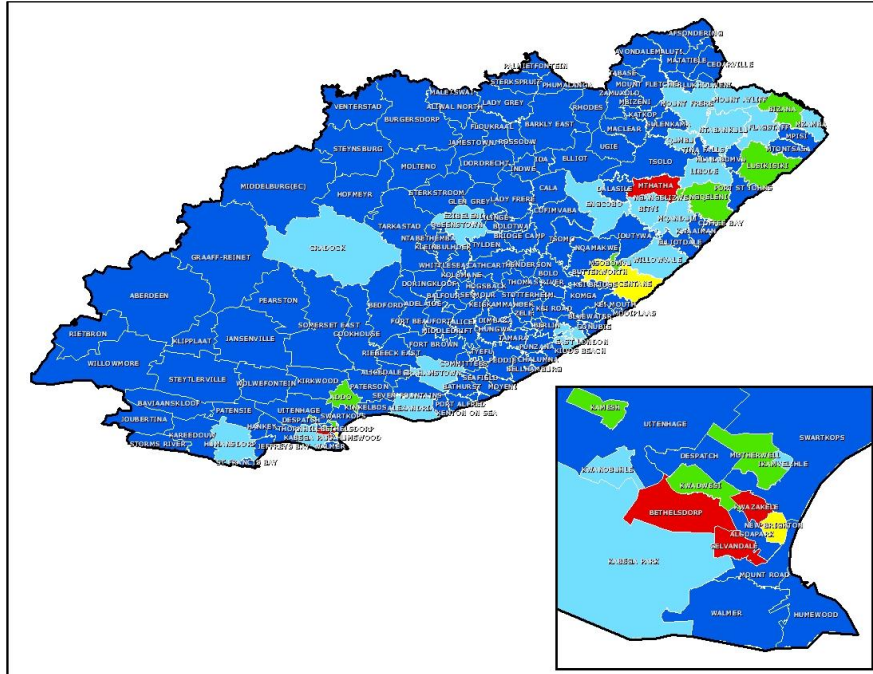


<b>CRIME STATISTICS LEGEND</b>	
<b>20% Percentile Station Grouping: Murder</b>	
Red	Highest 20% Stations Contributing 31
Yellow	Higher 20% Stations Contributing 65
Green	Middle 20% Stations Contributing 105
Cyan	Lower 20% Stations Contributing 182
Blue	Lowest 20% Stations Contributing 744

The SAPS statistics show low levels of murder related crimes in the district compared to the overall provincial crime statistics. Camdeboo, Kouga and Sundays River Municipalities are areas of concern for the district, although they are in the lower station contribution percentile. Grahamstown in the Makana municipality is part of the middle percentile of police stations grouping related to murder crimes, this is the highest crime rating in the district. This means murder is more prevalent in the Makana area of the district.



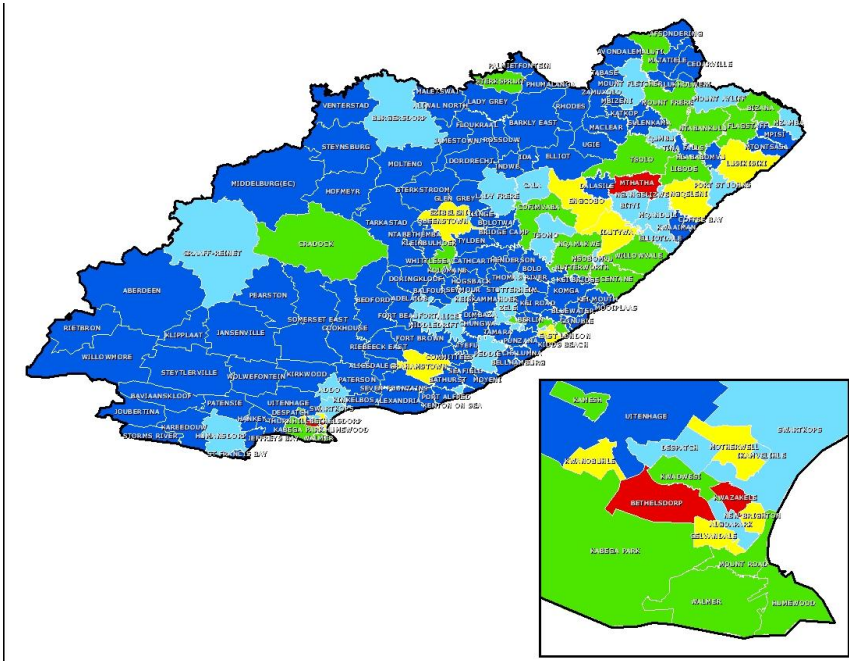
### Attempted Murder



CRIME STATISTICS LEGEND 20% Percentile Station Grouping: Attempted Murder	
Highest 20% Stations Contributing	28
Higher 20% Stations Contributing	60
Middle 20% Stations Contributing	94
Lower 20% Stations Contributing	168
Lowest 20% Stations Contributing	777

The district has a low prevalence of attempted murder crimes in the province, attempted murder crimes show relation to murder crime areas as these crimes are prevalent in the Kouga, Sunday’s River and Makana Municipal Areas specifically Humansdorp, Addo, Grahamstown and Alexandria.

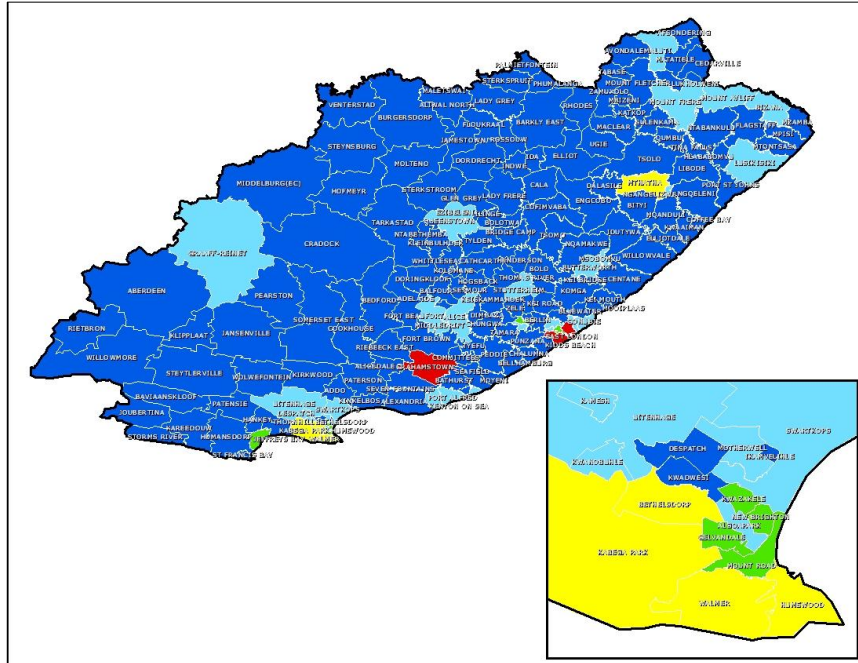
### Sexual Offences



NATIONAL CRIME STATISTICS LEGEND 20% Percentile Station Grouping: Total sexual offences	
Highest 20% Stations Contributing	47
Higher 20% Stations Contributing	82
Middle 20% Stations Contributing	125
Lower 20% Stations Contributing	203
Lowest 20% Stations Contributing	670

Sexual offences crimes in the district are in the lowest, 20 percentile grouping with the exception of the Grahamstown area which is part of the higher 20% station contribution to sexual offences in the province. This means greater focus should be placed on the Grahamstown area in providing support to victims of these offences.

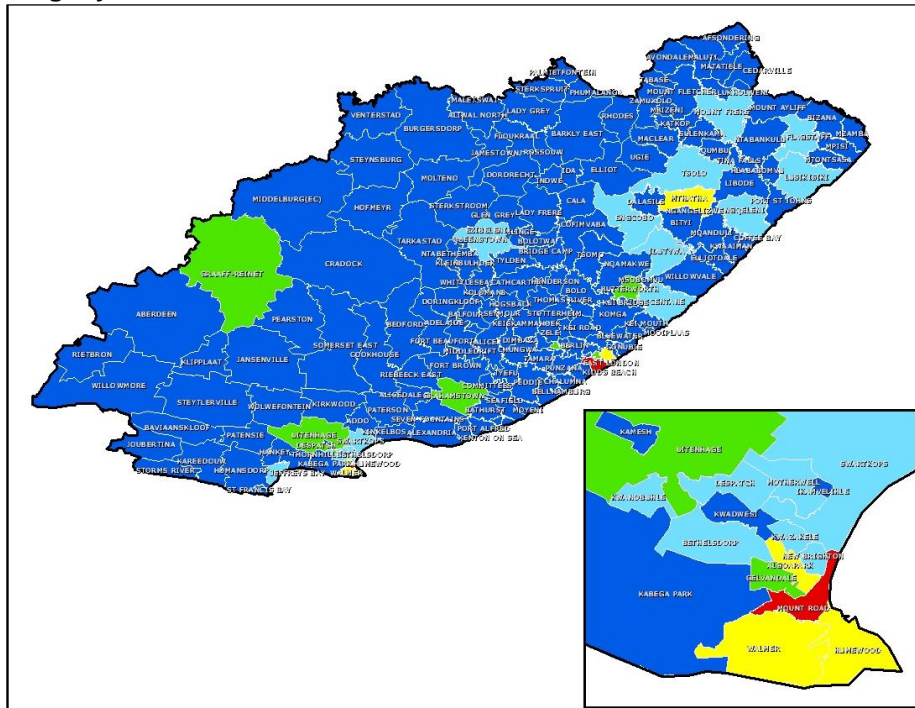
### Burglary Residential



CRIME STATISTICS LEGEND 20% Percentile Station Grouping: Burglary Residential	
Highest 20% Stations Contributing	43
Higher 20% Stations Contributing	69
Middle 20% Stations Contributing	107
Lower 20% Stations Contributing	175
Lowest 20% Stations Contributing	733

Residential burglary is showing high prevalence in the Grahamstown, Makana Municipal area. This can be a result of the holiday homes in the area that are not occupied by the owners.

### Burglary Non-residential

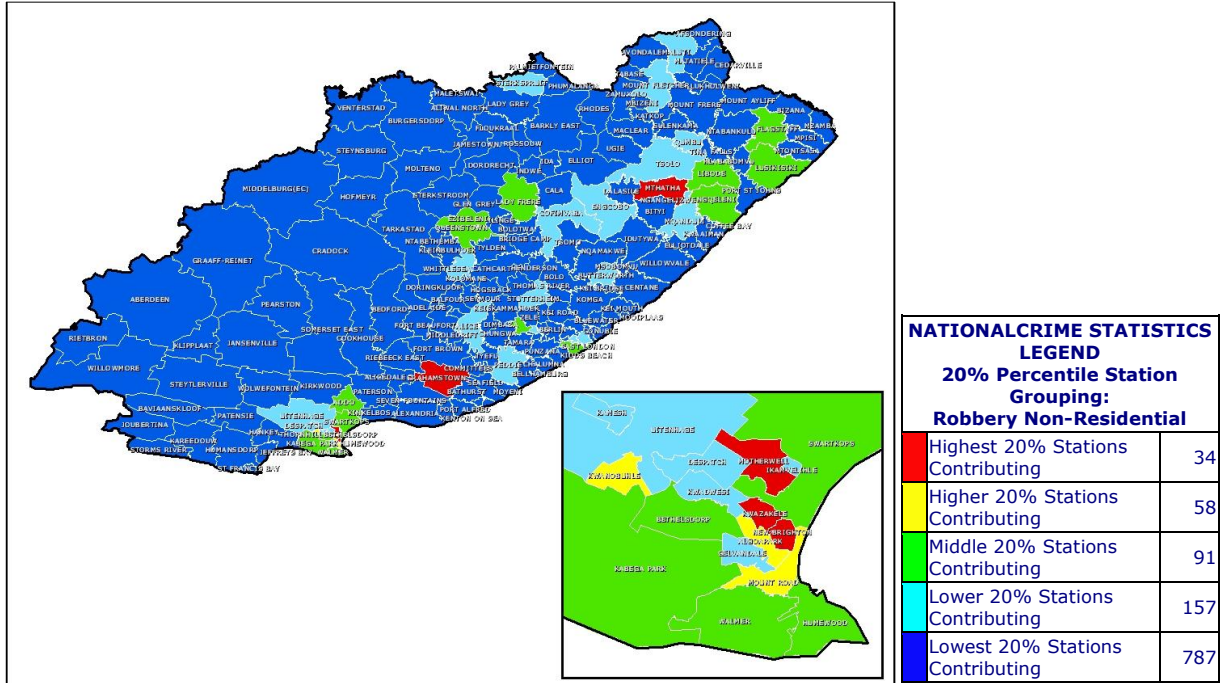


NATIONAL CRIME STATISTICS LEGEND 20% Percentile Station Grouping: Burglary Non-Residential	
Highest 20% Stations Contributing	33
Higher 20% Stations Contributing	66
Middle 20% Stations Contributing	110
Lower 20% Stations Contributing	187
Lowest 20% Stations Contributing	731

Graaf-Reinet and Grahamstown are the two areas with higher burglary prevalence in non-residential premises, although they are within the middle 20% of provincial crime areas. It is a concern that there is growing crime trend in these areas.

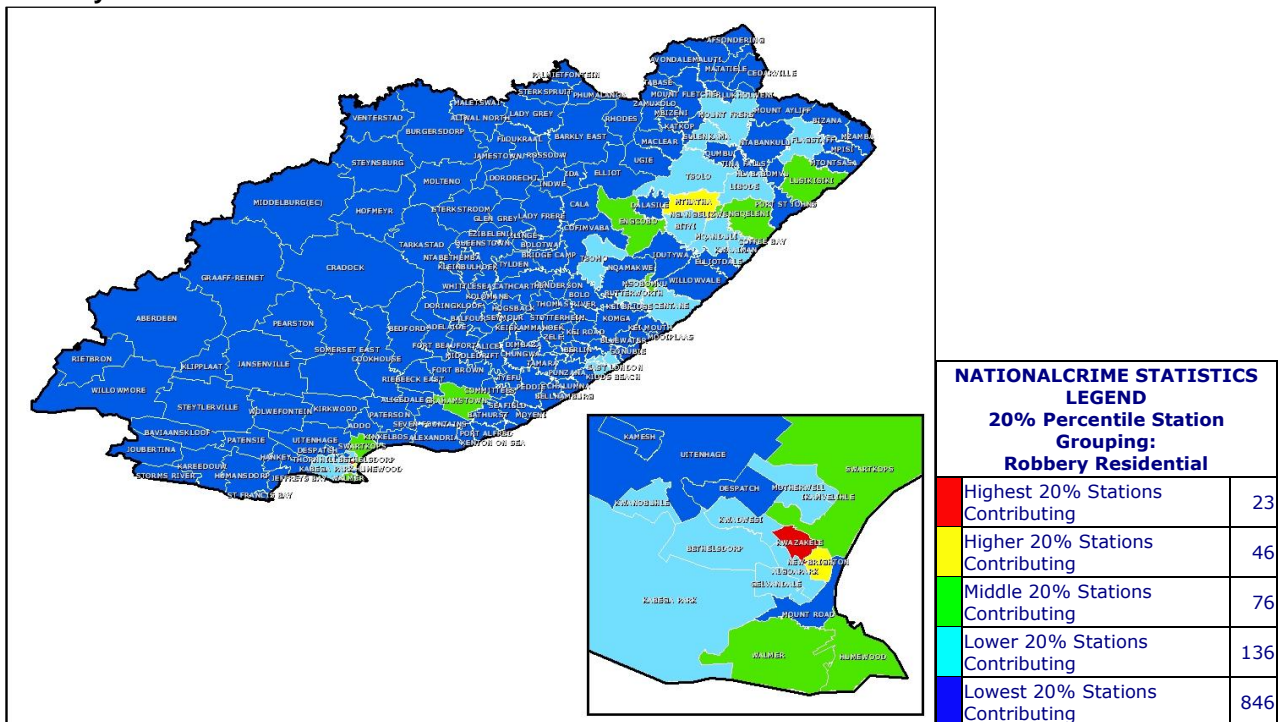


**Robbery non-residential**



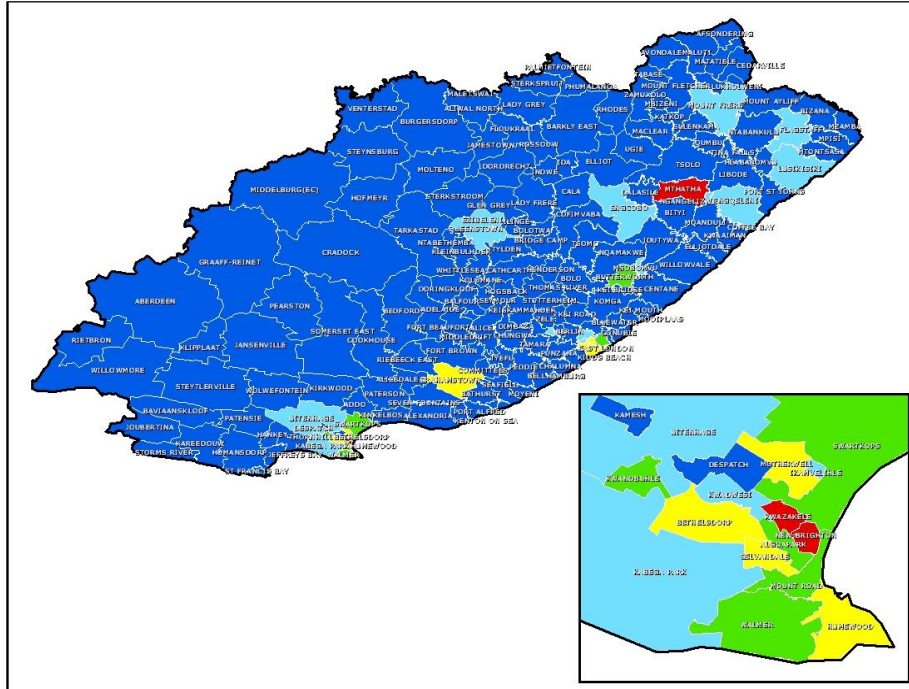
These is a generally low prevalence of non-residential robberies in the district except for the Grahamstown area, which is part of the Highest 20% stations contribution in the province.

**Robbery Residential**



The district has lowest 20% stations contribution for residential robberies, with the exception of Grahamstown. This shows that residents are safe within their properties.

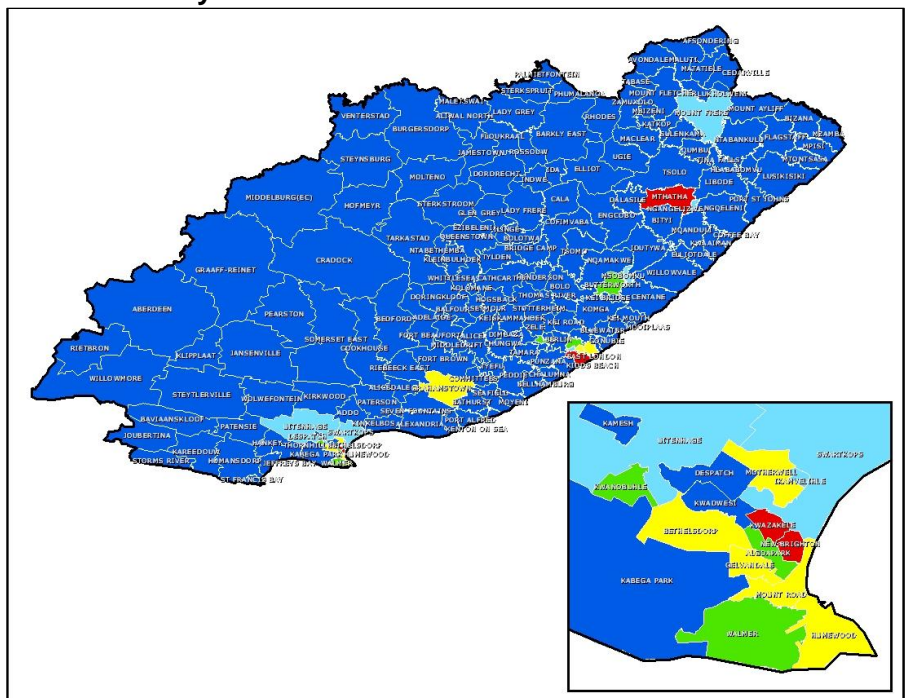
### Robbery Aggravating



NATIONAL CRIME STATISTICS LEGEND 20% Percentile Station Grouping: Robbery Aggravating	
Highest 20% Stations Contributing	28
Higher 20% Stations Contributing	51
Middle 20% Stations Contributing	78
Lower 20% Stations Contributing	130
Lowest 20% Stations Contributing	840

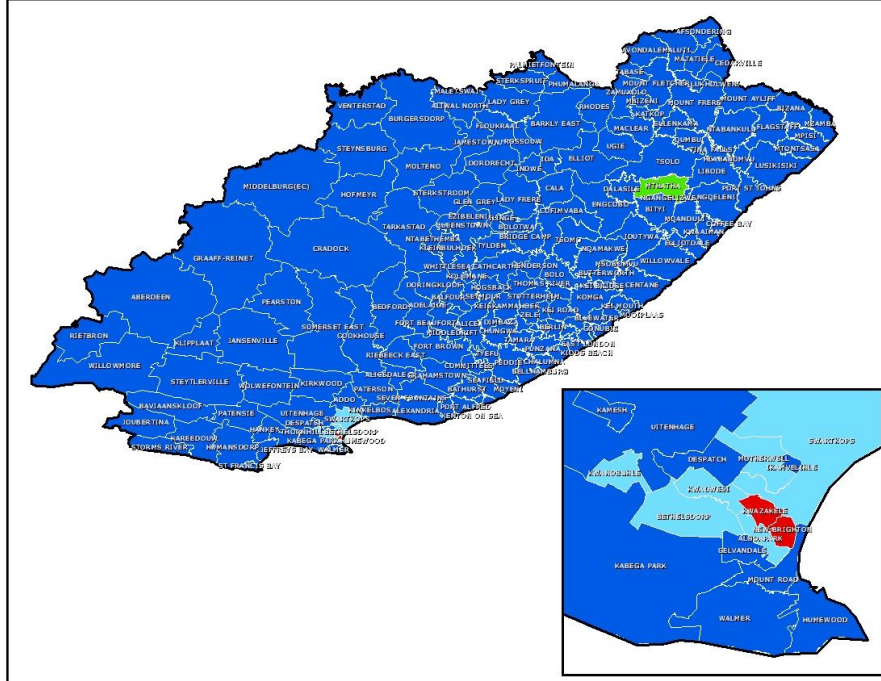
Robbery with aggravating circumstances are most prevalent in the Grahamstown area, the other areas in the district show a low levels of crimes of this nature. This is also the case with public robberies as mapped below.

### Public Robbery



NATIONAL CRIME STATISTICS LEGEND 20% Percentile Station Grouping: Public Robbery	
Highest 20% Stations Contributing	22
Higher 20% Stations Contributing	44
Middle 20% Stations Contributing	69
Lower 20% Stations Contributing	116
Lowest 20% Stations Contributing	876

## Carjacking



NATIONAL CRIME STATISTICS LEGEND 20% Percentile Station Grouping: Carjacking	
Highest 20% Stations Contributing	16
Higher 20% Stations Contributing	27
Middle 20% Stations Contributing	40
Lower 20% Stations Contributing	74
Lowest 20% Stations Contributing	970

The district has the lowest carjacking prevalence; this is the overall character of the Eastern Cape Province.

### 2.5.2 Contact or Violent Crimes Recorded in the District: April 2008 to March 2011:

According to the Statistics released by the South African Police Services in September 2010, certain contact or violent crimes pose a more serious threat to communities than crime in general.

Contact or Violent Crimes such as Murder, Attempted Murder, Sexual Offences, Aggravated Robbery and Common Robbery are not ranked amongst the Top Ten Crimes committed in the Cacadu District. These crimes do however present a distinct threat to society and are an indication of social and socio-economic circumstances.

These crimes are thus reflected and recorded overleaf per Town per Local Municipality for the period from April 2008 to March 2011.

The crimes listed in the following table are totalled in order to give an indication of the most prominent types of contact crime committed in the Cacadu District between April 2008 and March 2011.

**Table 2.26: Contact Crime Statistics per town and LM**

Type of Reported Contact Crime	Murder	Attempted Murder	Sexual Offences	Aggravated Robbery	Common Robbery
<b>IKWEZI LOCAL MUNICIPALITY</b>					
Jansenville <sup>5</sup>	3	2	13	0	1
Klipplaat	1	3	6	1	0
Wolwefontein	1	0	0	0	0
<b>Sub-Total:</b>	<b>5</b>	<b>5</b>	<b>19</b>	<b>1</b>	<b>1</b>
<b>KOUKAMMA LOCAL MUNICIPALITY</b>					
Storms River	5	1	12	5	6
Kareedouw	4	0	20	2	1
Joubertina	11	8	40	16	11
<b>Sub-Total:</b>	<b>20</b>	<b>9</b>	<b>72</b>	<b>23</b>	<b>18</b>
<b>NDLAMBE LOCAL MUNICIPALITY</b>					
Seafeld	0	0	3	0	0
Port Alfred	1	2	18	34	22

<sup>5</sup>Figures represent the number of cases reported at Police Stations for the period April 2011 to March 2012.

Ken-on-Sea	7	0	23	16	8
Bathurst	4	3	24	6	2
Alexandria	2	15	41	16	6
<b>Sub-Total:</b>	<b>14</b>	<b>20</b>	<b>109</b>	<b>72</b>	<b>38</b>
<b>BAVIAANS LOCAL MUNICIPALITY</b>					
Willowmore	3	7	17	1	0
Steytlerville	3	1	3	1	0
Baviaanskloof	1	0	0	0	0
Rietbron	1	0	2	0	0
<b>Sub-Total:</b>	<b>8</b>	<b>8</b>	<b>22</b>	<b>2</b>	<b>0</b>
<b>SUNDAYS RIVER VALLEY MUNICIPALITY</b>					
Kirkwood	15	8	41	23	21
Paterson	0	3	16	9	4
Addo	18	36	57	63	18
<b>Sub-Total:</b>	<b>33</b>	<b>45</b>	<b>112</b>	<b>95</b>	<b>43</b>
<b>CAMDEBOO LOCAL MUNICIPALITY</b>					
Graaff-Reinet	18	3	68	40	38
Aberdeen	4	0	7	3	1
<b>Sub-Total:</b>	<b>22</b>	<b>3</b>	<b>75</b>	<b>43</b>	<b>39</b>
<b>Type of Reported Contact</b>					
<b>Crime</b>	<b>Murder</b>	<b>Attempted Murder</b>	<b>Sexual Offences</b>	<b>Aggravated Robbery</b>	<b>Common Robbery</b>
<b>BLUE CRANE ROUTE LOCAL MUNICIPALITY</b>					
Somerset East	8	3	28	10	15
Cookhouse	6	0	26	5	8

Pearston	4	1	9	3	3
<b>Sub-Total:</b>	<b>18</b>	<b>4</b>	<b>63</b>	<b>18</b>	<b>26</b>
<b>MAKANA LOCAL MUNICIPALITY</b>					
Grahamstown	30	24	190	417	159
Riebeeck East	0	0	3	0	0
Seven Fountains	0	0	4	2	0
<b>Sub-Total:</b>	<b>30</b>	<b>24</b>	<b>197</b>	<b>419</b>	<b>159</b>
<b>KOUGA LOCAL MUNICIPALITY</b>					
Thornhill	3	4	13	10	2
St Francis Bay	2	1	17	17	4
Patensie	7	2	34	4	3
Humansdorp	16	18	60	63	49
Hankey	6	2	25	3	10
Jeffrey's Bay	8	8	38	69	34
<b>Sub-total:</b>	<b>42</b>	<b>35</b>	<b>187</b>	<b>166</b>	<b>102</b>
<b><u>TOTAL:</u></b>	<b><u>192</u></b>	<b><u>153</u></b>	<b><u>856</u></b>	<b><u>839</u></b>	<b><u>426</u></b>

Source: SAPS, 2013

### 2.5.3 Response to Crime

The establishment of community police forums was legislated in the South African Police Service Act of 1995. The role of local government and crime prevention delivery at local level was further explored in the 1998 White Paper on Safety and Security. While the White Paper focussed mainly on municipal police services, it nevertheless points to the key role of local government “*in ensuring an environment less conducive to crime*”. It further encourages municipalities to develop crime prevention strategies, both to ensure crime prevention interventions, “*but also to align local resources and development objectives within a crime prevention framework. Crime and crime prevention should be seen as central to the planning and functions of all municipal department line functions*”. The White Paper acknowledges that the required resources and capacity may prove to be a constraint, but that local governments should attempt to provide a budget for this purpose, or leverage funding from other government spheres, the private sector and donors.



The White Paper presents several areas through which local government may play a role in crime prevention, ranging from working with the local police, the effective enforcement of by-laws, developing a crime prevention framework and allocating resources for its implementation, and generally mainstreaming crime prevention strategies in all development projects undertaken by the municipality. The role of community police forums and the need for local government to work closely with such forums are highlighted considering the crime rates per crime categories per Local Municipality as illustrated in the table hereafter.

## 2.6 FINANCIAL STANDING OF LOCAL MUNICIPALITIES

To provide an indication of the size of the municipal budget operating expenditure and the revenue sources the summaries of the 2008/2009 budgets are detailed in the table below. It is evident that municipalities in the district range from small (low capacity) to large (medium capacity).

The late increase of Electricity Bulk Electricity Tariffs by Eskom, has had a serious impact on the finances of Municipalities who are unable to increase their service charges which will result in operating losses on services accounts.

**Table 2.27: Actual revenue and expenditure against budget revenue and expenditure**

	REVENUE						EXPENDITURE					
	Operating Adjusted Budget Revenue	Actual Operating Revenue	% of Actual to Budgeted (Operating)	Capital Adjusted Budget Revenue	Actual Capital Revenue	% of Actual to Budgeted (Capital)	Operating Adjusted Budget Expenditure	Actual Operating Expenditure	% of Actual to Budgeted (Operating)	Capital Adjusted Budget Expenditure	Actual Capital Expenditure	% of Actual to Budgeted (Capital)
Camdeboo	20,369	16,546	81 %	27,406	11,219	41 %	53,751	37,909	71 %	27,406	11,219	41 %
Blue Crane Route	125,840	103,910	83 %	11,491	8,811	77 %	125,840	86,986	69 %	11,491	8,811	77 %
Ikwezi	16,462	15,255	93 %	14,627	7,636	52 %	16,457	11,354	69 %	14,627	7,636	52 %
Makana	176,456	147,616	84 %	34,054	15,069	44 %	176,456	126,021	71 %	34,054	15,069	44 %
Ndlambe	123,762	116,944	94 %	38,249	14,549	38 %	123,710	96,923	78 %	38,249	4,318	11 %
Sunday River Valley	-	44,814	-	28,523	10,274	36 %	-	36,328	-	10,523	10,274	98 %
Baviaans	24,406	17,184	70 %	25,737	19,182	75 %	24,394	16,009	66 %	25,737	19,182	75 %
Kouga	314,612	228,385	73 %	97,630	28,451	29 %	314,607	232,128	74 %	97,630	28,451	29 %
Kou-Kamma	52,429	15,776	30 %	7,648	5,569	73 %	44,781	33,647	75 %	7,648	5,569	73 %
Cacadu	27,034	167,141	62 %	-	1,660	-	269,980	120,019	44 %	-	1,680	-
	1,125,370	873,571		285,365	122,440		1,149,976	797,324		267,365	112,209	

Source: LM IDPs, 2009

It is evident that municipalities rely heavily on conditional grant funding (MIG) to finance infrastructure projects and on equitable share of national revenues to finance operating expenditure.



**Table 2.28: The equitable share of national revenues for Local Municipalities in the District in respect of the current financial year and outer years is detailed below.**

	2009/2010	2010/2011	2011/2012
<b>CAMDEBOO</b>	23,014	28,512	31,135
<b>BLU CRANE ROUTE</b>	24,450	30,271	33,049
<b>IKWEZI</b>	9,111	11,236	12,260
<b>MAKANA</b>	41,807	51,979	56,819
<b>NDLAMBE</b>	34,983	43,437	47,462
<b>SUNDAYS RIVER VALLEY</b>	20,232	24,992	27,275
<b>BAVIAANS</b>	9,535	11,764	12,836
<b>KOUGA</b>	26,991	33,255	36,616
<b>KOUKAMMA</b>	17,875	22,118	24,146
<b>CACADU DISTRICT</b>	63,569	68,769	72,080
<b>TOTAL</b>	271,567	326,333	353,678

In spite of the generally acceptable collection rates in respect of property taxation and services charges municipalities struggle to produce funded budgets and to perform their legal mandates. Prior 2001 the District Municipality was able to provide Local Municipalities with infrastructure grants so as to address backlogs from RSC Levies. With the establishment NMBM, the CDM's income from RSC levies decreased by approximately 94 %, and has therefore been unable to assist Municipalities with the financing of infrastructure projects. Included in the CDM's equitable share of R63.6 mil, is the levy replacement grant of R49, 6mill. Since 2002, the CDM has been forced to balance its operating budget with interest income. The National Treasury used the RSC levy income of 2005/06 financial year as a basis for calculating the RSC levy replacement grant, which does not reflect the revenue needs of the District Municipality. The CDM is now totally reliant on grants funding to finance its operations.

## 1.7 HEALTH ANALYSIS

### 2.7.1 HIV and Aids

The District Municipality in partnership with the Cacadu Department of Health and the various non-governmental organizations located in Cacadu conducted several HCT campaigns to educate people about HIV and Aids and to encourage them to test in order to know their status. Also several candle lights memorials were held across the district in commemorating those who have died because of HIV and Aids and the families that were/are affected by this disease.

According to the Cacadu Eastern Cape Department of Health, the HIV and Aids prevalence rate in Cacadu District has fluctuated over the period of 2002 to 2010. It has been observed that the HIV prevalence rate is high for women than men and affects mostly women aged between 25-29 years of age.

**Table 2.29: HIV and Aids Prevalence EC vs CDM**

YEAR	EASTERN CAPE	CACADU DISTRICT (DC10)
2002	23.6	16.8
2003	27.1	20.2
2004	28.3	19.0
2005	28.5	20.9
2006	28.6	22.8
2007	28.8	20.0
2008	27.6	23.8
2009	28.1	24.3
2010	29.9	20.7

Statistics as per Cacadu Department of Health: 2011

The District target set for the region: 87072

- Camdeboo LSA = 23357
- Kouga LSA = 33885
- Makana LSA = 29830

In Cacadu in general the HCT testing rate is above 90%, and below are the results per Local Service Area.

**Table 2.30: HIV and Aids testing results**

<b>ELEMENT</b>	<b>CAMDEBOO LSA</b>	<b>MAKANA LSA</b>	<b>KOUGA LSA</b>
HCT tested positive rate	6.2 %	9.1%	11%
HCT adult male tested positive rate	4.5%	10.6%	10.2%
HCT adult female tested positive rate	8.1%	8.5%	12.4%
HCT child tested positive rate	3.9%	4.8%	3.3%
HCT client screened for TB rate	68%	89%	46%
HCT client referred for clinical diagnosis of TB rate	11%	11%	6.7%
ART HIV/TB co-infection rate	17.1%	24.6%	0%
ART pregnant women initiation rate	17.2%	7.4%	0%
ART infants under 1 year initiation rate	13.3%	1.7%	0%

Currently in Cacadu accredited ART sites are as follows:

- 47 clinics,
- 9 hospitals
- 4 TB hospitals and
- 1 Psychiatric Hospital
- 7 Mobile Clinics

## **2.8 ENVIRONMENTAL ASPECTS**

### **2.8.1 The Natural Environment:**

The diversity of the District's vegetation is reflected in the highly variable mosaic of geomorphology, topography, soil types, climate and rainfall that occurs in the region. The Cacadu District Municipality includes elements of six biomes, i.e. the Fynbos, Subtropical Thicket, Forest, Succulent Karoo, Savannah and Grassland, which occur along with coastal vegetation, wetlands, pans and riverine vegetation types. Thicket (arid thicket, valley thicket, thicket and dune thicket), with greater than 65% coverage, is the predominant vegetation type of the District. Large contiguous patches of Fynbos occur in the central mountainous areas and western coastal forelands of the region. Smaller isolated patches of coastal, afro-montane and

Thornveldt forests, Alexandria grassland, Thornveldt, karoo and broken veldt are widely distributed through the District.

The biomes represented in the District contain biodiversity of high global and national significance. Three of these fall within globally recognized biodiversity hotspots, namely the Cape Floristic Region, the Succulent Karoo Hotspot and the Maputaland-Pondoland-Albany Hotspot. The National Spatial Biodiversity Assessment (2004) identified nine broad priority areas for conservation action in South Africa and three of these are represented within the CDM.

### **2.8.2 Bioregional Planning and Programmes:**

The bioregional programmes – Cape Action for People and the Environment (CAPE), Subtropical Thicket Ecosystem Project (STEP) and the Succulent Karoo Ecosystem Plan (SKEP) converge in the area of the Cacadu District Municipality. The outcomes and products of these bioregional programmes and their associated projects, provide the CDM and the local municipalities in the District with environmental tools and guideline for planning and decision-making in their IDPs. These bioregional programmes specifically seek to align local economic and social development needs of the region with biodiversity conservation targets.

Linked to these programmes, there are a number of landscape scale initiatives being implemented in the area of the Cacadu District, including the Garden Route Initiative, the Baviaanskloof Mega Reserve Project and the Greater Addo Elephant Park Project. These projects have as their primary aim the conservation of critical biodiversity and ecosystems, but they also provide vehicles for addressing social and economic upliftment through community involvement.

### **2.8.3 Ecosystem status:**

According to the STEP Handbook and Mapbook, the Cacadu District includes a number of areas of high conservation importance, including three priority river corridors and extensive areas along the coast and central interior that are considered critically endangered, threatened and vulnerable.

According to the National Spatial Biodiversity Assessment (2004), all of the main river systems in the Cacadu District are endangered or critically endangered and much of the region is highly susceptible to alien plant invasion. The temporary open estuaries and estuarine lakes that abound along the coast are either vulnerable or threatened and the permanently open estuaries are endangered. All of these estuaries are either hardly protected or not protected at all.

### **2.8.4 Protected areas in the Cacadu District:**

The area of the Cacadu District Municipality includes a wide range of formally protected areas that vary considerable in size and geography. These protected areas range from national parks (Camdeboo, Tsitsikamma and Addo), provincial reserves (e.g. Baviaanskloof – which is also a world heritage site, Groendal, parts of the Great Fish River Reserve complex, and a number of smaller reserves, including Waters Meeting 1 & 2 and Thomas Baines) and numerous municipal reserves, e.g. Kap River, Loerie Dam, Gamtoos Coastal, Huisklip and Great Fish River Wetland. These reserves all contribute significantly to the protected area estate of the District and the Province.

## **2.9 ECONOMIC ANALYSIS**

### **2.9.1 CDM's Economic Base**

Cacadu ranks as a third largest economy of the province. The two predominant economic sectors within the District are agriculture and tourism.

The following section attempts to gauge the current and potential impact of these industries on the immediate spatial setting and surrounds.

#### **2.9.1.1 Agriculture, the Economy and Social Impact:**

Agriculture dominates the district's economy, contributing 28% of all value added and amounting to 41% of formal employment.

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

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

The Langkloof valley is home to deciduous and stone fruit production. Major citrus farming areas are irrigated from the Sundays and Fish Rivers. Fruit is exported through Port Elizabeth. Commercial forestry is established around Tsitsikamma and Grahamstown. A small fishing industry operates from St Francis, centred on rock lobster.

Manufacturing, focused on agro-processing, is a relatively small sector, providing only 10% of value added and 7% of employment. Agro-processing is currently limited to food and dairy. Furniture production is present in the larger towns of Grahamstown and Humansdorp. Small businesses and craft co-operatives in district towns focus on specialty products ranging from hand knitted mohair items to essential oils.

Taking into account the dominant economic role of agriculture within the Cacadu District, it is important to note the following social issues:

- Agricultural households generally have a lower income level than non-agricultural households;
- Agricultural households often reside in rural areas and are isolated from the more lucrative employment opportunities in urban areas;
- Rural infrastructure and services are generally poor due to a sparsely located populace and low revenue.

The main challenges of the Cacadu District in terms of monopolizing the impact of the agricultural sector are to:

- Expand formal agricultural production;

- Reduce the dependency of the economy on 'pure' agriculture by establishing agro-processing industries<sup>6</sup>;
- Consolidate and expand the small specialist industries to benefit from formalized marketing campaigns and product and skills development initiatives.

#### 2.9.1.2 Tourism, the Economy and Social Impact:

Tourism is well established in Cacadu. Tourism attractions include the well-known Tsitsikamma National Park, the Baviaanskloof Mega-Reserve (a World Heritage Site) and the Addo Elephant National Park and the coastal resorts of Jeffrey's Bay and Port Alfred. Farm tourism is beginning to develop in the Karoo, and Graaff-Reinet is commonly visited for its history and architecture.

This economic sector has massive potential for growth. The Addo and Baviaans Parks and the Fish River reserve are expanding, and will increase the attraction of game reserves in the district with economic spin-offs in terms of retail, accommodation, hospitality etc.

According to the Cacadu District Municipality's Tourism Master Plan, it can be calculated that tourism contributes as follows to the local economy:

- R 2 676 000.00 in direct tourism income;
  - R 6 803 000.00 contribution to the Gross Domestic Product (GDP) by the tourism sector;
  - R 1 012 200 000.00 total economic activity generated by tourism;
  - Supports 1 936 jobs in the tourism industry;
  - Supports a total of 4 413 jobs within the tourism economy;
  - Supports the equivalent of 294 SMMEs in the tourism economy.
- Socially, tourism has positive and negative impacts on the accommodating areas. Potential positive impacts of tourism include:
- Improvement in local living standards due to increased job opportunities associated with the tourism industry;
  - The potential to establish tourism related SMME's in response to new markets for local products;
  - The improvement of local infrastructure and services, improved retail, recreation and cultural facilities supported by an increase in municipal revenue derived from tourism activities and the demand for higher service standards by national and international tourists;
  - Improvement in skills levels to satisfy the needs of the tourism industry and economy;
  - The provision of an attractive, clean and unpolluted environment for tourists and residents alike;
  - Improved conservation of local heritage, culture and resources.

The following positive social impacts of tourism have been recorded within Cacadu:

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<sup>6</sup>Agro-processing refers to the process or action taken by manufacturers of changing raw agricultural products into consumable entities. These actions could include: cutting, milling, fermenting, roasting, blending, drying, extracting etc.

- Improvement in skills and education through training in tourism and hospitality – examples include: The Wilderness Foundation / UmziWethu Training Academy for Displaced Youth, the SA College for Tourism and the 3-year EISS BCOM in Hospitality Management;
- Improvement in economic circumstances through improved income from tourism employment;
- Improved employment of women.

Specific negative impacts of the tourism industry in Cacadu are:

- Petty crime and begging, specifically targeting tourists and tourist sites;
- Potential marginalization of older / poorly literate individuals from the tourism economy;
- Community disenchantment and resentment. Some local residents feel excluded from the tourism sector. According to the Master Plan, this is largely because excursions into the townships have not been developed. However, this sentiment may be reinforced by the fact the tourism areas remain unaffordable and inaccessible by local towns people. Participation in this sector, through employment and / or product supply could amend this situation.

#### 2.9.1.3 Other relevant Minor Economies:

Government services play a significant role in the economy, providing 28% of added value and 23% of formal employment.

### 2.9.2 Statistical Correlations:

#### 2.9.2.1 The Spatial Distribution of Social Wellbeing:

The Human Development Index serves to measure social and economic wellbeing by combining and evaluating the following indicators:

- Life expectancy;
- Educational attainment; and
- Income.

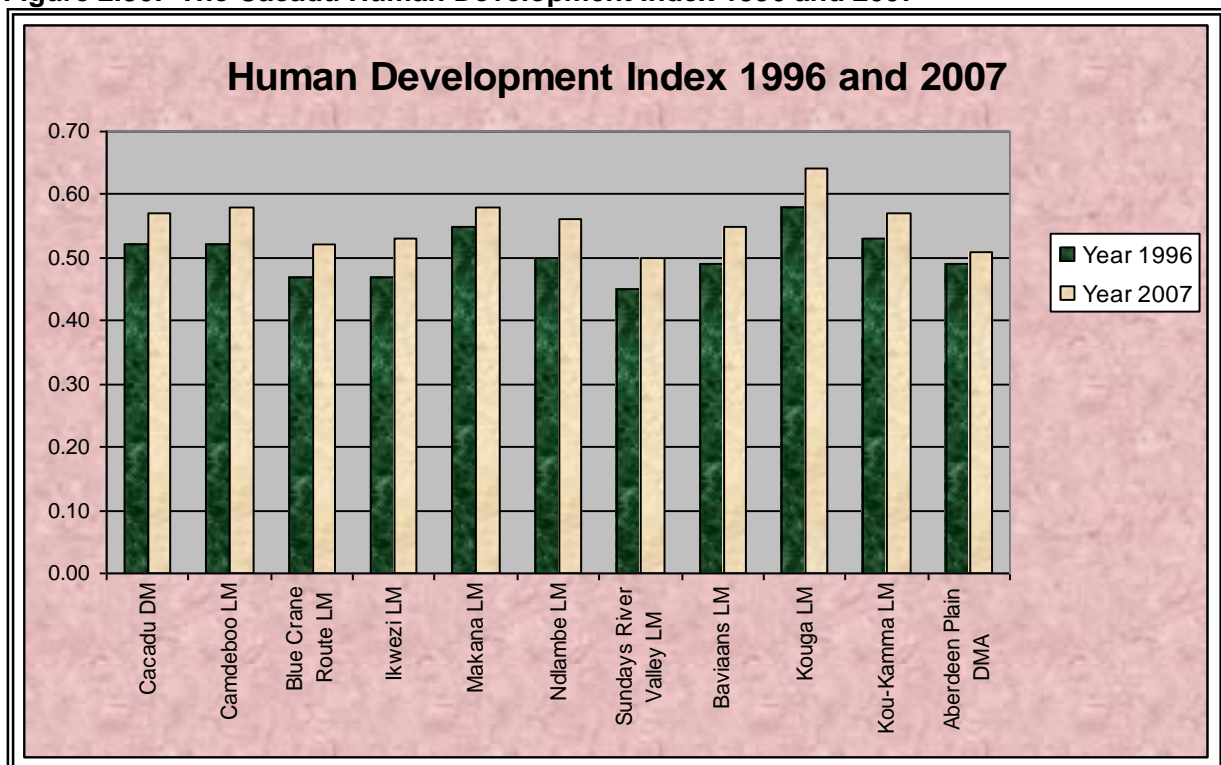
The Human Development Index (HDI) sets a minimum and a maximum for each dimension, called goalposts, and then shows where a country stands in relation to these goalposts, expressed as a value between 0 and 1.

The *educational component* of the HDI is comprised of adult literacy rates and the combined gross enrolment ratio for primary, secondary and tertiary schooling, weighted to give adult literacy more significance in the statistic. The *life expectancy component* of the HDI is calculated using a minimum value for life expectancy of 25 years and maximum value of 85 years, so the longevity component for a country where life expectancy is 55 years would be 0.5.

For the *income component*, the goalpost for minimum income is \$100 purchasing power parity<sup>7</sup> (PPP) and the maximum is \$40,000 (PPP). The trend for Cacadu demonstrates a general improvement in HDI between 1996 and 2007 as indicated in the graph that follows. The HDI in Cacadu has specific spatial and social characteristics. Those municipalities with an urban bias display a stronger HDI demonstrating that human development was higher in urban rather than rural areas. These LMs include:

- Camdeboo (0.58)
- Makana (0.58)
- Ndlambe (0.58)
- Kouga (0.64)

**Figure 2.86: The Cacadu Human Development Index 1996 and 2007**



Source: Global Insight (2008)

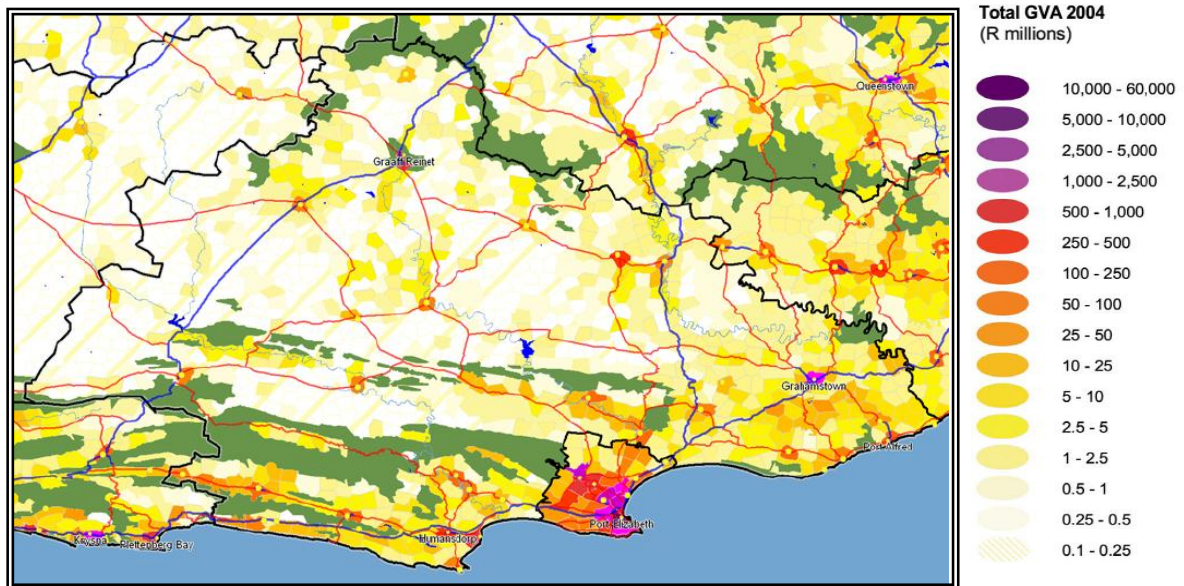
### 2.9.2.2 The Gross Value Added (GVA) vs People Living in Poverty:

The concept of Gross Geographic Value Added (GVA) is used as a basis for making estimates of regional economic activity. The map that follows illustrates the geometric increase of GVA as one moves from areas with less than R 1 million per mesozone (white and beige) to areas with more than R 1 billion per mesozone (purple range of colours). The map that follows illustrates

<sup>7</sup> *Purchasing power parity* is an economic technique used when attempting to determine the relative values of two currencies. It is useful because often the amount of goods a currency can purchase within two nations varies drastically, based on availability of goods, demand for the goods, and a number of other, difficult to determine factors. The economy of the United States is used as a reference, so that country is set at 100.

that regional economic activity within the District is dominated within the medium sized towns of the District.

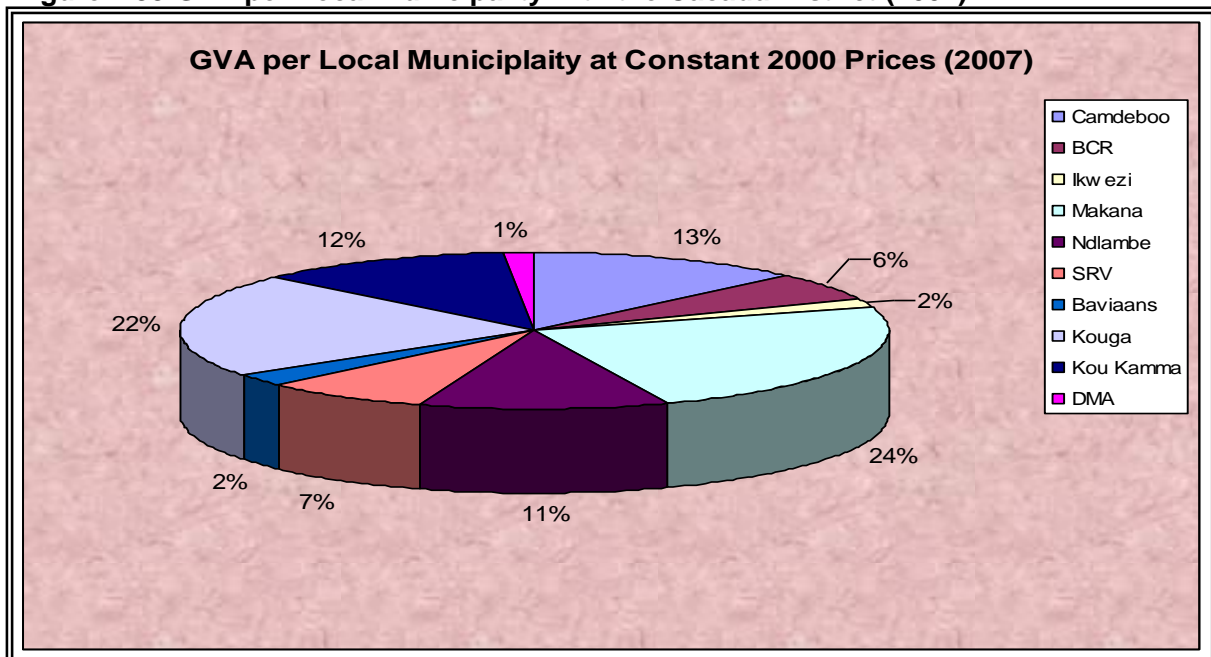
**Figure 2.87: Total GVA per mesozone**



Source: CSIR, 2007

Within the Cacadu District, Makana has the largest economy of the nine Local Municipalities, followed closely by Kouga.

**Figure 2.88:GVA per Local Municipality with the Cacadu District (2007)**

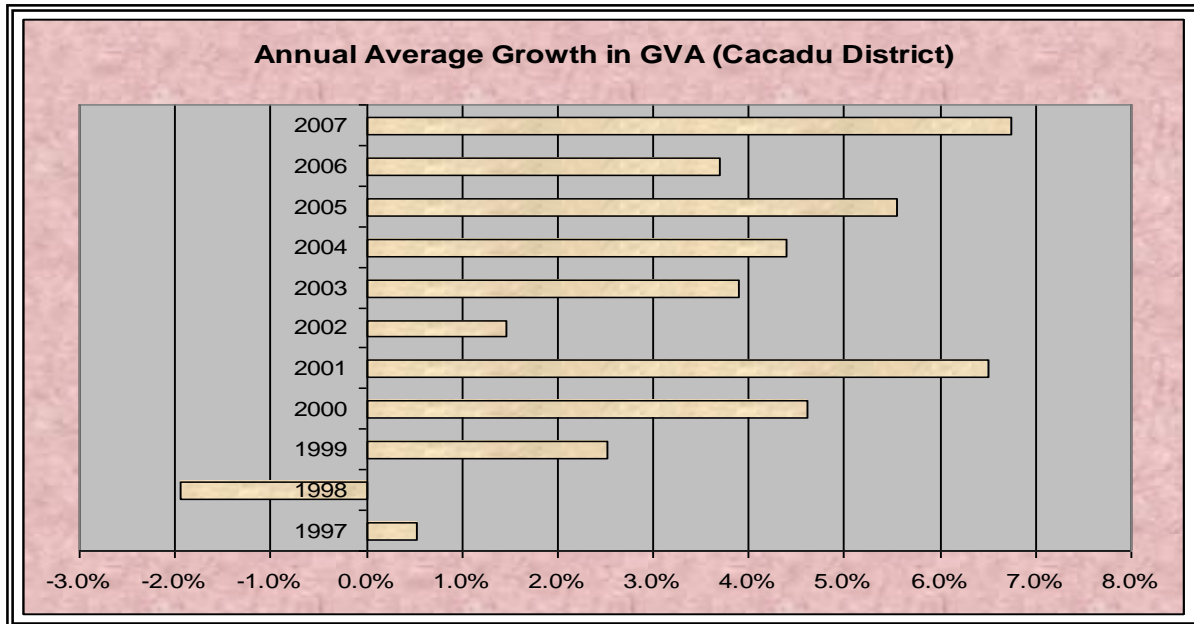


Source: Global Insight (2008)



The Cacadu District's economy registered positive growth during the past decade. Given the widespread poverty, the District will have to maintain its growth rate to have a significant improvement in welfare indicators.

**Figure 2.89: Average Annual Growth in GVA**



Source: Global Insight (2008)

### 2.9.3 Potential within the District

The CDM is the third largest economy in the Eastern Cape, the largest economy outside the mostly “urban economies” of the Nelson Mandela Bay Municipality and Buffalo City Municipality. The predominant sectors in terms of the District's economy are agriculture and tourism, contributing approximately R690 million and R680 million respectively to the Gross Geographic Product (GGP) of the District and therefore it is within these sectors that the greatest potential for economic development lies.

In terms of agriculture and agro-processing, based on a study<sup>8</sup> commissioned by CDM that evaluated the status quo of agriculture in CDM, international and local trends and value adding opportunities, the subsequent agro-processing opportunities in the Cacadu region were identified. Many of the opportunities are also coupled with the expansion of agricultural production to supply raw materials to the identified potential/new agro-processing facilities.

Red meat industry with specific reference to beneficiation of by-products (hides and carcass meal in particular)

- Improving the supply base of animals in the CDM and Eastern Cape by introducing and developing intensive finishing of animals, including conventional feedlots as well as irrigated pastures (where appropriate).
- The market for veal – mostly produced from young bull calves from the dairy industry should be further developed in the Eastern Cape and surrounding provinces.

<sup>8</sup>Source: *Niche Agro-Processing Opportunities in Cacadu District Municipality (July 2011)*

- Expand the focus of meat processing in the CDM by manufacturing products for niche markets – this includes cartonned oxtail, tongue and heart, as well as value added products such as sausages, patties, polonies and meat loafs. For this opportunity to be implemented, one would however need a concerted effort to develop the pig industry as well (since pork and pork fat is an essential ingredient in the recipes of sausages and other value added products). The current market demand for these niche products would most likely be outside the CDM, so the local market for these niche products should be developed through assisting private sector processors with campaigning and promoting these products.
- Carcasses, trimmings and blood from the red meat abattoirs in CDM can be rendered into carcass and blood meal, an essential ingredient in the animal and pet feed industries. Bull calves of the dairy industry which cannot be raised cost-effectively (e.g. Jersey bull calves) is often delivered to rendering plants of abattoirs for further processing. (The development of a high quality animal and pet feed industry has also been identified as an opportunity for the district).
- Further processing and utilisation of hides and leather by entrepreneurs and cottage industries, need to be developed into commercial enterprises in future.

Mohair industry (Goat population and thus mohair fibre volumes need to be increased to fit growing demand for meat and natural fibre in particular)

- To increase the production of mohair and goat meat to supply the current and expected future demand, CDM should endeavour to develop the supply base of goats in the district, without placing additional pressure on already overgrazed natural vegetation. It is proposed that the feasibility of intensive Angora goat farming methods is investigated for CDM. However, the long time that goats are reared before shearing and eventual slaughter does not ideally lend itself to feedlot style farming. Keeping goats on irrigated pastures to potentially increase mohair production and to improve meat quantity and quality could be a possibility. At this stage this seems to be the most feasible option for increasing production, taking into account the mentioned constraints, with special reference to theft.
- It is a well known fact in the mohair industry that the majority (more than 90%) of the shearers are from outside CDM (and even outside South Africa, as most are sourced from Lesotho) – this is an opportunity for local economic development and job creation that is lost, and more emphasis should be placed on promoting this job as a livelihood, and developing skills in CDM to improve productivity and yields.
- A further niche opportunity is to place more emphasis on the improved utilisation of the “rest” of the goat (the meat and hide).

Poultry industry including ostriches (with specific reference to the opportunity of free range chickens)

- The production of free range chickens for meat and eggs for affluent consumers and health conscious market in CDM, as well as the rest of the Eastern Cape.
- Incorporate the usage of plucked chicken feathers, chicken manure and abattoir wastes with the proposed composting and rendering opportunities described elsewhere, to stimulate vegetable production from compost and bone meal.
- Intensive ostrich finishing units (feed-lots) can be developed to increase supply of stock to existing abattoirs (the only one active at the moment is at Graaff-Reinet, but with increased stock levels the Grahamstown abattoir could re-open).
- The local market for ostrich leather products are still very under-developed, and this could still be built with the existing “oversupply situation” of ostrich leather.
- Training can be provided to increase the utilisation of ostrich leather for the manufacturing of less expensive fashion items.

#### Vegetables (for both hot and cold processing)

- Existing vegetable processors require increased local supply bases for their existing capacities and markets.
- A new tomato paste factory in Coega soon to be opened would require vast quantities of specific variety tomato.
- A hot processing plant for manufacturing baby food and shelf stable foods for feeding scheme projects could be established at Port Elizabeth National Fresh Produce Market (or possibly at Coega IDZ).

#### Renewable energy from biomass and the manufacturing of organic compost and charcoal (biochar) from biomass

- Electricity generation from coarse biomass through pyrolysis with bio-char as by-product pyrolysis is the combustion of material with little or no oxygen at specified temperatures to create heat, gas, bio-oil and bio-char. By varying the amount of oxygen and temperature inside the combustion vessel, different results can be achieved in terms of the mix between gas, oil and char. All the products created through this process has the potential to produce energy in various forms (gas turbine, burning or combusting the oil, and burning the char), and the char could also be used as soil conditioner and to improve carbon fuels in the soil.
- High value organic compost can be manufacturing from finer biomass, abattoir wastes and manures at most locations with sustainable access to these raw materials (i.e. at the abattoirs or within the local municipalities, utilising garden refuse amongst other biomass).
- Biogas generation through anaerobic digestion is a further opportunity at locations with constant supply of organic wastes, such as from abattoir wastes and manures from proposed feedlots – larger town such as Grahamstown or Humansdorp could be possible locations to investigate a pilot installation.
- Carbon sequestration from planting indigenous flora with carbon capture capabilities to re-instate natural vegetation and earn carbon credits – the planting of bio-mass is a labour intensive, though difficult process, and the opportunities of creating sustainable employment in this industry using grant funding to re-instate natural vegetation, is an opportunity which should be investigated.

In addition, the following opportunities exist in terms of renewable energy:

- The Eastern Cape Province has lower levels of solar radiation in comparison with other provinces in South Africa.
- Wind generation initiatives in the Cacadu District are fast growing with a large number of generation facilities under investigation.
- Opportunities in terms of energy generation from biomass and the manufacture of biofuel remained to be explored. However, it should be noted that large scale biomass production is dependent on agricultural infrastructure, sustainability and possible environmental impact.
- The Cacadu District in comparison to the eastern side of the Eastern Cape has very low hydro power generation capacity / potential, however, distinct potential exists in the Blue Crane Route region along the Fish River.

The importance of wind energy generation in the district has been confirmed by the announcement by the Department of Energy in terms of successful wind farm developments, as three of the eight approved wind farm developments are to be developed in the district, with an additional wind farm to be developed in Nelson Mandela Bay Municipality. The two largest energy generating wind farms, i.e. Cookhouse Wind Farm (135MW) and Jeffreys Bay (133.86MW) and are to be developed in the district.

#### Animal and pet feed industry

- An animal feed mill and mixing facility in Coega IDZ concentrating on imported grains and soya cake, with a strategy in place to develop local production of grains to replace imports (It should be noted that two animal feed mills are within reach of the CDM – one located at Paterson, and one located in Port Elizabeth – the milling capacity is thus not necessarily the constraint for the animal feed industry, but rather the high cost of raw materials in CDM).
- Two potential vegetable oil extraction and biodiesel manufacturing facilities are to be established at Coega IDZ in future, and planning is already underway. It is understood that the raw material supply strategy for these facilities are also geared towards importing soya by sea. An animal feed mill and mixing facility at or near Coega could integrate well with the proposed oil extraction facilities, since the oil cake by-product is an essential ingredient in animal feed.
- Niche market opportunities exist to produce feed for free ranging chicken and eggs, pigs (pork production) and aquaculture – most of these are currently imported either from other provinces, or from overseas, while value adding could be done to produce these formulated feeds in CDM (using both local and imported ingredients)
- An EU and HACCP certified rendering plant for processing carcasses and trimmings to meal for feed and fertiliser could assist in absorbing abattoir wastes and trimmings, and adding value to these products to create a sought after product currently imported by processors in CDM. Note, that although the EU certification is technically only required if the products are to be exported from CDM, the high standards of an EU certified rendering plant would provide CDM with a niche asset to supply high quality animal and pet food manufacturers in South Africa (the majority of bone meal used in the Pet Food manufacturing plant in Graaff-Reinet is imported due to the lack of availability in South Africa). It is also anticipated that food safety regulations will only become stricter in future.

#### Essential and culinary oils

- Development of the oil seed production industry in the Eastern Cape for oil extraction and animal feed (linked with the option of importing grains through Coega). The realistic potential and possible strategy to achieve this should be investigated. - An aromatic plant propagation centre (nursery) could be established to supply high quality and the correct variety plant material to outgrowers in the CDM.
- Development of outgrower aromatic plant production units (select cultivars suited to arid agriculture) to create economies of scale and the variety of produce to establish a viable essential oil production unit.
- Link vegetable oil extraction with proposed bio-diesel manufacturing plants for Coega – the processes are similar and would require only a few additional processes to create cooking oil for human consumption (used cooking oil should also be supplied to bio-diesel unit). The soya cake by-product from these processes should also be taken up by animal feed manufacturing plants for animal feed manufacturing – there is a high demand for soya cake nationally.

#### Apiculture (Beekeeping) for honey and related value added products as well as the “pollination industry”

- There is a definite market and demand for increased honey production for both local markets, as well as export markets due to the high quality and “brand” of South African honey that already exist in countries which are high importers of honey, like Japan and

Germany. Increased production sites could be established in CDM to act as outgrowers to existing honey processors with existing infrastructure in CDM.

- The existing training initiative which operates in conjunction with the MakanaMeadey can be supported to provide training for new producers as per the above opportunity. An opportunity to exploit the production, harvesting and value adding of propolis for locally produced medicinal products on commercial scales should be investigated – a farmer between Cookhouse and Cradock (whose farm lies just outside CDM) harvests propolis from his hives, and is investigating the move of this enterprise closer to Grahamstown – this and the development of infrastructure for the production and post harvest processing of propolis, could be the starting point for such a propolis research and medicinal production centre.
- Organised and properly managed pollination services are and will increasingly be a demand from commercial fruit farmers in CDM, as well as farmers in the rest of the Eastern Cape (with special reference to the focus on berry production in the Amathole District).

Exotic fruits (with specific reference to “arid commodities”, including pomegranate, fig and prickly pear)

- Based on the suitability for the production of exotic fruits in the Blue Crane Route geographical area, as well as the abundant water (compared to the rest of the CDM), the development of orchards in this area is proposed to supply local (CDM and South African) as well as export markets.
- Training and extension services could be provided by experienced producers and consultants from the Western Cape to farmers that are relatively new to exotic fruits in CDM (capacity has already been build in the Western Cape which can be transferred).
- There is potential for local economic development through entrepreneurial value adding and processing of exotic fruit in jams, preserves, sauces, dried fruit, etc. – cottage industries could over time develop into commercially sustainable businesses. In conjunction with other plans of developing the animal feed industry of CDM, there exists an opportunity to manufacture shelf stable animal feed pellets from the cyclodes of the prickly pear plant.

Pig (pork) industry

- Based on the feedback from the champions of the pig industry in CDM, definite opportunities exist to increase proper pig fattening units. Good breeding material is available in the Eastern Cape, which is currently exported in high quantities to the northern part of the country to be fattened intensively (due to their access to cost effective feed).
- The supply of lighter pigs to the abattoirs could address a specific market segment which has been identified by the private sector, although these pigs are not currently readily available in the CDM
- The development of a meat processing facility at the old *Abakor* abattoir, near Port Elizabeth, to utilise pork and other red meat for the manufacturing of value added products such as patties, sausages and a range of processed meats (preferably also establish and build a brand for these products).

In addition, definite opportunities in other dominant agricultural sectors in Cacadu also exist and should not be disregarded. However, it should be noted that these industries have reached progressive states of development and already receive support in terms of research and investments into the development of further value addition, including support from CDM. A brief overview of these sectors and related opportunities are included below.

- Citrus

Oranges are mainly produced in the Kirkwood area of the Sundays River Valley Municipality. Other areas in the Cacadu district are only marginally suited to citrus production under irrigation and include areas to the east of the Sundays River Valley, the northern parts of Camdeboo, south of Klipplaat in Ikwezi, the Aberdeen Plain west of Willowmore and in the Kou-Kamma Municipality around Kareedouw. Other marginally suitable soils also include limited areas of the Blue Crane Route Municipality around Somerset East and Cookhouse and scattered areas of the Makana Municipality.

- Pineapple

The Cacadu District and more specifically, Ndlambe Municipality is a major producer of South African Pineapples. The pineapple beneficiation project, managed by NNIP (Pty) Ltd is predicated on the beneficiation of previously wasted pineapple plant material upon which the pineapple fruit grows. The successful implementation of this project will be of enormous economic benefit to the pineapple growers and the pineapple processing industry.

- Honeybush Tea

This crop grows along mountain slopes in the Langkloof area in Kou-Kamma. South Africa produces only 200 tons of honeybush tea per year. The industry has seen an improvement in the quality of tea and the establishment of export standards with the construction of a large processing and packaging facility in Mossel Bay. Honeybush tea has a growing export market.

- Deciduous fruit

The main deciduous-fruit producing areas of South Africa are situated in the Western and Eastern Cape provinces, mainly in areas where warm, dry summers and cold winters prevail. In the Eastern Cape, the Langkloof Valley is home to apple and pear production.

Apples could also be produced in the western Aberdeen Plains and in the northern parts of the Camdeboo Municipality. The production of these areas has a yield potential of between 30 and 50 tons per hectare. The major restriction for the western parts of the Aberdeen Plain will be the availability of sufficient water for irrigation.

Pears are only marginally suitable under irrigation in the western Aberdeen Plains and in the north of Camdeboo, with a potential yield capability of 15 to 30 tons per hectare.

- Dairy

The commercial dairy industry of the Eastern Cape has its base in the Tsitsikamma area. The Eastern Cape produces approximately 20.5% of the country's total milk supply. The areas with the highest dairy production potential are mostly in the southern parts of Kouga and Koukamma Local Municipalities. The other areas mildly suited to dairy production are in the municipalities of Sunday's River Valley, Makana and Ndlambe.

- Chicory

Chicory is grown exclusively in the coastal areas around Alexandria, where Chicory SA has established a drying plant. The dried chicory is all consumed within South Africa and is sold to coffee manufacturers nationwide. Currently there is a challenge in terms of excess supply, owing to traditional markets purchasing chicory from international suppliers, at a lower price than is possible for the domestic suppliers. An intervention is required to assist the industry.

- Natural fibres industry

The Natural Fibre Cluster is a multi-stakeholder, multi million rand provincial programme spanning research and development to commercialization with the end objective to establish a niche industries in plant and animal fibres initially within the five identified groupings namely wool and mohair, flax and hemp, pineapple, agave and cashmere.

This cluster is to become a one-stop-shop for natural fibres covering the entire value chain from primary production in the rural areas to value addition and manufacture of various products for various sectors including, but not necessarily limited to pharma- and nutraceuticals, automotive and aerospace, construction and textiles

- Aquaculture

The Camdeboo Satellite Aquaculture Project (CSAP) is an innovative and highly replicable model which presents a comprehensive solution to address fish supply shortfalls, create sustainable self-employment opportunities for rural women, promote pro-poor economic growth, and encourage social equity in the Camdeboo. The Project thus has a high level of support at local, provincial and national government levels as well as from the private sector.

The CSAP concept centres around the establishment of aquaculture clusters which comprise a central management farm and a network of satellite farming systems. Each aquaculture cluster is designed to produce 1,166 tons of fish per month and provide employment to 500 people, primarily rural women. The aquaculture clusters benefit both through economies of scale as a result of their collaboration as well as from the support, training and mentorship provided by the central structure.

The process of developing the district's Economic Growth and Development Strategy was first initiated in 2005 and the strategy subsequently was adopted by the District's Council in 2006. It was recommended that the strategy be reviewed annually, concurrently with the annual review of the Integrated Development Plan.

The review of the Economic Growth and Development Strategy has been concluded. The revised strategy guides the District in its development facilitation trajectory for at least the following five years. The revision of the strategy is a result of three years of extensive stakeholder consultation and collaboration on both a programmatic and project level, primarily

facilitated through the Rural Economic Development Initiative (see subsequent sub section for information related to the Rural Economic Development Initiative).

The Economic Growth and Development Strategy has been renamed the Socio-Economic and Enterprise Development Strategy (SEEDS), the acronym for which metaphorically describes the district's core mandate in initiating the facilitation of economic development and subsequently growing the regional economy.

The CDM approach is structured around seven core strategies based both on a review of international trends in rural regeneration strategies as well as a reflection on the experience of CDM and other institutions in promoting development in the region.

**(a) Increasing agricultural income**

Agriculture remains the single most economic driver in the district. The starting point for rural development is to find ways of increasing agricultural income. This is of course firstly a product of the drive of farmers individually and collectively. However, there are a number of ways in which farmers can be supported to increase the value of agricultural output. These include:

- Growing national and international markets for agricultural output
- Facilitating investments in local and regional agro-processing plant to increase product demand and improve prices
- Investing in research and knowledge sharing to improve the quality and resilience of crops and livestock.
- Supporting local and regional food systems that keep wealth in rural communities.

**(b) Investing in natural capital**

There is an increasing recognition internationally and within South Africa that it is important to invest in protecting and restoring natural resources and ecosystems such as catchments, wetlands, rivers, forests and other natural areas to preserve bio-diversity, to ensure sustainable water supplies as well as to exploit the economic potential of such areas. The growth of tourism in the region is strongly associated with the exceptional and diverse natural assets. Key approaches to this include:

- Promoting and incentivising natural resource restoration and conservation including alien vegetation clearing, developing eco-systems markets that reward land restoration through carbon credit mechanism and so on.
- Creating new generation green jobs and local income streams rooted in renewable energy.
- Growing the rural tourism economy based on natural capital through agri-, adventure- and eco-tourism initiatives.



**(c) Broadening economic participation**

Inequality and poverty are deeply entrenched with rural South Africa and represent a major constraint to development. However, the poor of the region also represent a major resource for economic progress. Broadening economic participation as part of a broader social development emphasis is thus a key pillar for rural regeneration. Key areas of action include:

- Promoting BBBEE, SMME and cooperative development.
- Maximising the opportunities for Extended Public Works Programme (EPWP) and Community Work programme opportunities.
- Improving grant accessibility.
- Establishing community-based beneficiation projects.
- Facilitating community and worker participation in share ownership.
- Promoting social development investments.

**(d) Developing the skills base**

The skills base of the region is a key driver of both economic progress and poverty reduction. CDM's skills profile is very skewed. It is a region with a significant pool of highly skilled people. However, most people have limited skills and limited educational attainment. This is both a major constraint to development but also represents a significant area of opportunity given the wide range of good educational institutions in the region. CDM is committed to a concerted approach to improving the skills profile of the region. Key areas of action include:

- Improving the quality and quantity of school education and early childhood development (ECD) through partnerships.
- Creating further education opportunities linked to work opportunities in the region.
- Developing skills transfer partnerships between established and emerging farmers and between established and emerging businesses.

**(e) Improving connectivity and utility infrastructure**

Transport, water and energy infrastructure are major challenges in an arid low-density rural area such as CDM. The costs of such infrastructure are particularly high in such areas given distance and the area enjoys relatively low priority for infrastructure given its small population. It is therefore necessary to be innovative and focused in ensuring that sufficient infrastructure is in place to support development. Key areas here include:

- Developing rural broadband and mobile phone connectivity is a key rural development strategy globally.

- Improving rural transport infrastructure particularly roads.
- Identifying and delivering catalytic infrastructure that opens up new economic opportunities.

**(f) Regenerating core towns**

The core towns within a rural region play a critical role in the economy of the region as a whole. They are the economic and services hub that enable the rural economy to function. When towns decline, the rural hinterland tends to decline given the symbiotic relationship between them. The regeneration of core towns is thus a critical driver of rural economic development. Key areas of action include:

- Urban regeneration projects focused on upgrading town CBDs and historic districts.
- Ensuring quality education and health services in core towns in order to retain talent and skills in the area.
- Promote tourism and niche services and manufacturing based on identifying competitive advantages and niche opportunities
- Ensuring that municipal infrastructure is maintained and upgraded on a financially sustainable basis in order to support growth and development
- Service delivery improvement partnerships to ensure that essential administrative and regulatory functions are undertaken by the LM.

**(g) Building local and regional networks**

Research globally suggests that the quantity and quality of networks within a region and between the region and relevant role-players outside the region - “social capital” – is a key factor influencing economic development. A key element of any strategy for rural regeneration is thus about finding ways to expand the networks and linkages between stakeholders in the region and connecting the region into relevant provincial, national and international processes. Areas of focus include:

- Strengthening government to government connections at a regional, provincial and national level.
- Building partnerships to improve economic competitiveness and resilience.
- Creating a positive image of the region amongst public and private investors and building relationships with them.

### **Rural Economic Development Initiative (REDI)**

The district has experienced a period of sluggish economic and demographic growth. Major challenges have included a period of consistent agricultural decline, the large geographic extent and sparse population of the district, aggravated by migration to larger urban nodes, growing inequality and poverty and municipal capacity. There are a number of objective factors that suggest that much stronger growth, than has occurred over the past decade, is possible.

In response to this latent growth potential, the Development Bank of Southern Africa initiated the Rural Economic Development Initiative. The Cacadu Rural Economic Development Initiative (REDI), one of three pilot sites in South Africa, is a partnership between Cacadu District Municipality, the Development Bank of Southern Africa (DBSA) and other major stakeholders in the region aimed at identifying and unlocking economic potential to realize the latent economic growth potential of the district. The idea is to build a strong strategic relationship between the municipality and local and regional stakeholders aimed at enhancing economic turn-around.

The first phase of the project was initiated in 2010 and is nearing the end, which will culminate in the development of a regional investment prospectus in 2012. Support from the Development Bank of Southern Africa for phase one includes a R7.8 million technical assistance grant and dedicated capacity in terms of a Process Facilitator (part-time) and Process Coordinator (full-time).

Areas of intervention include (a) agri-innovation primarily in the areas of agro-processing, aquaculture, natural fibre beneficiation; renewable energy and agri-tourism and (b) strategy and institutional development, culminating in the revision of the district's Economic Growth and Development Strategy coupled with the development of an investment prospectus and related investment strategies.

The REDI process has identified a number of catalytic factors that could accelerate economic growth in the District including renewable energy, fibre innovation, the potential for agro-processing in key niches, tourism development and growing the education sector.

REDI in Cacadu has identified a wide range of opportunities in the district in these and other sectors linked to innovation, product diversification and expanding the value chain in key sectors. At end of January 2012 Cacadu Phase one of the REDI programme identified more than 50 catalytic development projects, provided assistance to package more than 35 of these projects and referred more than ten to various financial institutions for finance. If the projects referred are approved more than R400 million will be invested in the Cacadu District. In addition from this more than R15 million was crowded in, to co-fund some of the projects.

The deliverables emanating from REDI phase one are as follows:

- Fibre innovation hub rapid assessment and strategic plan
- Identification of and investigation into niche agro-processing opportunities for Cacadu District Municipality
- Renewable Energy Rapid Assessment and Audit
- Provincial Renewable Energy Coordinating Forum
- CDM Renewable Energy Seminar
- Land Use and Location Policy for Renewable Energy Projects
- Implementation Study on the Generation of Hydro-electricity on mini/micro sites located within BCRM
- Preparation of a Project Plan for the Establishment of a Wind Research and Training Centre in BCRM
- Camdeboo Satellite Aquaculture Project
  - Post Harvest Product Development of Freshwater Fish
  - Processing Facility Business Plan Development
- Preparation of a Business Plan for the Giant Flag project
- Eastern Cape Natural Fibre Cluster Coordination
- Development of a Regional Economic Model (REM)
- Investigation into the Social Economy and Identification of Interventions to Address Poverty and Unemployment
- Draft Socio-Economic and Enterprise Development Strategy (SEEDS)
- Strategic Infrastructure Investment Assessment for Kouga Municipality
- Development of a Municipal Services Finance Model for BCRM

REDI has also helped establish a much higher level of engagement between government, the private sector and other stakeholders. A number of strong development institutions and partnerships have emerged or have consolidated that are well-placed to support further development in the region.

These emerging opportunities, the stronger common vision and the increased level of networking and partnership formation now need to be consolidated in order to realize the potential through accelerated implementation, through a proposed second phase of the project.

The second phase continues to work with and grow a large portfolio of projects through a process of intensive regional stakeholder engagement with an emphasis on facilitating the implementation of major regional projects and up-scaling or extending successful pilots to other areas.

The primary sector focus of REDI in CDM will be on improving the performance of agriculture-related sectors (including priority sectors from phase one research, renewable energy, land restoration, agro-tourism and aquaculture).

The REDI team will also provide secondary support for tourism, education and business development that strengthen regional competitiveness and job creation.

In addition, the second phase will also continue to focus strongly on building a range of multi-stakeholder partnerships and networks at local, regional and provincial level that promote innovation, learning and collaboration.

In its second phase REDI will be consolidated as a strategic rural development “project clearing house” with core capacities related to:

- Facilitating multi-stakeholder networks to support rural economic development
- Project identification, conceptualisation, evaluation and packaging aligned to regional development strategy development
- Packaged projects transferred to CDA for implementation

A key REDI phase two task will be to develop a model of economic development project planning and implementation based on three core concepts that experience has shown increase the chances of project success, sustainability and impact:

- Multi-stakeholder multi-level partnership including working an inter-district, regional, provincial and national level
- Co-funding
- Strong project management arrangements

As part of this, a key role of a small REDI team will be to manage the compilation and bi-annual update of a portfolio of credible strategically relevant projects with strong institutional arrangements for implementation for submission to IDC, ECDC, DBSA, etc and investors for enterprise development and infrastructure investment.

#### **2.9.4 Establishment of the Cacadu Development Agency – Rationale and Progress**

The institutional platform for local economic development is a crowded space. Most of the bodies involved tend to operate within their sector or demarcated geographical orbits. Duplication is an issue. Coordination and joined-up management is less evident.

Better coordination based upon partnership around a common vision, an integrated strategy – and comminuted financial resources – for local development is necessary. Much of the challenge around sustainable development relates to the fact that the practices of institutional coordination, cooperation and collaboration – formal and informal – public and private – government and non-government does not function well.

Therefore, Cacadu District Municipality’s Council has taken a decision to establish a District Development Agency. Agencies are a focused and dedicated mechanism for economic development with public interest and accountability but using private sector tools and strategies.” “Development agencies have brought new skills, a wide range of experiences and a

sense of leadership to the development challenges in many areas. They have opened up new networks to local development most notably investment and business.”<sup>9</sup>

Not every local municipality is able to afford its own development agency, nor are local municipalities, for the most part, able to successfully leverage the funding that is required to sustain a development agency. Many local municipalities, especially in rural areas, are too small - and lacking resources. The dual role of a district agency, strategic management and promoter of balanced development, should go some way to ensure that this is not so.

A holistic development approach to economic growth and development is necessary to link the macro- and micro-economy. A combination of catalytic projects to drive economic growth at a macro level and related local beneficiation activities focused on creating opportunities for SMEs is recommended.

The primary role of the district development agency should be to unlock the socio-economic developmental potential of the district through effective partnerships between government, the private sector and higher education institutions that harness and coordinate available resources of the triple helix.

The agency should be a dedicated champion tasked to leverage public and private resources to promote development based on latent potential which offer investment, employment, socio-economic and environmental conservation and restoration opportunities.

The district development agency should be specifically tasked with at least the following key performance areas:

- To act as an agent for and on behalf of the parent municipality(ies) for the purposes of facilitating economic, social and environmental policies and projects (sometimes as identified by or agreed with the municipality);
- To initiate, identify and implement high impact economic development projects;
- To generate sustainable economic growth as well as social transformation to the benefit of communities within the district;
- To promote productive partnerships and cooperation between relevant stakeholders on area/regional-based initiatives;
- To manage the spatial organization of the area, in a socially efficient manner, particularly through the use of public land and targeted private projects.
- To acquire, own and manage land and buildings, and/or rights to land and buildings, to be used for economic and social development purposes.
- To facilitate a business environment conducive to private sector investment, and leveraging of public and private sector resources for economic development
- To contribute to integrating the region / district into domestic and international markets

Currently, the Rural Economic Development Initiative (REDI) is fulfilling this mandate. The Cacadu *Local* Economic Development Initiative (REDI) is a partnership between Cacadu District Municipality, the Development Bank of Southern Africa (DBSA) and other major stakeholders in the region aimed at identifying and unlocking economic potential. The idea is to build a strong strategic relationship between municipality, local and regional stakeholders aimed at catalysing an economic turn-around.

Therefore, the assimilation and integration of the Rural Economic Development Initiative’s programmes, projects and principles into the district development agency is significant a) to

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<sup>9</sup>Industrial Development Corporation

promote continuity of catalytic programmes of economic significance to the district and b) to harness the energy and enthusiasm of strategic stakeholders to strengthen economic development interventions, through the numerous relationships that have been forged and fostered throughout the course of the initiative.

This places the proposed district development agency in a fortuitous position in that it does not necessary have to “start from scratch”, but rather that it may build on a solid foundation laid by the REDI.

Cacadu District Municipality has committed seed funding necessary to initiate the establishment of the agency. Furthermore, the district is actively engaging with potential funders to elicit further funding.

One of the key deliverables in the establishment of the district agency is the development of the business case for the agency. Mandela Bay Development Agency is assisting the district in the development of this business case, based on relevant experience in establishing and operating an agency.

## **2.10 SYNOPSIS**

Numerous issues, opportunities, constraints and threats have been highlighted through the preceding analysis of the Cacadu District. It must however be noted that the IDP is a strategic document, used to guide capital investment, government intervention, etc. The IDP development priorities and objectives are achieved through the successful implementation of the varying strategies.

As such the IDP is not a document (nor should be) that contains a wish list of projects in the hope of funding. When analysing an IDP, a potential funder, be it a provincial sector department or whoever, should first and foremost interrogate the problems (as indicated in the preceding analysis component) and strategies that are contained within an IDP and then in turn analyse how his or her projects through their own planning processes can address those problems and / or satisfy those strategies within a respective IDP. It is only through this process that one achieves intergovernmental alignment.

With this in mind a consolidated overview has been developed for the District which will can serve to guide government institutions with respect to planning and investment decisions so as to achieve the objectives of the MTSF as relevant to Cacadu. This consolidated overview is illustrated in the table that follows.

**Table 2.31 : MTSF Strategic Priorities**

MTSF - Strategic Priorities	MTSF Strategic Priorities Pertinent to the CDM's mandate <sup>10</sup>	Outcomes of IDP Analysis	Outcomes as addressed in CDM's IDP	Implications for Local Municipalities	Relation to CDM's Development Priorities, Objectives	CDM's 2012 / 2013 IDP Projects	National & Provincial Required Interventions <sup>11</sup>
1. Speeding up growth and transforming the economy to create decent work and sustainable livelihoods	<p><b>1. Identification of Economic Opportunities</b></p> <ul style="list-style-type: none"> <li>➤ Identify &amp; enhance existing economic opportunities</li> <li>➤ Prioritise the creation of employment opportunities</li> <li>➤ CDM's focus areas are Tourism, Agriculture and public services such as health &amp; education<sup>12</sup></li> <li>➤ Effective land use management needs to provide impetus to employment &amp; economic growth</li> </ul>	<ul style="list-style-type: none"> <li>➤ Opportunity to expand formal agriculture in Kouga, Kou-Kamma, SRV and Ndlambe</li> <li>➤ Need identified to investigate the establishment of agro-processing opportunities in Kouga, Kou-Kamma, SRV and Ndlambe</li> <li>➤ SRV, Baviaans, Camdeboo, Kouga and Ndlambe hold key Tourism focus areas that could benefit from informed interventions</li> <li>➤ Employment opportunities are limited in Baviaans and Ikwezi in relation to economic sectors</li> <li>➤ Baviaans, Ikwezi, Blue Crane require economic interventions to stabilize rural depopulation and improve livelihoods.</li> <li>➤ Opportunity for LMs to improve Land Use Management</li> </ul>	<ul style="list-style-type: none"> <li>➤ ABP / LAA (CDM IDP, Section 4</li> <li>➤ Tourism Master Plan (CDM IDP, Section 4</li> <li>➤ EGDS (CDM IDP, Section 4) &amp; five pillars to stimulate economic growth:</li> <li>➤ 1. Economic Infrastructure</li> <li>➤ 2. Sector Development</li> <li>➤ 3. HR Skills &amp; Development</li> <li>➤ 4. Institutional Development</li> <li>➤ 5. Regional Linkages</li> <li>➤ SDF (CDM IDP, Section 4)</li> </ul>	<ul style="list-style-type: none"> <li>➤ Kouga, Kou-Kamma, SRV &amp; Ndlambe to identify &amp; support relevant agricultural sectors</li> <li>➤ Kouga, Kou-Kamma, SRV &amp; Ndlambe to identify &amp; support relevant agricultural sectors</li> <li>➤ SRV, Baviaans, Camdeboo, Kouga and Ndlambe to enhance &amp; support LTO's &amp; other tourist associated activities in the area</li> <li>➤ Baviaans &amp; Ikwezi to identify opportunities to invest in human capital</li> <li>➤ Baviaans, Ikwezi, Blue Crane to maximize rural land use potential</li> <li>➤ LMs to prioritize Land Use Management functions</li> </ul>	<p><b>Development Priority 1: Infrastructure Investment</b></p> <ul style="list-style-type: none"> <li>➤ Obj 5: Promote integration btw spatial planning &amp; transportation planning to achieve sustainable human settlements</li> </ul> <p><b>Development Priority 3: Economic Development</b></p> <ul style="list-style-type: none"> <li>➤ Obj 1: leverage resources to achieve investment in econ infrastructure</li> <li>➤ Obj 2: Achieve econ growth by developing strategic sectors</li> <li>➤ Obj 3: Develop &amp; enhance technical &amp; life skills in line with labour market demands</li> <li>➤ Obj 4: Build internal &amp; external institutional capacity</li> <li>➤ Obj 5: Establish &amp; sustain partnerships aimed at econ dev.</li> </ul>	<p>See CDM's SDBIP</p>	<ul style="list-style-type: none"> <li>➤ Department of Economic Development:</li> <li>➤ Stimulate entrepreneurship by supporting primary sector aligned projects;</li> <li>➤ Fund the investigation of the expansion of formal agriculture and agro-processing opportunities in Kouga, Kou-Kamma, SRV and Ndlambe</li> <li>➤ Department of Tourism:</li> <li>➤ Researched interventions required to enhance Tourism related SMMEs on SRV, Baviaans, Camdeboo, Kouga and Ndlambe LMs</li> <li>➤ Department of Rural Development &amp; Land Affairs:</li> <li>➤ Policy directives required to ensure sustained land access, development &amp; ownership for the emerging farmer;</li> <li>➤ Guidance in terms of Agricultural Sector Development.</li> <li>➤ Department of Agriculture, Fisheries &amp; Forestry: To provide technical &amp; developmental support to transferred land reform &amp; emerging farmer projects</li> </ul>

<sup>10</sup> Not all of the 10 Strategic Priorities hold relevance to the role and mandate of the CDM. The **seven 'bolded'** components of the MTSF have been extracted in the interest of influencing project formulation and resource allocation. The three un-highlighted priorities require a supportive role on behalf of the CDM.

<sup>11</sup> All National and Provincial Government Departments are requested to actively take cognizance of CDM's Planning initiatives and align their mandatory interventions accordingly.

<sup>12</sup> As identified by the MTSF



MTSF - Strategic Priorities	MTSF Strategic Priorities Pertinent to the CDM's mandate <sup>13</sup>	Outcomes of IDP Analysis	Outcomes as addressed in CDM's IDP	Implications for Local Municipalities	Relation to CDM's Development Priority Objectives	CDM's 2012 / 2013 IDP Projects	National & Provincial Interventions <sup>14</sup>
2. Massive program to build economic and social infrastructure	<p><b>2. Provision and Maintenance of Infrastructure to expand &amp; improve</b></p> <ul style="list-style-type: none"> <li>➤ Social &amp; economic Infrastructure;</li> <li>➤ Transportation;</li> <li>➤ Energy;</li> <li>➤ Water;</li> <li>➤ Sanitation;</li> <li>➤ Information &amp; communication</li> </ul>	<ul style="list-style-type: none"> <li>➤ 82% of the road network in CDM are gravel – consider impact on economic sector and residents</li> <li>➤ Primary mode of civilian transport = pedestrian</li> <li>➤ Primary mode of transport supporting economic sectors = road</li> <li>➤ Depopulation especially in Ikwezi&amp;Bavaans place limits on the provision &amp; maintenance of infrastructure</li> <li>➤ Social investment program required to support tourism activities in SRV, Bavaans, Camdeboo, Kouga and Ndlanbe</li> </ul>	<ul style="list-style-type: none"> <li>➤ Comprehensive Infrastructure Plans (CIPs) are being dev for each LM (CDM IDP, Section 4)</li> <li>➤ Communications Policy (CDM IDP, Section 4)</li> <li>➤ Integrated Transport Plan (CDM IDP, Section 4)</li> <li>➤ Integrated Waste Management Plans (CDM IDP, Section 4)</li> <li>➤ Water Services Development Plans (CDM IDP, Section 4)</li> </ul>	<ul style="list-style-type: none"> <li>➤ LMs to identify priority roads with specific impacts on economic &amp; resident access</li> <li>➤ LM to capture safe modes and routes of pedestrian mobility</li> <li>➤ LMs to identify priority roads with specific impacts on economic access</li> <li>➤ Ikwezi &amp; Bavaans to prioritize essential provision &amp; maintenance of infrastructure</li> <li>➤ SRV, Bavaans, Camdeboo, Kouga&amp;Ndlanbe to source opportunities to create a sense inclusion of disadvantaged residents in tourism initiatives</li> </ul>	<p><b>Development Priority 1: Infrastructure Investment</b></p> <ul style="list-style-type: none"> <li>➤ Obj 1: Assist with water provision</li> <li>➤ Obj 2: Ensure adequate Bulk water source</li> <li>➤ Obj 3: Provide Intra Maintenance Plans</li> <li>➤ Obj 4: Improve mobility in the CDM by 2010</li> <li>➤ Obj 5: Promote integration btw spatial planning &amp; transportation planning to achieve sustainable human settlements</li> <li>➤ Obj 6: Develop an integrated tourism/2010 role-out plan</li> </ul>	See CDM's SDBIP	<ul style="list-style-type: none"> <li>➤ Provincial Dept of Transport</li> <li>➤ Provision &amp; maintenance of roads infrastructure along primary economic routes</li> <li>➤ SANRA</li> <li>➤ Provision &amp; maintenance of roads infrastructure along primary economic routes</li> <li>➤ Department of Water and Environmental Affairs</li> <li>➤ Provision &amp; maintenance of infrastructure in line with Departmental mandate</li> <li>➤ Department of Tourism: <ul style="list-style-type: none"> <li>➤ To provide guidance on the social involvement of under resourced communities and associated strategic partners in tourism driven economies.</li> </ul> </li> </ul>

<sup>13</sup> Not all of the 10 Strategic Priorities hold relevance to the role and mandate of the CDM. The **seven 'bolded'** components of the MTSF have been extracted in the interest of influencing project formulation and resource allocation. The three un-highlighted priorities require a supportive role on behalf of the CDM.

<sup>14</sup> All National and Provincial Government Departments are requested to actively take cognizance of CDM's Planning initiatives and align their mandatory interventions accordingly.

<p><b>MTSF - Strategic Priorities</b></p>	<p><b>MTSF Strategic Priorities Pertinent to the CDM's mandate</b></p>	<p><b>Outcomes of IDP Analysis</b></p>	<p><b>Outcomes as addressed in CDM's IDP</b></p>	<p><b>Implications for Local Municipalities</b></p>	<p><b>Relation to CDM's Development Priorities, Objectives</b></p>	<p><b>CDM's 2012/ 2013 IDP Projects</b></p>	<p><b>National &amp; Provincial Interventions<sup>16</sup></b></p>
<p>3. <b>Comprehensive rural development strategy linked to land and agrarian reform and food security</b></p>	<p>3. <b>Support of Agrarian Reform and Food Security by formulating responsive programs that consider</b></p> <p>Economic potential; The location of poverty</p>	<p>Opportunity to expand formal agriculture in Kouga, Kou-Kamma, SRV and Ndlambe</p> <p>Need identified to investigate the establishment of agro-processing opportunities in Kouga, Kou-Kamma, SRV and Ndlambe</p> <p>Employment opportunities are limited in Baviaans and Ikwezi in relation to agricultural opportunities</p>	<p>ABP / LAA (CDM IDP, Section 4)</p> <p>EGDS (CDM IDP, Section 4) &amp; five pillars to stimulate economic growth:</p> <ol style="list-style-type: none"> <li>1. Economic Infrastructure</li> <li>2. Sector Development</li> <li>3. HR Skills &amp; Development</li> <li>4. Institutional Development</li> </ol> <p>Regional Linkages</p>	<p>Kouga, Kou-Kamma, SRV &amp; Ndlambe to identify &amp; support relevant agricultural sectors</p> <p>Kouga, Kou-Kamma, SRV &amp; Ndlambe to identify &amp; support relevant agricultural sectors</p> <p>Baviaans &amp; Ikwezi to identify opportunities to invest in human capital</p>	<p><b>3: Economic Development</b></p> <p>Obj 1: leverage resources to achieve investment in econ infrastructure</p> <p>Obj 2: Achieve econ growth by developing strategic sectors</p>	<p>See CDM's SDBIP</p>	<p>Department of Rural Development &amp; Land Affairs:</p> <ul style="list-style-type: none"> <li>Policy directives required to ensure sustained land access, development &amp; ownership for the emerging farmer;</li> <li>Guidance in terms of Agricultural Sector Development.</li> </ul> <p>Department of Agriculture, Fisheries &amp; Forestry</p> <ul style="list-style-type: none"> <li>To provide technical &amp; developmental support to transferred land reform &amp; emerging farmer projects</li> </ul> <p>Department of Economic Development</p> <ul style="list-style-type: none"> <li>Stimulate entrepreneurship by supporting primary sector aligned projects;</li> <li>Fund the investigation of the expansion of formal agriculture and agro-processing opportunities in Kouga, KK, SRV and Ndlambe</li> </ul>

<sup>15</sup> Not all of the 10 Strategic Priorities hold relevance to the role and mandate of the CDM. The **seven 'bolded'** components of the MTSF have been extracted in the interest of influencing project formulation and resource allocation. The three un-highlighted priorities require a supportive role on behalf of the CDM.

<sup>16</sup> All National and Provincial Government Departments are requested to actively take cognizance of CDM's Planning initiatives and align their mandatory interventions accordingly.

<p><b>MTSF - Strategic Priorities</b></p>	<p><b>MTSF Strategic Priorities Pertinent to the CDM's mandate<sup>17</sup></b></p>	<p><b>Outcomes of IDP Analysis</b></p>	<p><b>Outcomes as addressed in CDM's IDP</b></p>	<p><b>Implications for Local Municipalities</b></p>	<p><b>Relation to CDM's Development Priorities, Objectives</b></p>	<p><b>CDM's 2012 / 2013 IDP Projects</b></p>	<p><b>National &amp; Provincial Interventions<sup>18</sup></b></p>
<p>4. <i>Strengthen the skills and human resource base</i></p>	<p><b>4. Enhancement of Skills and Education Systems with a focus on</b></p> <ul style="list-style-type: none"> <li>➤ Quality education &amp; skills development for all</li> <li>➤ The use of information technology &amp; communications</li> <li>➤ Artisan skills &amp; self employment</li> <li>➤ Food security &amp; land based livelihoods</li> </ul>	<ul style="list-style-type: none"> <li>➤ Skills Audit required in relation to dominant economic sectors</li> <li>➤ Intervention to provide improved access to and use of I&amp; CT</li> <li>➤ District wide intervention required to encourage sustainable use of commercial and subsistence agricultural land</li> </ul>	<ul style="list-style-type: none"> <li>➤ Communications Policy (CDM IDP, Section 4)</li> </ul>	<ul style="list-style-type: none"> <li>➤ All LMIs to orchestrate a skills audit relative to dominant economic sectors</li> <li>➤ All LMIs to secure ADSL connectivity and facilitate access to ICT</li> <li>➤ All LMIs to actively manage existing agricultural resources with a particular emphasis on commonage land</li> </ul>	<p><b>Development Priority 3: Economic Development</b></p> <ul style="list-style-type: none"> <li>➤ Obj 3: Develop &amp; enhance technical &amp; life skills in line with labour market demands</li> </ul>	<p>See CDM's SDBIP</p>	<ul style="list-style-type: none"> <li>➤ Department of Higher Education and Training</li> <li>➤ Declaration of levels of adult education and skills training available in relation to CDM's primary economic sectors</li> <li>➤ Department of Rural Development &amp; Land Affairs:</li> <li>➤ Policy directives required to ensure sustained land access, development &amp; ownership for the emerging farmer;</li> <li>➤ Department of Agriculture, Fisheries &amp; Forestry:</li> <li>➤ To provide technical &amp; developmental support to transferred land reform &amp; emerging farmer projects</li> </ul>

<sup>17</sup> Not all of the 10 Strategic Priorities hold relevance to the role and mandate of the CDM. The **seven 'bolded'** components of the MTSF have been extracted in the interest of influencing project formulation and resource allocation. The three un-highlighted priorities require a supportive role on behalf of the CDM.

<sup>18</sup> All National and Provincial Government Departments are requested to actively take cognizance of CDM's Planning initiatives and align their mandatory interventions accordingly.

<p><b>MTSF - Strategic Priorities</b></p>	<p><b>MTSF Strategic Priorities Pertinent to the CDM's mandate<sup>19</sup></b></p>	<p><b>Outcomes of IDP Analysis</b></p>	<p><b>Outcomes as addressed in CDM's IDP</b></p>	<p><b>Implications for Local Municipalities</b></p>	<p><b>Relation to CDM's Development Priorities, Objectives</b></p>	<p><b>CDM's 2012/ 2013 IDP Projects</b></p>	<p><b>National &amp; Provincial Interventions<sup>20</sup></b></p>
<p>5. Improve the health profile of all South Africans</p>	<p><b>5. Improve the Health Profile of Cacadu inhabitants by</b></p> <ul style="list-style-type: none"> <li>➤ Increasing access to health services &amp; the achievement of better outcomes</li> <li>➤ Strengthen to treatment &amp; monitoring of TB</li> <li>➤ Better care &amp; awareness relating to HIV/AIDS &amp; child vaccines</li> </ul>	<ul style="list-style-type: none"> <li>➤ Access to clinics of problematic due to staff shortages</li> <li>➤ Sparse population distribution in CDM could limit access to health facilities and accurate information</li> <li>➤ Particularly vulnerable groups include: farm workers, residents of Informal settlements, migrant workers</li> </ul>	<ul style="list-style-type: none"> <li>➤ Health Plan (CDM IDP, Section 4)</li> </ul>	<ul style="list-style-type: none"> <li>➤ All LMs to assess Clinic Staff numbers relative to size of community serviced</li> <li>➤ All LMs to facilitate the sourcing of accurate health information relative to key provincial and national interventions</li> <li>➤ All LMs to strategize on facilitating health access to identified vulnerable groups</li> </ul>	<p><b>4: Community Services</b></p> <p><b>B: Primary Health Care</b></p> <ul style="list-style-type: none"> <li>➤ Obj 1: Improve health status of the community in accordance with the District Health Systems Model</li> <li><b>C: HIV &amp; AIDS Plan</b></li> <li>➤ Obj 1: Promote voluntary testing &amp; counselling</li> <li>➤ Obj 2: Ensure that traditional surgeons &amp; nurses are trained in general health issues</li> <li>➤ Obj 3: Reduce the impact of HIV / AIDS in the CDM</li> <li>➤ Obj 4: Build LM capacity to respond to HIV / AIDS</li> <li>➤ Obj 5: Effectively manage the impact of HIV / AIDS on orphans &amp; vulnerable children</li> </ul>	<p>See CDM's SDBIP</p>	<ul style="list-style-type: none"> <li>➤ Department of Health the political, management and financial component to ensure the delivery of health care in a cost effective and integrated manner.</li> </ul>

<sup>19</sup> Not all of the 10 Strategic Priorities hold relevance to the role and mandate of the CDM. The **seven 'bolded'** components of the MTSF have been extracted in the interest of influencing project formulation and resource allocation. The three un-highlighted priorities require a supportive role on behalf of the CDM.

<sup>20</sup> All National and Provincial Government Departments are requested to actively take cognizance of CDM's Planning initiatives and align their mandatory interventions accordingly.

MTSF - Strategic Priorities	MTSF Strategic Priorities Pertinent to the CDM's mandate <sup>21</sup>	Outcomes of IDP Analysis	Outcomes as addressed in CDM's IDP	Implications for Local Municipalities	Relation to CDM's Development Priorities, Objectives,	CDM's 2012 / 2013 IDP Projects	National & Provincial Required Interventions <sup>22</sup>
6. Intensely the fight against crime	6. Support the fight against crime	<ul style="list-style-type: none"> <li>➤ Assault and the various forms of robbery or theft are the most commonly reported crimes in the CDM</li> <li>➤ Theft and assault related crime statistics are indicative of underlying development issues in the CDM and needs identification in the following areas:                             <ul style="list-style-type: none"> <li>➤ job creation;</li> <li>➤ substance abuse programs;</li> <li>➤ youth programs;</li> <li>➤ secondary and tertiary education programs relevant to required skills on a local level.</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>➤ All LMs to take cognizance of commonly reported crimes in relation to economic planning</li> <li>➤ All LMs to play a supportive role in establishing sustainable community policing forums</li> </ul>		See CDM's SDBIP	<ul style="list-style-type: none"> <li>➤ SAPS</li> <li>➤ Report on prominent local and district wide crimes;</li> <li>➤ Assist with forming and training community policing forums.</li> <li>➤ Department of Economic Development</li> <li>➤ Stimulate entrepreneurship by supporting primary sector aligned projects.</li> </ul>

<sup>21</sup> Not all of the 10 Strategic Priorities hold relevance to the role and mandate of the CDM. The **seven 'bolded'** components of the MTSF have been extracted in the interest of influencing project formulation and resource allocation. The three un-highlighted priorities require a supportive role on behalf of the CDM.

<sup>22</sup> All National and Provincial Government Departments are requested to actively take cognizance of CDM's Planning initiatives and align their mandatory interventions accordingly.

<p><b>MTSF - Strategic Priorities</b></p>	<p><b>MTSF Strategic Priorities Pertinent to the CDM's mandate<sup>23</sup></b></p>	<p><b>Outcomes of IDP Analysis</b></p>	<p><b>Outcomes as addressed in CDM's IDP</b></p>	<p><b>Implications for Local Municipalities</b></p>	<p><b>Relation to CDM's Development Priorities, Objectives</b></p>	<p><b>CDM's 2012/ 2013 IDP Projects</b></p>	<p><b>National &amp; Provincial Interventions<sup>24</sup></b></p>
<p>7. <i>Build cohesive, caring and sustainable communities</i></p>	<p><b>7. Build cohesive, sustainable and caring communities by</b>                  Promoting culture, arts &amp; sport                  Promoting economic development                  Supporting &amp; developing community organizations</p>	<p>District wide drive to reduce poverty and promote access to economic opportunities, with a specific focus on Bavarians, Ikwezi and Blue Crane Route                  Capacity Building interventions required by key community organisations</p>	<p>EGDS (CDM IDP, Section 4) &amp; five pillars to stimulate economic growth:                  1. Economic Infrastructure                  2. Sector Development                  3. HR Skills &amp; Development                  4. Institutional                  5. Regional Linkages</p>	<p>All LMs to prioritize access to economic opportunities with particular emphasis on Bavarians, Ikwezi and Blue Crane Route                  LMs to identify key community organizations &amp; formulate &amp; support required capacity building interventions</p>	<p><b>4: Community Services</b>  <b>E: Special Programmes</b>                  Obj 1: Ensure the mainstreaming of designated groups through integrated planning                  Obj 2: Build Institutional Capacity in LMs to deal with special programmes                  Obj 3: Promote principles of moral regeneration.</p>	<p>See CDM's SDBIP</p>	<p>Department of Women, Youth, Children and People with Disability:                  Create awareness around mandatory groupings while stimulating economic development and financial independence in key areas.                  Department of Sports, Recreation, Arts and Culture:                  Align interventions with CDM initiatives.</p>
<p>8. <i>Pursuing African advancement and enhanced international cooperation</i></p>	<p>8. <i>Support African advancement and international cooperation</i></p>	<p>Refer to footnote 26</p>					

<sup>23</sup> Not all of the 10 Strategic Priorities hold relevance to the role and mandate of the CDM. The **seven 'bolded'** components of the MTSF have been extracted in the interest of influencing project formulation and resource allocation. The three un-highlighted priorities require a supportive role on behalf of the CDM.

<sup>24</sup> All National and Provincial Government Departments are requested to actively take cognizance of CDM's Planning initiatives and align their mandatory interventions accordingly.

MTSF - Strategic Priorities	MTSF Strategic Priorities Pertinent to the CDM's mandate <sup>25</sup>	Outcomes of IDP Analysis	Outcomes as addressed in CDM's IDP	Implications for Local Municipalities	Relation to CDM's Development Priority Objectives	CDM's 2012 / 2013 IDP Projects	National & Provincial Interventions <sup>26</sup>
9. Sustainable Resource Management and use	<p><b>9. Sustainable Resource Management and use by means of</b></p> <ul style="list-style-type: none"> <li>➤ The validation of renewable energy alternatives</li> <li>➤ Promotion of energy efficiency</li> <li>➤ Accreditation of carbon credits</li> <li>➤ Adoption of waste reduction practices</li> <li>➤ Enforcement of zero tolerance of the exploitation of resources</li> <li>➤ Supporting sustainable water use</li> <li>➤ Enhancement of biodiversity &amp; the preservation of natural habitats</li> </ul>	<ul style="list-style-type: none"> <li>➤ Community mind shift required in relation to alternative energy sources</li> <li>➤ Addition to Agricultural Sector may exist in terms of carbon credits</li> <li>➤ Economically challenged areas (Baviaans &amp; Ikwezi) may have potential in terms of renewable energy</li> <li>➤ Broad economic development needs to take cognizance of biodiversity and natural habitats</li> </ul>	<ul style="list-style-type: none"> <li>➤ Disaster Management Plan (CDM IDP, Section 4)</li> <li>➤ Environmental Health Services (CDM IDP, Section 4)</li> <li>➤ Integrated Waste Management Plans (CDM IDP, Section 4)</li> <li>➤ Water Services Development Plans (CDM IDP, Section 4)</li> </ul>	<ul style="list-style-type: none"> <li>➤ All LMs to become informed in terms alternative energy sources &amp; promote use &amp; benefits</li> <li>➤ LMs to investigate economic potential in terms of accreditation of carbon credits &amp; promote &amp; support opportunities to land owners</li> <li>➤ Baviaans &amp; Ikwezi to investigate potential in terms of renewable energy use &amp; generation</li> <li>➤ All LMs to consider area biodiversity and natural habitats when formulating economic initiatives</li> </ul>	<p><b>4: Community Health</b></p> <ul style="list-style-type: none"> <li>➤ Obj 1: Improve Env. Health Status of Baviaans, Ikwezi.</li> <li>➤ Obj 2: Monitor &amp; jointly manage EHS in Kouga, Koukamma, Camdeboo, BCR, Makana, SRV &amp; Ndlambe</li> </ul> <p><b>D: Disaster Management</b></p> <ul style="list-style-type: none"> <li>➤ Obj 1: To mitigate Disasters in the CDM</li> <li>➤ Obj 2: To provide fire fighting in the District</li> </ul>	See CDM's SDBIP	<ul style="list-style-type: none"> <li>➤ Department of Water and Environmental Affairs:</li> <li>➤ Provision &amp; maintenance of infrastructure in line with Departmental mandate:</li> <li>➤ Provision of guidance &amp; inputs on renewable energy, resource and environmental conservation.</li> </ul>

<sup>25</sup> Not all of the 10 Strategic Priorities hold relevance to the role and mandate of the CDM. The **seven 'bolded'** components of the MTSF have been extracted in the interest of influencing project formulation and resource allocation. The three un-highlighted priorities require a supportive role on behalf of the CDM.

<sup>26</sup> All National and Provincial Government Departments are requested to actively take cognizance of CDM's Planning initiatives and align their mandatory interventions accordingly.



MTSF - Strategic Priorities	MTSF Strategic Priorities Pertinent to the CDM's mandate <sup>27</sup>	Outcomes of IDP Analysis	Outcomes as addressed in CDM's IDP	Implications for Local Municipalities	Relation to CDM's Development Priority Objectives	CDM's 2012/ 2013 IDP Projects	National & Provincial Interventions <sup>28</sup>
10. Building a developmental state including improvement of public services and strengthening democratic institutions	10. Support the building of a developmental state				<p><b>Development Priority 2: Capacity Building &amp; Support to LMs</b></p> <ul style="list-style-type: none"> <li>➤ Obj 1: Max potential of LMs and CDM to deliver services</li> <li>➤ Obj 2: Improve effectiveness of income generation &amp; financial management</li> <li>➤ Obj 3: Provide infra dev and service delivery support to LMs</li> <li>➤ Obj 4: Assist LMs in planning &amp; implementing infrastructure projects</li> <li>➤ Obj 5: Increase effectiveness of IDPs &amp; PM</li> </ul>	See CDM's SDBIP	

<sup>27</sup> Not all of the 10 Strategic Priorities hold relevance to the role and mandate of the CDM. The **seven 'bolded'** components of the MTSF have been extracted in the interest of influencing project formulation and resource allocation. The three un-highlighted priorities require a supportive role on behalf of the CDM.

<sup>28</sup> All National and Provincial Government Departments are requested to actively take cognizance of CDM's Planning initiatives and align their mandatory interventions accordingly.



## CHAPTER 3: DEVELOPMENTAL INTERVENTIONS WITHIN THE DISTRICT

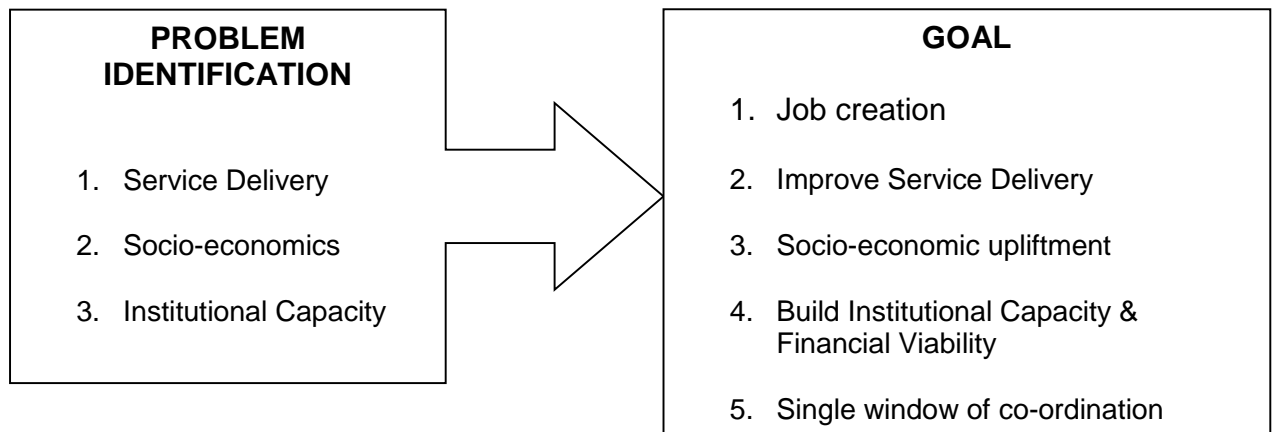
### PART 1: PRIORITY ISSUES, OBJECTIVES & STRATEGIES

#### 3.1 STRATEGIC DIRECTION

Chapter 2 of this document, The Situation Analysis, provides status quo information of the Cacadu District, highlighting socio-economic trends, service delivery challenges, safety & security issues, economic analysis, environmental aspects and capacity challenges. It also provides an understanding of how Municipalities are functioning. A number of issues have surfaced from the desktop analysis and community participation through LM engagement sessions. This section seeks to systematically prioritize all the issues that have surfaced, and in an integrated approach develop focus areas for the District for the next five (5) years. Recognizing that resources are finite and the role of the District is to create an enabling environment, the service delivery menu will have to be based on partnerships with all stakeholders and innovation on how best we share scarce resources.

All of the issues raised in Chapter 2, can be grouped as follows:

- Service Delivery
- Socio-economic
- Institutional capacity



In crafting the new focus areas (**Development Priorities**), **Objectives** and **Strategies** the ultimate goal will be to improve service delivery, uplift the community of the District socially and economically and build strong Municipal institutions that have the appropriate skills and resources and are financially sound. This will be done in a manner that meets the present need and without compromising the future generation to meet their own.

**Table 3.1: Development Priority Matrix**

IMPROVE SERVICE DELIVERY	SOCIO-ECONOMIC UPLIFTMENT	BUILD INSTITUTIONAL CAPACITY AND FINANCIAL VIABILITY
<p>Water shortages</p> <p>Dilapidating infrastructure</p> <p>Vast distances between places</p> <p>Poor road and transport infrastructure</p> <p>Lack of maintenance</p> <p>Inadequate funding to meet back-logs</p>	<p>Low employment opportunities</p> <p>HIV &amp; AIDS impact</p> <p>Dependency on social grants</p> <p>Access to services</p> <p>Diversification to game farming</p> <p>Impact of Disasters</p> <p>Fire services</p>	<p>Low revenue base</p> <p>Indigent population</p> <p>Reliance on grant funding</p> <p>Lack of skills</p> <p>Parole costs</p>
<p>District pursuing the issue of WSA</p> <p>Land use management</p> <p>Dilapidated electricity infrastructure</p> <p>Shared service approach</p> <p>Developmental Planning</p>	<p>Implementation of free basic services</p> <p>Need for cemeteries</p> <p>Need for clinics</p> <p>Programmes dealing with designated groups</p> <p>Need for community facilities</p>	<p>Poor integrated development planning</p> <p>Inappropriate organization structure</p> <p>Financial viability</p> <p>Lack of coordination with sectors / partners</p> <p>Roles and Responsibilities</p> <p>Implementation of by-laws</p> <p>Lack of systems</p> <p>Low staff morale &amp; lack of Batho Pele</p> <p>Non-compliance with MFMA</p>

**DESK-TOP ANALYSIS**

**PRIORITIES**

**LM ENFORCEMENT**

GOALS	NATIONAL / PROVINCIAL DIRECTIVES	NATIONAL / PROVINCIAL DIRECTIVES	NATIONAL / PROVINCIAL DIRECTIVES
<p>KPA 2 : Basic Service Delivery</p> <p>Eradication of Buckets – 2007</p> <p>Address water backlogs - 2008</p> <p>Address Sanitation backlogs – 2010</p> <p>Access to basic services - 2012</p>	<p>KPA 3 : Local Economic Development</p> <p>Halve poverty by 2014</p>	<p>KPA 1 : Transformation and Organisation Development</p> <p>KPA 4 : Finance Viability and Management</p> <p>KPA 5 : Good Governance and Public Participation</p>	



Guided by the National Directives, contained in the Implementation Plan for the Five Year Local Government Strategic Agenda (2006-2011), the National Targets to beat the back-logs and meet the set targets, the Provincial Directives, the Eastern Cape Growth & Development Strategy and the status quo information contained in Chapter 2, including inputs from the Local Municipalities in Cacadu, the following Development Priorities have been adopted to best respond to these mammoth challenges:

1. Infrastructure Development
2. Capacity Building and Support to Local Municipalities
3. Economic Development
4. Community Services
5. Institutional Development

### **3.2. CDM DEVELOPMENT PRIORITIES**

<b>Development Priority 1: Infrastructure Development</b>
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#### Rationale for the development priority

The District Municipality as a bulk services agent by default will endeavour to provide and input on strategic planning for bulk water and sanitation services, transport and land planning in an integrated approach, and ensure synergies with other service agents such as economic development, tourism and other programmes implemented by government departments such as Water Affairs, Human Settlements, Transport and Public Works.

Infrastructure development serves as a conduit in creating a conducive environment for decent human livelihoods and their economic activities. Coupled with this is the district's responsibility to provide proper Town and Regional planning as well as development planning for our underdeveloped rural and urban environments whilst ensuring that all relevant legislation regulating development such as those pertaining to environmental management are adhered to.

#### **Focal points**

- Support municipalities on operations and maintenance
- Regional bulk services
- Explore shared services
- Planning for regional infrastructure services
- Developmental Planning

## **Development Priority 2: Capacity Building & Support to Local Municipalities**

### Rationale for the development priority

Cacadu District Municipality is required in terms of the Local Government Municipal Structures Act 117 of 1998, as amended, Section 83 (3) (c) and 88 (2) (a) to assist local municipalities within its area to build capacity so that they may perform their functions and exercise their powers.

The main role of the district is to support local municipalities to such an extent that they are self-sufficient, responsive, developmental in nature and most of all are financially sustainable.

Key focus areas of the Capacity Building strategy are:

- Institutional Support
- Financial
- Technical Support
- Planning and Development
- Community Participation
- Information Technology

## **Development Priority 3: Economic Development**

### Rationale for the development priority

In terms of economic development, Cacadu District Municipality is committed to the consolidation and optimal utilisation of available resources to facilitate economic development, for the purpose of the creation of new, decent, sustainable employment opportunities, job creation and sustainable enterprise development, retention and expansion in the district.

This will be achieved through targeted investment promotion to grow strategic sectors able to create employment opportunities on a substantial scale in the short to medium term, and more advanced industries that are crucial for long term economic growth. Specific sectors earmarked for further development in the district include:

- Agriculture and agro-processing
- Green economy (including, but not limited to renewable energy and ecosystem services)
- Tourism
- Skills development and Education (predominantly, but not exclusively further education and training)

The district will spearhead the facilitation of intervention within these strategic sectors in the areas of:

- Identification and appropriate packaging and promotion of investment opportunities
- Targeted support to SMMEs to broaden economic participation ultimately assimilate emerging enterprises into developing and established value chains
- Investment in enabling infrastructure and the promotion of infrastructure connectivity required for economic growth and development

It is acknowledged that economic development is dependent on regional integration and innovation in partnership with other government organizations and entities, business and higher education /research institutions and to this end, the district will continue to forge and foster symbiotic relationships with strategic partners to deliver on its economic development mandate.

### **Focal points**

- SMME development and Cooperatives development
- Rural development economic development initiative
- Economic sustainability
- Tourism marketing and development
- Sector development
- Institutional development : Cacadu Development Agency
- Investment and trade
- Alternative energies
- Job and development initiatives
- Regional linkages
- Partnerships
- Networks
- Creative Industries
- Heritage
- Environmental Management
- Agricultural Mentorship Programme

<b>Development Priority 4: Community Services</b>
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#### Rationale for the development priority

In dealing with issues that affect the livelihood and the safety of communities within its area of Jurisdiction, Cacadu District Municipality, based on its legislative mandate, has taken a responsibility of ensuring that both the District and Local Municipalities are capacitated to deal with the effects on incidents of disaster and fires. The management of disaster risk is dealt with, through prevention, Mitigation, Preparedness, Response, recovery and rehabilitation programmes.

Also in protecting public health interest within its jurisdiction, CDM renders Municipal health Services (MHS) which were historically referred to as Environmental Health Services. MHS are the part of the preventative health services and focus on issues such as water quality monitoring, food control and surveillance of public premises including food preparation premises. In ensuring that MHS are closer to communities, CDM has appointed Local Municipalities as agents of rendering these services (MHS).

In addressing issues of empowerment focusing on the designated groups, CDM has developed empowerment policies and strategies that assist the district to address the imbalances of the past. These policies and strategies are aligned to the National and Provincial Frameworks. The intention of these plans is to mainstream development issues of designated groups in all

programmes of the district. Local Municipalities will be supported to develop and customize these policies and plans to suit the environment and ensure mainstreaming.

Currently the district is in the process of reviewing its HIV and Aids Strategic Plan to align it to the National Strategic Plan which was launched in December 2011. CDM's Plan focuses on Prevention, treatment, care and support, Human Rights and Access to Justice, Care and Support for Vulnerable Groups and Research monitoring and evaluation. The Plan is implemented in partnership with various stakeholders in the district to ensure a greater impact and maximum utilization of resources.

### **Focal points**

- Disaster management
- Fire services
- Municipal Health Services
- Community facilities
- Mainstreaming of designated groups and HIV & Aids
- Library Services
- ICT infrastructure
- Sports and Recreation

<b>Development Priority 5: Institutional Development</b>
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#### Rationale for the development priority

The CDM will endeavour to develop internal capacity through the identification of skills required against the skills base in an effort to improve the capacity of the institution by providing training and development initiatives to enhance the skills base. The CDM will endeavour to create a conducive environment that will promote a culture of performance and staff retention. The Municipality will ensure that it applies its mind on the notions of monitoring and evaluation as a key strategic focus that measures the performance of individuals cascading to the performance of the organization. The Municipality will raise the bar on institutional Performance through application of performance indicators to monitor and evaluate the organization. The challenges faced by CDM relates to ensuring that the organization is resourced adequately in terms of people, equipment, material and financial sustainability, while the organization is strategically located to fulfil its mandate.

In an effort to strengthen our support to Local Municipalities, The district will develop a model that will enhance capacity building to Municipalities by ensuring accountability of relationship managers and increase performance by incorporating it into the individual performance plans. To increase service delivery the District Municipality will embark on exploring shared service model in achieving some of its objectives. The District will develop systems which will mitigate the risk against intrusions in the organisation.

An effective state or district is essential to achieving sustainable socioeconomic development. With the advent of globalization, there are growing pressures on governments and organisations around the world to be more responsive to the demands of internal and external stakeholders for good governance, accountability, transparency, greater development effectiveness, and delivery of tangible results. Stakeholders are increasingly interested in better performance. As

demands for greater accountability and real results have increased, there is an urgent need for enhanced result-based monitoring and evaluation.

### **Focal points**

- Skills development
- Organizational development and transformation
- Relocation
- Institutional wellness
- Skills transfer
- Culture (High Performance Organisation)
- Systems improvement
- Communication
- Professional development

**Table 3.2 OBJECTIVES AND STRATEGIES**

<b>DEVELOPMENT PRIORITY 1: INFRASTRUCTURE DEVELOPMENT</b>		<b>OBJECTIVE</b>	<b>STRATEGY</b>	<b>NATURE OF PROJECT</b>
1	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	Support in the development and review of WSDPs	WSDP review budget	
		Lobby for funding	Develop business plans	
		Implementation of water projects as mandated by LMs	Identify funders	
2	Ensure that WSAWSP functions have been reviewed and concluded by 2015	Engagement with LMs	Refer to CIP list	
		WSAWSP Review	Conduct a WSAWSP Assessment	
3	To assist municipalities that they all receive a blue and green drop status by 2017	Monitor drinking and waste water quality	Develop O&M studies	
		Building technical capacity in the LMs	Water quality monitoring	
		Support in the development and review of WSDPs	Training of technical staff	
4	To support LMs in ensuring that all communities have access to decent sanitation by 2017	Funding and application for funding	WSDP review budget	
		Implementation of sanitation projects as mandated by LMs	Develop business plans	
		Develop and review ITPs	Identify funders	
5	To ensure that all transport plans for all LMs are in place and are annually reviewed	Lobby for funding	Refer to CIP list	
		Ensure integration of ITP and SDF	Reviewal of the ITP for the district	
		Identify funders	Identify funders	
6	To promote integration between spatial planning and transportation planning to achieve sustainable human settlements	Development of SDF for the district	Construction of sidewalks and walkways	
		Implementation of transportation projects	Construction of an inter-city bus terminals	
		Funding LMs for IDPs	IDP review budget	
7	To ensure that the IDPs of the LMs are in place and are annually reviewed	Training of senior staff of LMs	Training of senior staff of LMs	
		Support LMs on the development of IDPs	Training of LM Councillors	
		Community based planning	Community based planning	



	OBJECTIVE	STRATEGY	NATURE OF PROJECT
8	To provide capacity to LMs on town and regional planning as well as environment management	Hands-on support Manage environmental resources in the district	Town planning support (Land Use Management Support Systems [LUMS]) Development of Environmental Management Plans
9	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	Lobby for funding Implementation of roads projects as mandated by LMs Consult ITP	Engage potential funders Refer CIP list Refer to ITP
10	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 Lobby for funding Allocate resources	Feasibility studies for new cemetery sites and solid waste sites Purchase D6 caterpillar WMPs
11	To reduce the effects of stormwater in prone areas by building 10 km of drainage per year	Stormwater management plan Lobby for funding Drainage and bridges	Development of a Stormwater management plan Engage potential funders Construction of the St Francis bridge Kirkwood stormwater
12	Advocate accessible physical environment for persons with different types of disabilities by 2013	Conduct an audit of layout of the buildings in Local Municipalities and the District	auditing of municipal buildings in all LMs and the district Lobby Dept. of Labour to ensure compliance

<b>DEVELOPMENT PRIORITY 2: CAPACITY BUILDING AND SUPPORT TO LMS</b>		<b>OBJECTIVE</b>	<b>STRATEGY</b>	<b>NATURE OF PROJECT</b>
1	Build capacity of all LMs for effective mainstreaming of youth, women and people with disabilities' development in policies and programmes by 2015	Conduct advocacy campaigns for the employment of youth coordinators.	Lobbying for funding for employment of youth coordinators	
		Monitor policies and strategic plans for designated groups	Provide training on Mainstreaming Profiling issues of disability through Cacadu News Training on Disability Etiquette. Setup a database of organisations dealing with disability issues. Life skills training for women Set up cooperatives for women Embark on EPWP programme targeting designated groups. Business Plan development to funding agencies.	
2	Encourage LMs to provide reasonable employment for people with disabilities. At least 2% of the work force.	Ensure that Policies of municipalities are addressing the intentions of employing people with disabilities	Training Councilors and Management on disability issues regarding employment	
			Audit on employment of people with disabilities Facilitate funding for learnerships and employment of people with disabilities.	
3	Active participation of designated groups in all 9 Municipalities annually.	Revive District forum for designated groups.	Establishment & Training of District& Local Forums	
			Conduct Capacity building workshops e.g. business related transaction	

OBJECTIVE	STRATEGY	NATURE OF PROJECT
4 Well capacitated Municipalities on Governance and administration as per DLGTA section 46 assessment	Building in-house capacity in LM so that they can perform their functions and stabilise institutional systems  Support LMs with stakeholder management	MSIG:Support LMs in either reviewing existing or drafting of new policies in Finance and Human Resource Training on legislation that impacts on local government Training officials on compilation of agendas and minute takings; and subsequent actions Capacitate local municipalities on Archives Management MSIG: Capacitate local municipalities on Roles and Responsibilities and Delegations Assist local municipalities to review or draft new municipal by laws Training of municipalities on stakeholder management MSIG: Assist local municipalities to implement Community Based Planning
5 To assist Municipalities to achieve and sustain clean audits by 2014 and annually thereafter.	Develop a support strategy to LMs  improve corporate governance systems both in the district and LMs.	Appoint a dedicated resource expert to support LMs. MSIG:Good Governance Survey 3 LMs Functional audits Shared service into internal audits to LMs
6 To train and skill 9 HIV&AIDS Coordinators in all LMs annually	Coordination of empowerment courses for the coordinators	Training on stakeholder management, Counselling; minute taking and report writing; train them on marketing and educational write up material.
7 To facilitate the participation and functionality of all stakeholders in the Local Aids Councils(LACs) annually	Implement the Local Aids Plan developed	Revive partnership with stakeholders Facilitate Management by in by District Managers and Regional Directors: DOH
8 To conduct HCT awareness campaigns by at least 87000 people annually	Partnership with NGO and DOH.  Develop a training plan for councillors	Awareness campaigns at clinics and public venues. Skills Audit for councillors, implementation of the training plan

OBJECTIVE		STRATEGY		NATURE OF PROJECT
9	To Improve effectiveness in municipal financial management	increase the awareness of key national sector department on the financial needs of struggling LM in the district	Assessment of the financial state of the struggling municipalities	
		improve corporate governance systems both in the district and LMs	MSIG: Good Governance Survey 3 LMs	
10	To assist in enhancing skills of HIV&AIDS Coordinators in all LMs annually	Coordination of empowerment courses for the coordinators	Training on Mainstreaming, stakeholder management, minute taking and report writing	
11	To facilitate the participation of all stakeholders in the Local Aids Councils (LACs) by 2013.	By ensuring that both LAC & DAC stakeholders are empowered in terms of roles and responsibilities	training on roles and responsibilities	
12	To integrate and synergise the programs of Local Aids Councils (LAC) and District Aids Council (DAC) annually.	by ensuring that both the LAC and DAC stakeholders are empowered in terms of roles and responsibilities	Training on roles and responsibilities	
13	Update all councillors on amendments in legislation relevant to local government annually	Facilitate empowerment sessions with SALGA and Department of Local Government and Traditional Affairs councillors	Skills Programme	
		develop a training plan for councillors	Skills Audit for councillors, implementation of the training plan	
14	Provide support to LMs on ward committee empowerment	Facilitate empowerment sessions with the Dept of Local Gov and Traditional Affairs on ward committee training	Skills Programmes for Ward Committee	

**DEVELOPMENT PRIORITY 3: ECONOMIC DEVELOPMENT**

<b>OBJECTIVE</b>		<b>STRATEGY</b>		<b>NATURE OF PROJECT</b>	
1	Increase agricultural income to achieve a 1% year on year growth in the agriculture and agro-processing sectors.	Grow national and international markets for agricultural input	CDM supported: Trade Point		
		Facilitate investment in local and regional agro-processing plant to increase product demands and improve prices	CDM funded: Agri-incubator feasibility study (REDI), pellet factory in Rietbron		
		Invest in research and knowledge sharing to improve quality and resilience of crops and livestock	CDM supported: Pineapple industry beneficiation project, Camdeboo Satellite Aquaculture project, Natural Fibre Cluster		
		Support local and regional food systems that keep wealth in rural communities	CDM supported: ARC partnership		
		Promote and incentivise natural resource restoration and conservation	CDM supported: Community gardens		
		Create new generation green jobs rooted in renewable energy	CDM funded: Fonteimbos Nature Reserve restoration (REDI), Nature Reserves CDM supported: Giant Flag CDM funded: Waste to energy feasibility studies (REDI) CDM supported: Wind farms (Cookhouse, Jeffreys Bay, Oyster Bay), Giant Flag		
2	Invest in natural capital to contribute to government's target of creating 20,000 "green" jobs by 2020.	Grow rural tourism economy	CDM funded: Tourism Infrastructure Investment (Sarah Baartman development; R335 upgrade; Baviaanskloof Interpretive Centre); Baviaanskloof and Camdeboo community-based tourism initiatives (REDI)		
			CDM supported: Baviaanskloof and Camdeboo community-based tourism initiatives (implementation); Boschberg development (tourism hub)		

OBJECTIVE	STRATEGY		NATURE OF PROJECT
3 Broaden economic participation and inclusion by increasing the number and support to small enterprises by 10%.	Promote social economy investments	CDM funded: District Cooperatives forum	
	Land reform support	CDM funded: CRDP pilot site: Rietbron	
	Establish community-based beneficiation projects	CDM supported: Berries (ECDDC)	
		CDM funded: Apiculture industry development (REDI)	
		CDM supported: Camdeboo Satellite Aquaculture project, Mohair One Stop Shop, Giant Flag	
Facilitate community and worker participation in share ownership	CDM funded: Pellet Factory		
Improve quality and quantity of school education through partnerships	CDM supported: Pineapple industry beneficiation project, wind farms' community trusts, Eco-Pullets		
4 Developing skills and education base by increasing the number of semi-skilled and skilled by 10%.	Create further education opportunities	CDM supported: Inter-schools partnerships	
	Develop skills transfer partnerships between established and emerging farmers	CDM funded: UmziWethu; New Beginnings Academy (REDI); Natural Fibre Cluster (Mohair micro-manufacturing training programme)	
	Rural connectivity infrastructure particularly broadband and mobile phones access	CDM funded: Agricultural Mentorship Programme (GIZ)	
	Improve rural infrastructure, particularly roads	CDM funded: Connect with Cacadu (capacity building)	
CDM funded: Tourism Infrastructure Investment (R335 upgrade)			
5 Improving connectivity infrastructure in all nine local municipalities	Invest in catalytic infrastructure	CDM supported: Waterford road upgrade, Somerset East aerospace development	
		CDM funded: Tourism Infrastructure Investment (Baviaanskloof Interpretive Centre, Sarah Baartman development)	

OBJECTIVE	STRATEGY		NATURE OF PROJECT
6 Regenerating at least four core towns as service and economic hubs	Urban regeneration projects	CDM funded: Graaff-Reinet urban design (plan)	
		CDM supported: Da Gama Road urban design (implementation); Graaff-Reinet urban design (implementation)	
	Improve education and health services	CDM supported: Maths and Science programme (NMMU)	
		CDM funded: Bavianskloof and Camdeboo community-based tourism initiatives (project packaging) (REDI), tourism marketing; support to LTOs. Destination and sub-branding signage, tourism month activities, Tourism sector development support to LMs, tourism education and awareness, tourism stats system, CDM Craft Hub	
Promote rural tourism and niche services and manufacturing	CDM supported: Bavianskloof and Camdeboo community-based tourism initiatives (implementation); Boschberg development (tourism hub); SkyWake		
Infrastructure upgrade	CDM funded: SRVM infrastructure assessments (infrastructure)		
Service delivery improvement partnerships	CDM funded: Local multi-stakeholder partnership development (REDI), Development of Local Action Teams (LATs)		



OBJECTIVE	STRATEGY	NATURE OF PROJECT
7 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	CDM funded: Local multi-stakeholder partnership development (REDI), District Support Team, SEDA partnership
	Building Higher Education Institutions, agriculture and business partnerships	CDM funded: HEI partnership development (REDI)
	Building emerging and established business partnerships	CDM funded: Private sector partnership development (REDI), Agricultural mentorship programme
	Building local government and business partnerships	CDM funded: Private sector partnership development (REDI), Agricultural mentorship programme
	Building investor and local business partnerships	CDM funded: Investment prospectus: investors conference, Development of Local Action Teams (LATs) CDM supported: Trade Point
8 Ensure that the District ring-fence 6% threshold for designated groups in awarding of contracts for goods and services, annually.	Development of database of businesses owned by youth , women and people with disabilities	3 Service providers benefit annually in 3 LMs
	Capacitate and transfer skills to designated groups	Project management Basic Financial Management
	Establish partnerships with Sector Departments and Government Agencies to increase economic participation	Implementation of learnership Co-operatives registration
9 To create opportunities for designated groups to participate in Economic and Rural development by	facilitating the registration of companies owned by designated groups to the district Supply Chain database	Road shows to LMs
		Business Skills, PR and Marketing Basic financial Management
10 Prioritizing economic development needs for women entrepreneurs	Conduct an Audit of women entrepreneurs in the district.	
11 Encourage the creation of employment opportunities for at least 4 women within the District annually.	Establish partnership with institutions which promote women's development programmes	Establishment of Cooperatives in 3 LMs



**DEVELOPMENT PRIORITY 4: COMMUNITY SERVICES**

<b>OBJECTIVE</b>		<b>STRATEGY</b>		<b>NATURE OF PROJECT</b>	
1	To provide effective fire fighting to all LMs in the district by 2017	Provide fire fighting capacity	Training of fire fighting officers at LMs Construction of fire breaks at Makana and Ndlambe Standardisation of fire hydrants in the district		
		Provide resources	Refurbishment of a satellite station in Ndlambe Construction of fire station in BCRM Construction of a one-stop emergency centre at Paterson		
		Delegation of EHS in the three remaining LMs namely Kou-Kamma, Bavians and Ikwezi Ensure that EHS PPSLA are revised/amended and signed with all the LMs annually Ensure that EHS budgets of all 9 LMs are developed annually and approved Ensuring submission and monitoring of all LMs financial expenditure reports and quarterly reports To improve co-ordination between CDM and all LMs by strengthening District Environmental Health Forum	Transfer of EHPs to the three remaining LMs namely Kou-Kamma, Bavians and Ikwezi Annually review the PPSLA with all the LMs Annually develop LMs MHS budget Submission of quarterly reports to Mayoral Committee		
2	To effectively monitor and jointly manage environmental health services (EHS) in all the LMs	To hold bi-monthly meetings with all the LMs	Training and awareness campaigns Training of disaster personnel at LMs Provide resources for effective response		
3	To mitigate disaster events in all LMs by 2017	Provide capacity to LMs on Disaster Management			

OBJECTIVE		STRATEGY		NATURE OF PROJECT	
4	To improve the environmental health status of all the communities of Cacadu by reducing DH related diseases (water and food) by 5%	Ensuring monthly water quality monitoring and food sampling of all water and food sampling points/sources respectively in the district	Purchase of water testing equipment		
		To design and implement action plans to address non-compliant water and food quality through education and awareness campaigns	Training of EHPs in all LMs		
		Ensuring monthly evaluation of food preparation and other public premises and buildings in evaluating compliance with health requirements and standards	Conduct monthly water sampling		
		Conduct educational workshops and Community dialogues in partnership with DAC stakeholders	Conduct water and food education and awareness campaigns in all the LMs		
5	To facilitate HIV Counselling and Testing (HCT) of 87 000 community members in all LMs annually	Ensuring monthly evaluation of food preparation and other public premises and buildings in evaluating compliance with health requirements and standards	Training of food handlers from various food premises throughout the district	Submission of quarterly reports to Mayoral Committee	
6	To facilitate HIV Counselling and Testing (HCT) of 87 000 community members in all LMs annually	Conduct educational workshops and Community dialogues in partnership with DAC stakeholders			
		Purchase HIV & Aids Educational material	Outreach programme		
7	To ensure 20 traditional surgeons and traditional healers are trained in general health and HIV&AIDS prevention and safe practices annually.	Arranging and organising HCT Campaigns in partnership with the department of health			
		Coordination of empowerment workshops for traditional surgeons and traditional healers			HIV and Aids Training for Traditional surgeons and healers.
8	To facilitate HIV Counselling and Testing (HCT) of 50 % of the employees of Cacadu quarterly	Conducting HIV and Aids workshop for all departments in Cacadu District Municipality			
		Arrange monthly HCT awareness	HCT drive		
		Development of a monthly 1pg info on HIV and Aids	Education and Awareness		
9	To facilitate the development of an Employee Wellness Policy	Consult with various departments on the development of the policy			Development of an Employee Wellness Policy
10	To integrate and synergise operations between Department of Social Development and CDM on HIV and AIDS on Orphan Vulnerable Children Programmes annually	To work closely with DSD and other organizations working with OVC's			

OBJECTIVE	STRATEGY	NATURE OF PROJECT
11 Enhance understand of CDM communities around the SKPA of the district annually	Facilitate with LMs and Sector Department outreach programmes to communities	Outreach and Imbizos
12 Encourage all municipalities to implement Public Participation Policies and Strategies	Hold workshops on public participation	Public Participation Workshop
13 Update all councillors on amendments in legislation relevant to local government annually	Facilitate empowerment sessions with SALGA and Department of Local Government and Traditional Affairs councillors	Skills Programme
	Develop a training plan for councillors	Skills Audit for councillors, implementation of the training plan
14 Provide support to LMs on ward committee empowerment	Facilitate empowerment sessions with the Dept of Local Gov& Traditional Affairs on ward committee training	Skills Programmes for Ward Committee

DEVELOPMENT PRIORITY 5: INSTITUTIONAL DEVELOPMENT			OBJECTIVE	STRATEGY	NATURE OF PROJECT
1	To improve financial capacity of Municipality by creating revenue base by 2015.	Explore alternative income opportunities – Powers and functions; Agency services;	Develop database and business plans to source funding.		
2	To develop highly skilled and experienced employees by 2017	Review skills development plan	Train and develop at least 80% employees annually		
		Link training with Personal development Plan			
3	Review functional and organization model of the institution by 2013.	Link training with competency requirements as legislated.	Assessment of the current model and implications of new model with new powers and functions.		
		Review powers and functions		Review of organizational structure	
4	To improve performance management system to include organizational performance by 2013	Source MSIG funding for systems improvement	Review the performance management system to incorporate organisational performance		
5	Interface provincial Monitoring and Evaluation tools with the CDM's PMS by 2017 annually	Explore the tools for M&E	Understand M&E as contemplated by Government		
			Establish suitable monitoring and evaluation structures and systems		

OBJECTIVE		STRATEGY		NATURE OF PROJECT	
6	To establish an CDM institution to its area of jurisdiction by 2013	Relocation CDM offices to Kirkwood	Land acquisition		
			Source Funding		
			Construction of Municipal Offices		
7	To create an environment of productive and healthy employees annually	Develop a policy on employee wellness	Health life style promotion		
			Managing personal Finance		
			Counselling programmes		
			Evaluate staff morale in the institution		
8	To create a high performance culture on on-going basis	Review of strategic human resource Plan	Develop strategies to enhance staff morale		
			Provide staff motivation programmes		
			Implement change management strategies		
			Implement human resource plan		
			Review current policy.		
			Encourage Job Rotation		
			Explore electronic archives establishment.		
9	Create a knowledge based institution	Enhance a study policy to enable multi-skilling and training towards formal qualification	Building capacity at archives		
			Mentoring staff for institutional memory		
			Create a face-book page		
10	Improvement communication internally on an on-going basis	Develop a communication strategy	Development an intranet		
11	Maintain continuous business improvements and update ICT technology and business process on an on-going basis	Develop IT strategy	Maintain continuous learning and development environment to our IT staff on the latest technology.		

### **3.3 MECHANISM FOR REVIEWING THE CDM FIVE YEAR IDP**

The CDM has developed its IDP in 2012 along with its development priorities for a five year period that is indicative of what the municipality would like to achieve / strive to achieve during the five year political term (i.e. 2012-2017). As such the formulation of the IDP encompasses the following:

- An update of the analysis component of the IDP (see Chapter 2) with new information (2011 Statistics) that has come to hand.
- During the development of the five year IDP in the previous financial year, the CDM embarked on a process of formulating development priorities, objectives, and strategies. The outcome of the process was that the 4 (four) development priorities were retained and Institutional Development was added as a fifth development priority. The five development priorities and objectives have been retained. The strategies have been refined for this review
- A set of 10 (ten) values have been adopted by CDM and are included in this review.

The table overleaf, titled “Summary of the Attainment of CDM IDP Objectives”, attempts to reflect the CDM’s performance during the first, second, third, fourth and fifth year of the five year IDP term in achieving its objectives and strategies through the implementation of its respective projects. In essence, the table below illustrates the realisation or non-realisation of the institutions IDP. This table assists in determining the following:

- CDM’s success in implementing its projects during the first, second, third, fourth and fifth year of the five year IDP term 2012-2017.
- The effect, or eventual projected effect, the projects have had in achieving the respective objective and strategy.
- Whether or not projects need to be refined, scrapped, continued or replaced by new projects in order to achieve the stated objective & strategy and the resultant implication of the Service Delivery and Budget Implementation Plan (SDBIP) contained within Section 4.2.2 for the 2013/14 financial year.

As such the table overleaf should be viewed as the strategic tool with which the CDM’s management and political leadership can strategically direct the institution in terms of maintaining the level of interventions or recognising the need to focus on improving in identified areas of intervention.



**Table 3.3 SUMMARY OF THE ATTAINMENT OF CDM IDP OBJECTIVES:  
 YEAR 1 (2012), YEAR 2 (2013), YEAR 3 (2014) Year 4 (2015), Year 5 (2016), Year 6 (2017)**

DEVELOPMENT PRIORITY	OBJECTIVE	Project (as per 2017/2013 SDBIP)	YEAR 1 (2012)			YEAR 2 (2013)			YEAR3 (2014)			YEAR 4(2015)							
			In- progress	Complete	Cancelled	In- progress	Complete	Cancelled	In- progress	Complete	Cancelled	In- progress	Complete	Cancelled					
Capacity Building and Support to LMs																			

**Table 3.3 SUMMARY OF THE ATTAINMENT OF CDM IDP OBJECTIVES:  
 YEAR 1 (2012), YEAR 2 (2013), YEAR 3 (2014) Year 4 (2015), Year 5 (2016), Year 6 (2017)**

DEVELOPMENT PRIORITY	OBJECTIVE	Project (as per 2012/2013 SDBIP)	YEAR 1 (2012)			YEAR 2 (2013)			YEAR3 (2014)			YEAR 4(2015)							
			In-progress	Complete	Cancelled	In-progress	Complete	Cancelled	In-progress	Complete	Cancelled	In-progress	Complete	Cancelled					
Economic Development																			



**Table 3.3 SUMMARY OF THE ATTAINMENT OF CDM IDP OBJECTIVES:  
 YEAR 1 (2012), YEAR 2 (2013), YEAR 3 (2014) Year 4 (2015), Year 5 (2016), Year 6 (2017)**

DEVELOPMENT PRIORITY	OBJECTIVE	Project (as per 2012/2013 SDBIP)	YEAR 1 (2012)			YEAR 2 (2013)			YEAR3 (2014)			YEAR 4(2015)							
			In-progress	Complete	Cancelled	In-progress	Complete	Cancelled	In-progress	Complete	Cancelled	In-progress	Complete	Cancelled					
Community Services																			

**Table 3.3 SUMMARY OF THE ATTAINMENT OF CDM IDP OBJECTIVES:  
 YEAR 1 (2012), YEAR 2 (2013), YEAR 3 (2014) Year 4 (2015), Year 5 (2016), Year 6 (2017)**

DEVELOPMENT PRIORITY	OBJECTIVE	Project (as per 2012/2013 SDBIP)	YEAR 1 (2012)			YEAR 2 (2013)			YEAR 3 (2014)			YEAR 4(2015)										
			In-progress	Complete	Cancelled	In-progress	Complete	Cancelled	In-progress	Complete	Cancelled	In-progress	Complete	Cancelled								
Institutional Development																						

### 3.4 INTER-GOVERNMENTAL ALIGNMENT

Inter-governmental alignment is a critical component of the IDP in pursuing the developmental agenda of government. As such developmental interventions within the District should not be viewed from specific institutional interventions, but rather as a collective whole be they local, district or provincial interventions. The table below reflects those development priorities within each local municipality within the Cacadu District as well as the CDM itself. The linkage between the CDM's development priorities and that of the local municipalities' development priorities is clearly illustrated through the uniform shadings per development priority in the table below.

**Table 3.4** Intergovernmental alignment

Dev. Priority	Cacadu	Camdeboo	Blue Crane Route	Ikwezi	Makana	Ndlambe	Sundays/River Valley	Kou-Kamma	Baviaans	Kouga
1	Infrastructure Development	Housing	Infrastructure	Rural Economic Development	Local Economic Development	Institutional Transformation	Provision of Infrastructure & Basic Services	Infrastructure Services	Building the institutions & Employee Capacity	Infrastructure and Basic services
2	Capacity/Building & Support to LMs	Community Building	Community Services	Infrastructure Development	HIV Aids	Finance Viability & Management	Social & Economic Development	Socio-Economic Development	Enhance Community Services	Socio-Economic Development
3	Economic Development	Local Economic Development	Local Economic Development	Human Development (Building the People of Ikwezi)	Municipal Infrastructure	Basic Social Service Delivery & Local Economic Development	Democratization & Governance	Democratization & Governance	Economic Development	Institutional Transformation
4	Community Services	Infrastructure	Financial Management	Institutional Growth & Development	Housing & Land	Infrastructure	Institutional Transformation	Institutional Transformation	Provision of Basic Infrastructure	Good Governance and Public Participation
5	Institutional Development	Institutional Building	Governance & Institutional Transformation		Accessibility & Transport		Financial Management	Financial Management		Financial Viability & Management
6					Safe & Secure Environment					
7					Social Development					
8					Corporate & Co-operative Governance					
9					Sports & Recreation					
10					Education, Skills & Information Support					

**3.4.1 CACADU DISTRICT MUNICIPALITY PROJECT REGISTER**

**3.4.1.1 FUNDED PROJECTS**

<b>PROJECTS</b>	<b>AMOUNTS</b>	<b>FUNDING SOURCE</b>
<b>OFFICE OF THE MAYOR</b>		
MORAL REGENERATION	100 000	Accumulated Surplus
IMBIZOS AND OUTREACH	70 000	Accumulated Surplus
	<b>170 000</b>	
<b>OFFICE OF THE MUNICIPAL MANAGER</b>		
<b>PERFORMANCE MANAGEMENT</b>		
PMS SUPPORT TO LWS	300 000	Accumulated Surplus
	<b>300 000</b>	
<b>CAPACITY BUILDING</b>		
<b>POLICIES</b>		
MSIG - GOOD GOVERNANCE PH3	75 000	Grant - MSIG
NT MINIMUM COMPETENCIES (GAMAP/GRAP TRAINING)	200 000	Grant - MSIG
ELECTRONIC RECORDS MANAGEMENT SYSTEM	490 000	Grant - MSIG
	400 000	Grant - MSIG
	<b>1 165 000</b>	
<b>SPECIAL PROJECT UNIT - YOUTH, GENDER AND DISABLED</b>		
COMMEMORATION DAY CELEBRATION	200 000	Accumulated Surplus
DISABILITY EMPOWERMENT	200 000	Accumulated Surplus
WOMEN EMPOWERMENT	300 000	Accumulated Surplus
YOUTH DEVELOPMENT	250 000	Accumulated Surplus
	<b>950 000</b>	

**LIBRARIES**

LIBRARIES	512 000	Accumulated Surplus
LIBRARIES	288 000	Grant - Library
	<u><b>800 000</b></u>	

**HIV/AIDS**

IMPLEMENTATION OF THE HIV/AIDS PLAN	300 000	Accumulated Surplus
	<u><b>300 000</b></u>	

**TOTAL OFFICE OF THE MUNICIPAL MANAGER** **3 515 000**

**DEPARTMENT: PLANNING AND DEVELOPMENT**

**PLANNING UNIT**

CONSTRUCTION OF SIDEWALKS AND WALKWAYS	600 000	Accumulated Surplus
TECHNICAL TOWN PLANNING ASSISTANCE	500 000	Accumulated Surplus
	<u><b>1 100 000</b></u>	

**PROJECT MANAGEMENT**

ERADICATION OF BUCKETS - LMS	2 500 000	Accumulated Surplus
RIETBRON EPWP ROADS & STORMWATER	4 000 000	Accumulated Surplus
RIETBRON EPWP ROADS & STORMWATER	1 000 000	Grant - EPWP
	<u><b>6 500 000</b></u>	

**ENVIRONMENTAL HEALTH**

FEASIBILITY STUDIES FOR SOLID WASTE SITES	250 000	Accumulated Surplus
	<u><b>250 000</b></u>	

**HOUSING COORDINATOR**

HOUSING TRANSFER AND BENEFICIARY  
 INFR DMA: ALIENATION

400 000  
 200 000  
**600 000**

Sundry Creditors  
 Sundry Creditors

**FIRE SERVICE - HEAD OFFICE**

CONTRIBUTION TO MUNICIPALITIES  
 RESTORATION OF FIRE HYDRANT DISTRICT WIDE

3 000 000  
 3 000 000  
**6 000 000**

Accumulated Surplus  
 Accumulated Surplus

**TRANSPORT, ROADS & CAPACITY BUILDING**

SOMERSET EAST ROADS AND STORMWATER  
 INTER CITY BUS TERMINAL  
 INTER CITY BUS TERMINAL  
 RRAMS PROJECT

150 000  
 1 128 418  
 1 720 788  
 1 902 000  
**4 901 206**

Accumulated Surplus  
 Grant - Road and Transport  
 Accumulated Surplus

**WASTE MANAGEMENT**

VIP LATRINES IN THE DMA

250 000  
**250 000**

Accumulated Surplus

**WATER DISTRIBUTION**

JANSENVILLE WATER TREATMENT WORKS  
 NIEU-BETHESDA WATER TREATMENT  
 NIEU-BETHESDA WATER TREATMENT  
 WSAWSP MODEL REVIEW / CAPACITY ASSESSMENT

400 000  
 1 848 939  
 6 000 000  
 400 000  
**8 648 939**

Accumulated Surplus  
 Grant  
 Accumulated Surplus  
 Accumulated Surplus

**ELECTRICITY DISTRIBUTION**

RIETBRON ELECTRIFICATION

125 000  
125 000

Accumulated Surplus

**CLINICS**

JANSENVILLE MOBILE WOLWEFONTEIN

100 000  
100 000

Accumulated Surplus

**TOTAL DEPARTMENT: PLANNING & DEVELOPMENT**

28 475 145

**DEPARTMENT : ECONOMIC DEVELOPMENT**

**MANAGEMENT**

TRADE AND INVESTMENT PROMOTION

DISTRICT DEVELOPMENT AGENCY

LEDI PROJECTS

1 380 000  
 4 000 000  
 550 000  
5 930 000

Accumulated Surplus  
 Accumulated Surplus  
 Accumulated Surplus

**LOCAL ECONOMIC DEVELOPMENT**

DISTRICT CRAFT HUB DEVELOPMENT SUPPORT

AGRICULTURAL SUPPORT

LED DISTRICT SUPPORT

CDM SMME SUPPORT PROGRAMME

PELLET FACTORY IN RIETBRON

REDI PROGRAMME

250 000  
 2 150 000  
 600 000  
 1 200 000  
 100 000  
 550 515  
4 850 515

Accumulated Surplus  
 Accumulated Surplus  
 Accumulated Surplus  
 Accumulated Surplus  
 Accumulated Surplus  
 Grant - DBSA

**TOURISM PROMOTION & DEVELOPMENT**

DESTINATION AND SUB-BRANDING SIGNAGE	400 000	Accumulated Surplus
SUPPORT TO LOCAL TOURISM ORGANISATIONS	600 000	Accumulated Surplus
TOURISM EDUCATION AND AWARENESS	500 000	Accumulated Surplus
TOURISM MARKETING	2 000 000	Accumulated Surplus
TOURISM MONTH ACTIVITIES	120 000	Accumulated Surplus
TOURISM INFRASTRUCTURE INVESTMENT	1 000 000	Accumulated Surplus
	<b><u>4 620 000</u></b>	

**TOTAL DEPARTMENT: ECONOMIC DEVELOPMENT** **15 400 515**

**DEPARTMENT: FINANCE AND CORPORATE SERVICES**

**FINANCIAL ACCOUNTING DIVISION**

GAMAP/GRAP PROJECTS	400 000	Accumulated Surplus
SUPPORT TO LMS FOR GAMAP IMPLEMENTATION	1 650 000	Accumulated Surplus
	<b><u>2 050 000</u></b>	

**PENSIONERS EXPENDITURE**

LONG TERM MEDICAL LIABILITIES	25 000	Grant
	<b><u>25 000</u></b>	

**TOTAL FINANCE & CORPORATE SERVICES** **2 075 000**

**TOTAL PROJECT BUDGET** **49 635 660**



### 3.5 SECTOR ALIGNMENT

With the 2013/14 IDP Review, Sector Departments were requested to be part of the process by providing input on the programmes and projects that they have planned to implement in the local municipalities within the district. This is done to ensure alignment of programmes /projects by the Sector Departments and LMs. It is also to eliminate duplication of budgeting by the Sector Departments and LMs. The tables that follow provide details of the projects/programmes planned by the various Departments in the district.

#### NATIONALLY / PROVINCIALY DRIVEN PROJECTS

#### DEPARTMENT OF SAFETY AND LIAISON

Table: 3.5.1

PROGRAMME/ PROJECT	INDICATOR	POLICING CLUSTER	POLICING PRECINCT	TIMEFRAME	BUDGET	RESPONSIBL E AGENT	MONITORING TOOL
Public Education Awareness Campaigns	Number of community mobilization programmes conducted	Grahamstown Cluster	Alicedale	August 2013	R 70 000.00	District Manager	Reports
		Willowmore Cluster	Baviaanskloof	October 2013	R 70 000.00		
Establish and monitor School Safety Patrollers	A pilot project to ensure the safety of learners and to create a safe learning environment at the identified schools	Port Alfred Cluster	Nemato (Kuyasa Sec. School)	April 2013 to March 2014	R 25 000.00	District Manager	Reports
		Grahamstown Cluster	Grahamstown (Nombulelo High School)		R 25 000.00		
		Graaff Reinet Cluster	Somersset East (Aeroville High School)		R 25 000.00		
Convene consultative sessions with Municipalities on the implementation of the CSF policy	Number of CSF's in Municipalities established and supported	Port Alfred Cluster	Ndlambe Municipality	June 2013	R 30 000.00	District Manager	Reports
		Garhamstown Cluster	Makana Municipality	August 2013	R 30 000.00		
		Graaff Reinet Cluster	Blue Crane Municipality	October 2013	R 30 000.00		

and to establish and support CSFs								
Convene accountability meetings with the SAPS and other interdepartmental stakeholders	Number of accountability meetings convened	Port Alfred Cluster	Nemato	June 2013	R 10 000.00	District Manager	Reports	
			Alexandria	September 2013	R 10 000.00			
		Graaff Reinet Cluster	Aberdeen	June 2013	R 10 000.00			
		Willowmore Cluster	Nieu-Bethesda	August 2013	R 10 000.00			
			Rietbron	October 2013	R 10 000.00			
		Grahamstown Cluster	Seven Fountains	November 2013	R 10 000.00			
Assess the functionality of 24 CPFs		Grahamstown cluster	In all 24 police stations	April 2013- March 2014	R14 500.00	District Manager	Reports	
		Port Alfred cluster						
Capacitation of 24 CPFs		Willowmore cluster						
4 CPF Cluster Boards supported		Graaff Reinet cluster						
Establish and support street committees					R50 000.00			

**ESKOM**

**2012/13 & 2013/14 Electrification Programme**  
**Table: 3.5.2**

Municipality	H/H Connected to date(2011/2012)	Electrification Backlog (2012/13)	Planned Capex 2012/2013 Financial Year	Planned Connection 2012/2013 Financial Year	Planned Connection 2013/2014 Financial Year
Baviaans	668	93	R 56,000.00	7	7
Camdeboo	3236	0	R 111,999.30	14	14
Kouga	3421	26	R 23,999.85	3	3
Kou-kamma	4736	316	R 2,514,879.90	153	103
Ikwezi	893	0	R 23,999.85	3	3
Makana	12020	59	R 79,999.50	10	135
Ndlambe	10176	0	R 23,999.85	3	4
Sunday's River Valley	6924	930	R 397,999.65	7	930
<b>TOTAL</b>	<b>42074</b>	<b>1424</b>	<b>R 3,232,877.90</b>	<b>200</b>	<b>1199</b>

**2012/14 & 2013/15 Electrification Programme**

**Table: 3.5.3**

Municipality	Project Name	Category	Y-E Plan CAPEX	Y-E Plan Connections
Baviaans	Vondeling & Sewfontein	Housing	R2,550,000.00	51
Camdeboo			0	0
Kouga	Hankey Housing	Housing	R351,000.00	26
Kou-kamma	Griekwa Rust Small Holdings	Housing	R875,000.00	35
Ikwezi			0	0

Makana		0	0
Ndlambe		0	0
Sunday's River		0	0
<b>TOTAL</b>		<b>R3,776,000.00</b>	<b>112</b>

## DEPARTMENT OF HUMAN SETTLEMENTS

### Projects Earmarked For Pre-Planning Processes

Table : 3.5.4

Municipality	Project	Units	Approved Beneficiaries	Is the Feasibility needed?	Are the following aspects needed?				Is the Bulk Infrastructure available?				
					EIA	Town Planning	Survey	Geotech	Water	Sanitation	Electr	Roads	
Kouga	Sea Vista	2000	0	Yes	Draft	Yes	No	No	No	No	No	No	No
Kouga	Pellstrus	220	0	Yes	Draft	Yes	No	No	No	No	No	No	No
Kouga	Kruisfontein	2500	0	Yes	Draft	Yes	No	No	No	No	No	No	No
Kouga	Arcadia	139	0	Yes	Draft	Yes	No	No	No	No	No	No	No
Kouga	KwaNomzamo	400	0	Yes	Draft	Yes	No	No	No	No	No	No	No
Kouga	Weston	196	0	Yes	Draft	Yes	No	No	No	No	No	No	No
Kouga	Thornhill	390	0	Yes	Draft	Yes	No	No	No	No	No	No	No
Kouga	Ocean View	1500	0	Yes	Draft	Yes	No	No	No	No	No	No	No
Kouga	Hankey	990	0	Yes	Draft	Yes	No	No	No	No	No	No	No
Kouga	Patensie	278	0	Yes	Draft	Yes	No	No	No	No	No	No	No

**Projects Under Detailed Planning**

**Table: 3.5.5 Projects Conforming To Normal IRDP**

Project Name	Municipality	Planned Sites to be Serviced	Budget Allocation for 2013/14 Fin Year
Mayfield 2200	Makana	1 199	R 17 977 500
Waterford 100	Ikwezi	1	R 22 500
Zuney 50	Sunday's River Valley	50	R 600 000

**Projects Contributing To Informal Settlements Upgrading**

Project Name	Municipality	Planned Sites to be Serviced	Budget Allocation for 2013/14 Fin Year
Langbos 300	Sunday's River Valley	50	R 3 600 000
Kenton on sea 500	Ndlambe	50	R 3 925 000
Fort Brown 188	Makana	0	R 1 800 000
Seven Fountains 229	Makana	0	R 2 100 000
Steytlerville 72	Baviaans	0	R 930 000
Thornhill 4400	Ndlambe	0	R 4 100 000

**Running Projects**

**Table: 3.5.6**

Project Name	Municipality	Planned Sites to be Serviced	Budget Allocation for 2013/14 Fin Year	Progress to date
Umasizakhe 242	Camdeboo	48	R 3 303 450	Under Construction
Mandela Park 291	Camdeboo	100	R 8 175 000	Under Construction
Thembalesizwe 201	Camdeboo	121	R 7 030 000	Under Construction
Lotusville 213	Camdeboo	133	R 10 390 000	Under Construction
Kroonvale 455	Camdeboo	120	R 6 775 000	Under Construction
Addo Noluthando 801	Sunday's River Valley	150	R 8 625 000	Under Construction
Enon & Bersheba 450	Sunday's River Valley	0	R 1 000 000	Procurement
Mayfield 2200	Makana	920	R 66 114 000	Under Construction
Transit Camp 440	Makana	83	R 7 156 000	Under Construction
Bushmens 269	Ndlambe	0	R 1 000 000	
Alexandria 714	Ndlambe	0	R 1 000 000	
Addo Valencia	Sunday's River Valley	0	R 400 000	Procurement
Chris Hani 400	Blue Crane Route	0	R 2 352 000	
Aeroville 33	Blue Crane Route	0	R 150 000	
Kruisfontein 208	Kouga	0	R 600 000	
Oceanview 490	Kouga	98	R 5 684 000	Under Construction
Old Location 200	Blue Crane Route	0	R 2 436 000	
Eluxolweni 176	Makana	0	R 2 112 000	
Fingo 577	Makana	0	R 990 800	Transfers & Payment
Makana Infill 382	Makana	0	R 1 600 000	Procurement
KwaNomzamo 40	Kouga	0	R 1 100 000	Under construction
Willowmore 78	Baviaans	78	R 1 000 000	

	TOTAL	1 773	R 138 993 250	
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**Rectification of Defective Units**

**Table: 3.5.7**

<b>Post - 1994 Housing Stock</b>					
Item No	Project Name	Municipality	Defective units to be Rectified	Budget Allocation for 2013/14 Fin Year	Progress to date
1	Louterwater 223		30	R 1 650 000	
2	Mountain View 447		40	R 2 200 000	
3	Krakeelriver 189		21	R 1 155 000	
4	Joubertina 298		45	R 2 475 000	
5	Sandrift 594		23	R 1 265 000	
6	Coldstream 293	Kou-Kamma	23	R 1 265 000	
7	Clarkson 575		80	R 4 400 000	
8	Woodlands 423		30	R 1 650 000	
9	Newrest Kagiso 447		37	R 2 035 000	
10	Stormriver 447		46	R 2 530 000	
<b>Pre - 1994 Housing Stock</b>					
1	Scottfarm 90	Makana	0	R 100 000	
2	Ghostown 189	Makana	0	R 150 000	
3	Jansenville venter	Ikwezi	0	R 100 000	
4	Dube 30	Ikwezi	5	R 550 000	
5	Old Mhandi 350	Blue Crane Route	25	R 490 000	
6	Moses Mabhida 96	Sunday's River	10	R 500 000	

7	Cookhouse 150	Blue Crane Route	0	R 20 000	
8	Bersig Kirkwood (187)	Sunday's River	0	R 30 000	
9	Alicedale 221 (Pre-94)	Makana	0	R 35 000	
<b>TOTAL</b>			<b>415</b>	<b>R 22 600 000</b>	

**Provincial Priority Projects for Cacadu Region**

**Table: 3.5.8**

Item No	Project Name	Municipality	Type of Service	Budget Allocation for 2013/14 Fin Year
1	Thornhill (Khululwe Jawuka MPCo)	Ndlambe	Multi Purpose Community Centre	R 15 843 815
<b>TOTAL</b>				<b>R 15 843 815</b>

**DEPARTMENT OF ROADS AND PUBLIC WORKS**

**Gravel Road Maintenance**

**Table: 3.5.9**

Municipality	Holding Measure (± R500 000)	Service Delivery Model	Commencement Date	Value R
BAVIAANS	YES	CDC	JUL Y 2013	9949 000
IKWEZI	YES	CDC	JUL Y 2013	4787 000
SRV	YES	CDC	JUL Y 2013	495 3000
CAMDEBOO	NO	CONTRACT	CURRENT	9365 000
BLUE CRANE	NO	CONTRACT	CURRENT	8851 000



MAKANA	YES	CDC	JULY 2013	4835 000
NDLAMBE	YES	CDC	JULY 2013	2861 000
NIMBM	NO	IN-HOUSE	CURRENT	
KOUGA/	NO	CONTRACT	CURRENT	4586 000
KOUKAMMA	NO	CONTRACT	CURRENT	
<b>TOTAL</b>				<b>50187 000</b>

**Surfaced Road Maintenance**

**Table : 3.5.10**

<b>Contract</b>	<b>Allocation</b>
	<b>R</b>
KOUGA/KOUKAMMA	7599 000
BAVIAANS/IKWEZI/SRV	8120 000
<b>NIMBM CONTRACT</b>	<b>10012 000</b>
<b>NIMBM: SLA</b>	<b>5000 000</b>
<b>NDLAMBE/MAKANA/BLUE CRANE</b>	<b>6453 000</b>
<b>TOTAL</b>	<b>37184 000</b>

**Note: Major Provincial Routes were transferred to SANRAL**

- R 62 Langkloof release ± 700 km
- R 63 Western Boundary to Cookhouse ± R13 million
- R 75 Port Elizabeth to Graaff-Reinet
- R 67 Grahamstown to Fort Beaufort

**Remaining provincial surfaced roads maintained by contracts:**

Kouga & Koukamma-343 km: current  
Baviaans/Ikwezi/SRV- 369 km: current  
NMBM- 356 km:current  
Ndlambe/Makana/Blue Crane- 294 km: current

**Contracts Completion Date for these contracts is May 2014.**

**Flood Damage Repair Works**

**Table: 3.5.11**

Contract No	Value R	Local Authority
SCMU-0026 CAC	1 988 000	KOUGA
SCMU-0031 CAC	2 499 000	NMBM
SCMU-0032CAC	1 012 000	SRV
SCMU-0029CAC	4 449 000	NDLAMBE
SCMU-0027CAC	4 528 000	MAKANA/SRV
SCMU-0028CAC	5 038 000	NDLAMBE
SCMU-0030 CAC	5 491 000	KOUKAMMA/KOUGA
SCMU-0040CAC	2 400 000	MAKANA
SCMU-0039CAC	2 600 000	PORT ALFRED
<b>TOTAL</b>	<b>R30 000 000</b>	

**To be completed by end March 2013  
Additional ± R100 million submitted to Department of Local Government awaiting approval.**

**Planned Output for 2013/14 Allocation**

**Table: 3.5.12**

KPA	Output	Unit	Quantity
1) ROUTINE MAINTENANCE OF PAVED ROADS	1.1) Pothole-, Surface- and Base repairs	m <sup>2</sup>	16 286
	1.2) Crack Sealing	Litres	3 363
	1.3) Edge break repairs	m	2 280
	1.4) Slurry Seal Treatment	m <sup>2</sup>	76 000

	1.5) Gravel Shoulder Repairs	m	152 000
	1.6) Light rehab & seals	m <sup>2</sup>	33 250
	1.7) Rest Area Maintenance	No.	456
2) ROUTINE MAINTENANCE OF GRAVEL ROADS	2.1) Blading	km	7 100
	2.2) Re-gravelling / Patch Re-gravel	km	35

3) ROAD SAFETY MAINTENANCE	3.1) Road Reserve Cleaning / Refuse Removal	km	2 400
	3.2) Grass Cutting	km	3 400
	3.3) Vegetation Control	km	385
	3.4) Road Marking	km	214
	3.5) Road Signs	No.	467
	3.6) Fencing Erection / Repair	m	6 300
	3.7) Guardrail Installation/Repair	m	500
	3.8) Km Marker Installation	No.	1 250

4)STORMWATER DRAINS AND STRUCTURES MAINTENANCE	4.1) Causeway Construction & Repairs	No.	3
	4.2) Bridges / Armco Maintained	No.	2
	4.3) Culvert cleaning	No.	875
	4.4) Box Culvert installation & repair	No.	1
	4.5) Pipe Culvert Installation & repair	No.	4
	4.6) Drainage Maintenance	m	81 345
	4.7) Gabions Construction & Repair / Erosion Control	m <sup>2</sup>	480

**DEPARTMENT OF SOCIAL DEVELOPMENT**

**Creation Of Decent Work And Sustainable Livelihoods**  
**Table: 3.5.13**

National Outcomes	Eastern Cape Strategic Priorities	2013/14 District Plans
Decent Employment through inclusive economic growth.	Speeding up growth and transforming the economy to create decent work and sustainable livelihood.	<ul style="list-style-type: none"> <li>•The purpose is for the provision and expansion of integrated developmental social welfare services to the poor and vulnerable in partnership with stakeholders and civil society organisations.</li> <li>•100 Employment opportunities to be created quarterly within the EPWP Web base system from the funded NPO's.</li> </ul>
A long and healthy life for all South African.	Improving the health profile of the province	<p>13 HCBC's are providing care ; support and prevention programmes to Orphans; CHH and families targeting . Provision of developmental services welfare services to children in need of care and protection, people infected and affected by HIV &amp; AIDS as well family preservation programmes</p>
All People in South Africa are and feel safe	Intensify the fight against crime and corruption.	<p>In realizing this mandate the district has 34 Social Service Practitioners that are specializing in crime prevention and support services. i.e. Probation Officers. Promote community based care programmes that facilitate the reduction of gender disparities, substance abuse, crime prevention and reduce incidence of violence</p>
Sustainable Human settlement and improved quality of household life.	Building cohesive; caring and sustainable communities	<ul style="list-style-type: none"> <li>•In response to the enhance the independence and advance the skills development and mainstreaming of People with Disabilities: there is 03 Protective workshop whereby 86 PWD are actively targeted to participate.</li> <li>•In provision of care and support to Children with severe mental disabilities challenges; there are 08 special day care centre of which 150 children with disabilities are targeted to benefit.</li> <li>•02Social Work Agency is funded which advocate for the rights of PWD and provide intensive professional support services.</li> <li>•05 Family preservation programmes benefiting 250 families are targeted which promote and advocate for community participation in the upbringing of children whilst contributing towards programmes that promote moral regeneration.</li> <li>•03 Family Organization that will be facilitating programme that restore family unit as the basic foundation for communities are application for 4 Social</li> </ul>

		<p>Work Practitioner's posts . Issues of professional pre-marital programmes; family therapy; family enrichment programme and counselling will be rendered.</p> <ul style="list-style-type: none"> <li>•funded within the social relief programme.</li> </ul>
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### Fight Against Crime and Corruption

Table: 3.5.14

<b>National Outcomes</b>	<b>Eastern Cape Strategic Priorities</b>	<b>2013/14 District Plans</b>
All People in South Africa are and feel safe	Intensify the fight against crime and corruption.	<ul style="list-style-type: none"> <li>•There are 02 CYCC two applicants this financial year; which are recommended to accommodate 65 Children &amp; Youth at risk and re-unify them with families and or communities of origin.</li> <li>• 8 Victim Support Centres applied for funding</li> <li>•03 Safe Homes for victims of violence and abuse</li> <li>•03 Home Community based programmes that would be addressing issues of drugs and substance abuse for youth out of school and community advocacy.</li> <li>•21 TADA Coordinators that will facilitate "Ke Moja Fit for life programme within schools; whereby 105 TADA targeting 14740 children</li> </ul>
Sustainable Human settlement and improved quality of household life.	Building cohesive; caring and sustainable communities	There are 13 Homes for Older Persons applicants and 28 Service Centres which respond to the care support and protection of Older Persons. There are 1317 Older Persons that are benefiting in these services. 1588 Older Persons are targeted to participate in Area; District; Provincial and National Golden games; which promote active aging and the rights of Older Persons to live a decent life.

### DOSD & SP Contribution towards Education

Table: 3.5.15

<b>National Outcomes</b>	<b>Eastern Cape Strategic Priorities</b>	<b>2013/14 District Plans</b>

Sustainable Human settlement and improved quality of household life.	Building cohesive; caring and sustainable communities	<ul style="list-style-type: none"> <li>• In an effort to restore human dignity for families scavenging on the dumping sites; there is 1 programme applicant within the social relief programme. This programme is 12 families in the Graaff-Reinet Area. 10 Women are to participate in sewing and craft within the same programme and 2 men in the income generation programme within the dumping site.</li> <li>• In an effort to embrace all types of family units and deal with vulnerable families in crisis situations; there are 02 Single Parent Association programmes applicant in the district targeted to benefit 50 single parent families.</li> <li>• In support of families that experience undue hardship and threats of natural disasters the district is targeting to support 3330 families within its limited budget for 2013/14 through provision of material .</li> </ul>
Quality basic education	Strengthen education; skills and human resource base	There are 108 ECDC's that are applicants for 13/14 targeted to benefit 5911 children. This programme prepares children between 0 – 5 years for school going age. This also provides opportunity for the provision of nutritious; physical; psychological and mental growth.

**Allocation 2013/14**

- Youth Development: R 790 000.00
- Sustainable Livelihoods: R 2 000 000.00
- Women Development: R 1 750 000.00

**Youth Development: Business plans received**

**Table: 3.5.16**

Project	Local Mun	Location	Ward	Amount	Comments
Makana Mobi-Gym	Makana	Grahamstown	11	300 000	Second tranche.
Sisakha Youth Project	Camdeboo	Graaff-Reinet	5	250 000	Second tranche.
Ubugqi Upholstered Furniture Making	Makana	Grahamstown	2	419 250	Outstanding payments. Contractual Obligation
<b>TOTAL</b>				969 250	790 000

**Sustainable Livelihoods: Business plans received**  
**Table: 3.5.17**

Project	Local Mun	Location	Ward	Amount	Comments
VukaPhile Agricultural Services	Sundays River Valley	Kirkwood	6	817 000	Outstanding payments.
Siyahluma Gardens	Sundays River Valley	Addo	5	884 000	Outstanding payments.
Zatshoba Agricultural Project	Makana	Alicedale	14	661 000	Outstanding payments.
Oyster Bay Fishing Project	Kouga	Oyster Bay	1	1 424 994.50	Outstanding payments.
Ethembeni HCBC	Kouga	Hankey	9	100 000	Outstanding payments.
Boy Boy Mginywa ECD	Makana	Xolani, Grahamstown	2	250 000	Outstanding payments.
Asikhule Upholstery Project ( New)	Camdeboo	Aberdeen	1	596 000	Waiting list 2 years.
Khayalesizwe (New)	Ikhwezi	Jansenville	2	596 000	Waiting list 2 years.
Steytlerville Heroes	Baviaans	Steytlerville	2	796 000	New.
<b>TOTAL</b>				<b>6 124 994.50</b>	<b>Allocation for 2013/2014 R 2 000 000</b>

**Women Development: Business plans received**

**Table: 3.5.18**

Project	Local Mun	Location	Ward	Amount	Comments
Rietbron Handcrafts	Baviaans	Rietbron	3	533 600	New.
Bafazi Phambili WC	Ikhwezi	Jansenville	2	500 000	Strengthening.
Masaphakame WC	Koukamma	Kareedouw	4	330 000	Strengthening.
Hlumani Ostrich Project	Ndlambe	Bathurst	5	298 000	Strengthening High Risk
Isiqalo Waste Management	Ndlambe	Alexandria	1	250 000	Second tranche.
Laphumlianga WC	Kouga	Humansdorp	7	250 000	Second tranche.
Masizakhe Bakery	Koukamma	Sandrift	6	250 000	Second tranche
Masiqhame Agricultural Project	Camdeboo	Aberdeen	1	561 000	Outstanding payments. Contractual; Obligation
Sinalo Poultry	Makana	Grahamstown	10	596 000	Outstanding payments. Contractual; Obligation

**Programme 3 Funded Projects**

**Table: 3.5.19**

High	Medium	Low
Storms River Arts and Culture	Ikhala Sewing Project	Sisakha Youth Project
Phezulu.com	Masizakhe Bakery	Makana Mobi-gym
Beauty-on-the-Move	Rockhurst Ostrich Project	Ezezwe ICT Centre
Impala Youth Project	Empliweni Youth Project	Patensie Juice Factory



Uphuhliso Lwabantu Agricultural Project	Ncedani Car Wash	Laphumlilanga WC
Masande WC	Isiqalo Waste Management Coop	Hlumani Ostrich Project
Nieu-Bethesda WC	Hardwood Tunnels	Bayahluma WC
Nieu-Bethesda Food Security	Fresh and Delicious Egg Production Project	Rise and Shine WC
Umthombo Youth	Siyaphakamisa Youth Project	Kouga Indigenous Creations

**South African Social Security Agency Eastern Cape Region**

Table: 3.5.20

District Office	Area Office	Local Office	Grant Type	Male	Female		
CACADU	KAMDEBOO	GRAAFF REINET	0 OLDER PERSON'S GRANT	3 418	5 332		
			1 WAR VETERAN'S GRANT	2	1		
			3 DISABILITY GRANT	2 180	2 313		
			5 FOSTER CHILD GRANT	44	1 036		
			6 COMBINATION	1	27		
			9 CARE-DEPENDENCY GRANT	9	215		
			C CHILD SUPPORT GRANT	445	15 816		
			<b>GRAAFF REINET Total</b>	<b>6 099</b>	<b>24 740</b>		
			<b>KAMDEBOO Total</b>	<b>6 099</b>	<b>24 740</b>		
			KOUKAMMA	HUMANSDORP	0 OLDER PERSON'S GRANT	2 396	3 652
					1 WAR VETERAN'S GRANT	1	0
					3 DISABILITY GRANT	1 489	1 577
					5 FOSTER CHILD GRANT	31	718
6 COMBINATION	0	23					
9 CARE-DEPENDENCY GRANT	4	158					
		C CHILD SUPPORT GRANT	283	14 592			

<b>HUMANSDORP Total</b>	0 OLDER PERSON'S GRANT	4 204	20 720	
	3 DISABILITY GRANT	327	486	
	5 FOSTER CHILD GRANT	140	92	
	6 COMBINATION	4	44	
	9 CARE-DEPENDENCY GRANT	0	5	
	C CHILD SUPPORT GRANT	1	26	
	<b>JEFFREYS BAY Total</b>	48	1 223	
	<b>JEFFREYS BAY Total</b>	<b>520</b>	<b>1 876</b>	
	JOUBERTINA	0 OLDER PERSON'S GRANT	223	303
		3 DISABILITY GRANT	186	233
5 FOSTER CHILD GRANT		10	208	
6 COMBINATION		0	7	
9 CARE-DEPENDENCY GRANT		0	16	
<b>JOUBERTINA Total</b>	47	1 347		
KIRKWOOD	0 OLDER PERSON'S GRANT	466	2 114	
	3 DISABILITY GRANT	536	680	
	5 FOSTER CHILD GRANT	281	442	
	6 COMBINATION	2	156	
	9 CARE-DEPENDENCY GRANT	0	4	
<b>KIRKWOOD Total</b>	0	34		
<b>KOUKAMMA Total</b>	C CHILD SUPPORT GRANT	60	2 602	
	<b>KIRKWOOD Total</b>	<b>879</b>	<b>3 918</b>	
MAKANA	0 OLDER PERSON'S GRANT	6 069	28 628	
	1 WAR VETERAN'S GRANT	3 916	6 937	
	3 DISABILITY GRANT	1	1	
	5 FOSTER CHILD GRANT	2 777	2 805	
	<b>MAKANA Total</b>	63	1 716	

		6 COMBINATION	0	87
		9 CARE-DEPENDENCY GRANT	11	411
		C CHILD SUPPORT GRANT	421	18 583
	<b>GRAHAMSTOWN Total</b>		<b>7 189</b>	<b>30 540</b>
	<b>MAKANA Total</b>		<b>7 189</b>	<b>30 540</b>
<b>CACADU Total</b>			<b>19 357</b>	<b>83 908</b>

Source: Dept: Social Development

## DEPARTMENT OF SPORTS AND RECREATION

Table: 3.5.21

<b>School Sport</b>								
Municipality	Ward	Program/Project	National Priority	Provincial Priority	Budget (R)	Responsible Manager	Time-frame	Is Project in IDP
Baviaans, Blue Crane Route, Gamdebob, Ikwezi, Kouga, Koukamma, Makana, Ndlambe & Sundays River	All schools	Equipment and kit	Strengthen skills and human resource based	Strengthen skills and human resource based	400,000	SS Garniet	April 2013 – March 2014	No
Baviaans, Blue Crane Route, Gamdebob, Ikwezi, Kouga, Koukamma, Makana, Ndlambe & Sundays River	All schools	School tournaments, Leagues, Support			600,000	SS Garniet	April 2013 – March 2014	No
Total budget					1,000,000			

<b>Club Development</b>								
Municipality	Ward	Program/Project	National Priority	Provincial Priority	Budget (R)	Responsible Manager	Time-frame	Is Project in IDP
Baviaans, Blue Crane Route, Camdeboo, Ikwezi, Kouga, Koukamma, Makana, Ndlambe & Sundays River	All	Leagues, tournaments and support (transport, equipment, kit)	Strengthen skills and human resource based	Strengthen skills and human resource based	500,000	A Ngebetsha	April 2013 – March 2014	Yes
<b>Siyadlala</b>								
Municipality	Ward	Program/Project	National Priority	Provincial Priority	Budget (R)	Responsible Manager	Time-frame	Is Project in IDP
Baviaans, Blue Crane Route, Camdeboo, Ikwezi, Kouga, Koukamma, Makana, Ndlambe & Sundays River	All	Equipment and kit, Festivals, Support	Strengthen skills and human resource based	Strengthen skills and human resource based	300,000	L Ngxoweni	April 2013 – March 2014	No
Baviaans, Blue Crane Route, Camdeboo, Ikwezi, Kouga, Koukamma, Makana, Ndlambe & Sundays River	All	Mayoral Cup, Sport against Crime, Women in Action, Children's Day, Indigenous Games	Intensify the fight against crime and corruption	Intensify the fight against crime and corruption	600,000	L Ngxoweni	April 2013 – March 2014	No
Baviaans, Blue Crane Route, Camdeboo, Ikwezi, Kouga, Koukamma, Makana, Ndlambe	All	Capacity Building (Outdoor Training)	Strengthen skills and human resource based	Strengthen skills and human resource based	50,000	L Ngxoweni	April 2013 – March 2014	No

& Sundays River											
Total budget										950,000	

**DEPARTMENT OF WATER AFFAIRS**

Table: 3.5.22

Programme & Responsible person official	Ndlambe	Makana	SRVM	Kouga	Koukamma	Ikwezi	Camdeboo	Baviaans	BCRM
RRU, P.Oberholzer	-	-	-	-	-	Ministerial intervention, R 3.2m for water quality and quantity problems.	-	-	-
Mrs. A. Gidana RBIG	Ndlambe Regional Bulk Water Supply – R32,531m	-	Kirkwood WTW-Feasibility Study R300 000.00 Paterson Bulk Water	-	Misgund Bulk Water Supply-Feasibility Study – R1,3m	Ikwezi Bulk Water Supply-Feasibility Study – R2,547 673.00	Graaf-Rainet Emergency Water Supply – R2.5m	Steytlerville Water Supply Scheme – R7m	-

			Supply Scheme – R17m								
Capacity Building & Support, Ms. B. Ndibongo	-	Blue Drop and Green Drop Capacity Building Plan – R300 000.00	-	-	-	Automation of Boreholes R300 000.00	Water & Wastewater Master Plan R600 000.00	Water Balance Water Safety Plan R200 000.00	Amend & Promulgate Water Services Bi-laws – R200 000.00	Drinking Water Safety Plan R300 000.00	
Capacity Building Support – Supervisor Training – R600 000.00 Ms. B. Ndibongo	-	-	Supervisor or Training		Supervisor training	Supervisor training	Supervisor training	Supervisor training	Supervisor training	Supervisor training	
WSS Programmes, Mr. Ntshika Matana	-	-	Rain Water harvesting in Paterson		-	-	-	-	-	-	
Accelerated Community Infrastructure Programme-	-	WCDM phase 3 R7.034m	-	-	-	-	-	-	-	Replacement of old meters – R2m	

WCDM projects 2012/2013																			
ACIP – WCDM 2013/2014	-	WCDM Phase 3 – R2m	-	-	WCDM – R1m	-	WCDM – R1m	WCDM – R1m	-	WCDM – R1m	-	WCDM replacem ent of old meters – R2.266m							
ACIP – Waste Water Treatment Works 2012/2013	-	-	-	-	-	-	-	-	-	-	Willowmore WWTW upgrade – R4,633,004	Upgrade WWTW – R5,3m							
ACIP – Waste Water Treatment Works 2013/2014	WWTW upgrade – R1,750m	-	-	-	-	-	-	-	-	-	-	WWTW upgrade – R10m							

### DEPARTMENT OF ECONOMIC DEVELOPMENT AND ENVIRONMENTAL AFFAIRS

Table: 3.5.23

Municipality	Ward	Program/ Project	National Priority	Provincial Priority	Municipal Priority	Budget	Responsible Agent	Time- frame	Monitoring Mechanism	Is Project in IDP	Other Information
CAMDEBOO	7	AQUA CULTURE, & LED	FOOD SECURITY & LED	FOOD SECURITY & LED	LED	R1, 000, 000	BLUE KAROO TRUST	1 YEAR	PSC, PROGRESS REPORTS & SITE VISITS		PROJECT IS EXPECTED TO CREATE JOBS

NDLAMBE	7	MASHILULE WASTE AND RECYCLING	WASTE MANAGEMENT & LED	WASTE MANAGEMENT & LED	WASTE MANAGEMENT & LED	R800, 000	INTERGRATED WASTE & RECYCLING SERVICES (IWARIS)	1 YEAR	PSC, PROGRESS REPORTS & SITE VISITS	PROJECT IS EXPECTED TO CREATE JOBS
TOTAL						R1, 800, 000				



## 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.

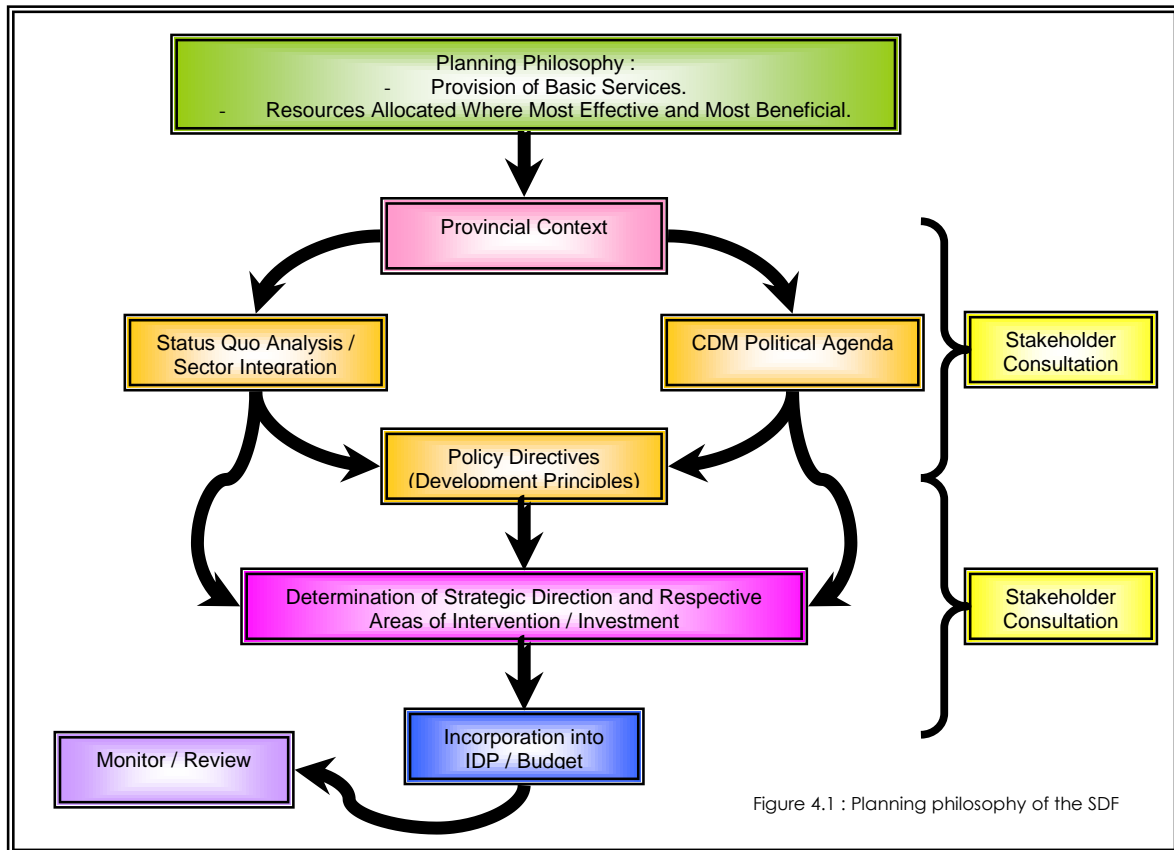
Given the implications of the above, the SDF needs to recognise the consequences of such and as a result guide development in an appropriate and suitable manner.

#### 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.



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.

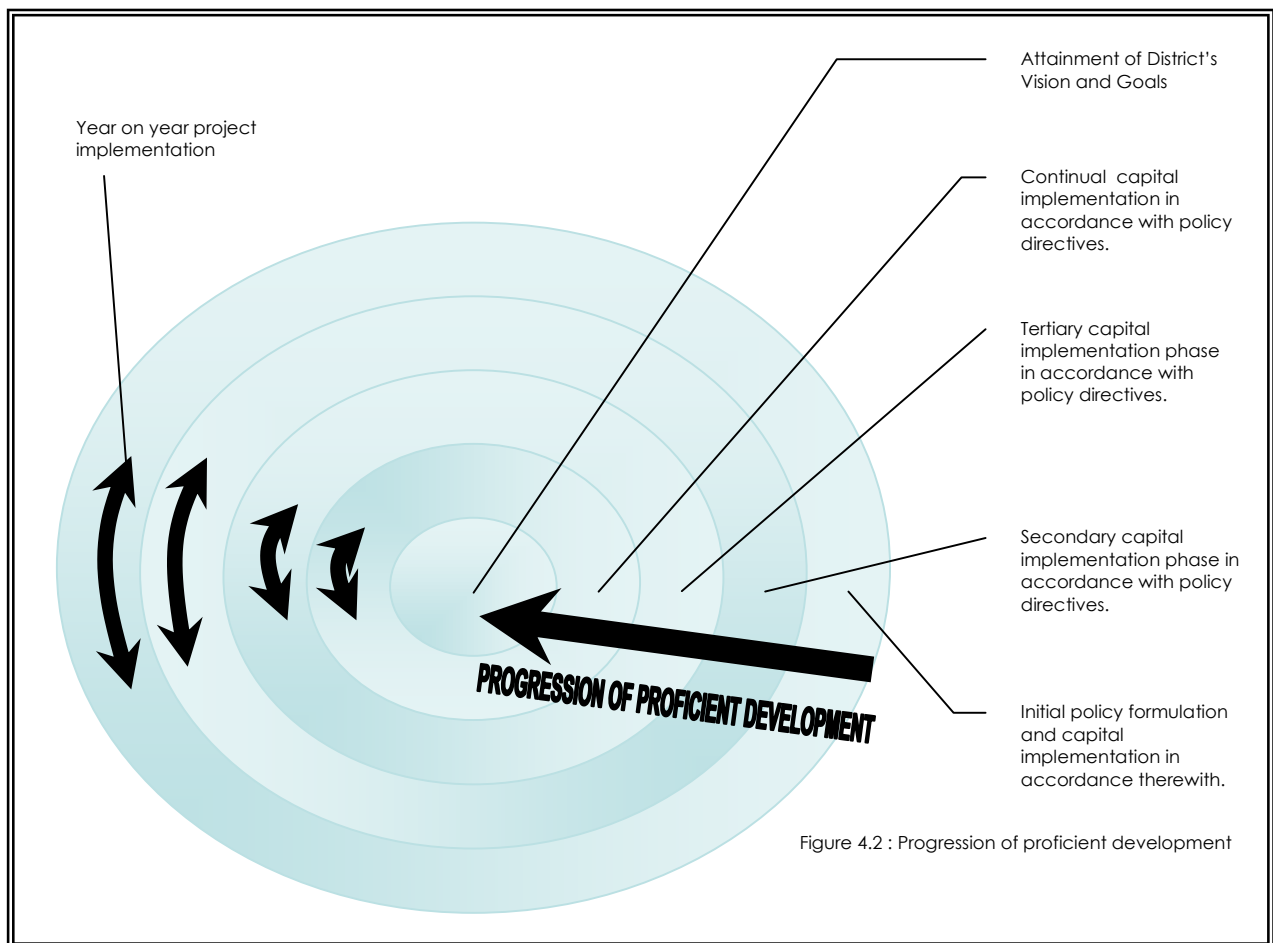


Figure 4.2 : Progression of proficient development

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.

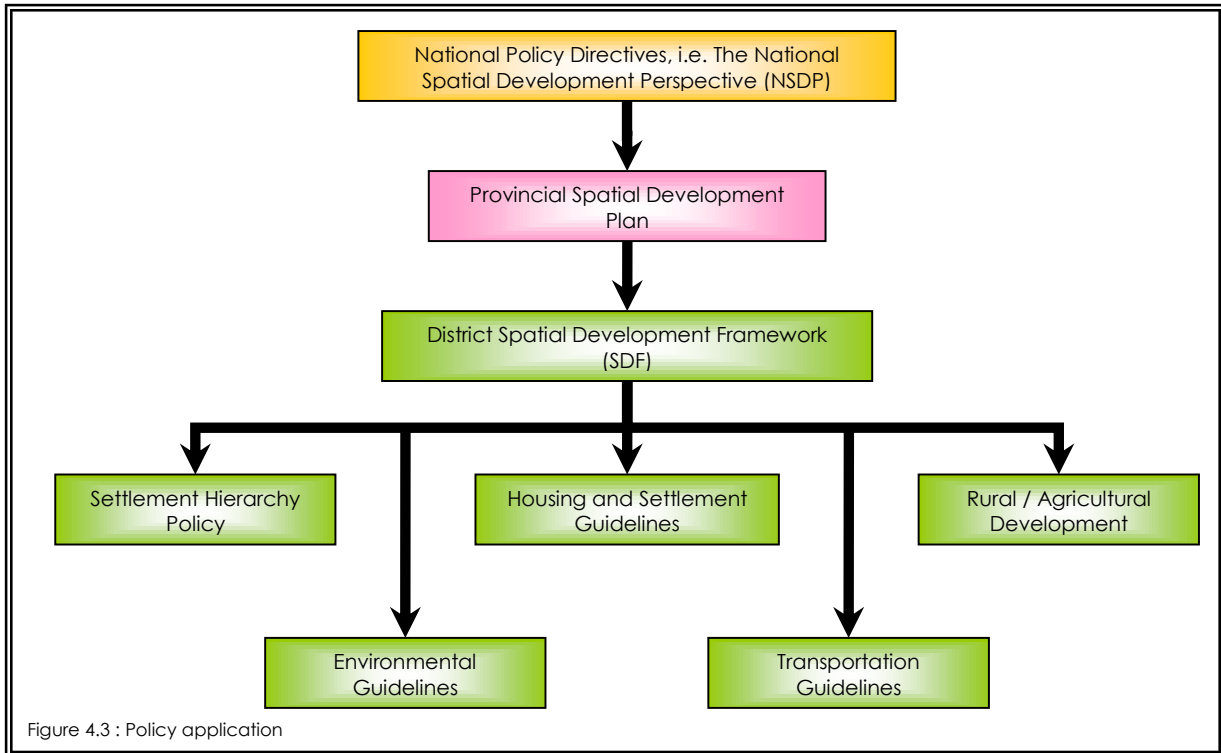
Development patterns, be they urban or rural in nature, will always be influenced by a variety of factors. While not discounting the fact that market forces play an enormous role in the shaping of development patterns, non-market factors such as that of strategic government interventions play a substantial 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"> <li>Location is critical for the poor to exploit opportunities for growth.</li> </ul>	<ul style="list-style-type: none"> <li>In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channelled into activity corridors and development nodes.</li> </ul>	<ul style="list-style-type: none"> <li>Reinforcing development nodes and development areas through channels of opportunity and bulk infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Settlement hierarchy policy</li> <li>Housing and settlement guidelines.</li> </ul>
<ul style="list-style-type: none"> <li>Poor communities concentrated around economic centres have a greater opportunity to gain from economic growth.</li> <li>Areas with demonstrated economic potential provide for greater protection due to greater diversity of income sources.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Settlement hierarchy policy.</li> <li>Housing and settlement guidelines.</li> <li>Rural development guidelines.</li> </ul>
<ul style="list-style-type: none"> <li>Areas with demonstrated economic potential are most favourable for overcoming poverty.</li> <li>The poor are making rational choices about relocating to areas of opportunity.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Settlement hierarchy policy.</li> <li>Housing and settlement guidelines.</li> <li>Rural development guidelines.</li> </ul>
<ul style="list-style-type: none"> <li>Government needs to ensure that the poor are able to benefit fully from growth and employment in these areas.</li> </ul>	<ul style="list-style-type: none"> <li>Economic growth is a prerequisite for the achievement of other policy objectives, key among which would be poverty alleviation.</li> </ul>	<ul style="list-style-type: none"> <li>The focussing of investment in existing rural settlements &amp; towns according to available resources &amp; development priorities.</li> <li>Focussing on economic upliftment &amp; employment creation through LED, agriculture, SMMEs &amp; industrial programmes.</li> </ul>	<ul style="list-style-type: none"> <li>Proficient development must seek to create opportunities that will facilitate economically competitive communities.</li> </ul>	<ul style="list-style-type: none"> <li>Settlement hierarchy policy.</li> <li>Housing and settlement guidelines.</li> <li>Environmental guidelines.</li> <li>Transportation guidelines.</li> <li>Rural development guidelines.</li> </ul>

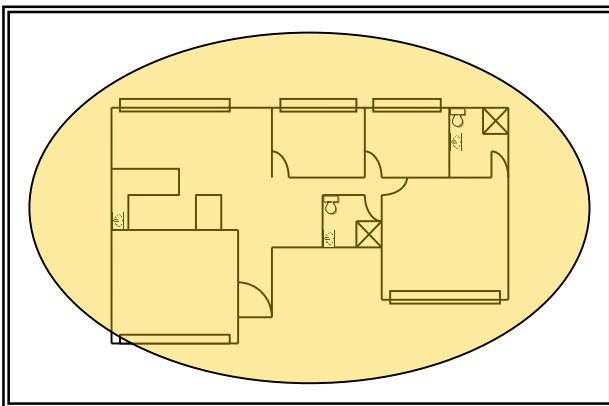
#### 4.1.6 THE INVESTMENT FRAMEWORK

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 :

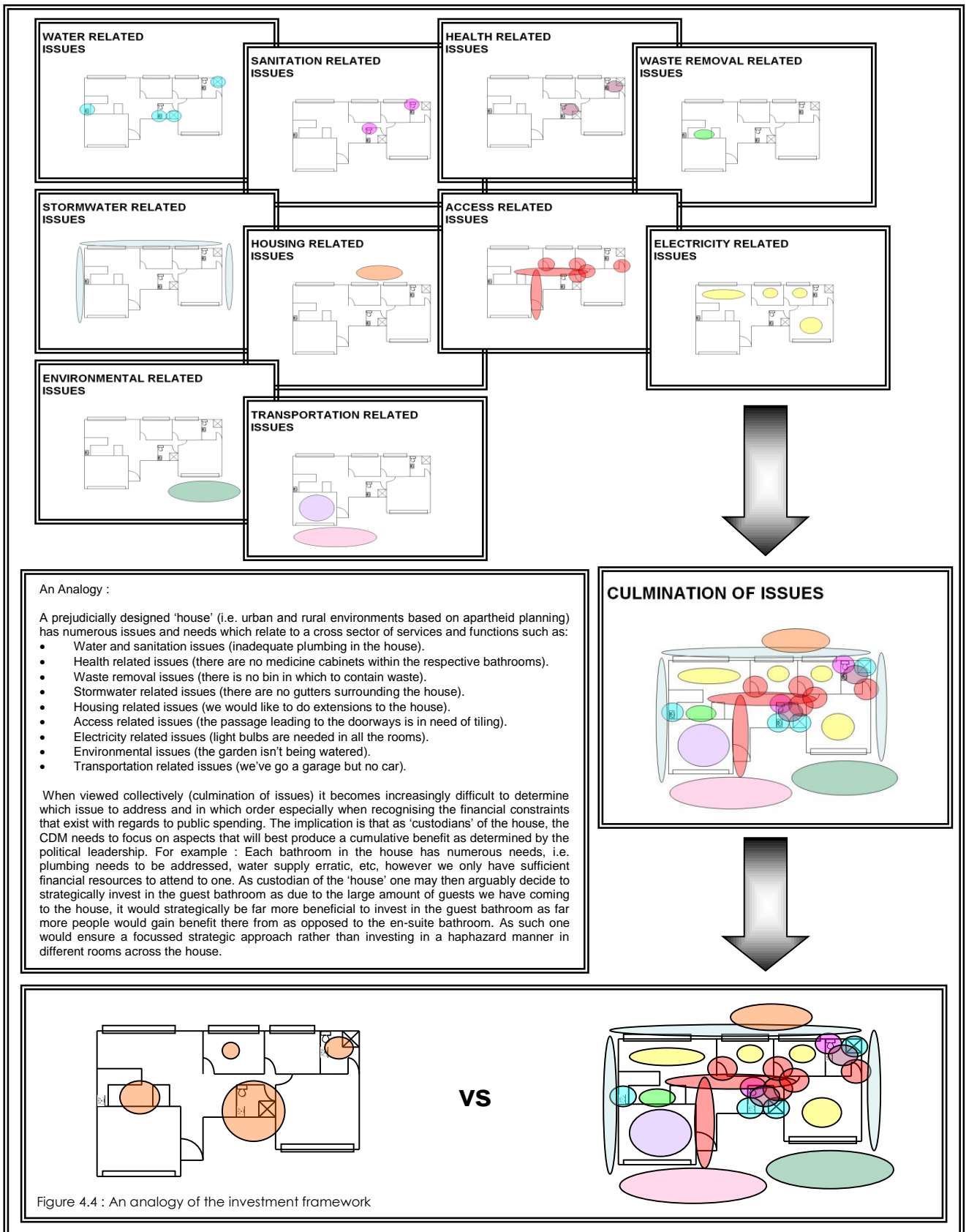


- Certain components of the house have not been developed in accordance with accepted levels of service (e.g. previously disadvantaged areas within the District).
- Certain components of the house require continued maintenance if they are to continue to function effectively (e.g. established areas of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

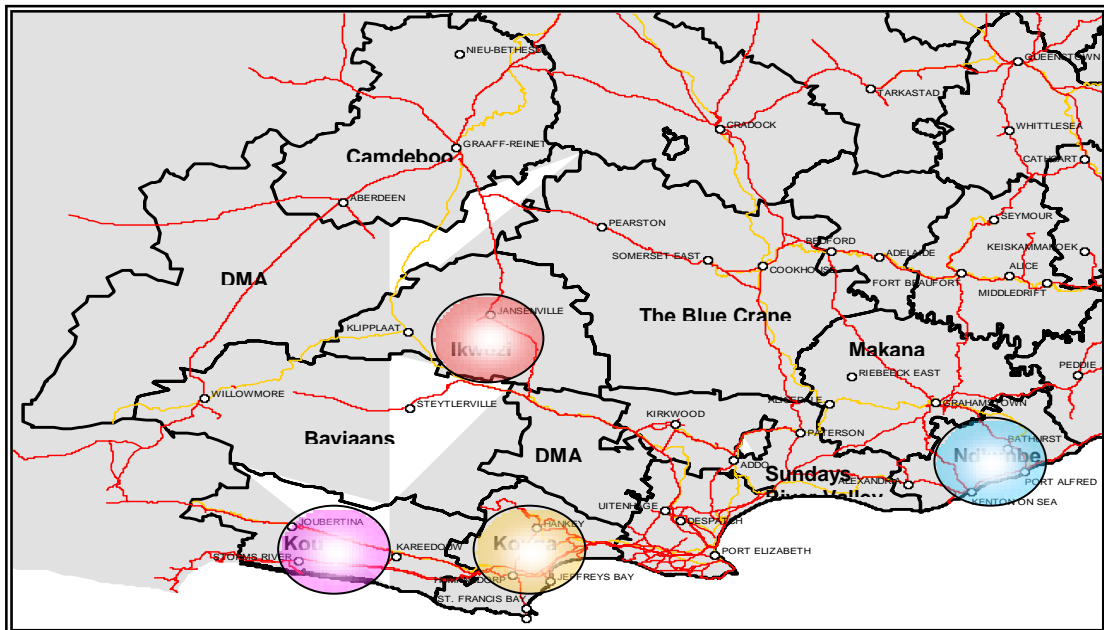


Figure 4.5 : Current & future development areas (CFDAs)

#### 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	
<b>Total Points</b>			

*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.

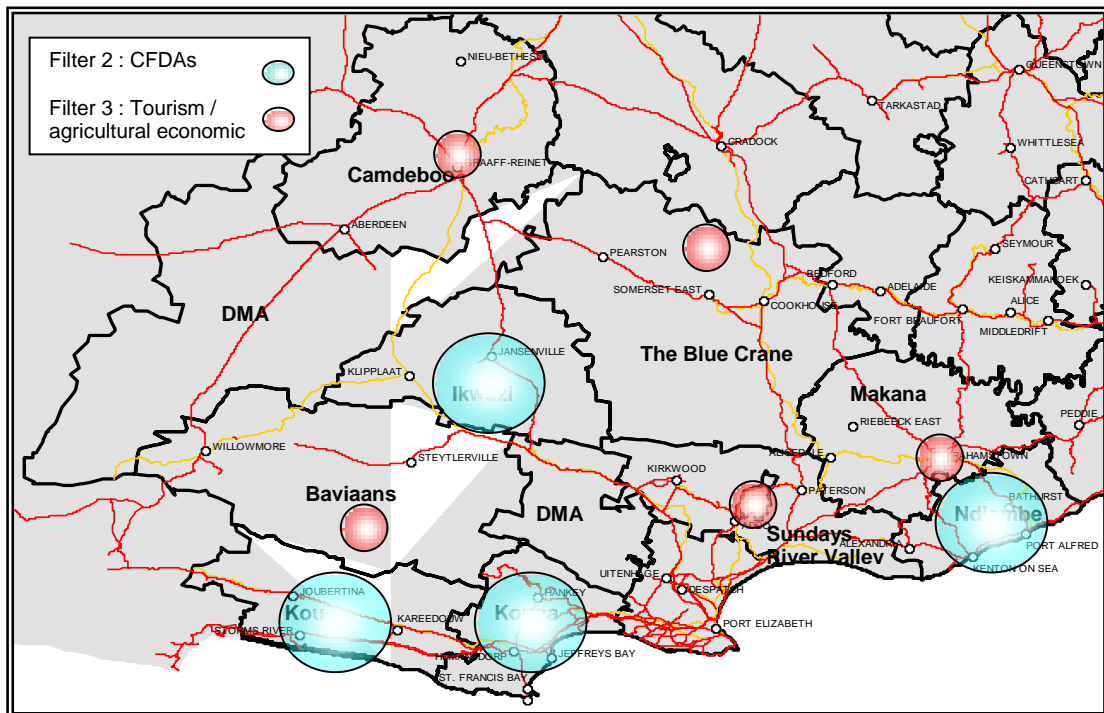
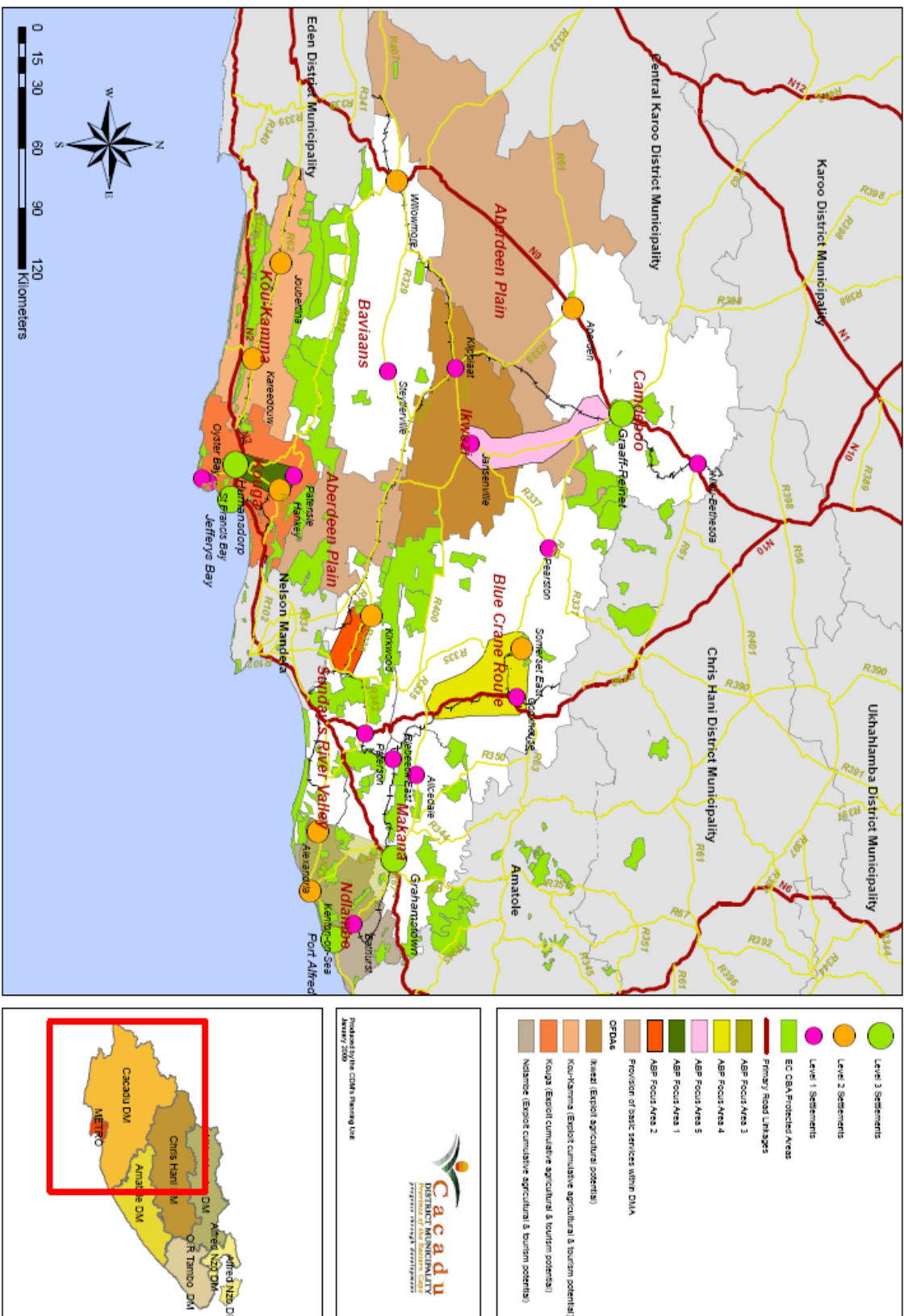


Figure 4.6 : Basis of project prioritisation

## CACADU DISTRICT: SPATIALLY REPRESENTATIVE POLICY GUIDELINES



Chapter 7: Spatially Representative Policy Guidelines

## **4.2 PART 2: PERFORMANCE MANAGEMENT FRAMEWORK**

### **4.2.1 PERFORMANCE MANAGEMENT PLAN FOR THE CDM IDP 2013/14**

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 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 six 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 to use its practical experience in implementing its performance management system by providing 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 2013/14 which translates the development priorities, objectives and strategies into interventions in the form of projects 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 2013/14 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 2013/14													
Objective	Strategy	Project	Draft Key Performance Indicator	Draft Annual Target 2013/14	Department	GFS	2013/14 Account Number	2013/14 R's	Draft Performance Milestones				
									30 Sep 2013 Target	31 Dec 2013 Target	31 Mar 2014 Target	30 Jun 2014 Target	
<b>DEVELOPMENT PRIORITY 1: INFRASTRUCTURE INVESTMENT</b>													
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 projects as mandated by LMs	Jansenville Water Conservation and Demand Management	Installation of 24 Zone Meters in Jansenville	24 Zone Meters installed	Planning and Infrastructure Services	Water	0115876119 (Grant) 0115878295 (Surplus)	R 400,000	Contractor on site	100% complete	NA	NA	
		Upgrading of Nieu Bethesda Waste Water Treatment Works	Upgrade and increase the capacity of the Waste Water Treatment Works for the community of Nieu-Bethesda	Appointment of the Contractor	Planning and Infrastructure Services	Sanitation	115878276	R 7,848,000	Contractor appointed	Contractor on site	50% completed	100% completed	
		Eradication of Buckets in Makana	EIA's completed for the purpose to eradicate Bucket-system in Makana	EIA's completed	Planning and Infrastructure Services	Sanitation	120278282	R 2,500,000	EIA process initiated	EIA complete	Appoint contractor	50% Construction completed	
To support LMs in ensuring that all communities have access to decent sanitation by 2017	Implementation of sanitation projects as mandated by LMs	Old dry toilet systems in the former DMA	Demolishing of old dry toilet systems in the former DMA	100% demolish of dry toilet system	Planning and Infrastructure Services	Sanitation		R 250,000	Service Provider appointed	Project complete	NA	NA	
		WSAMWSP Model Review / Capacity Assessment	Assessment of WSA function in all 9 LMs	WSA Assessment complete in 9 LMs	Planning and Infrastructure Services	Water	115878273	R 400,000	50% progress	100% progress of project	NA	NA	
To promote integration between spatial planning and transportation projects to achieve sustainable human settlements	Implementation of transportation projects	Construction of Sidewalks and Walkways	1 km of Sidewalks and walkways constructed in Krakeel in Koukamma	500m of Sidewalks and walkways constructed in Krakeel in Koukamma	Planning and Infrastructure Services	Roads	115278274	R 600,000	Contractor on site	50% complete	100% complete	NA	
		Construction of a Inter-city Bus-terminal in Graaff Reinet	Provision of Inter-City Bus Terminal in Graaff Reinet	50% Construction of Bus-terminal Complete	Planning and Infrastructure Services	Road Transport	0115476145 (Grant) 0115478255 (Surplus)	R 1,128,418 R 1,720,788	Contractor on site	25% complete	50% completed	100% completed	

CACADU DISTRICT MUNICIPALITY: DRAFT SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2013/14

Objective	Strategy	Project	Draft Key Performance Indicator	Draft Annual Target 2013/14	Department	GFS	2013/14 Account Number	2013/14 R's	Draft Performance Milestones			
									30 Sep 2013 Target	31 Dec 2013 Target	31 Mar 2014 Target	30 Jun 2014 Target
To provide roads infrastructure from basic service to a higher level in key strategic areas for at least 10 km's per annum over 5 years	Develop CIPs Comprehensive Infrastructure Plans	Paving of Retlison Roads & Stormwater Infrastructure (EWP Project)  Rehabilitation of Somerset East Roads and Stormwater Infrastructure (Paving of Streets and Upgrade of Stormwater Drainage - Phase 2)  Rural Roads Asset Management System (RRAMS)	Upgrade of Retlison Roads & Stormwater Infrastructure	500m of internal access roads paved, and 80 work opportunities created	Planning and Infrastructure Services	Roads	120278261	R 5,000,000	25% of construction completed	50% of construction completed	75% of construction completed	100% of construction completed
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	Implementation of the Waste Management Plan	Licensing of Solid Waste Sites for Kou-kamma, Ndlambe and Kouga	Legal Waste sites Licensed for Kou-kamma, Ndlambe and Kouga achieved	9 Legal Waste sites Licensed and completed for Kou-kamma, Ndlambe and Kouga	Planning and Infrastructure Services	Health	119278268	R 250,000	Service Provider appointed	35% complete	70% complete	100% completed
<b>DEVELOPMENT PRIORITY 2: CAPACITY BUILDING AND SUPPORT TO LMS</b>												
To improve effectiveness in municipal financial management	Improve corporate governance systems both in the district and LMs	GRAP Implementation	Provision of assistance to 5 LMs in respect to GRAP compliance (Financial Statements) (Phase 1)	Provide assistance through 1 training workshops held in GRAP compliance and by making available financial management support to deal with issues raised in the LMs AG's management letter	Finance & Corporate Services	Finance and Admin	105578214	R 2,000,000	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 and GRAP training	Improved Financial Management process, policies, procedures and internal controls and GRAP training
	Building in-house	Implementation of Financial Management and Compliance Improvement Plan	Financial Management and Compliance Improvement Plan	Review CDM's financial policies and implement controls and improve legislative compliance	Finance & Corporate Services	Finance and Admin	105578207	R 700,000	Improved Financial Management process, policies, procedures and internal controls of FMIP	Improved Financial Management process, policies, procedures and internal controls of FMIP	Improved Financial Management process, policies, procedures and internal controls of FMIP	Improved Financial Management process, policies, procedures and internal controls of FMIP
		National Treasury Minimum Competencies	National Treasury Minimum	To be determined	Municipal Manager's	Other	102876149	R 270,000	To be determined	To be determined	To be determined	To be determined



	capacity in LM so that they can perform their functions and stabilise institutional systems	Training (To be finalised with Finance)	Competencies Training (To be finalised with Finance)	Reviewed by laws at BCR	Municipal Manager's Office	Other	102876116	R 200,000	Signed Mo/USLA with BCR LM and audit report on by laws that need to be reviewed and developed	Review and development of policies.	Review and development of policies.	Project Complete
	Improve corporate governance systems both in the district and LMs	MSIG: Good Governance Survey 3 LMs	To conduct GGS at Makana, Ndlambe and Kouga	GGS at Makana, Ndlambe and Kouga	Municipal Manager's Office	Other	102876153	R 200,000	Planning	GGS field work commenced and focus groups completed in all 3 LMs	Report to CDM council and LMs' councils	Project Complete
		Support to Ndlambe and Ikwezi LM: IT Infrastructure for Council Chamber	Support to Ndlambe and Ikwezi LM: IT Infrastructure for Council Chamber	Completion of ICT Support to Ndlambe	Municipal Manager's Office	Other	Other	R 400,000	Planning	25% completed	50% completed	100% completed
	To assist Municipalities to achieve and sustain clean audits by 2014 and annually thereafter.	Improve corporate governance systems both in the district and LMs.	100% Implementation of the Automated CDM PMS System in all LMs	Performance Management Support(PMS) Support to the 9 LMs in CDM with the implementation of the Automated CDM PMS System.	Municipal Manager's Office	Other	102778136	R 300,000	30% Implementation of CDM Automated PMS System at LMs	60% Implementation of CDM Automated PMS System at LMs	80 % Implementation of CDM Automated PMS System at LMs	100 % Implementation of CDM Automated PMS System at LMs
<b>DEVELOPMENT PRIORITY 3: ECONOMIC DEVELOPMENT</b>												
	Broaden economic participation and inclusion by increasing the number and support to small enterprises by 10%	Facilitate community and worker participation in share ownership	Mobilise Funding Partners for the implementation of the Pellet Factory	To mobilise funding for the Pellet Factory	Economic Development	LED	114778241	R 100,000	Pre-establishment report completed and submitted to Council	Lobbying for funding and Stakeholder engagement	To be determined	To be determined
	Promote social economy investments	Support to SMMEs and Cooperatives.	5 SMME and Cooperatives development programmes implemented.	2 SMME programmes from LMs supported. 3 Cooperatives developments plans supported.	Economic Development	LED	114778216	R 1,000,000	Invite new proposals from LMs. Review proposals and submit to Mayco for approval.	PSC established for approved projects. SLAs signed with successful LMs on SMME programmes.	Monitor implementation and submit progress report to Mayco	Progress reports for projects funded is submitted to Council.
		REDI programme	REDI projects implemented	Projects implemented	Economic Development	REDI	114778216	R 550,000	To be determined	To be determined	To be determined	To be determined

CACADU DISTRICT MUNICIPALITY: DRAFT SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2013/14

Objective	Strategy	Project	Draft Key Performance Indicator	Draft Annual Target 2013/14	Department	GFS	2013/14 Account Number	2013/14 R's	Draft Performance Milestones														
									30 Sep 2013 Target	31 Dec 2013 Target	31 Mar 2014 Target	30 Jun 2014 Target											
<b>DEVELOPMENT PRIORITY 3: ECONOMIC DEVELOPMENT</b>																							
Invest in natural capital to contribute to government's target of creating 20,000 "green" jobs by 2020.	Create new generation green jobs rooted in renewable energy	Integrated waste to energy feasibility study	Determine the feasibility of an integrated waste to energy cluster	Feasibility study complete	Economic Development	REDI	114678247 114678257	R 600,000	Service provider appointed	Waste streams identified and related volumes determined	SMME opportunities identified	Feasibility study complete											
													Tourism Infrastructure Investment	To support at least 1 tourism infrastructure projects by installing signage for the Greater Addo Tourism Route	1 tourism infrastructure projects supported- Greater Addo Tourism Route	Economic Development	Tourism	140078284	R 1,000,000	Terms of reference and specifications completed and Service Provider appointed	Approval of identified and confirmed sites by regulating bodies	Design and construction of signs	Addo Route signs erected
													Grow rural tourism economy	To conduct review and implementation of tourism marketing strategy	Tourism marketing strategy reviewed and implemented	Economic Development	Tourism	140078124	R 2,000,000	Review and implementation plan of the Tourism Marketing strategy completed.	Participation at the Getaway show, Preparations and confirmation for the Tourism Indaba, Monthly Getaway for Locals, Placements in at least 2 media channels, summer campaign	Placements in at least 2 media channels; Winter Campaign; Printing 7 wonders area brochures	Participate at Tourism Indaba, Winter Campaign roll out, Placements in at least 2 media channels; Support at least to 2 Festivals in the District
Support to LTOs	Tourism marketing	To support at least 3 LTOs	Three LTOs supported	Economic Development	Tourism	140078052	R 600,000	Request for project proposals, Proposals reviewed, evaluated and submitted to Mayoral Committee for approval	3 LTO projects funded, implemented and monitored	Funded Projects implemented and funds spent according to project plan and Monitor	Close-out report submitted to MC												
												Destination and sub-branding signage	Install billboard in Makana, Bavians and SRV	Billboard installed	Economic Development	Tourism	140078063	R 400,000	Terms of reference and specifications completed and service provider appointed	Basic Assessment and site identification conducted for erection of billboard	Lease agreement signed with the land owner and installing Billboards	All Billboards installed and Close-out report submitted to MC	
												Tourism education and awareness	Funding Support to Wilderness Foundation Training Programme (Umzi Wethu) for at least 6 district participants	Umzi Wethu supported through transfer of funding for skills development and capacity building	Economic Development	Tourism	140078217	R 500,000	6 participants from the District selected	Training commenced	Half year progress report submitted	Training programme completed and close-out report to MC	
Tourism stats system	To collect tourism stats in Ndlambe, Sundays River Valley, Blue Crane	Visitor Information uploaded in tourism statistics system	Economic Development	Tourism	140078123	R 475,000	Terms of reference and specifications completed and service provider appointed	25%Project implemented	75% Project implemented	Project completed and close-out report to MC													

CACADU DISTRICT MUNICIPALITY: DRAFT SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2013/14

Objective	Strategy	Project	Draft Key Performance Indicator	Draft Annual Target 2013/14	Department	GFS	2013/14 Account Number	2013/14 R's	Draft Performance Milestones			
									30 Sep 2013 Target	31 Dec 2013 Target	31 Mar 2014 Target	30 Jun 2014 Target
Building local and regional networks and collaboration through the creation of partnerships with (a) government, (b) the private sector and (c) education / research.	Building investor and local business partnerships	Trade and investment promotion	Host Investors Conference	Successful Investors Conference hosted	Economic Development	Trade and Investment	114678078	R 1,380,000	SILA signed between CDM and CDA	Funds transferred	Monitor and Evaluate	Monitor and Evaluate
Developing skills and education base by increasing the number of semi-skilled and skilled by 10%.	Develop skills transfer partnerships between established and emerging farmers	Agricultural membership programme (DED)	Membership programme institutionalized and evaluated in 7 LMs	12 Emerging farmers projects mentored in 7 LM and experiences documented	Economic Development	Planning & Development	114778188	R 2,150,000	5 pilot projects and 7 roll-out projects are implemented and monitored	2nd 12 month cycle for 2 roll-out projects evaluated	2nd 12 month cycle for 2 roll-out projects evaluated	5 pilot projects concluded and evaluated. 7 roll-out projects implemented and TORs for 5 additional roll-out projects prepared.
Improving connectivity infrastructure in all nine local municipalities	Rural connectivity infrastructure particularly broadband and mobile phones access	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	120575420	R 300,000	50% construction of library completed	100% construction of library completed	NA	NA
		Construction of a Community Library in Alexandria	Provision of a New Community Library in Alexandria	Construction of Library Complete	Planning and Infrastructure Services	Planning & Development	120575420	R 872,000	Contractor on site	35% construction of library completed	70% construction of library completed	100% construction of library
<b>DEVELOPMENT PRIORITY 4: COMMUNITY AND SOCIAL SERVICES</b>												
To provide effective fire fighting to all LMs in the district by 2017	Provide fire fighting capacity resources	Standardisation of Fire Hydrants in the District	Restored and standardised Fire Hydrants in Kouga, Makana and Ndlambe	Standardised Hydrants in place for Kouga and Ndlambe	Planning and Infrastructure Services	Public Safety	111378201	R 3,000,000	Service Provider appointed	50% completed	75% completed	100% completed
		Refurbishment of a Satellite Station in Ndlambe	Satellite station upgraded	Refurbishment of a satellite station Complete	Planning and Infrastructure Services	Public Safety	111378251	R 3,000,000	Contractor on site	25% of refurbishment completed	50% of refurbishment completed	100% of refurbishment completed
		Construction of Fire Station in BCRM	Construction of fire station in BCRM	Fire station Constructed	Planning and Infrastructure Services	Public Safety	111378251	R 1,500,000	Contractor on site	50% of construction completed	100% of construction completed	NA

## **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 GOOD GOVERNANCE**

#### **➤ 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

➤ Ethical leadership and corporate citizenship

“Responsible corporate citizenship implies an ethical relationship between the municipality and the society in which it operates.”

The notion of corporate citizenship is not new. King III gives it more credence and concrete expression than ever before, while continually highlighting the unbroken chain that links ethical leadership, municipal strategy and sustainability

Successful municipalities are sustainable municipalities. As a cornerstone of sustainability, sound ethics and leadership are increasingly proving their worth as drivers of competitive advantage. CDM must continually review:

- Values, business principles and key performance indicators
- Sustainable development strategy formulation
- Codes and policies in support of ethics, corporate citizenship and sustainability; and
- Socioeconomic impact assessments to achieve its corporate objectives

#### 4.2.3.3 MUNICIPAL INSTITUTIONAL STRUCTURES AND ROLES

➤ **Council, Mayoral Committee and Councillors;**

Council is vested with the responsibility to oversee the performance of the 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 Executive Mayor 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:

**Table 4.4: Financial governance framework to local government**

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

➤ **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.

#### 4.2.3.4 OTHER GOVERNANCE STRUCTURES AND ASSURANCE PROVIDERS

##### ➤ **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 municipality has an effective internal control system in place. The internal auditor assists the municipality in identifying any weaknesses in the controls implemented in the municipality. The internal auditors then make recommendations and assist management in implementing additional controls to ensure that all controls are effective and are achieving their objective.

An internal audit plan is approved by the Audit Committee annually. The plan is prioritised in accordance with the issues raised by the Auditor General during the annual audit. This approach assists the municipality in avoiding recurring issues.

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. All employees are required as part of their employment contracts to sign the Code of Conduct applicable to all staff members accepting its conditions. Councilors are also expected to sign a similar document on their first day of inauguration and that is placed on their personal files.

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.

• **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.

➤ **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.

➤ **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.

The municipality on an annual basis identifies and evaluates risks and updates the risk register. Appropriate mitigation strategies are developed by management. The Risk Register is attached as Annexure “A”

### ➤ **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; and
- the annual report on behalf of council and make recommendations to council thereafter; and
- 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; and
- 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.

#### ➤ **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."

- **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.

- **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.

- **Risk Management**

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

- **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.

- **Performance Measurement**

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

- **Compliance with Laws, Regulations, Rules, Codes, Policies and Standards;**

The municipality is currently experiencing problems with compliance with laws and regulations and is developing appropriate systems and controls to meet compliance standards.

- **Governing Stakeholder Relationships;**

The municipality has prioritized communication as a strategic function and developed a Communication Plan which inform how stakeholder relationships are managed.

- **Integrated Reporting and Disclosure; and**

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 timeless. 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.

#### **4.2.3.5 ORGANISATIONAL STRUCTURE**

- **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.

➤ **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.

➤ **Challenges**

The challenges facing the municipality with regard to Human Resources include:

- No Integrated Health & Wellness Programme
- No HR Succession Planning
- Departments not effectively working interdependently
- Lack of Excellent decision-making by Managers
- Lack of Innovation
- Incomplete delegation process
- Lack of appropriate remuneration policy and problems associated with the TASK Job Evaluation and SALGBC grading system
- Declining working relationships with Local Municipalities
- Lack of understanding the CDM business Model
- Labour disputes and dysfunctional LLF

➤ **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 towards a clean 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 and to achieve a clean audit outcome in the 2013/2014 financial year.

Year	Audit Opinion
------	---------------

2011/12	Unqualified Audit
2010/11	Unqualified Audit
2009/10	Unqualified Audit
2008/09	Unqualified Audit
2007/09	Unqualified Audit

- **Challenges**

The challenges facing the municipality with regards to Financial Management include:

- Low revenue base and reliant on government grants leading to long term grants leading to long term financial sustainability challenges
- Non-compliance with local government legislation and policies resulting in irregular expenditure
- High vacancy rates
- Poor planning processes leading to under expenditure of project budget
- Need to improve the financial reporting and the analysis of final information and trends
- Dependence on interest income to finance operating expenditure

- **Spending budgets to maximise delivery**

CDM's annual budget is made up of 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 receive in the form of government grants. During the 2011/12 financial year, the CDM managed to spend 76,25% of its capital budget and 80% of its operating budget - which is set aside for salaries, operating costs, purchases, and projects. The Salaries account for 30% of the total operating budget, the municipality has been able to maintain this ratio for the past Three years.

In the 2012 financial year, the municipality achieved 100% spending on both the FMG and the EPWP Grant. On the MSIG, the municipality only achieved a 72% spending. A roll-over application was successful for the 28% not spent during the 2012 financial year.

#### **4.2.3.6 COMMUNICATION**

Interacting with the district is an important issue for residents and local municipalities. Community newspapers were highlighted as means to effectively communicate with residents.

The CDM has developed communication as a strategic function and has established effective communication systems and structures.

➤ **Communication as a strategic function**

A publication entitled “Communication for development and better service delivery in the age of hope”, produced by the Department of Local Government and Traditional Affairs (DLGTA), the South African Local Government Association (SALGA) and Government Communication and Information Systems (GCIS) as well as the “Guidelines for Municipal Communications”, Published by SALGA, sets out in detail how to successfully establish communication structures and functions in a municipality.

It should be acknowledged that the municipality needs to implement SALGA guidelines in respect of the communication function. Among the most important facts obtained from the guidelines are:

➤ **General**

Communication services at municipalities need to operate within a policy framework, which is developed within the prevailing local government legislation, but considering precedents set by prevailing norms and standards, guiding the system of government communication generally.

Political leadership and oversight of the communication function locally is a critical success factor. Institutional arrangements and intergovernmental systems also need to be in place to ensure co-ordination and an integrated system of government communication.

Municipalities must have a dedicated communication capacity, which puts in place an intentional and planned communication programme.

➤ **Institutional arrangements**

According to the guidelines, the communication unit must be located in the Office of the Mayor, while the unit will be administratively accountable to the Municipal Manager. The communication unit should ideally be comprised of officials to handle the following functions:

- Internal communication;
- External communication (including Public Participation Programmes);
- Media and stakeholder liaison;
- Media production; and
- Marketing and branding.

It is also recommended that frequent communication strategy meetings are held, chaired by the Speaker / Mayor, to provide communication guidance.



## FOCUS AREAS

### 4.2.3.7 Strategic Focus Area A: Ensure Enhanced Service Delivery with Efficient and Effective Institutional Arrangements

#### 4.2.3.7.1 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.

#### 4.2.3.7.2 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.

○ **Business Model**

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

○ **Organizational Structure**

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.

#### **4.2.3.7.3 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 - This 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.

NO	NO OF APPROVED AND BUDGETED POSTS	NO OF FILLED POSTS	NUMBER OF VACANT POSTS
1	102	90	12

Employees from time to time are offered better opportunities by rival institutions where CDM experiences resignations. There are twelve [12] vacancies in the entire Council's organograms structure. Some are as a result of the above processes whilst some are either frozen or no intention to fill has been communicated.

Other vacant positions are currently being dealt with to fill them in replacing those employees who left the Council. The process will be finalised before the end of the current financial year.

➤ **Employment Equity Plan**

The Council has a five year approved Employment Equity Plan to comply with the Employment Equity Plan Act. On an annual basis this plan is reviewed in order to ensure if the milestones have been achieved. In making sure that the plan is supported and its implementation is monitored, Human Resources policies dealing with diversity, barriers to implement are developed to guide the processes.

➤ **Skills Development Plan**

Skills Development Plan is developed annually by the Skills Development Facilitator. This is a product of numerous processes that ranged from identifying the employee current skills, gaps or shortages, overall Council and department objectives to develop training intervention. The Work Place Skills Plan is approved by Council with a specific budget and implementation report is submitted to the SETA to recover a portion of monies spend on implementing the plan.

➤ **Recruitment, Training Retention Strategies**

Council has a policy on Selection and Recruitment which emphasises the appointment of historically disadvantaged persons and those with disability challenges. The policy further takes cognisance of knowledge and skills required to provide efficiency in the work.

Training for all employees is regulated by a Training policy which is backed up by an annually approved budget. Training takes place in the form of academic and graduate

studies leading towards a formal qualification, skills and knowledge development, which is identified through a Workplace Skills Development Plan [WSP], designed for individuals or group of employees in similar positions and finally in the employee participation on developmental programme initiated by employer bodies or academic institutions.

The WSP emphasised a competency based training that is backed by registered or approved unit standards. Therefore, every training undertaken or conducted or one is exposed to must lead towards credits towards a certificate or qualification which is recognised by the South African Qualification Authority [SAQA].

#### ➤ **Succession Plan**

Council has a policy on Succession Planning. However, due to the flat structure of the Council organogram and very few employees leaving the Council employment, challenges in implementing the policy are experienced.

#### **4.2.3.7.4 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.

#### **4.2.3.7.5 Strategy 4: Relocation of office accommodation from NMBM CBD to Kirkwood in the area of jurisdiction of the CDM**

The CDM has since 2002 endeavoured to relocate its head office to be located in its area of jurisdiction. The main reason is to place its administrative resources in a central position in the district so that the 9 local municipalities in the district can have access to important resources.

The desired outcomes are:

- To achieve cost saving in the long term; and
- To ensure the district benefits economically from the relocation of the administration.

#### **4.2.3.8 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 and Supply Chain Management**

##### **4.2.3.8.1 Objective 1 - 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;
- 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.

##### **4.2.3.8.2 Objective 2 – A clean 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.

##### **4.2.3.8.3 Objective 3 – Improvement of Compliance with Local Government Finance Legislation.**

Further details regarding the CDM's financial position is included in the Financial Plan.

## **Measuring Performance**

The CDM will measure the achievement of a high standard of financial management by receiving an unqualified external audit report and the process of internal audit assurance.

### **1. SUMMARY / CONCLUSION**

At the strategic planning interventions it was resolved that Institutional Development be identified as a development objective. This document therefore highlights the challenges facing the CDM and begins to identify strategic focus areas and strategies to address the challenges facing the municipality. Projects have been identified to address the corporate as well as financial challenges

Cacadu District Municipality

FINAL Strategic Risk

Register

As at: 23

October

2012

Risk name	Root cause of the risk	Consequence of the risk	Link to strategic goals	Impact	Likelihood	Inherent risk exposure	Inherent risk exposure	Current control processes in place to mitigate the risk	Perceived control effectiveness	Residual risk exposure	Residual risk exposure	Risk owner	Actions to further improve the management of the risk	Action owner	Time scale	Page number
1 Inadequate Disaster Management	- Lack of funding - Lack of staffing - Lack of planning & clear definition of roles and responsibilities - Misperceptions of LMS that disaster management is solely the responsibility of CDM	- Loss of life, property - Damage to infrastructure and assets - No confidence in ability of CDM to assist throughout the district - Litigation and claims	1, 2, 4	Catastrophic	Almost Certain	90%	90.00	- Disaster Management plan approved by Council - Trained volunteers - DM legislation - Satellite officers placed at LMS - Training interventions for community members - by-laws - Toll free number for assistance - Ongoing maintenance (cleaning of storm water drains)	Satisfactory	Priority 1	31.50	MM	Monitor implementation of SLAs at LMS	Head: Disaster Management	Immediate	
2 Inadequate Fire-fighting services	- Lack of funding - Lack of staffing - Lack of planning & clear definition of roles and responsibilities - Misperceptions of LMS that disaster management is solely the responsibility of CDM	- Loss of life, property - Damage to infrastructure and assets - No confidence in ability of CDM to assist throughout the district - Litigation and claims	1, 2, 4	Catastrophic	Almost Certain	90%	90.00	- Service Level Agreements with LMS (with all 9 LMS) - Training interventions - Standardisation of fire hydrants - Provision of equipment and trucks to LMS	Satisfactory	Priority 1	31.50	MM	Monitor implementation of SLAs at LMS	Head: Disaster Management	Immediate	



Risk name	Root cause of the risk	Consequence of the risk	Link to strategic goals	Impact	Likelihood	Inherent risk exposure	Inherent risk exposure	Current control processes in place to mitigate the risk	Perceived control effectiveness	Residual risk exposure	Residual risk exposure	Risk owner	Actions to further improve the management of the risk	Action owner	Time scale	Progress on action		
3	Non-compliance to legislation	<ul style="list-style-type: none"> <li>- Capacity &amp; resource constraints</li> <li>- Overregulation</li> <li>- Lack of understanding of importance of legislation &amp; implications of non-compliance</li> </ul>	<ul style="list-style-type: none"> <li>- May not achieve clean audit report</li> <li>- Increased scope for performance management</li> </ul>	1, 2, 3, 4, 5	Critical	Almost Certain	90 %	<b>Extreme</b>	63.00	<ul style="list-style-type: none"> <li>- Utilisation of government and provincial gazettes to identify changes to legislation</li> <li>- Education and awareness training</li> </ul>	Weak	<b>Priority 1</b>	37.80	MM	<ul style="list-style-type: none"> <li>1. Enquire from National Treasury regarding secondment of compliance officer</li> <li>2. Explore utilising legal officer to monitor compliance</li> <li>3. Development of software package that will provide early warning</li> <li>4. Identification of what needs to be compiled with - legal register</li> </ul>	1. Legal Officer	1. End Nov, 2012	
4	Financial sustainability	<ul style="list-style-type: none"> <li>- Low tax base</li> <li>- Dependent on government grants</li> <li>- Cost of relocation to Kirkwood</li> <li>- Withholding of R21m Equitable Share by National Treasury</li> </ul>	<ul style="list-style-type: none"> <li>- Reliance on interest</li> <li>- Retrenchments</li> <li>- Going concern</li> <li>- Lack of investment in infrastructure</li> </ul>	1, 2, 3, 4, 5	Critical	Almost Certain	90 %	<b>Extreme</b>	63.00	<ul style="list-style-type: none"> <li>- Monthly, quarterly and half yearly reports to various stakeholders</li> <li>- Ongoing communication with Provincial Department of Health (statements and invoices)</li> <li>- Approved OPEX and CAPEX budget for the district</li> <li>- Utilisation of adjustment budgetary process</li> <li>- Alignment of budget to IDP strategies and human resource plan</li> <li>- Priorities have been identified based on the IDP</li> <li>- Annual completion of the sustainability assessment and submission to Council (the assessment takes into account trends and 'what now' scenarios)</li> <li>- Implemented cash flow management processes and adoption of financial principles (i.e. surpluses)</li> <li>- Prudent investment policy with continuous monitoring of investments</li> <li>- Diversification of investments (i.e. utilisation of all major financial institutions)</li> <li>- Budgetary roll over's - roll over of conditional grant funding</li> </ul>	Satisfactory	<b>Priority 2</b>	22.05	MM	<ul style="list-style-type: none"> <li>1. Enquire from National Treasury regarding secondment of compliance officer</li> <li>2. Explore utilising legal officer to monitor compliance</li> <li>3. Development of software package that will provide early warning</li> <li>4. Identification of what needs to be compiled with - legal register</li> </ul>	1. Director Finance & Corporate Services	2. End Dec 2012	
													<ul style="list-style-type: none"> <li>4. Identification of what needs to be compiled with - legal register</li> </ul>	4. Compliance Officers / Directors	4. End Dec 2012			

0	Risk name	Root cause of the risk	Consequence of the risk	Link to strategic goals	Impact	Likelihood	Inherent risk exposure	Inherent risk exposure	Current control processes in place to mitigate the risk	Perceived control effectiveness	Residual risk exposure	Residual risk exposure	Risk owner	Actions to further improve the management of the risk	Action owner	Time scale	Page number	
5	Relevance of business model	<ul style="list-style-type: none"> <li>- Loss of functions</li> <li>- Loss of funded mandates</li> <li>- Loss of financial resources</li> <li>- Lack of co-operation from LMs due to focusing on other priorities &amp; compliance issues &amp; being autonomous</li> <li>- Clarification of roles between Development Agency, Infrastructure &amp; Economic Development Departments</li> <li>- Unfunded mandates</li> </ul>	<ul style="list-style-type: none"> <li>- Levels of service standards</li> <li>- Possibly providing services not required</li> <li>- Misallocation of funds</li> <li>- Lack of infrastructure investment</li> </ul>	5	Critical	Almost Certain	90%	63.00	<ul style="list-style-type: none"> <li>- Dedicated relationship managers for all Local Municipalities</li> <li>- Council resolution to review business model and implement council resolutions</li> <li>- Annual review of IDP - strategic planning process &amp; priority rating method</li> <li>- Outreach to stakeholders</li> <li>- Interventions by premiers office</li> </ul>	Satisfactory	Priority 2	22.05	MM	Council resolution to review business model and implement council resolutions	MM	May 2013 - IDP approval date		
6	Performance targets not fully achieved	<ul style="list-style-type: none"> <li>- Staff not appreciating significance of deadlines</li> <li>- Poor planning</li> <li>- Poor execution</li> <li>- Lack of monitoring</li> <li>- Misrepresentation during interviews</li> <li>- Lack of skills</li> <li>- Not being at the coal face</li> <li>- Lack of urgency</li> <li>- Jobs regarded as safe - no real consequences of non-performance</li> <li>- Poor work ethic and time management</li> <li>- Low staff morale</li> </ul>	<ul style="list-style-type: none"> <li>- Poor service delivery</li> <li>- Under spending</li> <li>- Dishonesty through over scoring on performance</li> <li>- Slow implementation of Council resolutions</li> </ul>	1, 2, 3, 4, 5	Serious	Almost Certain	90%	45.00	<ul style="list-style-type: none"> <li>- Delegation of authority/register</li> <li>- Disciplinary processes and grievance procedures</li> <li>- Mission, Vision and Core Values</li> <li>- Employment contracts and signed code of conducts</li> <li>- Attendance registers that need to be signed daily</li> <li>- Regular Local Labour Forum meetings</li> <li>- Implemented performance management system with quarterly performance sessions and training interventions for the use of the performance measurement tool as required</li> </ul>	Weak	Priority 1	27.00	MM	<ol style="list-style-type: none"> <li>1. Implementation of process according to PMS Policy to take actual disciplinary action where need be</li> <li>2. Ongoing engagement by PM/ officer</li> <li>3. Workshop PMS with all departments</li> <li>4. Supervisors to request portfolio of evidence for scores above 3</li> <li>5. Random attendance at scoring sessions to monitor PM process</li> </ol>	Management & supervisors (all)	1. Quarterly	<ol style="list-style-type: none"> <li>1. Ongoing</li> <li>2. Ongoing</li> <li>3. End Dec 2012 (1 dept)</li> <li>4. End March (other depts.)</li> <li>5. Random</li> </ol>	

0	Risk name	Root cause of the risk	Consequence of the risk	Link to strategic goals	Impact	Likelihood	Inherent risk exposure	Inherent risk exposure	Current control processes in place to mitigate the risk	Perceived control effectiveness	Residual risk exposure	Residual risk exposure	Risk owner	Actions to further improve the management of the risk	Action owner	Time scale	Page number		
7	Strained working relationship with Labour Unions	- Lack of understanding of issues - Lack of trust between employee and employer - Specific issues	- LLE not functioning - Senior Managers & Remuneration Framework outstanding - Fraud allegations - Disciplinary cases	3	Serious	Likely	65%	Moderate	32.50	- LLE Committee established and functioning, with various agreements and clearly defined roles and responsibilities - Training interventions - LLE members by SALGA and other bodies - Labour legislation - SAL GBC Collective Agreements - Internal communications processes and procedures	Weak	Priority 2	19.50	MM	1. Improved communications with labour 2. Trust building & leadership through engagement and business planning 3. Addressing of burning issues raised by unions	1. Director: finance and corporate 2. MM & Directors 3. MM & Directors	1. Immediately 2. Minimum Quarterly 3. monthly departmental meeting	3. End Dec 2012	
8	Vacant positions	- Ability to contract skilled staff - Salaries not competitive due to wage curve - HR Policy causes time delays as first need to advertise internally	- Lengthy process of recruitment - Uncertainty with regards to positions as circumstances change (e.g. move to Kirkwood) - Quality of applicants may require CDM to re-advertise	3, 5	Serious	Possible	40%	Low	20.00	- Recruitment policy in place - Approved organogram (Currently 6 vacancies) - Labour legislation	Satisfactory	Priority 5	7.00	MM	Relook at business model in terms of vacancies	MM	May 2013 - IDP approval date		
9	Possible loss of employees	- Relocation to Kirkwood - Fear of change	- Loss of skills & institutional memory - Cost of recruitment	3, 5	Critical	Unlikely	20%	Insignificant	14.00	- No controls	Unsatisfactory	Priority 4	11.20	MM	Communication	Relocate on task team	Quarterly		

Impact	Likelihood	Control Effectiveness
NA	NA	NA
Catastrophic	Almost Certain	Very Good
Critical	Likely	Good
Serious	Possible	Satisfactory
Significant	Unlikely	Weak
Minor	Rare	Unsatisfactory

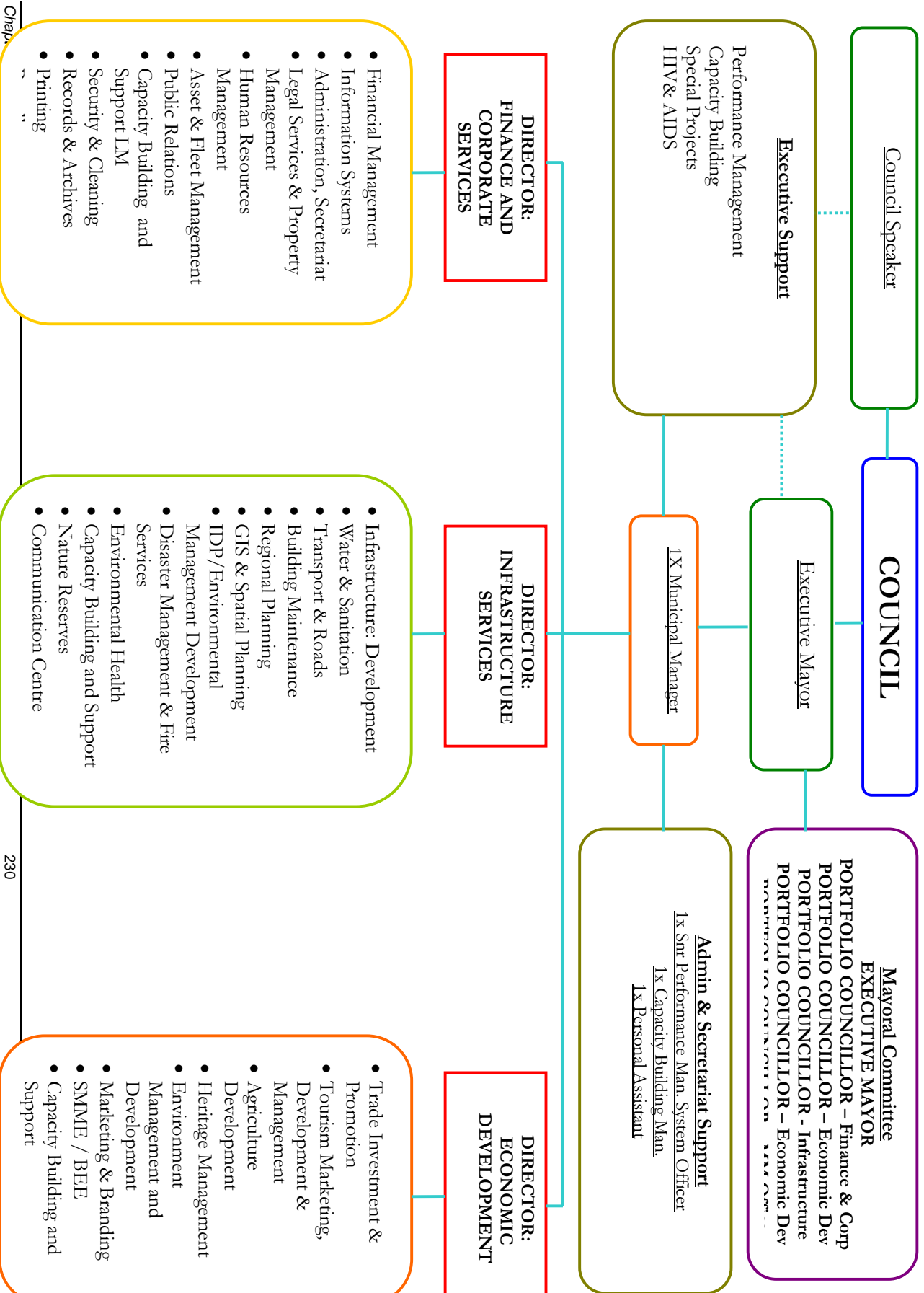
### **4.2.3 ORGANOGRAM**

The Council adopted its revised organogram on 20 August 2008, resolution number 8.3.2.2. Thereafter the organogram is updated as the need arise. This is due to ongoing internal and legislation changes that affects the movement of personnel or creation of new posts.

Keys factors to note in the organogram below:

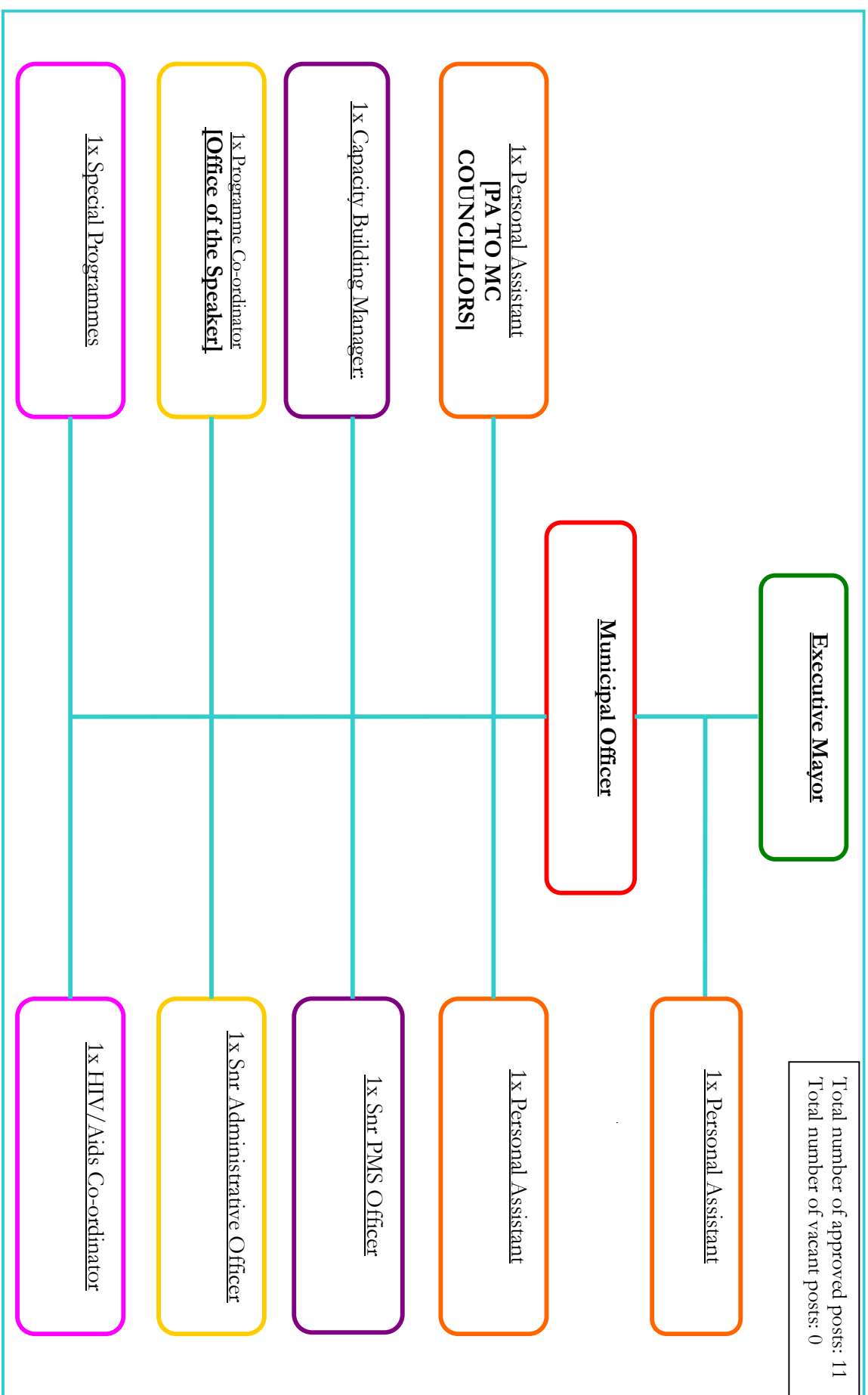
- All S57 Positions are filled as contained in our Council Organogram. The three Director positions and the Municipal Manager position are contractually filled on 5 year renewable contracts basis. These positions will be expiring from September to December 2016 respectively.
- All level 14 -17 positions are deemed contractual within this Municipality and are spread across the various departments.
-

**MACRO ORGANISATION DESIGN**



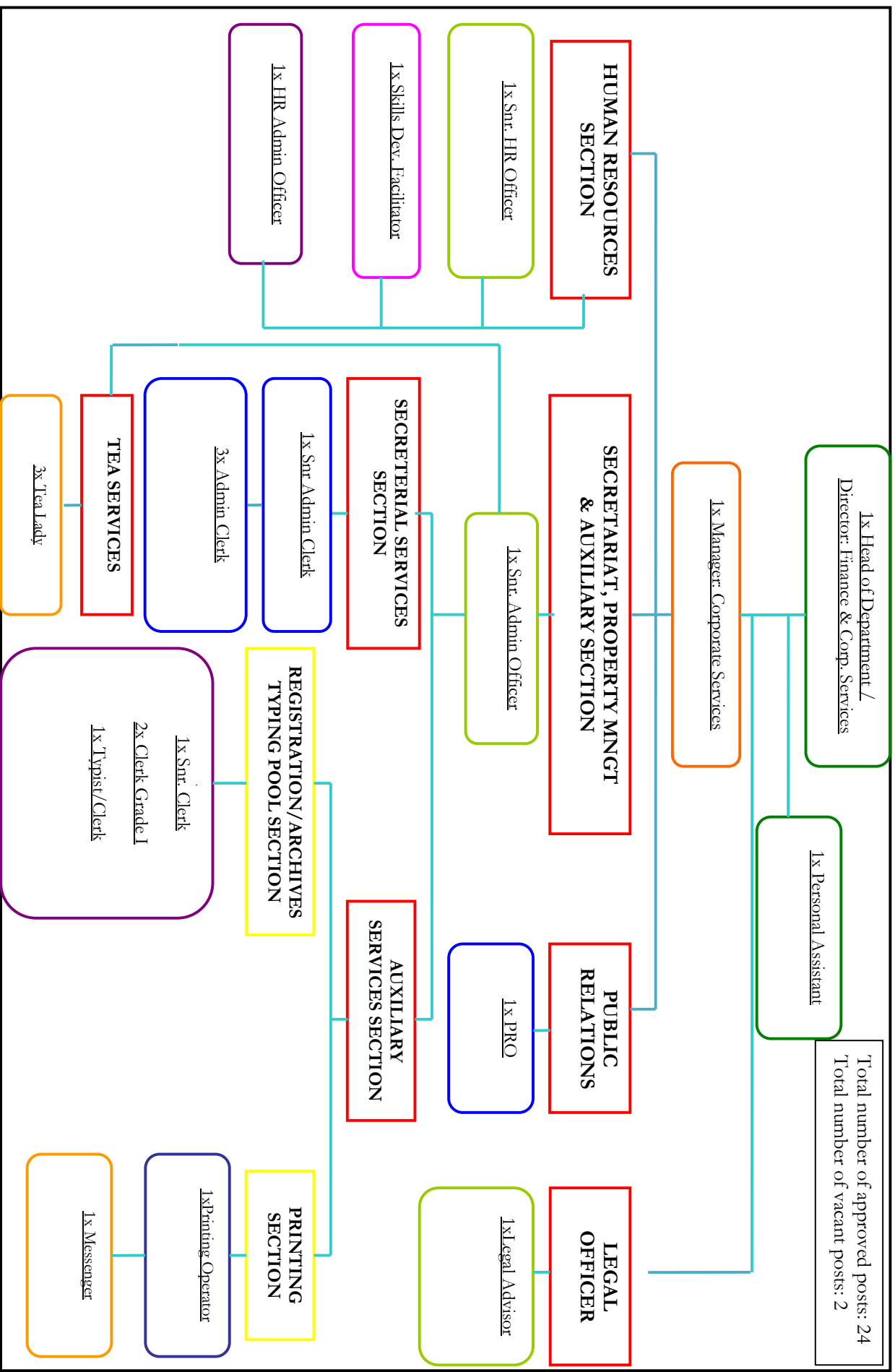
Chapter

**DIRECTORATE: OFFICE OF THE MUNICIPAL MANAGER**



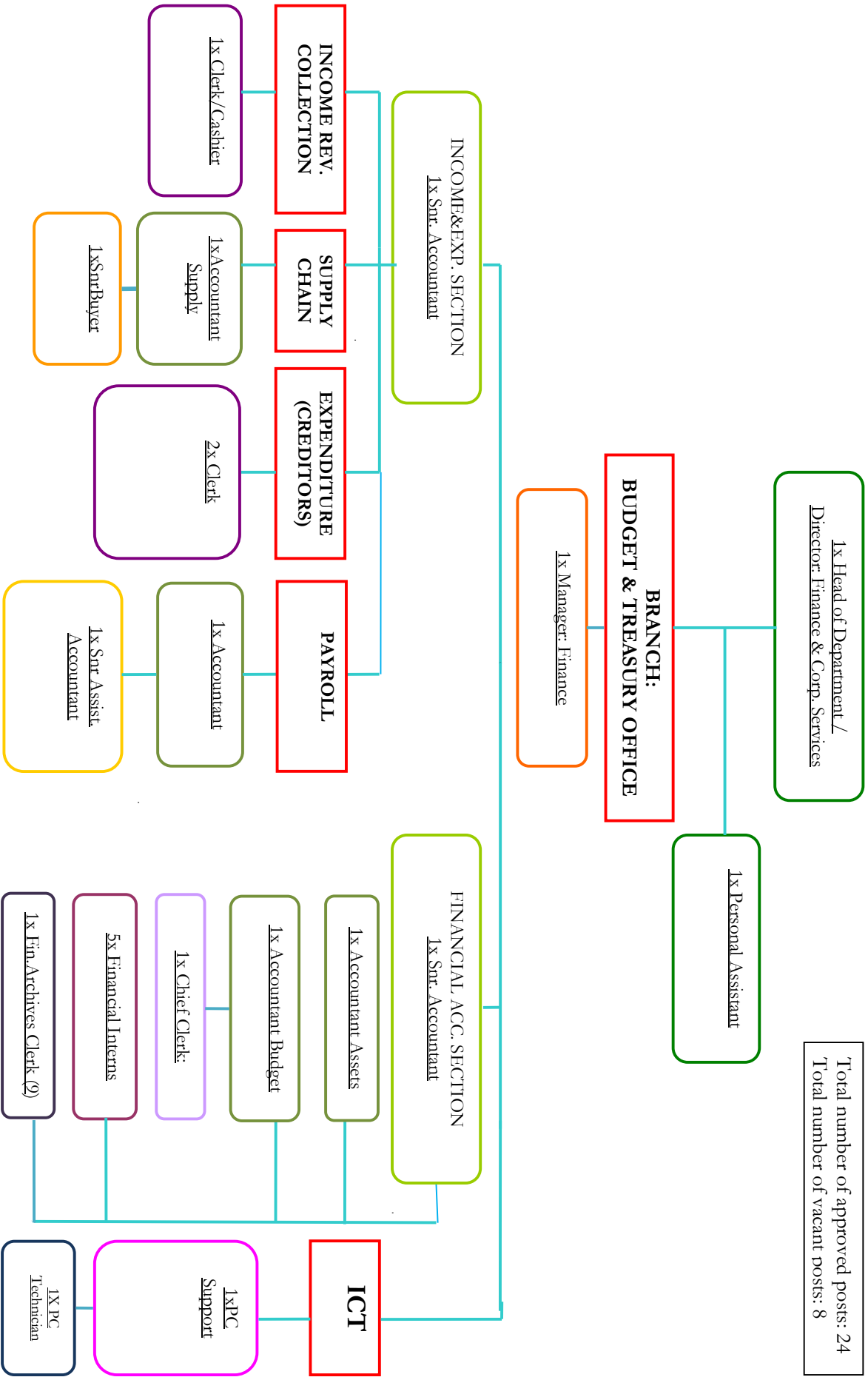
**DIRECTORATE: FINANCE & CORPORATE SERVICES**

**CORPORATE SERVICES DIVISION**



Total number of approved posts: 24  
Total number of vacant posts: 2

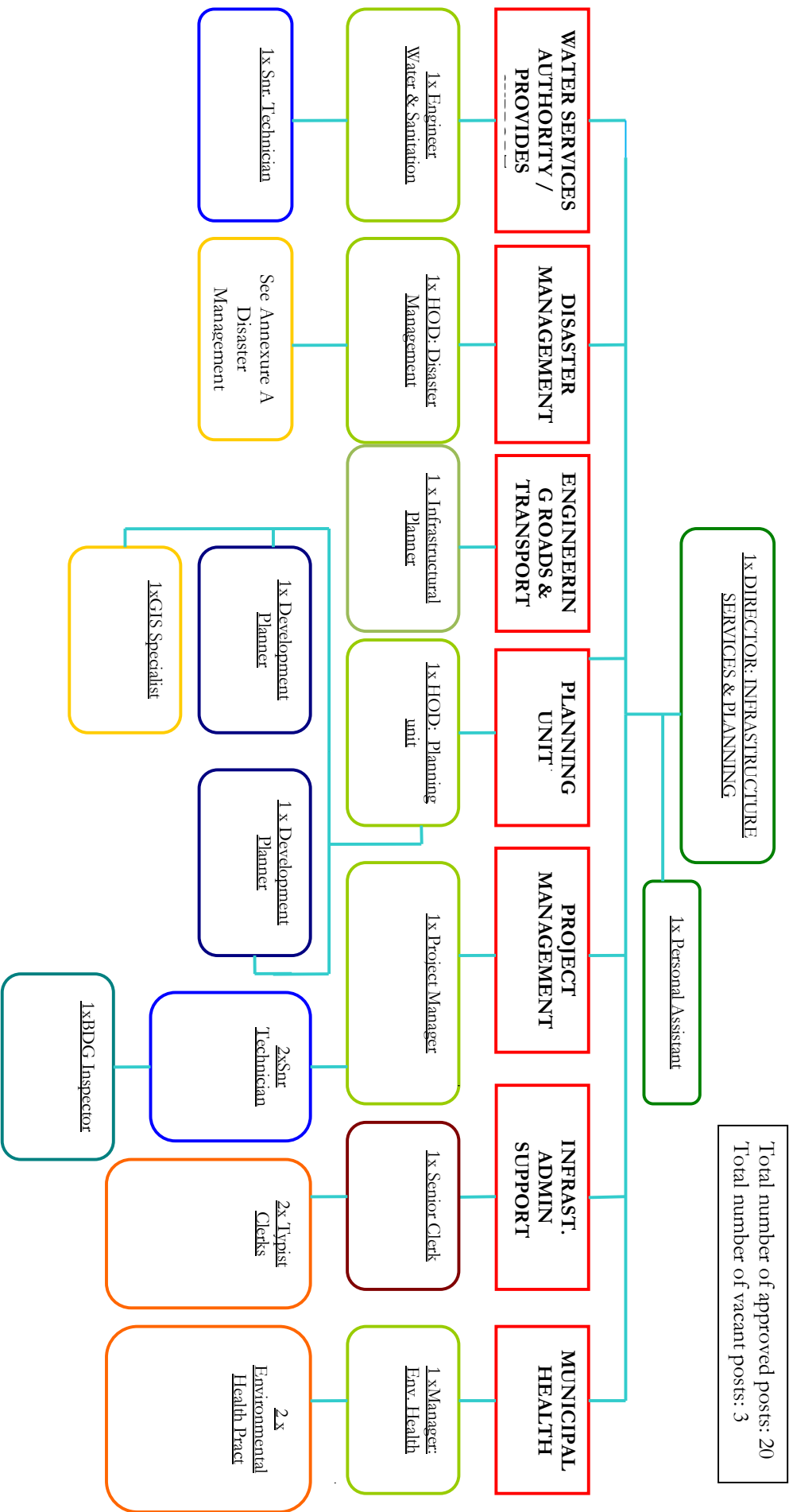
**DIRECTORATE: FINANCE & CORPORATE SERVICES**  
**FINANCE DIVISION**



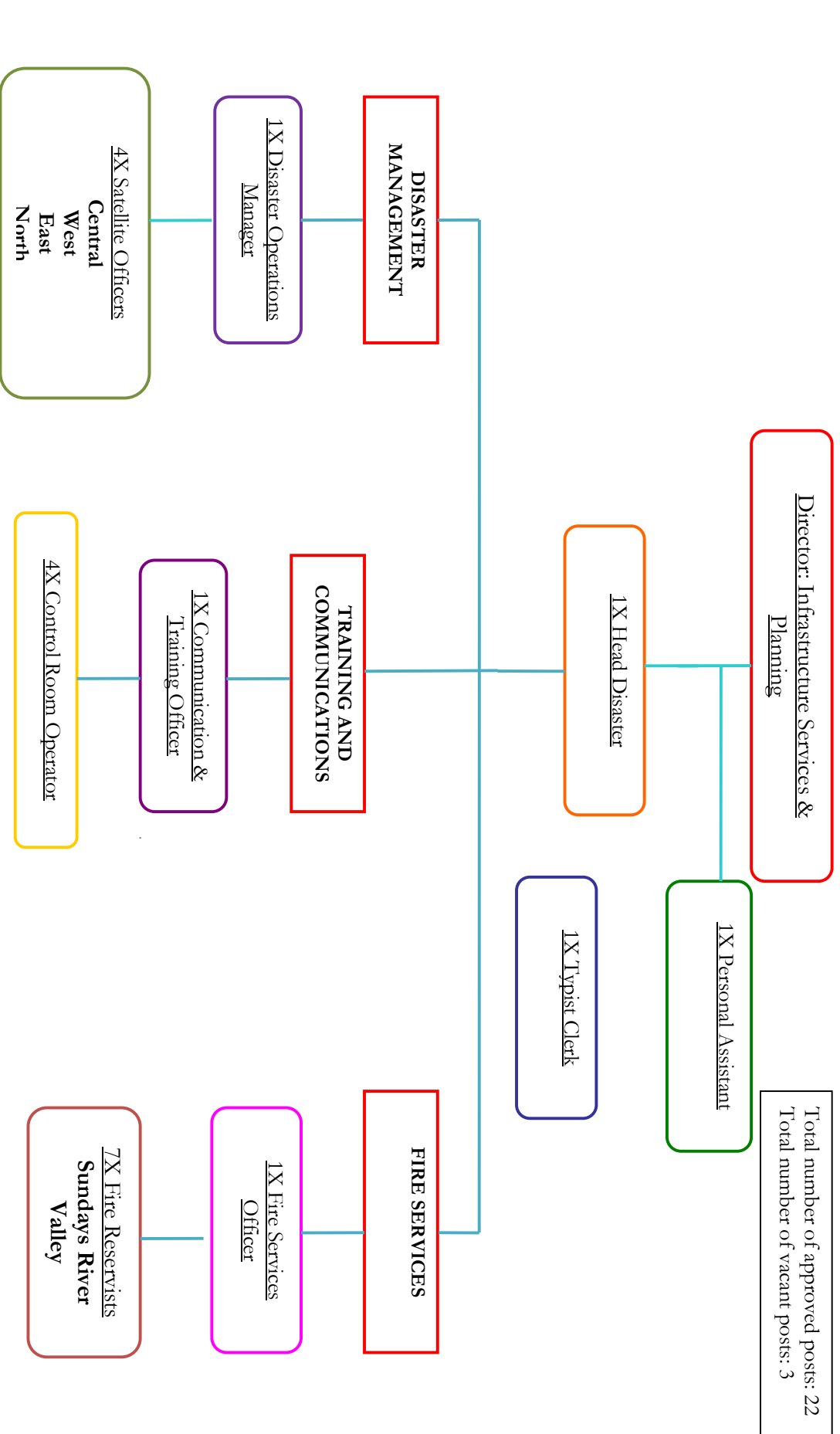
Total number of approved posts: 24  
 Total number of vacant posts: 8



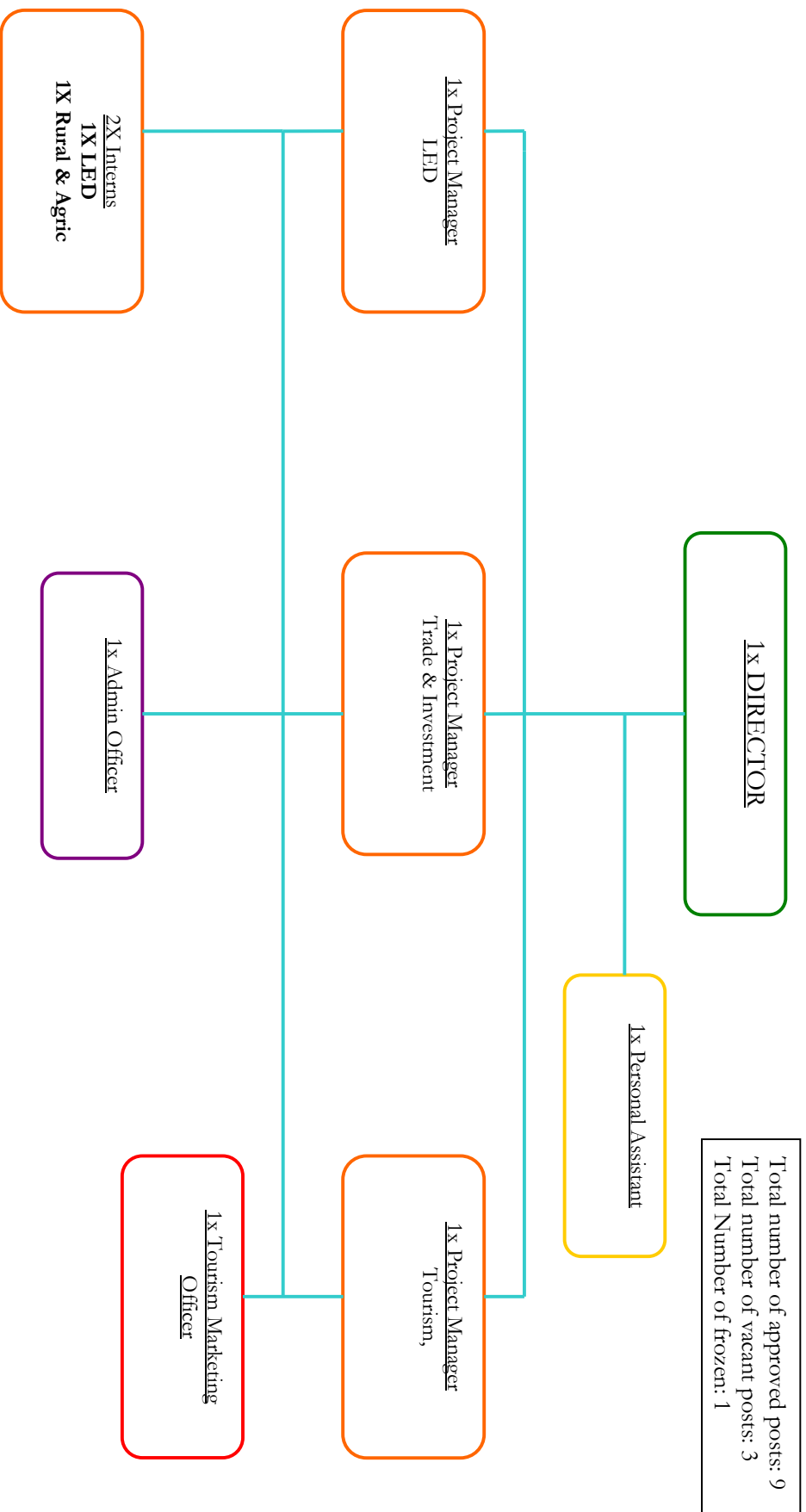
**DIRECTORATE – PLANNING AND INFRASTRUCTURE SERVICES**



### **DISASTER MANAGEMENT BRANCH**



### DIRECTORATE: ECONOMIC DEVELOPMENT



## **4.2.4 THE FINANCIAL PLAN**

### **4.2.4.1 INTRODUCTION**

The IDP has been re-conformed as the guiding document for the 2013/14 budget planning process. The outcome of this Integrated Development Plan was the alignment to the planning process and resource allocations to the imperatives of the strategic direction. Thus compilation and approval of the 2013/14 Medium-term Revenue and Expenditure Framework (three year budget) was a direct product aligned to the imperatives and strategic direction of this Municipality.

With the approval of the 2012/13 Adjustments Budget by Council on 30 January 2013, the platform was laid for further refinement of the business planning, performance management and financial planning process aligned to the strategic agenda of the municipality as well as the mandatory legislative requirements of the Municipal Finance Management Act and National Treasury Financial Management Reforms.

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 prioritisation; 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.

**Council**  
Considers and approves Revised IDP and Final Budget

**Mayoral Committee**

- o Provides political oversight to allow the municipality to manage the tension between competing policy priorities and fiscal realities
- o Receives recommendations from the Budget Committee on policy options and changes to baseline allocations
- o Recommends Revised IDP and Final Budget to Council

**Mayoral Budget Committee, Portfolio Committee and Budget Conferences**

- o Considers draft and final budget proposals before tabling at Council
- o Review departmental budget inputs with municipal priorities

**Budget Steering Committee**

- o Compile budget document and report in line with the provisions of the MFMA
- o Align business planning outputs/targets to resource allocations
- o Manage departmental hearings
- o Provide guidance on policy options

#### **4.2.4.2 BUSINESS PLANNING AND FINANCIAL STRATEGY**

##### **4.2.4.2.1 FIVE-YEAR INTEGRATED DEVELOPMENT PLAN**

The IDP was translated into the business and financial planning process leading up to the Draft 2013/14 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:

- 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 2013/14 MTREF not only aligned to the imperatives of the IDP, but also the national and provincial drivers.

##### **4.2.4.2.2 CORPORATE AND 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; and
- Measurability of plans and hence delivery.

With the compilation of the 2013/14 MTREF, 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 2013/14 MTREF has essentially been refined

and further aligned incorporating key measurable objectives and targets to ensure the planning process translates into actual performance.

#### **4.2.4.2.3 LONG-TERM FINANCIAL STRATEGY**

The Long-term Financial Model (LTFS) (Sustainability Assessment Model-SAM) has essentially informed the compilation of the 2013/14 MTREF relating directly to 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.

#### **4.2.4.2.4 FINANCIAL SUSTAINABILITY ASSESSMENT – IMPACT ON ACCUMMULATED SURPLUS ACCOUNT AND 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 own funds, including contributions from the accumulated surplus and interest earnings, not be utilised to finance infrastructure projects in local Municipality areas until greater clarity of the role and financing of the district municipalities is provided in the White Paper;
- (d) that no new posts be created until the 2010/2011 budget and IDP review;
- (e) 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 R11,7 million was utilized to balance the operating account which was due mainly to infrastructure projects which were financed from own funds.

The utilization of accumulated surplus has increased drastically since the 2009/2010 financial year due to the following:



- The discretionary revenue is no longer sufficient to sustain the operating budget as the increase in operating expenditure exceeds the increase in discretionary revenue.
- The Unspent Conditional Grants balance has reduced drastically over the years and therefore the Investment Income is diminishing.

To add to the sustainability concerns, an amount of R21,9m was withheld by National Treasury for ring-fencing Value Added Taxation (VAT) money in the grant balance instead of transferring the VAT to accumulated surplus. This has directly impacted on the accumulated surplus in the 2011/12 financial year.

To illustrate the above, a summary of the operating income and expenditure for the 2010/2011 financial year and the 2011/12 financial year is detailed below:

<b>Statement of Financial Performance</b>		
Figures in Rand	2011	2012
<b><u>Revenue</u></b>		
Rental income	1,111,276	1,107,274
Tariffs and charges	263,394	-
Property rates	366,996	-
	<b>1,741,666</b>	<b>1,107,274</b>
<b><u>Other income</u></b>		
Investment interest	22,986,979	17,158,977
Income from agency services	32,640	20,941
Government grants & subsidies	110,501,501	24,461,555
Equitable Share Plus Levy Replacement Grant	69,386,566	67,220,000
Other revenue	5,561,627	7,199,180
	<b>208,469,313</b>	<b>116,060,653</b>
<b><u>Operating expenses</u></b>		
Employee costs	36,073,607	38,244,501
Increase in debt impairment	(62,807)	21,613,465
Bad debts written off	99,293	1,183,546
Collection costs	11,023	977
Depreciation	3,052,619	1,553,547
Repairs and maintenance	1,035,886	573,953
Bulk purchases	6,310	-

Contracted services	3,241,827	2,673,975
Conditional grant expenditure	100,971,595	17,496,177
Other grants and subsidies paid	10,793,553	8,722,556
General expenses – other	42,460,794	55,552,704
Discounting of post-employment medical benefit	4,650,930	5,234,074
Loss on donation of assets	7,465,654	-
Actuarial loss on post-employment medical benefit	3,218,610	-
Impairment	1,447,316	164,505
	<b>214,466,210</b>	<b>153,013,980</b>
Finance costs	(11,131)	(1,157)
Fair value adjustments	1,083,000	773,987
	<b>1,071,869</b>	<b>772,830</b>
<b>Surplus/ (Deficit) for the year</b>	<b>(3,183,362)</b>	<b>(35,073,223)</b>

The following is evident:

At the end of the 2011/2012 financial year the payroll costs were 25% of total expenditure but 57% of the Municipality's sustainable discretionary revenue. The total expenditure, excluding conditional grant funding expenditure, amounted to R135.5 million. This means that in order to balance the operating expenditure including projects funded from own resources, investment income amounting to R17.2 million plus a contribution from the accumulated surplus amounting to R35.1 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 infrastructure projects be revisited.

A medium term financial 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 6% pa;
- that other operating expenditure will increase by 6% pa;
- that project expenditure for 2013/2014 will amount to R25 million and remain constant in the outer years; and

- that interest earned on investments will decrease as follows from the 2013/2014 financial year:

<b>Year</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
<b>(R Millions)</b>	17,2	16.9	9.8	8.1	6.4

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.

The sustainability assessment financial model is attached as Annexure “A”

#### **4.2.4.3. MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK**

##### **4.2.4.3.1 PRINCIPLES AND GUIDELINES**

The following budget **principles** and **guidelines** have directly informed the compilation of the 2013/14 MTREF:

- Confirmation of the 2013/14 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 (e.g. 2010);
- Specific allocations towards the Cacadu Development Agency (CDA); and
- No project plan, no budget

#### 4.2.4.3.2 OPERATIONAL BUDGET

The following table represents the 2013/14 MTREF in terms of the service delivery structure as informed by the Municipality's business planning process, IDP and various other best practice methodologies e.g. funded budget constraint.

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, 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 2013 TO 30 JUNE 2016 REVENUE AND EXPENDITURE BY VOTE

Vote Description R thousand	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<b>Revenue by Vote</b>						
Vote 1 - Executive and council	8 650	14 326	5 858	9 161	6 119	6 350
Vote 2 - Finance and Corporate Services	91 570	94 224	90 435	91 049	92 368	96 155
Vote 3 - Planning and Infrastructure development	16 753	22 889	1 057	18 451	-	-
Vote 4 - Health	-	1 320	-	682	999	4 399
Vote 5 - Community Services	6 132	7 756	6 956	800	-	-
Vote 6 - Housing	1 000	1 000	-	600	-	-
Vote 7 - Public Safety	3 400	7 620	-	11 144	4 576	2 200
Vote 8 - Sport and Recreation	-	162	-	-	-	-
Vote 9 - Waste Management	-	702	-	250	-	-
Vote 10 - Roads	8 313	11 861	4 813	4 901	2 110	2 200
Vote 11 - Water	13 999	10 988	5 499	8 649	-	-
Vote 12 - Electricity	1 600	1 600	1 000	125	-	-
Vote 13 - Other	1 883	2 541	-	5 095	-	-
Vote 14 -	-	-	-	-	-	-
Vote 15 -	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>153 300</b>	<b>176 989</b>	<b>115 618</b>	<b>150 907</b>	<b>106 172</b>	<b>111 304</b>
<b>Expenditure by Vote to be appropriated</b>						
Vote 1 - Executive and council	32 701	37 935	33 012	37 559	30 900	32 586
Vote 2 - Finance and Corporate Services	34 229	37 037	31 889	34 808	34 609	36 489
Vote 3 - Planning and Infrastructure development	22 609	28 903	20 910	18 442	4 243	4 492
Vote 4 - Health	10 322	11 672	11 262	11 754	11 793	12 430
Vote 5 - Community Services	6 132	7 756	6 956	800	-	-
Vote 6 - Housing	1 245	1 262	647	994	420	446
Vote 7 - Public Safety	15 684	19 926	16 147	24 693	19 094	19 496
Vote 8 - Sport and Recreation	300	462	462	300	300	300
Vote 9 - Waste Management	-	702	452	250	-	-
Vote 10 - Roads	9 337	12 901	9 516	5 524	2 774	2 905
Vote 11 - Water	14 964	11 695	10 584	9 390	790	838
Vote 12 - Electricity	900	1 185	1 060	125	-	-
Vote 13 - Other	4 878	5 555	4 091	6 269	1 248	1 322
Vote 14 -	-	-	-	-	-	-
Vote 15 -	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>153 299</b>	<b>176 990</b>	<b>146 987</b>	<b>150 907</b>	<b>106 172</b>	<b>111 304</b>
<b>Surplus/(Deficit) for the year</b>	<b>0</b>	<b>(0)</b>	<b>(31 369)</b>	<b>-</b>	<b>-</b>	<b>-</b>

## **REVENUE BY SOURCE AND EXPENDITURE BY TYPE**

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

### **OPERATING BUDGET 1 JULY 2013 TO 30 JULY 2016**

#### **REVENUE BY SOURCE AND EXPENDITURE BY TYPE**

Description  R thousand	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<b><u>Revenue By Source</u></b>						
Property rates	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-
Rental of facilities and equipment	1 120	1 120	1 100	1 150	1 200	1 300
Interest earned - external investments	16 924	16 924	15 100	10 400	9 000	7 600
Interest earned - outstanding debtors						
Dividends received						
Fines						
Licences and permits						
Agency services	25	25	25	27	28	30
Transfers recognised - operational	105 824	101 579	99 073	89 419	89 992	96 821
Other revenue	29 406	57 341	320	49 912	5 952	5 553
Gains on disposal of PPE						
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>153 300</b>	<b>176 989</b>	<b>115 618</b>	<b>150 907</b>	<b>106 172</b>	<b>111 304</b>
<b><u>Expenditure By Type</u></b>						
Employee related costs	34 048	46 456	38 367	41 595	44 231	46 875
Remuneration of councillors	6 199	5 338	5 325	5 683	6 053	6 423
Debt impairment	463	463	463	-	-	-
Depreciation & asset impairment	1 134	1 135	1 135	2 033	2 033	2 033
Finance charges	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-
Other materials	-	-	-	-	-	-
Contracted services	4 205	4 705	4 425	5 020	6 041	6 418
Transfers and grants	51 040	22 197	19 197	39 553	28 654	29 490
Other expenditure	56 212	96 695	78 075	57 023	19 159	20 065
Loss on disposal of PPE	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>153 300</b>	<b>176 989</b>	<b>146 987</b>	<b>150 907</b>	<b>106 172</b>	<b>111 304</b>
<b>Surplus/(Deficit) for the year</b>	<b>-</b>	<b>-</b>	<b>(31 369)</b>	<b>-</b>	<b>-</b>	<b>-</b>

**DC10 Cacadu - Table A7 Consolidated Budgeted Cash Flows**

Description	2009/10			2010/11			2011/12			Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	R thousand	Audited Outcome	Budget	R thousand	Audited Outcome	Budget	R thousand	Audited Outcome	Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16		
<b>CASH FLOW FROM OPERATING ACTIVITIES Receipts</b>															
Ratepayers and other	2,513	4,634	29,891	29,891	29,891	1,445	51,088	7,180	6,883						
Government - operating	383,403	246,487	106,484	106,484	106,484	99,073	89,419	89,992	96,821						
Government - capital	-	-	-	-	-	-	-	-	-						
Interest	30,818	22,987	16,924	16,924	16,924	15,100	10,400	9,000	7,600						
Dividends	-	-	-	-	-	-	-	-	-						
Payments	-	-	-	-	-	-	-	-	-						
Suppliers and employees	(101,276)	(96,857)	(114,425)	(126,833)	(53,797)	(65,773)	(17,126)	(18,031)							
Finance charges	(110)	(8)	-	-	-	-	-	-	-						
Transfers and Grants	(288,995)	(180,287)	(37,740)	(70,368)	(92,055)	(89,143)	(89,992)	(96,821)							
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>26,353</b>	<b>(3,044)</b>	<b>1,134</b>	<b>(43,902)</b>	<b>(30,234)</b>	<b>(4,009)</b>	<b>(946)</b>	<b>(3,549)</b>							
<b>CASH FLOWS FROM INVESTING ACTIVITIES Receipts</b>															
Proceeds on disposal of PPE	(2,099)	(7,466)	-	-	-	-	-	-	-						
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-	-						
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-						
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-						
Payments	(3,397)	(7,103)	(16,110)	(21,318)	(21,318)	13,030	10,000	5,000							
Capital assets	(5,496)	(14,569)	(16,110)	(21,318)	(21,318)	13,030	10,000	5,000							
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(5,496)</b>	<b>(14,569)</b>	<b>(16,110)</b>	<b>(21,318)</b>	<b>(21,318)</b>	<b>(21,318)</b>	<b>13,030</b>	<b>10,000</b>							
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>							
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>20,857</b>	<b>(17,613)</b>	<b>-</b>	<b>(65,220)</b>	<b>(51,552)</b>	<b>9,021</b>	<b>9,054</b>	<b>1,452</b>							
Cash/cash equivalents at the year begin:	363,453	384,310	366,697	312,462	312,462	260,910	269,931	278,985							
Cash/cash equivalents at the year end:	384,310	366,697	366,697	297,486	247,242	260,910	269,931	280,436							

From the above table it can be seen that the total revenue equates to R 115.6 million inclusive of capital grants utilised to fund the capital expenditure budget. The total operating expenditure is in excess of R147 million, resulting in a deficit of R31.4 million. The accumulated surplus is also utilised to fund the capital expenditure budget of R21.3 million in the 2012/13 financial year.

The detail outcomes of the 2013/14 MTREF will be discussed further below as well as in the Budget Document.

#### **4.2.4.3.2.1 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 confidence which provides opportunity for growth and prosperity for all living within its region.

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 Circular 58 of 2011 and Circular 66 of 2012 provide specific guidance on MFMA requirements for funding the budget.

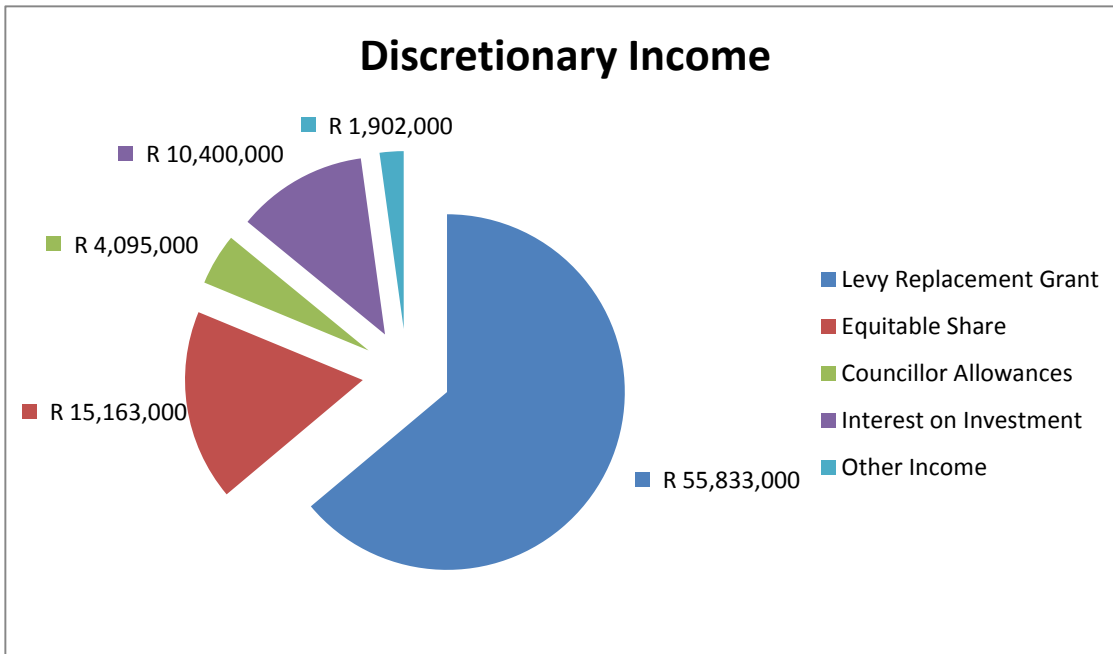
### **REVENUE**

***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 below indicates all the discretionary revenue sources utilized to fund the 2013/2014 operating budget.

## REVENUE BY SOURCE

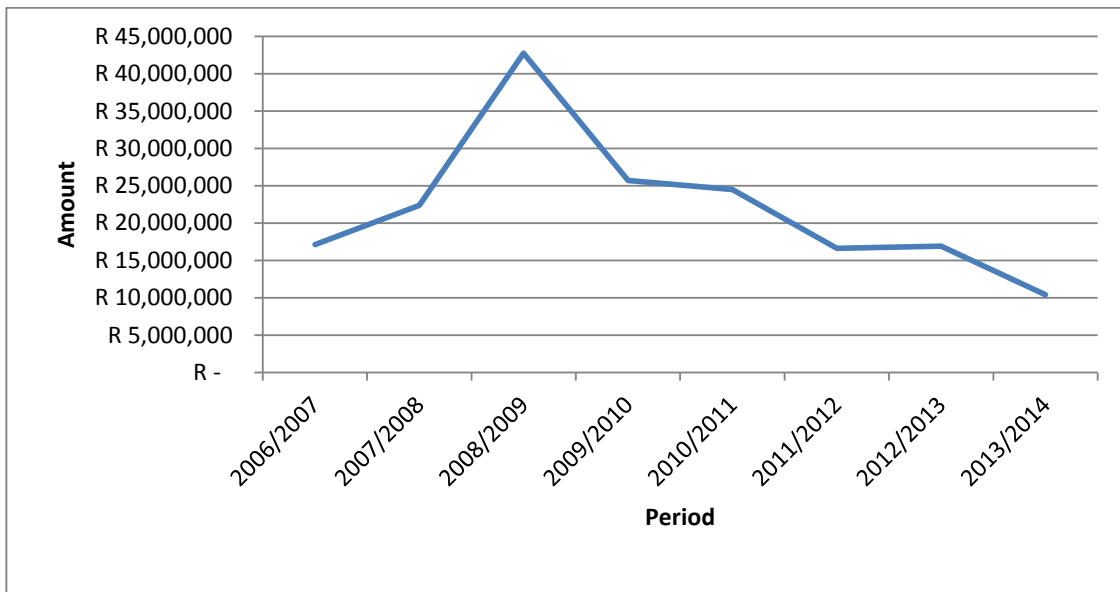


### Interest Earnings

In 2013/14 interest earnings on investments are budgeted to contribute R10.4 m (7%) 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 will 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 used since the 2006/2007 financial year to finance Operating Expenditure:





### 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 low-income households and to assist municipalities in maintaining functioning administrations.

Equitable share takes account of 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.

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.

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 2011/2012 reflects a decrease in equitable share of national revenue amounting to R4 million as a result of the demarcation process and the incorporation of DMA's into the affected local municipalities. On the positive side the Equitable share allocations to local municipalities have increased significantly

Financial year	Amount	% increase
2012/13	R13.5 m	5%
2013/14	R14.5 m	8%
2014/15	R15.8 m	8%

#### 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 local 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:

Financial year	Amount	% increase
2012/13	R54.2 m	3%
2013/14	R55.8 m	3%
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 which means that the programmes of the Cacadu District Municipality will be negatively affected.

#### Donor funding

In the light of the funding uncertainties described above, Council is keen to pursue options for accessing other funds, notably from donors, both internal (i.e. 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.

#### **4.2.4.3.2 REVENUE AND TARIFF-SETTING**

##### **Revenue Strategy**

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

- Growth and economic development
- Revenue enhancement through;
  - o Eradication of free basic services to all households
  - o Changes in tariff structures
- National Treasury guidelines; and
- Achievement of full cost recovery of specific user charges.

#### **4.2.4.3.2.3 ASSETS MANAGEMENT**

The municipality has a GRAP compliant asset register in place. During the annual audit of the asset register in the 2012 financial year, the Auditor General has confirmed that the municipality's asset register is compliant in that there were no major findings relating the fixed assets of the municipality.

A valuation roll is performed on an annual basis on all properties that is in the name of the district municipality. Due to the district municipality not having a demarcated area, the municipality does not collect rates and the valuation roll is not utilised for this purpose. The annual valuation is performed to ensure that the asset register is GRAP compliant.

#### 4.2.4.3.2.4 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:

Description	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<b>R thousand</b>							
<b>Expenditure By Type</b>							
Employee related costs	32 980	34 048	46 456	38 367	41 595	44 231	46 875
Remuneration of councillors	5 264	6 199	5 338	5 325	5 683	6 053	6 423
Debt impairment	21 613	463	463	463	-	-	-
Depreciation & asset impairment	1 718	1 134	1 135	1 135	2 033	2 033	2 033
Finance charges	1	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-
Contracted services	2 674	4 205	4 705	4 425	5 020	6 041	6 418
Transfers and grants	26 219	51 040	22 197	19 197	39 553	28 654	29 490
Other expenditure	62 545	56 212	96 695	78 075	57 023	19 159	20 065
Loss on disposal of PPE	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>153 014</b>	<b>153 300</b>	<b>176 989</b>	<b>146 987</b>	<b>150 907</b>	<b>106 172</b>	<b>111 304</b>
<b>Surplus/(Deficit)</b>	<b>(35 073)</b>	<b>-</b>	<b>-</b>	<b>(31 369)</b>	<b>-</b>	<b>-</b>	<b>-</b>

A major strategy related to the outcome of this planning 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 capital affordability limitations.

Total operating expenditure has decreased by 15% against the 2012/13 adjustment budget and by 1% against the 2012/13 approved budget. Total revenue increased by 15% against the 2012/13 adjustment budget and by 1% against the 2012/13 approved budget as explained in the revenue strategy portion of the report. Cognisance needs to be taken of the fact that the revenue and expenditure budget will be declining over the future years unless capital grants and donations are obtained.

It can be deduced from the above table that the draft operating expenditure equates to R177 million in the 2012/13 financial year and decreases to R150.9 million in the 2013/14 financial year, a decline of 15%.

A couple of highlights relating to the draft expenditure framework include:

## 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.

### 2013/2014 Capital Budget

#### Capital budget 1 July 2013 to 30 June 2014

Narration	2013/2014	2014/2015	2015/2016
<b>Funding Source</b>			
Accumulated Surplus	13 030	10 000	5 000
Total	13 030	10 000	5 000
<b>Asset Type</b>			
Other motor vehicles	1 100	-	-
Plant & equipment	1 930	-	-
Land & Buildings	10 000	10 000	5 000
Total	13 030	10 000	5 000

#### 4.2.4.4 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 is 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 was followed by extensive publication of the budget documentation, and various consultative meetings were held to receive submissions from stakeholder’s formations.

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

- **Budget committee meetings:** A budget committee meetings was held on 8 March 2013 which involved councillors and senior management. The purpose of the conferences was to discuss and inform politicians and management of the budget.
- **Publication of draft budget:** The draft budget report (hard copy) was made available at all the local municipalities in the district and the CDM’s municipal offices and the draft document was made available on CDM’s website. Notices were published in the media calling on the public to submit representation on the budget.
- **Electronic:** The tabled budget document was published on [www.cacadu.co.za](http://www.cacadu.co.za).

The process of consultation can be considered successful.

#### 4.2.4.5 MUNICIPAL FINANCIAL POLICIES

To ensure compliance and great financial monitoring and control, the Cacadu District Municipality has the following policies in place and are being implemented:

- Tariffs;
- Credit control and debt collection;

- Cash management; and
- Investment
- Borrowing policy
- Funding and reserves
- Supply Chain Management
- Asset management and disposal policy

The above policies are reviewed annually during the Budget process and are adopted in line with the adoption of the budget of the municipality.

The Cacadu District Municipality does not have; Rates, Infrastructure Investment and Capital Projects Policies, as these policies are not relevant to the District Municipality. The District Municipality does not have a rates demarcated area and therefore do not receive any rates. The District also does not provide bulk infrastructure and therefore do not capitalise the assets on projects that are undertaken by the municipality.

#### **4.2.4.6 SUPPLY CHAIN MANAGEMENT**

The municipality has a supply chain unit within the Finance department. The unit conforms to National standards. The supply chain management policy is aligned to the Supply Chain Management Regulations. The municipality has implemented stringent controls to assist in complying with all regulations relating to supply chain.

The municipality strives to adhere to the supply chain management regulations. The turn-over rate of procurement process was negatively affected upon implementation of the stringent controls. The process is becoming a norm within the municipality and the turn-over rate is steadily improving.

#### **4.2.4.7 CONCLUSION**

The application of sound financial management principles 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, TIDP 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.

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.



Although the CDM in its entirety faces many challenges, financial and non-financial of nature, the continued improvement and development of an effective financial planning process (budget process) will without a doubt add to the building of a prosperous District for all residents.

The 2013/14 Medium-Term Revenue and Expenditure Framework contains realistic and credible revenue and expenditure proposals which should provide a sound basis for improved financial management and institutional development as well as service delivery improvement and implementation.

In conclusion, the 2013/14 Medium-term Revenue and Expenditure Framework can also be seen as further alignment to the imperatives and objectives of the Five-year Integrated Development Plan and broader context of national and provincial priorities.

### 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
<p><b>Existing Sector Plans</b></p> <ul style="list-style-type: none"> <li>➤ Integrated Waste Management Plan (WMMP);</li> <li>➤ Water Services Development Plan (WSDP);</li> <li>➤ Housing Development Guidelines (HDG);</li> <li>➤ Integrated Transport Plan (ITP);</li> <li>➤ Area Based Plan (ABP);</li> <li>➤ Comprehensive Infrastructure Plan (CIP).</li> </ul>	<ul style="list-style-type: none"> <li>➤ Economic Growth &amp; Development Strategy (EGDS);</li> <li>➤ Small, Micro and Medium Enterprises (SME);</li> <li>➤ Tourism Master Plan (TMP).</li> </ul>	<ul style="list-style-type: none"> <li>➤ Environmental Health Services (EHS)</li> <li>➤ Disaster Risk Management Assessment (DRMA)</li> <li>➤ Health Plan (HP)</li> </ul>	<ul style="list-style-type: none"> <li>➤ Institutional Sustainability Assessment (ISA)</li> <li>➤ SPU:</li> <li>➤ Women's Empowerment Policy (SPU Women);</li> <li>➤ Communication</li> </ul>	

<b>MTSF Strategic Priority 1: Speeding up growth and transforming the economy to create decent work and sustainable livelihoods</b>				
<p>1.1 Opportunity to expand formal agriculture in Kouga, Kou-Kamma, SRV and Ndlambe</p>	<p><b>ABP:</b> 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.</p>	<p><b>EGDS:</b> Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p>	<p><b>DRMA:</b> Provides a disaster risk profile unique to the CDM. Identifies fire, storm, tidal surge, hazardous material &amp; drought as potential risks to be catered for in all planning initiatives.</p>	
<p>1.2 Need identified to investigate the establishment of agro-processing opportunities in Kouga, Kou-Kamma, SRV and Ndlambe</p>	<p><b>ABP:</b> 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.</p>	<p><b>EGDS:</b> Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p> <p><b>TMP:</b> 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><b>EHS:</b> Focuses on Active Environmental Educations, Waste Management monitoring and Pest Control, Water and Food quality Monitoring</p>	

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><b>CIP:</b> Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>	<p><b>TMP:</b> 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><b>EHS:</b> Focuses on Active Environmental Educations, Waste Management monitoring and Pest Control, Water and Food quality Monitoring</p> <p><b>DRMA:</b> Provides a disaster risk profile unique to the CDM. Identifies fire, storm, tidal surge, hazardous material &amp; 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><b>EGDS:</b> Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p> <p><b>SMME:</b> 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
<p>1.5 Bavians, Ikwezi, Blue Crane require economic interventions to stabilize rural depopulation and improve livelihoods.</p>	<p><b>CIP:</b> Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>	<p><b>EGDS:</b> Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p> <p><b>SMME:</b> 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><b>ISA:</b> 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>1.6 Opportunity for LMs to improve Land Use Management</p>	<p><b>HDG:</b> Attempts to assist LMs in planning settlements through:</p> <ul style="list-style-type: none"> <li>• Advice on spatial structure;</li> <li>• Criteria to determine best land use locations;</li> <li>• Proposing actions to promote integration, sustainability, equity and efficiency.</li> </ul>			
<b>MTSF Strategic Priority 2: Massive program to build economic and social infrastructure</b>				
<p>2.1 82% of the road network in CDM are gravel – consider impact on economic sector and residents</p>	<p><b>ITP:</b> Denotes the Public Transport and Transport Infrastructure Strategies for the district in the interests of sustainably increasing mobility of people and goods.</p> <p><b>CIP:</b> Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>		<p><b>DRMA:</b> Provides a disaster risk profile unique to the CDM. Identifies fire, storm, tidal surge, hazardous material &amp; drought as potential risks to be catered for in all planning initiatives.</p>	

Outcomes of IDP Analysis	Infrastructure and Land	Economic Development	CDM's Mandate	Institutional Issues
<p>2.2 Primary mode of civilian transport = pedestrian</p>	<p><b>I TP:</b> Denotes the Public Transport and Transport Infrastructure Strategies for the district in the interests of sustainably increasing mobility of people and goods.</p> <p><b>CIP:</b> Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>			<p>Communications Policy</p>
<p>2.3 Primary mode of transport supporting economic sectors = road</p>	<p><b>I TP:</b> Denotes the Public Transport and Transport Infrastructure Strategies for the district in the interests of sustainably increasing mobility of people and goods.</p> <p><b>CIP:</b> Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>	<p><b>TMP:</b> 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><b>DRMA:</b> Provides a disaster risk profile unique to the CDM. Identifies fire, storm, tidal surge, hazardous material &amp; drought as potential risks to be catered for in all planning initiatives.</p>	
<p>2.4 Depopulation especially in Ikwezi &amp; Baviaans place limits on the provision &amp; maintenance of infrastructure</p>	<p><b>I WMP:</b> Identified the following requirements of LM's:</p> <ul style="list-style-type: none"> <li>• Waste Info Systems to be dev for each LM;</li> <li>• An Integrated Operational Plan to be formulated to support effective short and long term waste management planning.</li> </ul> <p><b>WSDP:</b> Each LM is a WSA. The WSDP focuses on addressing the following backlogs:</p> <ul style="list-style-type: none"> <li>• Metered erf connection;</li> <li>• Full waterborne sanitation.</li> </ul> <p><b>CIP:</b> Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>	<p><b>EGDS:</b> Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p>		<p><b>ISA:</b> 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, Bavarians, Camdeboo, Kouga and Ndlambe		<b>TMP:</b> 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.	<b>EHS:</b> Focuses on Active Environmental Educations, Waste Management monitoring and Pest Control, Water and Food quality Monitoring  <b>DRMA:</b> 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 <b>SPU (Women):</b> This Policy Framework serves to guide the CDM in creating opportunities to women's empowerment.

<b>MTSF 3: Comprehensive rural development strategy linked to land and agrarian reform and food security</b>				
3.1 Opportunity to expand formal agriculture in Kouga, Kou-Kamma, SRV and Ndlambe	<b>ABP:</b> 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.  <b>CIP:</b> Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.	<b>EGDS:</b> Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.	<b>DRMA:</b> 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	<b>ABP:</b> 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.	<b>EGDS:</b> 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	<b>ABP:</b> 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.	<b>EGDS:</b> Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.		

<b>MTSF 4: Strengthen the skills and human resource base</b>				
4.1 Skills Audit required in relation to dominant economic sectors		<p><b>EGDS:</b> Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p> <p><b>SMME:</b> 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><b>TMP:</b> 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 <b>SPU (Women):</b> 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	<b>CIP:</b> 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
<p>4.3 District wide intervention required to encourage sustainable use of commercial and subsistence agricultural land</p>	<p><b>ABP:</b> 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.</p>	<p><b>EGDS:</b> Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p> <p><b>SMME:</b> 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><b>EHS:</b> Focuses on Active Environmental Educations, Waste Management monitoring and Pest Control, Water and Food quality Monitoring</p>	

<b>MTSF 5: Improve the health profile of all South Africans</b>				
<p>5.1 Access to clinics are problematic due to staff shortages</p>			<p><b>HP:</b> Endorses the District Health System of service delivery.</p>	<p><b>ISA:</b> 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>3 <b>SPU (Women):</b> 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>5.2 Sparse population distribution in CDM could limit access to health facilities and accurate information</p>	<p><b>ITP:</b> Denotes the Public Transport and Transport Infrastructure Strategies for the district in the interests of sustainably increasing mobility of people and goods.</p> <p><b>CIP:</b> Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>		<p><b>HP:</b> Endorses the District Health System of service delivery.</p>	<p><b>ISA:</b> 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 <b>SPU (Women):</b> This Policy Framework serves to guide the CDM in creating opportunities to women's empowerment.</p>
<p>5.3 Particularly vulnerable groups include: farm workers, residents of informal settlements, migrant workers</p>	<p><b>ITP:</b> Denotes the Public Transport and Transport Infrastructure Strategies for the district in the interests of sustainably increasing mobility of people and goods.</p> <p><b>CIP:</b> Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>		<p><b>EHS:</b> Focuses on Active Environmental Educations, Waste Management monitoring and Pest Control, Water and Food quality Monitoring</p> <p><b>DRMA:</b> Provides a disaster risk profile unique to the CDM. Identifies fire, storm, tidal surge, hazardous material &amp; drought as potential risks to be catered for in all planning initiatives.</p> <p><b>HP:</b> Endorses the District Health System of service delivery.</p>	<p><b>ISA:</b> 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 <b>SPU (Women):</b> This Policy Framework serves to guide the CDM in creating opportunities to women's empowerment.</p>
<b>MTSF 6: Intensify the fight against crime</b>				
<p>6.1 Assault and the various forms of robbery or theft are the most commonly reported crimes in the CDM</p>		<p><b>EGDS:</b> Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p>		<p>6 <b>SPU (Women):</b> This Policy Framework serves to guide the CDM in creating opportunities 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"> <li>&gt; job creation;</li> <li>&gt; substance abuse programs;</li> <li>&gt; youth programs;</li> <li>&gt; secondary and tertiary education programs relevant to required skills on a local level.</li> </ul>		<p><b>EGDS:</b> Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p> <p><b>TMP:</b> 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 <b>SPU (Women):</b> This Policy Framework serves to guide the CDM in creating opportunities which contributes to women's empowerment.</p>

<b>MTSF 7: Build cohesive, caring and sustainable communities</b>				
<p>7.1 District-wide drive to reduce poverty and promote access to economic opportunities, with a specific focus on Baviaans, Ikwezi and Blue Crane Route</p>	<p><b>CIP:</b> Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>	<p><b>EGDS:</b> Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p> <p><b>SMME:</b> 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 <b>SPU (Women):</b> 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><b>EGDS:</b> Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p> <p><b>SMME:</b> 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>9 <b>SPU (Women):</b> This Policy Framework serves to guide the CDM in creating opportunities which contribute to women's empowerment.</p>
<b>MTSF 8: Sustainable Resource Management and use</b>				
8.1 Community mind-shift required in relation to alternative energy sources	<p><b>CIP:</b> Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>	<p><b>EGDS:</b> Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p>	<p><b>EHS:</b> Focuses on Active Environmental Educations, Waste Management monitoring and Pest Control, Water and Food Quality Monitoring</p>	
8.2 Addition to Agricultural Sector may exist in terms of carbon credits	<p><b>IWMP:</b> Identified the following requirements of LM's:</p> <ul style="list-style-type: none"> <li>• Waste Info Systems to be dev for each LM;</li> <li>• An Integrated Operational Plan to be formulated to support effective short and long term waste management planning.</li> </ul> <p><b>CIP:</b> Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>	<p><b>EGDS:</b> Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p>	<p><b>EHS:</b> Focuses on Active Environmental Educations, Waste Management monitoring and Pest Control, Water and Food quality Monitoring</p>	

Outcomes of IDP Analysis	Infrastructure and Land	Economic Development	CDM's Mandate	Institutional Issues
<p>8.3 Economically challenged areas (Baviaans &amp; Ikwezi) may have potential in terms of renewable energy</p>	<p><b>WSDP:</b> Each LM is a WSA. The WSDP focuses on addressing the following backlogs:</p> <ul style="list-style-type: none"> <li>• Metered erf connection;</li> <li>• Full waterborne sanitation.</li> </ul> <p><b>CIP:</b> Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>	<p><b>EGDS:</b> Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p>	<p><b>EHS:</b> 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><b>CIP:</b> Provides a single process for all tiers of government with regard to infrastructure provision and service delivery.</p>	<p><b>EGDS:</b> Board approach to sustainable job creation and poverty reduction in the district via the promotion of economic linkages and spin-offs.</p>	<p><b>EHS:</b> 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 50 26.4 E24 31 38.1	G:C:B -	Permitted	Good	Good	Good	Adequate
Graaff-Reinet Decommissioned	S32 17 51.6 E24 31 53.9	G:S:B -	Registered	Inadequate	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
Glenconnor - railway location	S33 23 52.0 E25 09 50.0	G:C:B -	Unknown	Inadequate	Good	Inadequate	Inadequate

Waste Site Name	GPS Co-ordinates	Landfill Class (±)	Registration/ permit status	Site Suitability	Estimated Lifespan	Infrastructure	Operation & Management
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):

- 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"> <li>• Formulation of Operational Plan;</li> <li>• Hiring of TLB on a part time basis.</li> <li>• Not regarded as legal waste disposal facilities.</li> </ul>
Camdeboo	Graaff-Reinet, Nieu Bethesda Aberdeen	Graaff-Reinet – No Aberdeen – No Nieu Bethesda – application made.	<ul style="list-style-type: none"> <li>• Waste should be covered more regularly;</li> <li>• Access to be controlled;</li> <li>• Volumes to be recorded;</li> <li>• Formalize scavenging;</li> <li>• LM should purchase a TLB.</li> </ul>
Blue Crane Route	Somerset East Cookhouse Pearston	Somerset East – Yes Cookhouse – Yes Pearston – No	<ul style="list-style-type: none"> <li>• Access controlled;</li> <li>• Pearston to be upgraded to comply with minimum standards;</li> <li>• Upgrade disposal of abattoir waste.</li> </ul>
Baviaans	Steytlerville Willowmore Rietbron Vondeling	Steytlerville -No Willowmore - No Rietbron – No Vondeling – No	<ul style="list-style-type: none"> <li>• Sites should be upgraded to comply with minimum standards;</li> <li>• Hiring of TLB on a part time basis.</li> <li>• Poorly located;</li> <li>• Not managed in accordance with proper waste disposal practices;</li> <li>• Sites should be dealt with as illegal dumping sites by CDM.</li> </ul>
Kouga	Humansdorp Hankey Patensie St Francis Bay	Humansdorp – application made Hankey – Yes Patensie – No St Francis – No	<ul style="list-style-type: none"> <li>• Sites should be upgraded to comply with minimum standards;</li> <li>• LM to identify new transfer stations to be authorized by DEAT.</li> </ul>
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"> <li>• Access to be controlled;</li> <li>• Sites should be upgraded to comply with minimum standards;</li> <li>• Site management should be improved;</li> <li>• Volumes to be recorded.</li> </ul>
Makana	Grahamstown Alicedale Riebeeck East	Grahamstown – Yes Alicedale – Yes Riebeeck East – Yes	<ul style="list-style-type: none"> <li>• Improve access control;</li> <li>• Sites should be upgraded to comply with minimum standards;</li> <li>• Volumes to be recorded.</li> </ul>
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"> <li>• Sites should be upgraded to comply with minimum standards.</li> </ul>
Sunday's River Valley	Kirkwood Langbos Sunland Paterson Glenconner	Kirkwood - No Langbos - Yes Sunland - Yes Paterson - Yes Glenconner - No	<ul style="list-style-type: none"> <li>• Improve access control;</li> <li>• Cover waste regularly;</li> <li>• Formalize illegal scavenging;</li> <li>• LM should hire a TLB for part-time use;</li> <li>• Sites should be upgraded to comply with minimum standards.</li> <li>• Not managed in accordance with proper waste disposal practices.</li> </ul>

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

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

#### iv) FINANCIAL RESOURCES

**Table .18** Financial resources

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

**v) DISSEMINATION OF INFORMATION / COMMUNICATION**

The IWMPs suggests that each LM develop a Waste Information System to ensure effective waste management. This information will enable the LM to contribute to quarterly waste management workshops to be coordinated by the CDM. The aim of these workshops will be to capacitate and guide the LM's in effective waste management. Further, communities within the municipal area should be made aware of proper waste management techniques and the services offered by the LM.

**vi) MANAGEMENT OF ILLEGAL ACTIVITIES**

All nine IWMPs declare that illegal dumping is problematic across the District. The following recommendations are made to improve the situation on an LM level:

- Introduce a neighbourhood watch system that will aim to prevent illegal dumping;
- Deploy skips at strategic locations across towns and settlements;
- Clear all illegal dumping areas and take waste to properly established sites;
- Place skips in 'illegal dumping hot spot areas' and prohibitive notice boards;
- Develop a Medical Waste Stream Management Strategy to ensure the safe handling and disposal of medical waste.

**vii) WASTE MINIMISATION**

Eight out of the nine LM's within the Cacadu District do not have any formal recycling activities. This has been attributed the lack of available markets for recycled materials. The feasibility of establishing recycling centres at the main waste disposal sites should be investigated in conjunction with the distribution of recycling collection containers throughout towns and settlements.

Only Makana Municipality has formed a Municipal Private Partnership with some recyclers and the Department of Social Development to initiate the Masihlule Recycling Project.

Further, the reports suggest that the introduction of incentive schemes for in-house waste minimization for business should be investigated in each LM.

**viii) RECOMMENDATIONS AND CONCLUSION**

The IWMP's for each LM recommend the following be introduced to ensure effective and sustainable district-wide waste management:

Waste Information Systems should be implemented by each LM. The aim of this information system will be to provide all the necessary detail and information to the planning and implementation of waste management. Required information should include:

- permit status of disposal facilities
- volumes of waste disposed of
- condition of landfills / transfer stations
- number and type of equipment



- date of equipment purchase
- operating and maintenance costs
- proposed replacement date
- type of service
- number of service points (domestic, commercial and industrial)
- number of personnel involved etc.

Waste Management decisions concerning new equipment or services could then be based on accurate information. Some of the information in the IWMP's can serve as a basis for such Waste Information Systems. The above is regarded to be of the utmost importance to the District and the LMs.

The submitted IWMPs should be re-evaluated and expanded to form a detailed Operational Plan once information is available from the Waste Information System to ensure the accuracy of future planning. The following activities are recommended:

- Service levels should be work-shopped with the communities to obtain their views and inputs on the proposed upgrading of their received services and the associated cost implications;
- Community awareness campaigns should be implemented to educate the communities on responsible waste management;
- All LMs should promote recycling and / or waste minimization. The informal salvaging (scavenging) operations at landfill sites should be formalized to conform to approved waste management practices.

The above recommendations in conjunction with the section specific comments would ensure that the short term waste management requirements of the Cacadu Region are met. Once the Waste Information System per LM is implemented, the IWMP's should be re-evaluated and adjusted if required. Long term planning can then commence in a more responsible and informed fashion. This process will ensure that sound waste management is practiced in the Cacadu District.

#### **4.3.2 WATER SERVICES DEVELOPMENT PLANS (WSDP)**

To comply with the Water Services Act, a WSDP should be prepared as part of the IDP process. The WSDP is a sector plan that falls within the inter-sector umbrella plan of the IDP. All local municipalities within the District however, are Water Services Authorities and as such responsible for the development of individual WSDPs. As such this summary provides a reflection on those primary issues contained within the WSDPs of the individual municipalities.

The Cacadu District Municipality (CDM) consists of 9 Local Municipalities spread over a vast geographical area. Due to the fact that the towns are spread over such a vast geographical area, the different LMs have vastly differing challenges with regards to the provision of water and sanitation services. The LMs situated along the coast e.g. Kouga and Ndlambe with high tourism inflows during the holiday seasons have vastly differing challenges to LMs such as Baviaans which does not have these seasonal inflows of consumers.

For this reason, it is pragmatic that the LM's with similar consumer water and sanitation usage patterns are grouped in this summary component of the IDP. This summary intends to sketch an overall picture of the current situation within the LM's with regards the provision of water and sanitation services and to identify the gaps that exist.

#### 4.3.2.1 SOCIO ECONOMIC FACTORS

In order for the Water Services Authority (WSA) (each local municipality) to provide a reliable service, it is required that the consumers are able to pay for services rendered to them. It is thus important that the "Economically Active" segment of the consumer group is employed. It is of concern that in some of the LM's the rate of unemployment is high making it difficult for the consumers to pay for services. The target set by LM's with respect to affordability of services, is for the monthly services bill to be in the order group of 10% of the family income. Thus a family earning R850 per month, should not be charged more than R85 for the month for water and sanitation services. The unemployment rate, or lack of employment opportunities makes the economically active sector leave the area to find employment in other centres, thus exacerbating the problem. In Ikwezi, this problem is evident in the negative population growth rate and an unemployment rate of 71%. The close proximity of Graaff-Reinet and Port Elizabeth entices the unemployed consumers to seek employment in these towns.

#### 4.3.2.2 WATER SOURCES

Water Sources can be divided into 3 categories viz:

- Surface Water Sources
- Groundwater Sources, and
- External Sources (Purchased Water)

Each LM sources its water from one of these categories or a combination of these. The Table below summarises the sources for each LM.

**Table .19** Water sources

LM	Groundwater	Surface Water	Purchased
BAVIAANS	✓	-	-
BLUE CRANE ROUTE	✓	✓	✓
CAMDEBOO	✓	✓	-
IKWEZI	✓	✓	-
KOUGA	✓	✓	✓
KOU-KAMMA	✓	✓	✓
MAKANA	✓	✓	✓
NDLAMBE	✓	✓	✓
SUNDAYS RIVER VALLEY	✓	-	✓

#### 4.3.2.3 SERVICE LEVEL PROFILE – WATER

Since the aim of the LMs is to provide each consumer with a metered erf connection, it is clear from the summary below that a Gap currently exists to eradicate this backlog. The minimum RDP standard for water is a standpipe <200m from the consumer.

**Table .20** Status of erf connections

Local Municipality	Communal Standpipe < 200m	Communal Standpipe > 200m	Individual Connection - Metered	Individual Connection - Unmetered	Nothing
BAVIAANS	0	0	3751	18	0
BLUE CRANE ROUTE	400	0	8817	0	60
CAMDEBOO	0	0	10941	0	0
IKWEZI	0	0	0	2894	0
KOUGA	120	0	21424	0	0
KOU-KAMMA	57	0	3876	4559	0
MAKANA	759	0	15999	0	0
NDLAMBE	600	0	9630	500	400
SUNDAYS RIVER VALLEY	1144	1271	7152	2010	0
Grand Total	3080	1271	81590	9981	460

Water:

- 3.2% of the consumer units within Cacadu are served with communal standpipes with a distance smaller than 200m
- 1.3% of the consumer units within Cacadu are served with communal standpipes with a distance greater than 200m
- 34.7% of the consumer units within Cacadu are served with individual metered erf connections
- 10.4% of the consumer units within Cacadu are served with individual unmetered erf connections
- 0.4% of the consumer units have no water services provision

#### 4.3.2.4 SERVICE LEVEL PROFILE – SANITATION

Since the aim of the LMs is to provide each consumer with a full waterborne sanitation system, it is again clear from the summary below that a Gap currently exists to eradicate this backlog. The minimum RDP standard for sanitation is a VIP toilet.

**Table 4.21 Sanitation Service level profile**

Local Municipality	Bucket	Conser- vancy Tank	Nothing	Pit Latrine	Septic Tank	Small Bore	VIP	Water- borne
BAVIAANS	34	102	0	4	449	0	369	2817
BLUE CRANE ROUTE	400	150	60	400	0	0	250	7327
CAMDEBOO	0	80	0	0	80	725	0	8227
IKWEZI	115	26	0	0	0	0	12	2190
KOUGA	4700	7222	0	0	0	0	0	12148
KOU-KAMMA	0	500	200	0	1514	3000	807	3624
MAKANA	331	443	759	0	0	0	2283	12942
NDLAMBE	0	5195	400	450	2446	2800	50	5300
SUNDAYS RIVER VALLEY	254	0	0	2704	23	0	878	7718
Grand Total	5834	13718	1419	3558	4512	6525	4649	62293

Sanitation :

- 5.6% of the consumer units within Cacadu are served with buckets
- 13.3% of the consumer units within Cacadu are served with conservancy tanks
- 3.5% of the consumer units within Cacadu are served with pit latrines
- 4.5% of the consumer units within Cacadu are served with septic tanks
- 6.4% of the consumer units within Cacadu are served with a small bore sewer system
- 4.6% of the consumer units within Cacadu are served with VIPs
- 60.8% of the consumer units within Cacadu are served with waterborne sewer system
- 1.3% of the consumer units within Cacadu are not served any sanitation system

#### 4.3.2.5 COASTAL WATER SERVICES AUTHORITIES (WSAs)

As mentioned before, the 2 coastal WSAs in the Cacadu region, viz Kouga and Ndlambe have unique problems; these WSAs experience a major influx of holiday-makers placing enormous pressure on the WSAs resources. In Ndlambe for example, it is estimated that over a 5 year period the amount of water purchased from Amatola Water Board will increase from 576 Ml/year to 1044Ml/year to keep up with demand. This equates to an increase of ± 81.25%. This same scenario is playing itself out in the Kouga Municipality where the current figure of purchased water in Jeffreys Bay is 1913Ml/year which in 5 years time will increase to 3131.7Ml/year which is an increase of 63.7%. It is thus clear from the above, that the increased popularity of the coastal towns is having a major effect on the resources of the WSA. It is for this reason that in these areas, a moratorium is in place on development so as to properly plan for the increase in the number of consumers.

#### 4.3.2.6 WATER CONSUMPTION IN THE CACADU REGION

The table below is a summary of the current water consumption, and the estimated requirement in 5 years time.

**Table 4.22** water consumption

Local Municipality	Current Consumption (MI/year)	Consumption in 5 years (MI/year)
BAVIAANS	724	1142
BLUE CRANE ROUTE	2163	2324
CAMDEBOO	7157	7157
IKWEZI	1024	2001
KOUGA	6677	9806
KOU-KAMMA	1522	1700
MAKANA	8205	14228
NDLAMBE	3500	5195
SUNDAYS RIVER VALLEY	2453	2968
Grand Total	33425	46521

As can be seen the water demand in five years time will increase by 39.2% within the Cacadu region.

#### 4.3.3 HUMAN SETTLEMENT GUIDELINES

##### 4.3.3.1 INTRODUCTION

Although the National Housing Act, Act 107 of 1997 requires that multi-year housing plans be prepared to facilitate housing development processes in terms of the IDP process, this requirement does not make any specific reference to the role of District Municipalities in the delivery of housing and by extension, the role in the preparation of a Housing Sector Plan for their area of jurisdiction. In light of this and in conjunction with the CDM's core function as a development facilitator providing support and capacity to Local Municipalities, one of the functions of the CDM in respect of housing is to perform an oversight function over Local Municipalities and provide guidance where necessary within the realm of housing delivery.

As pressure in the form of housing development will continue to exist within numerous settlements within the District, clear and concise guidelines are required to aid Local Municipalities within the District in terms of the planning and assessment of prospective housing developments, so as to ensure development contributes towards the principles of sustainable development as listed above.

It is in relation to such that broad based housing and settlement guidelines have been developed, the summary of which is reflected below.

#### **4.3.3.2 HOUSING AND SETTLEMENT GUIDELINES**

The CDM has developed housing and settlement guidelines in order to assist Local Municipalities on making decisions on the optimal arrangement of settlements based on the concepts of the settlement hierarchy policy as described in the SDF. (The comprehensive Settlement Planning and Housing Development Guidelines document is available from the CDM upon request). In essence the housing and settlement guidelines give substance to the settlement hierarchy policy in terms of interventions required in the spatial management of settlements in order to address current development scenarios.

The guidelines attempt to assist Local Municipalities in their planning of their respective settlements through:

- Illustrating the ideal spatial structure of each level of settlement.
- Stipulating criteria that can be used to determine the best location of land uses within each settlement.
- Stipulating possible actions in order to promote integration, sustainability, equity and efficiency.

#### **4.3.3.3 DETERMINING THE FORM AND SUSTAINABILITY OF SETTLEMENTS**

The current residential layout design process in South Africa is guided by:

- The neighbourhood concept, which although in itself a sound way of thinking, often leads to introverted placing of land uses which limits the ability of different neighbourhoods to share facilities. The specific application of the neighbourhood concept in South Africa also leads to the poor connection between different units.
- Attitudes and expectations of communities, decision makers and regulators.
- Exceptionally high spatial standards for different land uses, such as schools, based on the premise that each school could maintain its own sports facilities. Inappropriate space standards create long distances between facilities the implication of which is that low density and badly located residential areas become more reliant on the use of private vehicles.

These factors have lead to residential areas that are ill-suited to achieve the set goals of integration, higher densities, etc. They are suitable for high-income residents with a high level of private car ownership, but not for the majority of South Africans and are not conducive to achieving sustainable human settlements.

In order to achieve a quality environment for all a different approach has to be followed. This would entail the following:

- Designing from the inside out: Layout design has to take place from the inside out. This means that all steps of the design have to inform each other and that the first step should be the design of the house, which would dictate the design of the erf, which should dictate the design of the block, etc. Where funding for the housing is known and the design components can be controlled through efficient design, more efficient higher density residential settlements are possible. Once the nature and size of the house is known, the plots can be developed around this and the services and roads more finely and efficiently designed and installed.

- Making trade-offs: All layout planning is based on trade-offs. In the case of higher density housing the trade-offs should be guided by the need to increase the accessibility of residents and the need to save costs, especially for land and infrastructural services. Spatial trade-off refers to the effect of density on land and services costs and house costs and size. It also makes reference to the number of families the project can accommodate per unit area. More families within a project area, close to public amenities and places of employment is obviously an advantage over fewer families enjoying the advantage of accessibility and proximity to these important amenities.
- Building communities not houses: The relationship between housing and other land uses is important. The project site needs to be viewed as part and parcel of the general urban area rather than an individual housing project. In this way one allows for the integration of the new development and existing urban areas to balance out deficiencies in both. Housing is not about building houses but understanding the basic needs of communities to survive on limited resources, particularly the very poor. Locating these communities at some remote peripheral location at low densities actually traps them in a downward spiral of poverty.

#### **4.3.3.4 IMPLICATIONS FOR SETTLEMENT PLANNING AND MANAGEMENT**

The application of the principles of the settlement hierarchy policy along with those housing design criteria as listed above, implies that municipalities will be faced with making far reaching decisions in respect of settlements in their areas of jurisdiction some of which may include the following:

- Discourage the continued existence of settlements.
- Maintain current settlements and prevent these from expanding.
- Encourage active growth and expansion of settlements that meet acceptable criteria.

##### **(A) Discourage the continued existence of settlements :**

This would apply in cases where settlements are:

- To small to even warrant the basic provision of mobile facilities.
- To isolated to be cost effectively accessed and maintained by municipal officials and service divisions.
- Dependant on a local resource that has already been exhausted e.g. abandoned mine or railway lines / station.

The appropriate strategy for such settlements could include the following:

- Encourage residents to relocate to more accessible and sustainable settlements through incentives and penalties.

In reality it would take a while to implement such a policy and this means that municipalities may well be required to continue to spend funds and allocate resources, albeit on a limited basis, to maintain facilities and repair critical equipment.

**(B) Maintain current settlements and prevent these from expanding:**

This would apply to settlements that cannot be closed down due to a variety of reasons including the following:

- Current natural resource base is still being exploited successfully to warrant the continuation of the settlement for a while longer.
- It may be possible for local residents / private business / local farmers to continue to maintain and repair services on behalf of municipalities on an agency basis.
- The settlement has a sufficiently large number of people who are reliant on the area in terms of livelihood.

The approach in reality will include the following options:

- Maintain current levels of service if they meet basic levels of service.
- Where services are below basic level, increase level to only basic requirements.
- Impose a strict “urban fence” whereby the settlement is not allowed to grow.
- Physical or outward extension outside of current boundary to be prohibited.
- Discourage population influx.
- Encourage new migrants and families to move to settlements earmarked for growth through incentives such as preferential land release, investment in services infrastructure, etc.

**(C) Settlements to be assisted to grow:**

This strategy should apply to small service centres / settlements and towns that have been earmarked for growth because of a number of reasons, including:

- Growth potential (Urban settlements, tourism nodes, economic potential based on local resource exploitation, i.e. agriculture, etc.
- Variety of functions already located within the settlements, e.g. municipal offices, government offices, community facilities, utilities.
- Transportation linkages.
- Land availability for expansion.

#### **4.3.3.5 CONTEXTUALISATION OF POLICY GUIDELINES**

To give further meaning to the strategies as listed beforehand, the tables overleaf attempt to contextualise the policy guidelines, as per the categorisation of settlement, in terms of:

- Guidelines for integration.
- Guidelines for sustainability.
- Guidelines for equality.
- Implications for development.

In addition a table has been provided (land use requirements and threshold population) in an attempt to assist Local Municipalities in their planning of their respective settlements. It is not intended to function as a “blueprint” for development, but rather to provide Local Municipalities with a platform from which to start to address development needs within the context of sustainability.



**Table 4.23 Housing settlements guidelines**

<b>GUIDELINES FOR LEVEL 1 SETTLEMENTS</b>		
Guidelines for Integration	Functional Integration	<ul style="list-style-type: none"> <li>• Recycling of farm buildings for alternative uses, e.g. schools, community hall, etc.</li> <li>• Multiple use of available buildings and structures, i.e. sharing of facilities.</li> <li>• Use of mobile facilities, reliance on agency type delivery vehicles to provide services in remote areas.</li> <li>• Relocation of communities from isolated and inaccessible settlements to better resourced areas.</li> </ul>
	Socio-Economic Integration	<ul style="list-style-type: none"> <li>• Depending on the size, functionality and location of the settlement :               <ul style="list-style-type: none"> <li>- Where applicable encourage different housing types, e.g. single storey, double, storey, walk-ups, etc.</li> <li>- Concentration of social, educational, health and community facilities.</li> <li>- Encourage preferential migration.</li> </ul> </li> </ul>
Guidelines for Sustainability	Environmental Sustainability	<ul style="list-style-type: none"> <li>• Land suitable for agriculture protected against urban expansion.</li> <li>• Development to be confined to “non-valuable” land and where possible developed at the highest possible residential density.</li> <li>• Choice of sanitation and waste disposal methods to relate to affordability of beneficiary community in order that municipalities are in a position to effectively provide and maintain the services without a negative impact on the financial positioning of the municipality.</li> <li>• Protect sensitive ecological systems by restricting development.</li> <li>• Promote renewable energy sources, e.g. rain water harvesting, etc.</li> </ul>
	Social Sustainability	<ul style="list-style-type: none"> <li>• Meet basic needs in accordance with constitutionally guaranteed rights.</li> <li>• Ensure standard of services and costs related to the provision of services is affordable to the beneficiary community. Where it is uneconomic for the municipality to provide services consideration should be given to devolve responsibility to local co-operatives. Mobile services should be provided wherever possible.</li> </ul>
	Economic Sustainability	<ul style="list-style-type: none"> <li>• Subject development decisions to economic benefit analysis by factoring in economic impacts and development indicators, both short and long terms, direct and indirect costs.</li> <li>• Concentrate settlement into clusters that are big enough to justify the provision of adequate social and infrastructural facilities.</li> </ul>
	Technical Sustainability	<ul style="list-style-type: none"> <li>• Service standards to be based on local needs and capacity for local maintenance.</li> <li>• Adequate adjustment for affordability in all services designs taking into account consumers of the services and municipalities ability to provide the service.</li> </ul>
Guidelines for Equality		<ul style="list-style-type: none"> <li>• Reduce disparities by providing infrastructure and facilities to disadvantaged areas.</li> <li>• Integrated planning approach that moves away from a project based planning approach.</li> </ul>

Implications for Development	<ul style="list-style-type: none"> <li>• Former Railway Settlements :             <ul style="list-style-type: none"> <li>- Decision on how to service each settlement (within the level 1 parameters) should be informed by its proximity to the type of railway line (i.e. main line, regional line, freight line, narrow gauge line, other) and hence the line's subsequent potential for the future.</li> <li>- Based on above asses tourism, agricultural, commuter, freight potential.</li> <li>- Unless it can be proven that settlements can grow to reach a significant scale discourage the growth of settlements.</li> <li>- Retain and utilise existing residential units only. New buildings to be allowed only in exceptional circumstances.</li> <li>- Only basic levels of services to be extended to area.</li> <li>- Devolve responsibility for maintenance to local residents on a co-operative basis.</li> <li>- No extension of bulk infrastructure to the area to be considered.</li> <li>- Encourage communities from isolated settlements to relocate to selected settlements.</li> </ul> </li> <li>• Small Rural Settlements :             <ul style="list-style-type: none"> <li>- Housing provision needs to be related to the capacity of the agricultural (rural) economy.</li> <li>- Maximum utilisation of available agricultural land by developing residential areas at a high density to create concentrated residential settlements surrounded by rich agricultural land.</li> <li>- Avoid making areas another growth phase for housing if this is better provided on urban or service centres in other Level 2 and 3 settlements.</li> </ul> </li> </ul>
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<b>GUIDELINES FOR LEVEL 2 AND 3 SETTLEMENTS</b>		
Guidelines for Integration	Functional Integration	<ul style="list-style-type: none"> <li>• Infill development.</li> <li>• Recycling of land and buildings for alternative uses.</li> <li>• Alternative housing designs.</li> <li>• Activity corridors and nodes.</li> <li>• Flexible land use zoning, e.g. social community clusters.</li> </ul>
	Socio-Economic Integration	<ul style="list-style-type: none"> <li>• Mixed tenure housing, i.e. rental, freehold, sectional title, etc.</li> <li>• Different housing types, i.e. single storey, double storey, walk-ups, detached, attached.</li> <li>• Varied layout design (different erf sizes and densities) in order to attract and retain a whole range of housing beneficiaries to live in a single neighbourhood.</li> </ul>

Guidelines for Sustainability	Environmental Sustainability	<ul style="list-style-type: none"> <li>• Land suitable for agriculture to be protected against urban expansion.</li> <li>• Agricultural land, where possible, to be excluded from the Urban Edge.</li> <li>• Development to be confined to non-valuable land, and wherever possible, to be developed at the highest possible residential development density.</li> <li>• Choice of sanitation and waste disposal methods to relate to affordability of beneficiary community to ensure that beneficiaries receiving services can afford to pay monthly service charges and that those municipalities are in a position to effectively provide and maintain the services without a negative impact on the financial positioning of the municipality.</li> <li>• Protect sensitive ecological systems by restricting development in these areas and generate economic benefit.</li> </ul>
	Social Sustainability	<ul style="list-style-type: none"> <li>• Meet basic needs in accordance with constitutionally guaranteed rights.</li> <li>• Ensure that the standard of services and costs related to the provision of services is affordable to the beneficiary community and that they can be provided by the municipality efficiently and cost effectively.</li> </ul>
	Economic Sustainability	<ul style="list-style-type: none"> <li>• Contain urban sprawl by limiting growth of settlements further away from CBD and closer to employment areas and accessible locations.</li> <li>• Development of housing close to job opportunities and services and walkable communities where reliance on motorised transportation methods is reduced.</li> <li>• Provide facilities for business initiatives and enterprises within residential neighbourhoods in appropriate locations.</li> <li>• Subject development decisions to economic benefit analysis by factoring in economic impacts and development indicators both short and long term and direct and indirect costs.</li> <li>• Revitalisation of downtown areas, main streets and neighbourhood centres.</li> <li>• Build settlements around local resources and areas of economic opportunity.</li> <li>• Concentrate settlements into clusters that are big enough to justify the provision of adequate social facilities, schools and retail centres.</li> </ul>
	Technical Sustainability	<ul style="list-style-type: none"> <li>• Promote use of energy saving designs and renewable energy sources.</li> <li>• Service standards to be based on local needs and capacity for local maintenance.</li> <li>• Adequate adjustment for affordability in all service designs taking into account the consumers of the services and the municipality's ability to provide the service.</li> </ul>
Guidelines for Equality		<ul style="list-style-type: none"> <li>• Reduce disparities by providing infrastructure and facilities to disadvantaged areas.</li> <li>• Integrated planning approach that moves away from a project based planning approach.</li> </ul>
Implications for Development		<ul style="list-style-type: none"> <li>• Growth potential of settlement to be assessed by focussing on the following elements : <ul style="list-style-type: none"> <li>- Guide housing delivery based on development potential and human needs index.</li> <li>- Determine role of agriculture in sustaining the local economy to enable adequate planning to take place.</li> <li>- Take advantage of comparative advantage offered by respective locations.</li> <li>- Optimise on linkages and cluster related activities to maximise access and utilisation.</li> </ul> </li> </ul>



#### **4.3.4 INTEGRATED TRANSPORTATION PLAN (ITP)**

##### **4.3.4.1 BACKGROUND**

In terms of the National Land Transport Act (Act 5 of 2009), (NLTA), planning authorities are required to prepare an Integrated Transport Plan (ITP), which is to form a statutory component of the District's Integrated Development Plan (IDP). The current ITP is the initial ITP prepared by the District and covers the period 2005 to 2010. A new ITP has been developed for the period 2011 to 2016 and currently awaits approval from the MEC: Transport, Roads and Public Works.

In terms of the "Guidelines for Integrated Transport Plans in the Eastern Cape (Draft Revision 2 – 7 September 2004)" and for the purposes of land transport planning, District Municipalities categorised as Type Two Planning Authorities. As such the Type Two planning authority is required to prepare a District Integrated Transport Plan (DITP) and is responsible for the preparation of transport plans for its entire area of jurisdiction. Local Municipalities may however by agreement, and if provided for in terms of applicable local government legislation, assist with such preparation.

##### **4.3.4.2 ORIENTATION**

The OLS for the CDM has been prepared in accordance with the requirements of the National Land Transport Act, 2009, and the Minimum Requirements for Integrated Transport Plans, November 2007. The OLS, at this stage, is aimed at rationalizing taxi operations within the Cacadu District and providing a base for the CDM and the Provincial Regulatory Entity to evaluate applications for route operating licenses. The scope of the OLS includes sedan and minibus taxis and deals with local, long distance and metered taxi operations. The OLS excludes scholar, tourism and charter services.

##### **4.3.4.3 THE PUBLIC TRANSPORT SYSTEM**

Public transport is limited to minibus-taxi operations providing services in and between the various towns in the District, and beyond. The main transport corridors are along the surfaced provincial road network. There is generally an adequate or oversupply of services in all areas. This situation is aggravated due to the lack of demand for services during the off peak services. Scholar transport is a major issue in the Cacadu District, yet limited information is available on public transport supply for scholars. Long distance bus services also provide mobility along the main routes through the District and play a key role in the transport system. There are no public transport modes operating in parallel in the Cacadu District. There are no public transport inspectors active in the District. Although there are two inspectors appointed by the ECDOT and stationed in Port Elizabeth, these inspectors do not have access to vehicles and can therefore not execute their responsibilities outside of Port Elizabeth.

##### **4.3.4.4 POLICY FRAMEWORK FOR EVALUATION OF ROUTE OPERATING LICENCES**

The preparation of a fully compliant and accurate OLS as required in terms of the National Land Transport Act (Act 5 of 2009) is one of the key components of an Integrated Transport Plan. It is also the only tool that Planning Authorities and the Operating License Board have to regulate the public transport industry. The OLS must enable the Planning Authority to make recommendations to the OLB in respect of applications for operating licenses for all types of public transport services (except tourist services and charters). As these recommendations are binding in terms of the Act, the OLS must provide the planning authority with a reliable and accurate basis for its decisions.

### **(i) Role of Public Transport Modes**

The role of the transport modes along specific corridors can only be decided upon in principle, and should then be implemented over a period of time. The role of modes largely depends on the availability of infrastructure and facilities, the distance travelled and the volume of passengers. If the dominant mode along a certain route is below standard in quality, support for such a mode along a certain corridor should be made conditional on the upgrading of the quality of the mode by the transport operators.

Another determinant requiring consideration when assessing applications for operating licenses is that the future structure of the entire public transport system in an area should be in line with the vision for public transport for such an area. This could include factors such as modal integration, the development of transfer facilities and the introduction of feeder services to and from such facilities. It is quite evident that public transport commuter demand in the Cacadu District is small in comparison to urban areas such as Port Elizabeth. Commuter demand during peak periods is restricted to movement between the residential townships and CBD's of towns. Much of the demand for public transport relates to scholar transport and long distance transport between towns.

Within in this context, the roles of public transport modes in the Cacadu district may be summarized as follows:

- Rail transport is limited to main line long-distance passenger services
- Bus transport is limited to long-distance services
- Mini-bus taxi services are used for local, scholar and long-distance services.

The limited passenger demand within the District, makes mini-bus taxi services the ideal mode of transport for both local and long distance services. The use of vehicles for both commuter and long distance operations makes services more viable in the rural areas. The topography and road condition in the Cacadu District is of such a nature that "bakkie taxis" are not required to service rural areas – all such services can be provided by means of mini-bus taxis.

### **(ii) Implementation Principles & Conditions**

The following implementation principles and conditions have been set for public transport services in the Cacadu District:

#### **a. Hierarchy of Evaluation Procedures**

The Operating License Board currently refers all applications, irrespective of service type, to the CDM for evaluation. This large volume of documentation is deemed to be inappropriate given the limited extent of public transport services in the Cacadu District. The Cacadu OLS is therefore based upon a stratified / layered approach for the evaluation of route operating license applications, varying from a high order level where applications are to be assessed in detail by the CDM, down to a lower order level, where the CDM, in consultation with the OLB, agrees on a policy level approach, with the OLB implementing these policies without needing to refer applications to the CDM for evaluation/ratification.

The hierarchy is as follows:

**- Detailed Information**

- Mini-bus taxi type service (local/commuter)

This tier should contain detailed supply, demand and operational data, as this is the primary focus of the OLS. The planning authority (PA) should collect adequate data to make clear recommendations in the OLS as to how these services are to be dealt with in its area of jurisdiction. The OLB refers all these applications to the PA for comment. The OLB **must** act in accordance with the recommendations of the PA.

**- Policy Level Information**

- Mini-bus taxi type service (inter-town / long distance)
- Metered taxis
- Scholar transport

At this level, it will not be expected from the planning authority to collect detailed supply and demand information. However, basic conditions and evaluation criteria must be set by the planning authority that guides the OLB on how it should treat these applications. These conditions and criteria are to be developed in conjunction with the OLB, ECDOT and PA. The OLB may issue licenses in accordance with the agreed guidelines and only notify the PA of its actions.

**- Services not detailed in the OLS**

- Charter / organised parties
- Courtesy services
- Staff service
- Tourist transport
- Special events

These services are not dealt with in the OLS and the OLB evaluate these applications in accordance with basic conditions and evaluation criteria as set by the EC DOT and OLB, as governed by the Act.

**b. Definition of local / long distance services**

The National Land Transport Act defines “*long-distance service*” as “*a scheduled or unscheduled public transport service, other than a service for commuting that is provided beyond the boundary of the area covered by an integrated transport plan*”

The Act also allows ITP’s to be prepared at Local Municipality Level – in fact the transport sector plan of the LMA’s IDP is effectively an ITP. Although, in practice, the ITP’s are prepared for a district level, this does not mean that they cannot be prepared at LMA level. In view of this, it is proposed that a long distance service be considered to be any service (that is not a commuter service) that crosses the boundary of an LMA.

Public transport services in this OLS are therefore defined as follows:

- *Commuter / local routes* within towns, or within the same LMA (this includes, for example routes between Humansdorp and Jeffreys Bay / St Francis, as it occurs within the same LMA)

- *Inter-town routes within the CDM* (for the purposes of this ITP, this includes routes originating or terminating in the Nelson Mandela Bay Municipality)
- *Inter-town routes outside the CDM*

**c. Number of routes per vehicle**

The OLB currently limits the number of routes per operating license to 5 local/commuter routes per vehicle and 3 long distances routes per vehicle. This only applicable to associations which have registered local and long/distance routes.

**d. Route codes and descriptions**

The OLAs route number and description will be used as a standard. The route number will be the ECBR number assigned by the OLB.

**e. Use of bakkie taxis**

The topography and road condition in the Cacadu District is of such a nature that “bakkie taxis” are not required to service rural areas – all such services can be provided by means of mini-bus taxis. No operating licenses will therefore be issued to bakkies, unless the need therefore can be motivated by the applicant and the vehicle is suitably adapted in accordance with the relevant regulations.

**(iii) OPERATING LICENCES PLAN**

The recommendations contained in this OLS are based upon the information contained in the CPTR prepared in 2008 – no additional information was collected for this review/update. It is, however, highly recommended that the CPTR information should be updated on a regular basis in order to ensure that the current situation is reflected in the OLS and the proposed be defended in a court of law, if required. It should be noted moreover that whenever an application for an operating licence is made for a specific route in the Cacadu District, and the recommendation for the application has to be considered, the necessary surveys should be conducted by the CDM on all routes for which there is insufficient information available. These include route utilization, rank utilization and waiting-time surveys. The relevant recommendation could therefore be reviewed if there is clear evidence from the surveys that the operating conditions on that route would justify issuing an operating licence based on the conditions and evaluations made in the OLS.

**a. Local / Commuter Services**

Surveys that were conducted in 2008 illustrate that there is generally an oversupply of minibus taxis on nearly all local routes. The 2008 mini-bus taxi surveys did not differentiate between different routes (albeit the same origin and destination), the vehicle supply and demand has been totalled per destination and/or town to determine the overall status for supply and demand. Future surveys will need to be more detailed in order to refine this data.



### b. Long Distance Services

With the exception of NOLDTA, which only operates long distance services, all associations operate a combination of local commuter routes and inter-town routes. It is recommended that application for long distance routes only be awarded on condition that there is no over supply on local commuter routes at the origin of the route. The CDM will therefore not support any application for long distance routes only.

### c. Metered Taxi Services

No metered taxi services are currently provided in the Cacadu District. Applications for metered taxi services should be evaluated in accordance with the following conditions:

- Services are not to run in parallel with local/commuter mini-bus taxi routes;
- Vehicles are to be fitted with meters and signage as required in accordance with the relevant regulations;
- Services are not to run beyond the boundary of the LMA in which the licence is granted.

### d. Scholar Services

The ECDOT is in the process of taking over the administration of scholar transport from the Department of Education. The Cacadu DM will liaise with the ECDOT as to the procedures to be followed once this function has been transferred and the scholar transport policy finalised.

### e. Other Applications / Procedures

Application referrals are to be made to the following authorities, as indicated in **table** below:

**Table 4.23** Application Referrals

Type of Service	Referrals
Local mini-bus taxi service	CDM, LMA
Inter-town taxi service with origin and destination within the Cacadu District	CDM, both affected LMAs
Inter-town taxi service with origin or destination outside the Cacadu District	CDM, affected LMA within CDM, any other DM and LMA where loading or off-loading is proposed
Metered taxi service	CDM, LMA

### 4.3.5 AREA BASED PLAN (ABP)

The CDM during the course of 2008 formulated an Area Based Plan (ABP) in conjunction with a Land Availability Audit (LAA) for the entire Cacadu District. An ABP is essentially a sector plan that addresses land related issues at a municipal level and is intended to form part of the IDP and SDF. A key component of the ABP is to outline core land reform objectives and strategies on a District level whilst simultaneously highlighting opportunities that will further unlock socio-economic potential and inform decision making at a municipal level.

In essence the ABP is comprised of four pillars, namely:

- **Audit:** Determine what the nature of the problems, issues and challenges are within the District with respect to land reform through a status quo description of:
  - Land ownership.
  - Land use and potential.
  - Land prices with respect to land use.
  - Development linkages.
  - Development applications.
  - Land demand and tenure needs.
- **Assess:** Assess the implication of this land and development information, both in terms of agrarian and human settlement needs and issues. The assessment will identify the impact that land reform has within the municipality, the extent to which it aligns with IDP objectives and determine the gaps that need to be addressed.
- **Strategise:** Develop a vision and strategies as to how the land reform programme in the municipality can:
  - Be guided to achieve the core objectives of the Department of Land Affairs (DLA).
  - Brought into line with the existing IDP and land use frameworks.
  - Help to address issues of equity, good governance, poverty alleviation and economic growth.
- **Address:** Be pro-active through the identification of practical land reform projects and interventions that can be implemented.

Based on information obtained from the audit and assessment pillars of the ABP, objectives and strategies have been formulated so as to aim for the implementation of relevant land reform targets. These are reflected in the following:

**Table 4.24: Objectives and strategies**

OBJECTIVE	STRATEGIES	INTERVENTIONS
<b>Objective 1: Sustainable Transfer of land to Previously Disadvantaged Communities</b>	<ul style="list-style-type: none"> <li>• Consider the financial feasibility and sustainability of the project</li> <li>• Consider the socio economic impact</li> <li>• Assess need</li> <li>• Ensure alignment of proper support systems</li> </ul>	<ul style="list-style-type: none"> <li>• LM's to prepare detailed land reform needs and compile beneficiary lists</li> <li>• Implement a pre-scan project process on LM Level whereby the model for project assessment being implemented on individual project applications</li> <li>• Co-ordinate LM alignment of land reform assistance with District Land Reform Office</li> <li>• Assess the possibility of signing the land reform function to the IDP Office or Land and Housing portfolio</li> </ul>
<b>Objective 2: Co-ordination between Role Players and Stakeholders</b>	<ul style="list-style-type: none"> <li>• Identify all the stakeholders in the process</li> <li>• Identify stakeholder roles and responsibilities</li> <li>• Dedicate persons to oversee the co-ordination between the different state organs</li> </ul>	<ul style="list-style-type: none"> <li>• LM to attend District Land Reform Screening Committee meetings on a regular basis and identify Officials / Councillors to attend these meetings</li> <li>• Establish inter-governmental and inter-municipal working group to co-ordinate and facilitate various roles, responsibilities and budgets</li> <li>• Established working group to include commodity organisations and all role players within the agricultural sector</li> <li>• Clarify constitutional role of Local Government within the land reform process</li> </ul>
<b>Objective 3: Scientific Methodology to Inform Land Purchase Decisions</b>	<ul style="list-style-type: none"> <li>• Develop and refine a model that informs land purchase decisions</li> <li>• Develop methodology to align beneficiaries to sustainable land reform projects</li> </ul>	<ul style="list-style-type: none"> <li>• Refine land reform assessment model as proposed by ABP</li> <li>• Implement electronic system at LM Level to use model for land reform applications</li> <li>• Refine key focus areas based on model application</li> </ul>
<b>Objective 4: Develop Support Structures</b>	<ul style="list-style-type: none"> <li>• Build capacity amongst officials to deal effectively with the demands of the land reform process</li> <li>• Create support structures for beneficiaries before land is transferred</li> </ul>	<ul style="list-style-type: none"> <li>• Identify role players in capacity building and putting tertiary programmes in place to support land reform programme</li> <li>• Interact with tertiary education facilities in the region, i.e. NMMU, to assist and support with training programmes and possible training qualifications for DLA planners and land reform implementers</li> <li>• Develop and implement programme for beneficiary support, training and after transfer service</li> </ul>
<b>Objective 5: Expand Agricultural Base</b>	<ul style="list-style-type: none"> <li>• Identify unproductive land with medium to high potential</li> <li>• Identify unproductive land that needs capital support</li> <li>• Consolidation of land to create viable units</li> <li>• Identify potential irrigation schemes</li> </ul>	<ul style="list-style-type: none"> <li>• Implement detailed assessment of key focus areas with emphasis on viability of existing farming units and possible identification for future reform</li> <li>• Implement an early warning system and direct communication channels between various commercial farming organisations to the Department of Land Affairs, identifying possible land transfer opportunities</li> </ul>

OBJECTIVE	STRATEGIES	INTERVENTIONS
<b>Objective 6: Development and Training of beneficiaries and creating capacity amongst Government Officials</b>	<ul style="list-style-type: none"> <li>• Implement beneficiary training programmes</li> <li>• Ensure skills development for all beneficiaries</li> <li>• Ensure enhanced and accelerated capacity building of government officials</li> </ul>	<ul style="list-style-type: none"> <li>• Implement tertiary education programmes to build capacity in DLA and Project Manager Level</li> <li>• Align DLA initiatives to ensure accelerated beneficiary training and sustainability</li> <li>• Implementation of a farm manger database through tender processes and involvement of commodity organisations</li> </ul>
<b>Objective 7: Focus on economic development and job creation</b>	<ul style="list-style-type: none"> <li>• Prioritize projects with socio-economic spin-offs</li> <li>• Prioritise projects with high job creation potential</li> </ul>	<ul style="list-style-type: none"> <li>• Align LM IDP"s, SDF"s and LED"s with land reform process and ensure incorporation of strategies and projects to support land reform process</li> <li>• Identify and prioritise reform project with high economic sustainability and high level of beneficiaries per hectare</li> </ul>
<b>Objective 8: Protection of natural resources</b>	<ul style="list-style-type: none"> <li>• Consider sensitive biodiversity areas</li> <li>• Assess environmental impact of land reform</li> <li>• Encourage farming practices with low environmental impact</li> <li>• Prioritise protection against erosion</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure incorporation of Provincial biodiversity plan and ABP proposals in LM and DM SDF"s</li> <li>• Link land identification and refinement of focus areas with Provincial biodiversity plan</li> <li>• Incorporate the protection of natural resources as part of the tertiary education programme and capacitation of beneficiaries</li> </ul>

#### i) CDM Land Reform Targets

One of the primary objectives of the DLA is to redistribute 30% of white owned agricultural land by 2014 to previously disadvantaged communities for sustainable agricultural development. The table below indicates the total land area per Local Municipality, land area excluded from the 30% target (e.g. National Parks, etc) and the resultant land area remaining in possession of white commercial agriculture.

To date the Cacadu region has achieved redistribution amounting to 6.31% of the 30% target. This leaves an estimated 1333390 ha to be redistributed in the next six years, a highly improbable target.

**Table 4.25: Land reform targets**

Local Municipality	Land Area	Total Exclusions	Remaining Land Available (White Owned)	30% Target	Land Redistribution 1994- 2008	Remaining Target	% Achieved
Camdeboo	722993	206314	516678	155003	7605	147398	5.16%
Blue Crane Route	983557	176285	807271	242181	16274	225906	7.20%
Ikwezi	445313	73162	372151	111645	4310	107335	4.02%
Makana	437561	159089	278472	83541	13113	70428	18.62%
Ndlambe	184064	32362	151702	45510	4083	41427	9.86%
Sundays River Valley	350790	106207	244583	73375	16228	57146	28.40%
Baviaans	772706	120368	652338	195701	4990	190711	2.62%
Kouga	241941	51577	190363	57109	7890	49218	16.03%
Kou-Kamma	357371	56650	300720	90216	9609	80607	11.92%
District Managed Area	1328029	117324	1210704	363211	0	363211	0.00%
<b>Totals</b>	<b>5824329.81</b>	<b>1099341.92</b>	<b>4724987.89</b>	<b>1417496.37</b>	<b>84105.56</b>	<b>1333390.81</b>	<b>6.31%</b>

The table below illustrates various scenarios required to achieve the 30% target by 2014. At an estimated average price of R8 333 per ha escalating at 10% per annum the table indicates an approximate cost and budget necessary to achieve the target. The average price per hectare is based on the LRO 2008/9 budget and projects.

**Table 4.26 Land reform target scenarios**

YEAR	2208	2009	2010	2011	2012	2013	2014	TOTAL
<b>Scenario 1</b>								
Hectare	18,000	226,506	226,506	226,556	226,506	226,506	226,506	1,377,036
Budget	150,000,000	2,000,803,000	2,120,851,180	2,248,102,251	2,382,988,386	2,525,967,689	2,677,525,750	14,106,238,256
Average ha price increased by 6%	8,333	8,833	9,363	9,925	10,521	11,152	11,821	
<b>Scenario 2</b>								
Hectare	18,000	27,000	54,000	108,000	216,000	432,000	576,000	1,431,000
Budget	150,000,000	238,500,000	505,620,000	1,071,914,400	2,272,458,528	4,817,612,079	6,808,891,739	15,864,996,746
Average ha price increased by 6%	8,333	8,833	9,363	9,925	10,521	11,152	11,821	
<b>Scenario 3</b>								
Hectare	18,000	27,000	40,500	60,750	91,125	136,688	205,031	579,094
Budget	150,000,000	238,500,000	393,525,000	649,316,250	1,071,371,813	1,767,763,491	2,916,809,760	7,187,286,313
Average ha price increased by 6%	8,333	8,833	9,363	9,925	10,521	11,152	11,821	

- **Scenario 1**

In scenario 1 the remaining hectares were divided by 6 and the land price increased by 6%. This would give an indication of the scale of the task required in order to achieve the set 30% target. It is not realistic to expect this scenario to be workable as the redistribution output cannot be increased 12 times over and be retained at that level for 6 years.

- **Scenario 2**

Scenario 2 reflects a “*double up*” scenario. The previous year’s achievement is doubled to the next year. This does not seem to be realistic, given budget and resource restrictions.

- **Scenario 3**

Scenario 3 proposes a more gradual approach where the previous year’s achievements are surpassed by 50% each year. With this scenario only 42% of the target will be achieved by 2014. In order to implement Scenario 3, it is recommended that the existing staff and institutional capacity of the DLA be extended with the possible assistance and harnessing of private support in managing the process. In reality, the increase of a 50% budget allocation year-on-year would place significant strain on existing human resources and institutional capacity should therefore be directly linked to budget increases. It is clear from the calculated and required land reform targets and various scenarios as outlined that in order to achieve any of the scenarios, a substantial effort with respect to budget and institutional contribution should be made over the next 6 years. The reality is that existing systems and mechanisms are not adequate to deal with the task at hand. For the purpose of the ABP and short-term planning, it is recommended that as an interim mechanism, Scenario 3 be explored and developed. Based on increased institutional and financial capacity and possibly legislative adjustments and amendments, Scenario 2 and 1 should be explored in future.

Given the above, geographical focus areas have been determined in order to contribute to the sustainable land reform process within the Cacadu District. The determination of the focus areas were informed by four main determinants, namely:

- Physical Criteria for the determination of focus areas.
- Proactive Land Acquisition Strategy (PLAS) Program guidelines such as:
  - Settlement in a corridor along main roads in the province.
  - Consideration of the nodal development concept where certain towns are preferred for development based on infrastructural and efficiency criteria.
- Enterprise concentration, infrastructure and available support systems.
- Expansion of Municipal commonages.

The diagram on page 179 indicates the focus areas where the land reform process should be concentrated on as a result of the four main determinants as mentioned above. These focus areas do not indicate a specific border on a map but rather a focal point. The intention with the focus areas is not that the whole area should become a project and that all the land will have to be bought with for instance the PLAS Land Reform Program. It is envisaged that certain larger projects will be identified in these focus areas. These programs will then be developed within the ambit of the different

Land Reform Programs. In addition a project evaluation model has been developed as part and parcel of the ABP process. Any potential land reform project should therefore be assessed in terms of the model so to assess its viability and sustainability.

The key focus areas are as follows:

- **Key Focus Area 1 : Humansdorp, Hankey and Patensie**

According to the situation analyses report this area is known for the production for dairy, citrus and vegetable farming. It is a well established farming area with the necessary infrastructure to support the particular farming industries. The farming is intensive and the distance from the main markets is not excessive.

- **Key Focus Area 2 : Kirkwood, Addo and Lower Sundays River Valley**

This area is well known as a Citrus producing area. The Citrus infrastructure and support industries are well developed. The area is closely situated to a major port which is important to the exporting of citrus products. This area covers a large proposed extension of irrigation scheme project which is initiated by DWAF. This project has the potential to enhance agricultural production in the area.

- **Key Focus Area 3 : Grahamstown, Alexandria and Port Alfred**

It is noted that this area seems to be fairly large. The reason in part is that larger farms are needed and that farming is not as intensive as with the other highly intensive areas. The area is well known for Dairy, Cattle and Pineapples. The supporting industries to these farming enterprises are well established. The area is bordered by three well established towns that supply the necessary infrastructure and markets for the farming enterprises.

- **Key Focus Area 4 : Somerset-East and Cookhouse**

This area is known for the production of Wheat, Maize and Lucerne under irrigation. Sheep and Goats are also farmed under extensive conditions. Investigations into a large Sugarbeet project is at present ongoing and would be an ideal vehicle to establish emerging farmers. The town of Somerset East is well established and is supporting the farming community at present adequately. The area is some distance from the markets and this is something to take into consideration when detail project planning is being done.

- **Key Focus Area 5 : Graaff-Reinet and Jansenville**

The focus area is fairly large for farming is based on extensive animal husbandry which requires large areas of land. Area is well known for extensive goat and sheep farming. The towns Graaff-Reinet and Jansenville are well established with well established support industries for goat and sheep farming, The area is some distance from the market (Port Elizabeth) for the farm products. This however is the nature for extensive farming areas. The focus area is following the main route between the two towns and Port Elizabeth.

## CACADU DISTRICT: ABP FOCUS AREAS

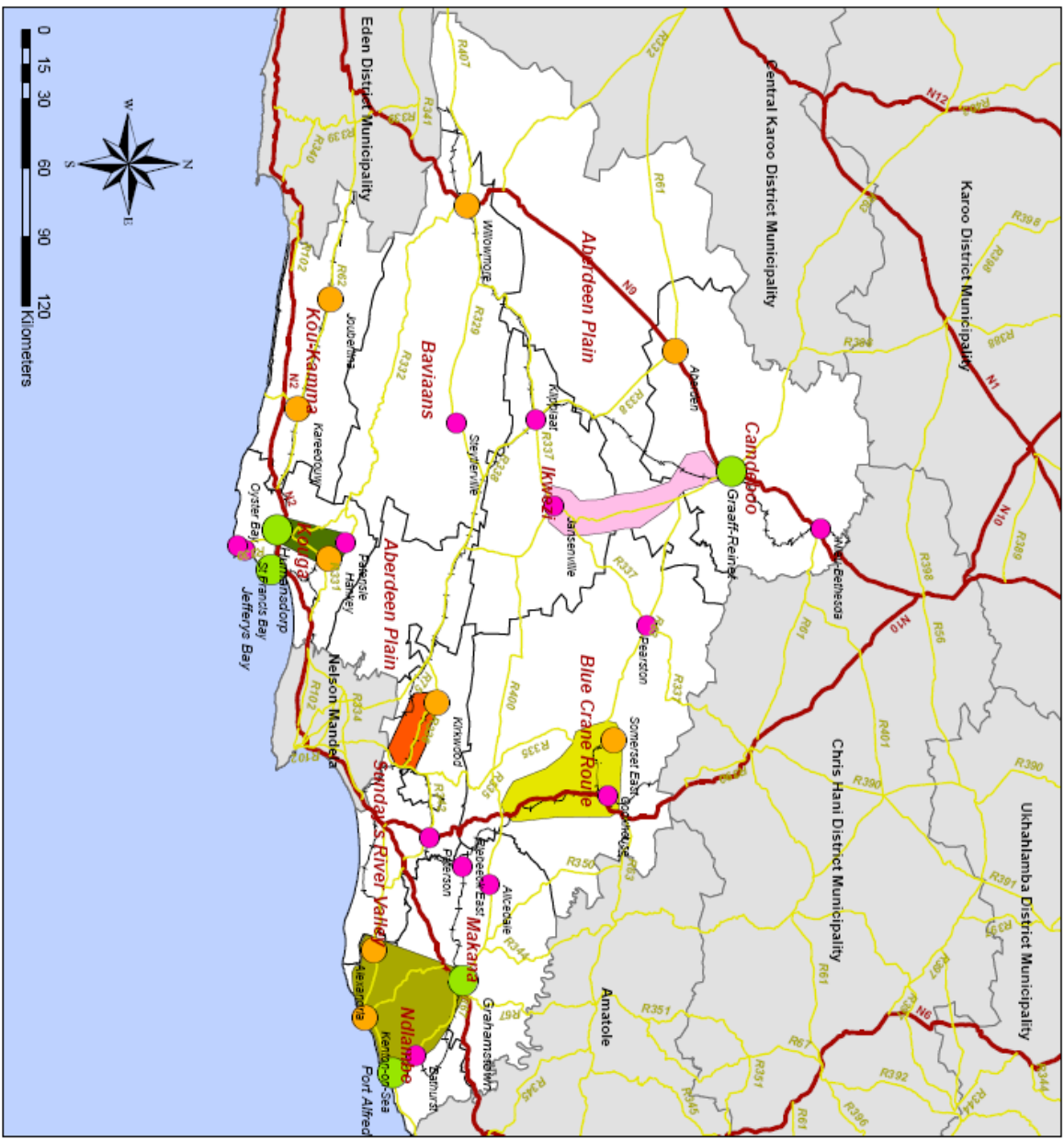
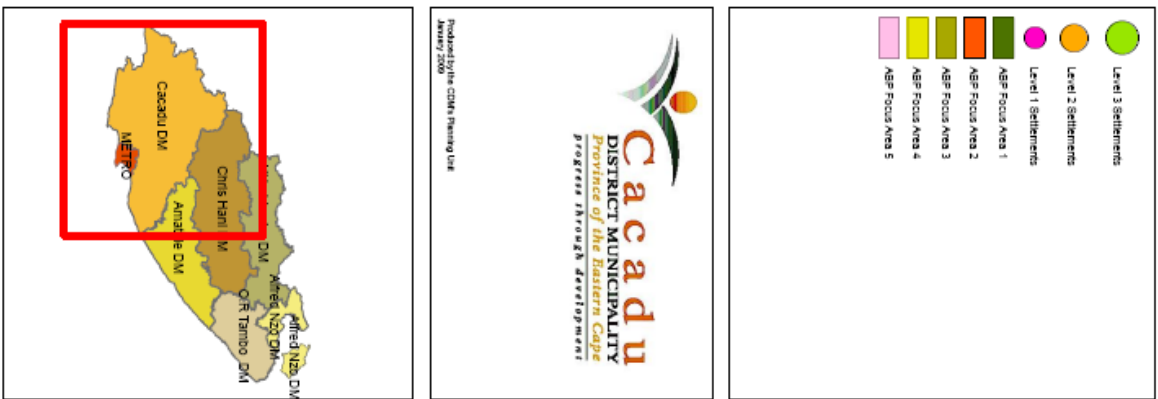


Figure 4.10: ABP Focus Areas





## ii) Land Availability

Within the District, Local Municipalities are faced with enormous challenges, one of which is the identification of appropriate land in order to facilitate:

- Decisions on the optimal arrangement of settlements in space based on concepts of sustainable development, i.e. how to best be able to determine where certain developments (e.g. housing) and support services should be provided regardless of the status of land ownership.

Since 1994, the majority of state managed housing developments have been loosely dictated to by localities where either land is the cheapest or where land falls under state ownership. Unfortunately these two criteria do not satisfy the principles of sustainable development which dictates the optimal arrangements of settlements in space.

In order to start to effectively implement the policy directives of the settlement hierarchy policy, the housing and settlement guidelines and the rural development guidelines, the CDM undertook a Land Availability Audit (LAA) within the District in conjunction with the ABP process. The premise behind the LAA was to view potential land for development not from non-sustainable confined criteria (e.g. only state owned land), but from a perspective where land is firstly identified according to its strategic importance in ensuring sustainable development regardless of land ownership status (i.e. private, state, etc).

Given the extensive work done in the LAA along with the analysis of housing demand in the various settlements of Cacadu, policy recommendations can now be made with respect to the implementation of Government funding, housing and associated infrastructure which needs to be based on the settlement hierarchy model as detailed in the CDM's Spatial Development Framework (SDF) along with the channelling of scarce resources in areas or locations of highest return.

It is accepted that the provision of subsidised housing by Government with associated infrastructure and social facilities are the biggest contributor to Government and State subsidised investment in the District. In order to channel this investment in a structured and well-planned manner, based on the settlement hierarchy principles, the LAA assessed the need for housing as identified by the varying Local Municipality IDPs and SDFs. The following table outlines subsidised housing demand for the Local Municipalities within Cacadu and land identified through the LM SDF and IDP processes for this purpose. Relative densities are expressed, in most cases, based on SDF proposals with minor adjustments to adhere to the principles of densification and integration. Therefore, the densities and possible housing carrying capacity for land units vary from 50 units per ha to 15 units per ha.

**Table 4.27 Land demand**

LM	TOWN / SETTLEMENT	SETTLEMENT LEVEL (REVISED)	HOUSING DEMAND (SHORT / MEDIUM TERM- SDF / IDP)	LAND IDENTIFIED BY SDF (ha)	UNITS AT OPTIMAL DENSITY	OVER / UNDER PROVISION
Makana	Riebeeck East	Level 1	450	9.93	298	-152
	Alicedale	Level 1	450	37.07	1112	662
	Grahamstown	Level 3	12000	792.34	23770	11770
	<b>Total</b>		<b>12900</b>	<b>839.34</b>	<b>25180</b>	<b>12280</b>
Kouga	Jeffrey's Bay	Level 3	3390	136.75	4103	713
	Humansdorp	Level 3	3720	526.11	15783	12063
	Hankey	Level 2	1840	105.39	3162	1322
	Patensie	Level 1	740	37.02	463	-277
	Loerie	Level 1	410	26.21	786	376
	Thornhill	Level 1	500	39.98	1199	699
	Oyster Bay	Level 1				
	St Francis	Level 1	840	86.95	2609	1769
<b>Total</b>		<b>11440</b>	<b>958.41</b>	<b>28105</b>	<b>16665</b>	
Kou Kamma	Clarkson / Mfengu	Level 1	200	79.59	2388	2188
	Coldstream	Level 1	31	44.06	1322	1291
	Krakeelrivier	Level 1	200	14.16	425	225
	Louterwater	Level 1	77	13.18	395	318
	Misgund	Level 1	61	33.53	1006	945
	Sanddrift / Thornham	Level 1	200	51.61	1548	1348
	Storms River	Level 1	83	11.3	339	256
	Woodlands	Level 1	237	64.03	1921	1684
	Eersterivier	Level 1	149	7.18	215	66
	Joubertina	Level 2	245	54.57	1637	1392
	Kareedouw	Level 2	220	168.22	5047	4827
<b>Total</b>		<b>1703</b>	<b>541.43</b>	<b>16243</b>	<b>14540</b>	
Baviaans	Steytlerville	Level 1	380	1134.83	32488	32108
	Willowmore	Level 2	380	92.55	1460	1080
	<b>Total</b>		<b>760</b>	<b>1227.38</b>	<b>33948</b>	<b>33188</b>
Ikwezi	Jansenville	Level 1	1000	222.58	6677	5677
	Waterford	Level 1	150	0	0	-150
	Klipplaat	Level 1	425	16.9	507	82
	<b>Total</b>		<b>1575</b>	<b>239.48</b>	<b>7184</b>	<b>5609</b>
Camdeboo	Graaff-Reinet	Level 3	975	478.2	14346	13371
	Aberdeen	Level 2	400	65.48	1964	1564
	Nieu-Bethesda	Level 1	400	13.71	411	11
	<b>Total</b>		<b>1775</b>	<b>557.39</b>	<b>16722</b>	<b>14947</b>
Sunday's River Valley	Kirkwood	Level 2	1480	73.43	2203	723
	Addo	Level 1	1710	161.11	4787	3077
	Paterson	Level 1	900	81.58	2447	1547
	<b>Total</b>		<b>4090</b>	<b>316.12</b>	<b>9438</b>	<b>5348</b>
Ndlambe	Port Alfred	Level 3	4431	329.26	13402	8971
	Alexandria	Level 2	830	273.77	10985	10155
	Bathurst	Level 1	472	57.69	2389	1917
	Kenton on Sea	Level 2	1606	165.62	6695	5089
	Boknes / Canon Rocks	Level 1		3.99	160	160
	<b>Total</b>		<b>7339</b>	<b>830.33</b>	<b>33630</b>	<b>26291</b>

LM	TOWN / SETTLEMENT	SETTLEMENT LEVEL (REVISED)	HOUSING DEMAND (SHORT / MEDIUM TERM- SDF / IDP)	LAND IDENTIFIED BY SDF (ha)	UNITS AT OPTIMAL DENSITY	OVER / UNDER PROVISION
Blue Crane Route	Somerset East	Level 2	1800	36.41	1092	-708
	Pearston	Level 1	650	4.65	410	-510
	Cookhouse	Level 1	203	63.55	1907	1704
	<b>Total</b>		<b>2653</b>	<b>104.61</b>	<b>3138</b>	<b>485</b>
<b>TOTALS</b>			<b>44235</b>	<b>5614.49</b>	<b>173589</b>	<b>129354</b>

Based on the revised settlement hierarchy, and within the assumption that the relevant gross densities for sustainable land management are used, the following key observations are made:

- Housing demand and land identified are based on subsidised housing, and exclude private development initiatives.
- Calculations for land demand are based on subsidised housing in the various LMs and urban areas. Optimal density is based on approximately 30 units per ha (this varies within the LM's based on SDF proposals), with a net residential opportunity size of 250m<sup>2</sup>, allowing for 25% of land for non-residential purposes.
- Level 3 settlements, based on identified land for future expansion, can accommodate approximately 71 000 subsidised housing units. This represents a wide range of housing topologies as per SDF proposals.
- Adequate land as been identified in Level 2 settlements to accommodate approximately 34 000 subsidised houses.
- Approximately 160% of the existing housing demand (44 000) can be accommodated in Level 3 settlements alone. Noting that land identified in Level 3 settlements at an optimum density of 30 units per ha can accommodate 71 000 subsidised housing units.
- Based on the settlement hierarchy and the proposals that investments should take place in areas of highest return and opportunity, it is noted that from a broad settlement perspective, the investment relating to housing delivery and services should be prioritised in Level 3 and 2 settlements. Land identified and available through SDF planning initiatives in these areas are adequate to address the medium to long term housing requirements within the District.
- Areas where land identification results in an under-supply to accommodate future housing needs, with specific reference to Level 2 settlements, should be re-assessed and revised as part of the SDF review processes.
- Investment and land acquisition, in the case of privately owned land, in Level 3 settlements should be prioritised to maximize existing resources in these settlements and promote the future settlement in these locations.
- The second priority for settlement allocation and resource distribution should be in the Level 2 settlements and investment in Level 1 settlements should be based on the provision of basic services as per the Constitution, only.
- Ultimate and sustainable residential densities and housing topologies are supported on a National basis through various Government policies and legislative requirements. The principle of densification, prevention of urban sprawl and settlement of areas of optimum return should be promoted on Provincial, District and Local Level.

- The provision of housing in these prioritised areas (Level 3 and Level 2 settlements) should be done holistically within the parameters of sustainable development, including a wide range of housing topologies, social services, infrastructure provision and commercial and job creation facilities.

#### **4.3.6 COMPREHENSIVE INFRASTRUCTURE PLANS**

Comprehensive Infrastructure Plans (CIPs), as initiated by DPLG, are in the process of being developed for each Local Municipality within the Cacadu District. The overriding purpose of CIPs is to develop a platform which will serve as a single process for all tiers of government with respect to infrastructure provision / service delivery. To date, phase one of the CIP development has been completed. The outcomes of phase one, i.e. draft monetary requirements to address infrastructural backlogs, per Local Municipality are reflected in the tables overleaf.

**MAKANA**

10	Intervention	11	Total Amount	12	01-Mar-09	13	01-Mar-10	14	01-Mar-11	15	29-Feb-12	16	28-Feb-13	17	28-Feb-14	18	28-Feb-15	19	28-Feb-16
	<b>Housing</b>	<b>R 368,900,000</b>		<b>R 59,108,200</b>		<b>R 74,219,000</b>		<b>R 52,537,800</b>		<b>R 45,000,000</b>		<b>R 41,060,000</b>		<b>R 22,500,000</b>		<b>R 20,000,000</b>		<b>R -</b>	
	Water Backlogs	R 2,454,000		R 2,454,000		R -		R -		R -		R -		R -		R -		R -	
	Water Refurbishment	R 15,000,000		R 2,000,000		R 2,000,000		R 2,000,000		R 3,000,000		R 2,000,000		R 2,000,000		R 1,000,000		R 1,000,000	
	Water Bulk Works	R 25,888,205		R 4,040,630		R 14,062,000		R 6,098,575		R 500,000		R 500,000		R 500,000		R 187,000		R -	
	Sanitation Backlogs	R 26,000,000		R 5,000,000		R 5,000,000		R 5,000,000		R 5,000,000		R 6,000,000		R -		R -		R -	
	Sanitation Refurbishment	R 69,342,205		R 13,494,630		R 21,062,000		R 13,098,575		R 8,500,000		R 8,500,000		R 8,500,000		R 1,187,000		R 1,000,000	
	Sanitation Bulk Treatment Works	R 70,955,732		R 21,500,000		R 19,699,324		R 7,396,408		R 5,000,000		R 5,000,000		R 5,000,000		R 5,000,000		R 2,360,000	
	Roads: new	R 31,500,000		R 4,500,000		R 4,500,000		R 4,500,000		R 4,000,000		R 3,500,000		R 3,500,000		R 3,500,000		R 3,500,000	
	Roads: upgrading	R 15,000,000		R 7,500,000		R 7,500,000		R -		R -		R -		R -		R -		R -	
	Taxi facilities	R 41,000,000		R 7,000,000		R 17,000,000		R 10,000,000		R 7,000,000		R -		R -		R -		R -	
	Roads: maintenance	R 158,455,732		R 40,500,000		R 48,699,324		R 21,896,408		R 16,000,000		R 8,500,000		R 8,500,000		R 8,500,000		R 8,500,000	
	Electricity Backlogs	R 161,200,000		R 27,000,000		R 26,000,000		R 25,000,000		R 25,000,000		R 25,800,000		R 18,300,000		R 14,100,000		R -	
	Electricity Refurbishment	R -		R -		R -		R -		R -		R -		R -		R -		R -	
	Electricity Distribution	R -		R -		R -		R -		R -		R -		R -		R -		R -	
	Electricity Substations	R -		R -		R -		R -		R -		R -		R -		R -		R -	
		R 757,897,937		R 140,102,830		R 169,980,324		R 112,532,783		R 94,500,000		R 83,860,000		R 51,800,000		R 43,787,000		R 6,860,000	

**IKWEZI**

Intervention	Total Amount	01-Mar-09	01-Mar-10	01-Mar-11	29-Feb-12	28-Feb-13	28-Feb-14	28-Feb-15	28-Feb-16
<b>Housing</b>	<b>R 39,060,000</b>	<b>R 4,240,000</b>	<b>R 7,810,000</b>	<b>R 7,810,000</b>	<b>R 7,810,000</b>	<b>R 7,810,000</b>	<b>R 3,550,000</b>	<b>R -</b>	<b>R -</b>
Water Backlogs	R 19,140,000	R 2,080,000	R 3,830,000	R 3,830,000	R 3,830,000	R 3,830,000	R 1,740,000	R -	R -
Water Refurbishment	R -	R -	R -	R -	R -	R -	R -	R -	R -
Water Bulk	R 17,390,000	R 1,890,000	R 3,480,000	R 3,480,000	R 3,480,000	R 3,480,000	R 1,580,000	R -	R -
Water Treatment Works	R 7,000,000	R 3,820,000	R 3,180,000	R -	R -	R -	R -	R -	R -
<b>Sanitation Backlogs</b>	<b>R 43,530,000</b>	<b>R 7,790,000</b>	<b>R 10,490,000</b>	<b>R 7,310,000</b>	<b>R 7,310,000</b>	<b>R 7,310,000</b>	<b>R 3,320,000</b>	<b>R -</b>	<b>R -</b>
Sanitation Backlogs	R 31,880,000	R 3,460,000	R 6,380,000	R 6,380,000	R 6,380,000	R 6,380,000	R 2,900,000	R -	R -
Sanitation Refurbishment	R -	R -	R -	R -	R -	R -	R -	R -	R -
Sanitation Bulk	R -	R -	R -	R -	R -	R -	R -	R -	R -
Sanitation Treatment Works	R -	R -	R -	R -	R -	R -	R -	R -	R -
<b>Roads: new</b>	<b>R 31,880,000</b>	<b>R 3,460,000</b>	<b>R 6,380,000</b>	<b>R 6,380,000</b>	<b>R 6,380,000</b>	<b>R 6,380,000</b>	<b>R 2,900,000</b>	<b>R -</b>	<b>R -</b>
Roads: new	R 27,290,000	R 18,760,000	R 8,530,000	R -	R -	R -	R -	R -	R -
Roads: upgrading	R -	R -	R -	R -	R -	R -	R -	R -	R -
Taxi facilities	R -	R -	R -	R -	R -	R -	R -	R -	R -
Roads: maintenance	R -	R -	R -	R -	R -	R -	R -	R -	R -
<b>Electricity Backlogs</b>	<b>R 27,290,000</b>	<b>R 18,760,000</b>	<b>R 8,530,000</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>
Electricity Backlogs	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Refurbishment	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Distribution	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Substations	R -	R -	R -	R -	R -	R -	R -	R -	R -
	<b>R 141,760,000</b>	<b>R 34,250,000</b>	<b>R 33,210,000</b>	<b>R 21,500,000</b>	<b>R 21,500,000</b>	<b>R 21,500,000</b>	<b>R 9,770,000</b>	<b>R -</b>	<b>R -</b>

### BLUE CRANE ROUTE

Intervention	Total Amount	01-Mar-09	01-Mar-10	01-Mar-11	29-Feb-12	28-Feb-13	28-Feb-14	28-Feb-15	28-Feb-16
<b>Housing</b>	<b>R 52,400,245</b>	<b>R 14,078,813</b>	<b>R 20,176,416</b>	<b>R 16,418,821</b>	<b>R 4,271,195</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>
Water Backlogs	R 3,829,999	R 3,829,999	R -	R -	R -	R -	R -	R -	R -
Water Refurbishment	R 60,000,000	R 7,000,000	R 7,000,000	R 7,000,000	R 7,000,000	R 7,000,000	R 7,000,000	R 7,000,000	R 11,000,000
Water Bulk	R 3,770,000	R 1,000,000	R 2,770,000	R -	R -	R -	R -	R -	R -
Water Treatment Works	R 25,000,000	R 5,500,000	R 7,500,000	R 5,000,000	R 4,000,000	R 3,000,000	R -	R -	R -
<b>Sanitation Backlogs</b>	<b>R 92,599,999</b>	<b>R 17,329,999</b>	<b>R 17,270,000</b>	<b>R 12,000,000</b>	<b>R 11,000,000</b>	<b>R 10,000,000</b>	<b>R 7,000,000</b>	<b>R 7,000,000</b>	<b>R 11,000,000</b>
Sanitation Backlogs	R 15,137,000	R 11,487,000	R 2,650,000	R 1,000,000	R -	R -	R -	R -	R -
Sanitation Refurbishment	R 34,000,000	R 4,000,000	R 4,000,000	R 4,000,000	R 4,000,000	R 4,000,000	R 4,000,000	R 5,000,000	R 5,000,000
Sanitation Bulk	R 14,700,000	R 8,200,000	R 6,500,000	R -	R -	R -	R -	R -	R -
Sanitation Treatment Works	R 27,000,000	R 5,000,000	R 8,500,000	R 8,500,000	R 2,500,000	R 2,500,000	R -	R -	R -
<b>Roads: new</b>	<b>R 173,000,000</b>	<b>R 32,500,000</b>	<b>R 32,500,000</b>	<b>R 30,000,000</b>	<b>R 20,000,000</b>	<b>R 20,000,000</b>	<b>R 20,000,000</b>	<b>R 18,000,000</b>	<b>R -</b>
Roads: upgrading	R -	R -	R -	R -	R -	R -	R -	R -	R -
Taxi facilities	R -	R -	R -	R -	R -	R -	R -	R -	R -
Roads: maintenance	R -	R -	R -	R -	R -	R -	R -	R -	R -
<b>Electricity Backlogs</b>	<b>R 173,000,000</b>	<b>R 32,500,000</b>	<b>R 32,500,000</b>	<b>R 30,000,000</b>	<b>R 20,000,000</b>	<b>R 20,000,000</b>	<b>R 20,000,000</b>	<b>R 18,000,000</b>	<b>R -</b>
Electricity Backlogs	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Refurbishment	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Distribution	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Substations	R -	R -	R -	R -	R -	R -	R -	R -	R -
	<b>R 408,837,244</b>	<b>R 92,595,812</b>	<b>R 91,596,416</b>	<b>R 71,918,821</b>	<b>R 41,771,195</b>	<b>R 36,500,000</b>	<b>R 31,000,000</b>	<b>R 30,000,000</b>	<b>R 16,000,000</b>

## KOUGA

Intervention	Total Amount	01-Mar-09	01-Mar-10	01-Mar-11	29-Feb-12	28-Feb-13	28-Feb-14	28-Feb-15	28-Feb-16
<b>Housing</b>	<b>R 598,052,000</b>	<b>R 74,000,000</b>	<b>R 72,680,000</b>	<b>R 67,020,000</b>	<b>R 61,360,000</b>	<b>R 59,000,000</b>	<b>R 43,974,200</b>	<b>R 30,000,000</b>	<b>R -</b>
Water Backlogs	R 26,836,000	R 8,326,000	R 9,010,000	R 7,000,000	R 2,500,000	R -	R -	R -	R -
Water Refurbishment	R 22,900,800	R 3,000,000	R 3,000,000	R 3,000,000	R 3,000,000	R 3,000,000	R 3,000,000	R 3,000,000	R 1,900,800
Water Bulk	R 25,040,000	R 15,000,000	R 4,040,000	R 5,000,000	R 1,000,000	R -	R -	R -	R -
Water Treatment Works	R 13,934,000	R 934,000	R 3,000,000	R 5,750,000	R 4,250,000	R -	R -	R -	R -
<b>Sanitation Backlogs</b>	<b>R 88,710,800</b>	<b>R 27,260,000</b>	<b>R 19,050,000</b>	<b>R 20,750,000</b>	<b>R 10,750,000</b>	<b>R 3,000,000</b>	<b>R 3,000,000</b>	<b>R 3,000,000</b>	<b>R 1,900,800</b>
Sanitation Backlogs	R 37,718,385	R 27,718,385	R 10,000,000	R -	R -	R -	R -	R -	R -
Sanitation Refurbishment	R 50,750,000	R 6,650,000	R 11,600,000	R 7,500,000	R 5,000,000	R 5,000,000	R 5,000,000	R 5,000,000	R 5,000,000
Sanitation Bulk	R 39,665,000	R 9,100,000	R 8,700,000	R 6,000,000	R 5,000,000	R 5,000,000	R 5,000,000	R 865,000	R -
Sanitation Treatment Works	R 56,593,000	R 14,593,000	R 19,000,000	R 7,000,000	R 9,000,000	R 7,000,000	R -	R -	R -
<b>Roads: new</b>	<b>R 184,726,385</b>	<b>R 58,061,385</b>	<b>R 49,300,000</b>	<b>R 20,500,000</b>	<b>R 19,000,000</b>	<b>R 17,000,000</b>	<b>R 10,000,000</b>	<b>R 5,865,000</b>	<b>R 5,000,000</b>
Roads: upgrading	R 156,217,000	R 25,717,000	R 25,750,000	R 24,750,000	R 20,000,000	R 20,000,000	R 20,000,000	R 20,000,000	R -
Taxi facilities	R -	R -	R -	R -	R -	R -	R -	R -	R -
Roads: maintenance	R -	R -	R -	R -	R -	R -	R -	R -	R -
<b>Electricity Backlogs</b>	<b>R 156,217,000</b>	<b>R 25,717,000</b>	<b>R 25,750,000</b>	<b>R 24,750,000</b>	<b>R 20,000,000</b>	<b>R 20,000,000</b>	<b>R 20,000,000</b>	<b>R 20,000,000</b>	<b>R -</b>
Electricity Backlogs	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Refurbishment	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Distribution	R -	R -	R -	R -	R -	R -	R -	R -	R -
<b>Electricity Substations</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>
Electricity Substations	R -	R -	R -	R -	R -	R -	R -	R -	R -
<b>Total</b>	<b>R 1,027,706,185</b>	<b>R 185,038,385</b>	<b>R 166,780,000</b>	<b>R 133,020,000</b>	<b>R 111,110,000</b>	<b>R 99,000,000</b>	<b>R 76,974,200</b>	<b>R 58,865,000</b>	<b>R 6,900,800</b>



## CAMDEBOO

Intervention	Total Amount	01-Mar-09	01-Mar-10	01-Mar-11	29-Feb-12	28-Feb-13	28-Feb-14	28-Feb-15	28-Feb-16
<b>Housing</b>	<b>R 684,991,800</b>	<b>R 71,110,000</b>	<b>R 80,000,000</b>	<b>R 85,000,000</b>	<b>R 80,231,800</b>	<b>R 60,000,000</b>	<b>R 50,000,000</b>	<b>R 50,000,000</b>	<b>R -</b>
Water Backlogs	R 569,691	R 569,691	R -	R -	R -	R -	R -	R -	R -
Water Refurbishment	R 20,000,000	R 5,000,000	R 5,000,000	R 3,500,000	R 2,500,000	R 1,500,000	R 1,500,000	R 1,000,000	R -
Water Bulk	R 9,000,000	R 4,000,000	R 5,000,000	R -	R -	R -	R -	R -	R -
Water Treatment Works	R 8,500,000	R 4,500,000	R 2,000,000	R 2,000,000	R -	R -	R -	R -	R -
<b>Sanitation Backlogs</b>	<b>R 38,069,691</b>	<b>R 14,069,691</b>	<b>R 12,000,000</b>	<b>R 5,500,000</b>	<b>R 2,500,000</b>	<b>R 1,500,000</b>	<b>R 1,500,000</b>	<b>R 1,000,000</b>	<b>R -</b>
Sanitation Refurbishment	R 9,500,000	R 500,000	R 1,500,000	R 1,500,000	R 1,500,000	R 1,500,000	R 1,000,000	R 1,000,000	R 1,000,000
Sanitation Refurbishment	R 13,000,000	R 2,500,000	R 3,000,000	R 2,500,000	R 2,000,000	R 1,000,000	R 1,000,000	R 500,000	R 500,000
Sanitation Bulk	R 5,000,000	R 2,500,000	R 2,500,000	R -	R -	R -	R -	R -	R -
Sanitation Treatment Works	R 19,500,000	R -	R 5,500,000	R 7,000,000	R 3,500,000	R 3,500,000	R -	R -	R -
<b>Roads: new</b>	<b>R 47,000,000</b>	<b>R 5,500,000</b>	<b>R 12,500,000</b>	<b>R 11,000,000</b>	<b>R 7,000,000</b>	<b>R 6,000,000</b>	<b>R 2,000,000</b>	<b>R 1,500,000</b>	<b>R 1,500,000</b>
Roads: upgrading	R -	R 27,000,000	R 30,000,000	R 30,000,000	R 21,000,000	R 14,000,000	R 10,000,000	R 10,000,000	R -
Taxi facilities	R -	R -	R -	R -	R -	R -	R -	R -	R -
Roads: maintenance	R -	R -	R -	R -	R -	R -	R -	R -	R -
<b>Electricity Backlogs</b>	<b>R 142,000,000</b>	<b>R 27,000,000</b>	<b>R 30,000,000</b>	<b>R 30,000,000</b>	<b>R 21,000,000</b>	<b>R 14,000,000</b>	<b>R 10,000,000</b>	<b>R 10,000,000</b>	<b>R -</b>
Electricity Backlogs	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Refurbishment	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Distribution	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Substations	R -	R -	R -	R -	R -	R -	R -	R -	R -
	<b>R 912,061,491</b>	<b>R 117,679,691</b>	<b>R 134,500,000</b>	<b>R 131,500,000</b>	<b>R 110,731,800</b>	<b>R 81,500,000</b>	<b>R 63,500,000</b>	<b>R 62,500,000</b>	<b>R 1,500,000</b>

### SUNDAYS RIVER VALLEY

Intervention	Total Amount	01-Mar-09	01-Mar-10	01-Mar-11	29-Feb-12	28-Feb-13	28-Feb-14	28-Feb-15	28-Feb-16
<b>Housing</b>	<b>R 286,136,200</b>	<b>R 12,980,000</b>	<b>R 58,040,000</b>	<b>R 65,710,000</b>	<b>R 58,550,000</b>	<b>R 26,470,000</b>	<b>R 13,450,000</b>	<b>R 16,930,000</b>	<b>R -</b>
Water Backlogs	R 19,180,000	R 1,010,000	R 14,680,000	R 3,490,000	R -	R -	R -	R -	R -
Water Refurbishment	R 8,540,000	R 3,130,000	R 5,410,000	R -	R -	R -	R -	R -	R -
Water Bulk	R 23,500,000	R 650,000	R 17,840,000	R 5,010,000	R -	R -	R -	R -	R -
Water Treatment Works	R 24,500,000	R 2,790,000	R 17,450,000	R 4,260,000	R -	R -	R -	R -	R -
<b>Sanitation Backlogs</b>	<b>R 75,720,000</b>	<b>R 7,580,000</b>	<b>R 55,380,000</b>	<b>R 12,760,000</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>
Sanitation Backlogs	R 52,290,000	R 19,630,000	R 24,030,000	R 8,630,000	R -	R -	R -	R -	R -
Sanitation Refurbishment	R 6,500,000	R -	R 6,500,000	R -	R -	R -	R -	R -	R -
Sanitation Bulk	R -	R -	R -	R -	R -	R -	R -	R -	R -
Sanitation Treatment Works	R 17,000,000	R 3,000,000	R 14,000,000	R -	R -	R -	R -	R -	R -
<b>Roads: new</b>	<b>R 388,000,000</b>	<b>R 4,490,000</b>	<b>R 23,510,000</b>	<b>R 8,630,000</b>	<b>R 12,930,000</b>	<b>R 160,270,000</b>	<b>R 140,000,000</b>	<b>R 46,800,000</b>	<b>R -</b>
Roads: upgrading	R -	R -	R -	R -	R -	R -	R -	R -	R -
Taxi facilities	R -	R -	R -	R -	R -	R -	R -	R -	R -
Roads: maintenance	R -	R -	R -	R -	R -	R -	R -	R -	R -
<b>Electricity Backlogs</b>	<b>R 388,000,000</b>	<b>R 4,490,000</b>	<b>R 23,510,000</b>	<b>R -</b>	<b>R 12,930,000</b>	<b>R 160,270,000</b>	<b>R 140,000,000</b>	<b>R 46,800,000</b>	<b>R -</b>
Electricity Backlogs	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Refurbishment	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Distribution	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Substations	R -	R -	R -	R -	R -	R -	R -	R -	R -
	<b>R 825,646,200</b>	<b>R 47,680,000</b>	<b>R 181,460,000</b>	<b>R 87,100,000</b>	<b>R 71,480,000</b>	<b>R 186,740,000</b>	<b>R 153,450,000</b>	<b>R 63,730,000</b>	<b>R -</b>

**KOU-KAMMA**

Intervention	Total Amount:	01-Mar-09	01-Mar-10	01-Mar-11	29-Feb-12	28-Feb-13	28-Feb-14	28-Feb-15	28-Feb-16
<b>Housing</b>	<b>R 302,605,818</b>	<b>R 14,640,000</b>	<b>R 53,301,566</b>	<b>R 38,264,150</b>	<b>R 32,850,000</b>	<b>R 48,340,000</b>	<b>R 54,680,000</b>	<b>R 22,590,000</b>	<b>R -</b>
Water Backlogs	R 8,630,000	R -	R 1,560,000	R 5,000,000	R 2,070,000	R -	R -	R -	R -
Water Refurbishment	R 9,004,600	R -	R 2,552,000	R 2,300,000	R 2,196,000	R 1,956,600	R -	R -	R -
Water Bulk Treatment	R 19,996,107	R 1,080,000	R 6,707,357	R 3,908,750	R 5,300,000	R 3,000,000	R -	R -	R -
Water Treatment Works	R 53,876,650	R 7,130,000	R 12,189,150	R 17,420,000	R 13,400,000	R 3,737,500	R -	R -	R -
<b>Sanitation Backlogs</b>	<b>R 29,388,250</b>	<b>R -</b>	<b>R 3,018,750</b>	<b>R 11,182,500</b>	<b>R 10,840,000</b>	<b>R 4,347,000</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>
Sanitation Refurbishment	R 13,428,000	R 300,000	R 5,573,000	R 5,600,000	R 1,955,000	R -	R -	R -	R -
Sanitation Bulk	R 8,454,502	R 265,340	R 2,303,331	R 2,435,831	R 3,450,000	R -	R -	R -	R -
Sanitation Treatment Works	R 27,554,500	R 2,100,000	R 6,440,000	R 8,400,000	R 6,819,500	R 3,795,000	R -	R -	R -
<b>Roads: new</b>	<b>R 251,661,950</b>	<b>R 9,335,500</b>	<b>R 84,410,725</b>	<b>R 66,609,435</b>	<b>R 57,056,290</b>	<b>R 34,250,000</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>
Roads: upgrading	R -	R -	R -	R -	R -	R -	R -	R -	R -
Taxi facilities	R -	R -	R -	R -	R -	R -	R -	R -	R -
Roads: maintenance	R -	R -	R -	R -	R -	R -	R -	R -	R -
<b>Electricity Backlogs</b>	<b>R 251,661,950</b>	<b>R 9,335,500</b>	<b>R 84,410,725</b>	<b>R 66,609,435</b>	<b>R 57,056,290</b>	<b>R 34,250,000</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>
Electricity Refurbishment	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Distribution	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Substations	R -	R -	R -	R -	R -	R -	R -	R -	R -
<b>Total</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>

## BAVIAANS

Intervention	Total Amount	01-Mar-09	01-Mar-10	01-Mar-11	29-Feb-12	28-Feb-13	28-Feb-14	28-Feb-15	28-Feb-16
<b>Housing</b>	<b>R 37,900,000</b>	<b>R 9,400,000</b>	<b>R 6,000,000</b>	<b>R 7,000,000</b>	<b>R 10,000,000</b>	<b>R 9,500,000</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>
Water Backlogs	R 300,000	R -	R 300,000	R -	R -	R -	R -	R -	R -
Water Refurbishment	R 7,500,000	R -	R 4,000,000	R 3,000,000	R 500,000	R -	R -	R -	R -
Water Bulk	R 69,031,408	R 1,500,000	R 22,231,408	R 7,200,000	R 25,500,000	R 10,600,000	R 2,000,000	R -	R -
Water Treatment Works	R 22,931,408	R 800,000	R 5,631,408	R 6,500,000	R 5,000,000	R 5,000,000	R -	R -	R -
	<b>R 99,762,816</b>	<b>R 2,300,000</b>	<b>R 32,162,816</b>	<b>R 16,700,000</b>	<b>R 31,000,000</b>	<b>R 15,600,000</b>	<b>R 2,000,000</b>	<b>R -</b>	<b>R -</b>
Sanitation Backlogs	R 30,740,000	R -	R 4,740,000	R 8,000,000	R 8,000,000	R 5,000,000	R -	R -	R -
Sanitation Refurbishment	R 6,000,000	R 3,000,000	R 3,000,000	R -	R -	R -	R -	R -	R -
Sanitation Bulk	R 20,200,000	R 1,000,000	R 8,200,000	R 3,000,000	R 7,000,000	R 1,000,000	R -	R -	R -
Sanitation Treatment Works	R 20,200,000	R 1,000,000	R 8,200,000	R 3,000,000	R 7,000,000	R 1,000,000	R -	R -	R -
	<b>R 77,140,000</b>	<b>R 5,000,000</b>	<b>R 24,140,000</b>	<b>R 14,000,000</b>	<b>R 22,000,000</b>	<b>R 7,000,000</b>	<b>R 5,000,000</b>	<b>R -</b>	<b>R -</b>
Roads: new	R 122,500,000	R -	R 16,000,000	R 17,700,000	R 19,400,000	R 21,200,000	R 23,000,000	R 25,200,000	R -
Roads: upgrading	R -	R -	R -	R -	R -	R -	R -	R -	R -
Taxi facilities	R -	R -	R -	R -	R -	R -	R -	R -	R -
Roads: maintenance	R -	R -	R -	R -	R -	R -	R -	R -	R -
	<b>R 122,500,000</b>	<b>R -</b>	<b>R 16,000,000</b>	<b>R 17,700,000</b>	<b>R 19,400,000</b>	<b>R 21,200,000</b>	<b>R 23,000,000</b>	<b>R 25,200,000</b>	<b>R -</b>
Electricity Backlogs	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Refurbishment	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Distribution	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Substations	R -	R -	R -	R -	R -	R -	R -	R -	R -
	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>
	<b>R 337,302,816</b>	<b>R 16,700,000</b>	<b>R 78,302,816</b>	<b>R 55,400,000</b>	<b>R 82,400,000</b>	<b>R 53,300,000</b>	<b>R 30,000,000</b>	<b>R 25,200,000</b>	<b>R -</b>

**NDLAMBE**

Intervention	Total Amount	01-Mar-09	01-Mar-10	01-Mar-11	29-Feb-12	28-Feb-13	28-Feb-14	28-Feb-15	28-Feb-16
<b>Housing</b>	<b>R 595,100,800</b>	<b>R 80,434,000</b>	<b>R 80,000,000</b>	<b>R 70,402,200</b>	<b>R 63,964,000</b>	<b>R 59,298,600</b>	<b>R 47,560,000</b>	<b>R 55,500,000</b>	<b>R -</b>
Water Backlogs	R 10,241,257	R 6,491,257	R 3,750,000	R -	R -	R -	R -	R -	R -
Water Refurbishment	R 35,445,000	R 8,375,000	R 8,000,000	R 8,000,000	R 5,710,000	R 3,477,500	R 1,882,500	R -	R -
Water Bulk	R 509,458,662	R 156,708,662	R 102,750,000	R 75,000,000	R 100,000,000	R 75,000,000	R -	R -	R -
Water Treatment Works	R 23,150,000	R 160,000	R 3,990,000	R 6,500,000	R 8,500,000	R 4,000,000	R -	R -	R -
<b>Sanitation Backlogs</b>	<b>R 578,294,919</b>	<b>R 171,734,919</b>	<b>R 118,490,000</b>	<b>R 89,500,000</b>	<b>R 114,210,000</b>	<b>R 82,477,500</b>	<b>R 1,882,500</b>	<b>R -</b>	<b>R -</b>
Sanitation Backlogs	R 66,742,000	R 1,000,000	R 20,020,000	R 17,790,000	R 16,930,000	R 7,900,000	R 3,102,000	R -	R -
Sanitation Refurbishment	R 40,105,000	R 17,000,000	R 18,000,000	R -	R 2,710,000	R 1,000,000	R 1,000,000	R 395,000	R -
Sanitation Bulk	R 105,860,000	R 8,260,000	R 22,000,000	R 22,000,000	R 20,544,000	R 11,160,000	R 10,000,000	R 10,000,000	R 1,896,000
Sanitation Treatment Works	R 22,200,000	R 3,690,000	R 6,010,000	R 7,500,000	R 5,000,000	R -	R -	R -	R -
<b>Roads: new</b>	<b>R 234,907,000</b>	<b>R 29,950,000</b>	<b>R 66,030,000</b>	<b>R 47,290,000</b>	<b>R 45,184,000</b>	<b>R 20,060,000</b>	<b>R 14,102,000</b>	<b>R 10,395,000</b>	<b>R 1,896,000</b>
Roads: upgrading	R 110,749,600	R 11,750,000	R 21,629,600	R 16,870,000	R 11,500,000	R 16,500,000	R 16,500,000	R 16,000,000	R -
Taxi facilities	R -	R -	R -	R -	R -	R -	R -	R -	R -
Roads: maintenance	R -	R -	R -	R -	R -	R -	R -	R -	R -
<b>Electricity Backlogs</b>	<b>R 110,749,600</b>	<b>R 11,750,000</b>	<b>R 21,629,600</b>	<b>R 16,870,000</b>	<b>R 11,500,000</b>	<b>R 16,500,000</b>	<b>R 16,500,000</b>	<b>R 16,000,000</b>	<b>R -</b>
Electricity Backlogs	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Refurbishment	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Distribution	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Substations	R -	R -	R -	R -	R -	R -	R -	R -	R -
	<b>R 1,519,052,319</b>	<b>R 293,868,919</b>	<b>R 286,149,600</b>	<b>R 224,062,200</b>	<b>R 234,858,000</b>	<b>R 178,336,100</b>	<b>R 80,044,500</b>	<b>R 81,895,000</b>	<b>R 1,896,000</b>

#### i) BROAD INFRASTRUCTURAL FUNDING REQUIREMENTS

Based on the information as provided above, the broad financial needs 'loosely' required to address existing developmental issues within the District, is reflected by the table below.

**Table 4.28** Infrastructure funding requirements

LOCAL MUNICIPALITY	DEVELOPMENTAL NEED (AS PER CIPs)
Makana	R 757,897,937
Ikwezi	R 141,760,000
Blue Crane Route	R 408,837,244
Kouga	R 1,027,706,185
Camdeboo	R 912,061,491
Sundays River Valley	R 825,646,200
Kou Kamma	R 724,600,377
Baviaans	R 337,302,816
Ndlambe	R 1,519,052,319
<b>TOTAL</b>	<b>R 6,654,864,569</b>

#### 4.3.7 SOCIO-ECONOMIC AND ENTERPRISE DEVELOPMENT STRATEGY (SEEDS)

The process of developing the district's Economic Growth and Development Strategy was first initiated in 2005 and the strategy subsequently was adopted by the District's Council in 2006. It was recommended that the strategy be reviewed annually, concurrently with the annual review of the Integrated Development Plan.

The review of the Economic Growth and Development Strategy has been concluded. The revised strategy guides the District in its development facilitation trajectory for at least the following five years. The revision of the strategy is a result of three years of extensive stakeholder consultation and collaboration on both a programmatic and project level, primarily facilitated through the Rural Economic Development Initiative (see subsequent sub section for information related to the Rural Economic Development Initiative).

The Economic Growth and Development Strategy has been renamed the Socio-Economic and Enterprise Development Strategy (SEEDS), the acronym for which metaphorically describes the district's core mandate in initiating the facilitation of economic development and subsequently growing the regional economy.

The CDM approach is structured around seven core strategies based both on a review of international trends in rural regeneration strategies as well as a reflection on the experience of CDM and other institutions in promoting development in the region.

(a) Increasing agricultural income

Agriculture remains the single most economic driver in the district. The starting point for rural development is to find ways of increasing agricultural income. This is of course firstly a product of the drive of farmers individually and collectively. However, there are a number of ways in which farmers can be supported to increase the value of agricultural output. These include:

- Growing national and international markets for agricultural output
- Facilitating investments in local and regional agro-processing plant to increase product demand and improve prices
- Investing in research and knowledge sharing to improve the quality and resilience of crops and livestock.
- Supporting local and regional food systems that keep wealth in rural communities.

(b) Investing in natural capital

There is an increasing recognition internationally and within South Africa that it is important to invest in protecting and restoring natural resources and ecosystems such as catchments, wetlands, rivers, forests and other natural areas to preserve bio-diversity, to ensure sustainable water supplies as well as to exploit the economic potential of such areas. The growth of tourism in the region is strongly associated with the exceptional and diverse natural assets. Key approaches to this include:

- Promoting and incentivising natural resource restoration and conservation including alien vegetation clearing, developing eco-systems markets that reward land restoration through carbon credit mechanism and so on.
- Creating new generation green jobs and local income streams rooted in renewable energy.
- Growing the rural tourism economy based on natural capital through agri-, adventure- and eco-tourism initiatives.

(c) Broadening economic participation

Inequality and poverty are deeply entrenched with rural South Africa and represent a major constraint to development. However, the poor of the region also represent a major resource for economic progress. Broadening economic participation as part of a broader social development emphasis is thus a key pillar for rural regeneration. Key areas of action include:

- Promoting BBBEE, SMME and cooperative development.
- Maximising the opportunities for Extended Public Works Programme (EPWP) and Community Work programme opportunities.
- Improving grant accessibility.
- Establishing community-based beneficiation projects.
- Facilitating community and worker participation in share ownership.
- Promoting social development investments.

(d) Developing the skills base

The skills base of the region is a key driver of both economic progress and poverty reduction. CDM's skills profile is very skewed. It is a region with a significant pool of highly skilled people. However, most people have limited skills and limited educational attainment. This is both a major constraint to development but also represents a significant area of opportunity given the wide range of good educational institutions in the region. CDM is committed to a concerted approach to improving the skills profile of the region. Key areas of action include:

- Improving the quality and quantity of school education and early childhood development (ECD) through partnerships.
- Creating further education opportunities linked to work opportunities in the region.
- Developing skills transfer partnerships between established and emerging farmers and between established and emerging businesses.

(e) Improving connectivity and utility infrastructure

Transport, water and energy infrastructure are major challenges in an arid low-density rural area such as CDM. The costs of such infrastructure are particularly high in such areas given distance and the area enjoys relatively low priority for infrastructure given its small population. It is therefore necessary to be innovative and focused in ensuring that sufficient infrastructure is in place to support development. Key areas here include:

- Developing rural broadband and mobile phone connectivity is a key rural development strategy globally.
- Improving rural transport infrastructure particularly roads.
- Identifying and delivering catalytic infrastructure that opens up new economic opportunities.

(f) Regenerating core towns

The core towns within a rural region play a critical role in the economy of the region as a whole. They are the economic and services hub that enable the rural economy to function. When towns decline, the rural hinterland tends to decline given the symbiotic relationship between them. The regeneration of core towns is thus a critical driver of rural economic development. Key areas of action include:

- Urban regeneration projects focused on upgrading town CBDs and historic districts.
- Ensuring quality education and health services in core towns in order to retain talent and skills in the area.
- Promote tourism and niche services and manufacturing based on identifying competitive advantages and niche opportunities
- Ensuring that municipal infrastructure is maintained and upgraded on a financially sustainable basis in order to support growth and development
- Service delivery improvement partnerships to ensure that essential administrative and regulatory functions are undertaken by the LM.



**(g) Building local and regional networks**

Research globally suggests that the quantity and quality of networks within a region and between the region and relevant role-players outside the region - “social capital” – is a key factor influencing economic development. A key element of any strategy for rural regeneration is thus about finding ways to expand the networks and linkages between stakeholders in the region and connecting the region into relevant provincial, national and international processes. Areas of focus include:

- Strengthening government to government connections at a regional, provincial and national level.
- Building partnerships to improve economic competitiveness and resilience.
- Creating a positive image of the region amongst public and private investors and building relationships with them.

#### **4.3.8 CDM TOURISM MASTER PLAN**

The Cacadu District Municipality’s Tourism Master Plan was adopted by the Cacadu District Municipality Council on 25 November 2009.

The objective of the Tourism Master Plan is to provide guidelines and make recommendations to the Cacadu District Municipality on how to develop a functioning tourism system through the application of a defined strategy and specific actions.

The District Tourism Master Plan (TMP) has been developed through the consolidation of the current Responsible Tourism Sector Plans of Local Municipalities in the Cacadu District and is comprised of two components as outlined below:

**(i) The Situational Analysis:**

The Situation Analysis was developed through the integration of the situation analyses of the Responsible Tourism Sector Plans for all 9 Local Municipalities within the Cacadu District, and provides a snapshot of tourism in Cacadu at the time of the formulation of the TMP.

The Situational Analysis includes the following topics as relevant to the tourism industry in the Cacadu District:

- Market Analysis - this study revealed that nature-based and heritage tourism products hold specific relevance to the Cacadu area. Other niche markets include events tourism (including edu-tourism and sports tourism), agri-tourism, adventure tourism and coastal & marine tourism.
- Strategic Environmental Assessment – is provided to ensure that sustainable development and resource management are promoted within context of developing Cacadu’s tourism sector.
- Infrastructure Assessment – the supply of services such as potable water, well maintained road networks, energy provision and solid waste management are analyzed with reference to the tourist and tourism related activities.

Based on the information gathered via the Situational Analysis the TMP documents the economic, social and environmental impact of tourism on the Cacadu District. The Situational Analysis provides the basis for the formulation of the District's Tourism Development Strategy.

**(ii) The Tourism Development Strategy:**

This section provides a five year strategy that identifies priority areas / strategies and associated programs and projects for tourism development in the Cacadu District.

Key components of the tourism development strategy include:

- The Tourism Development Framework and Spatial Development Plan;
- Tourism Marketing Plan;
- Institutional Arrangements;
- Implementation and Action Plan.

Cacadu's Tourism Development Strategy is aimed at achieving the Tourism Vision (*"Cacadu, a world of wonders waiting to be discovered"*) of the tourism sector, and driving development through the elements of the Mission (*"To create an enabling environment which encourages partnerships for the development and promotion of the tourism industry through cooperation and coordination at all levels"*). To achieve this, the Cacadu District must:

- Main and grow its existing markets;
- Attract new markets;
- Become a primary tourism destination;
- Nurture a tourism industry which is growing in line with the defined benchmarks, and so is providing employment and prosperity for all the local stakeholders and a satisfying experience for visitors.

These achievements are to be attained via the Tourism Implementation Action Plan that was developed in order to:

- Identify strategic priority programs and projects;
- Identify the organization / department responsible for implementation of the priority programs and projects;
- Identify the budget required for implementation of the priority programs and projects;  
Identify implementation timeframes for the prioritization of priority programs and projects.

#### **4.3.9 CACADU DISTRICT SMME STRATEGY**

The majority of people in Cacadu live in the rural areas and most depend on agriculture and other rural economic activities. Most communities produce on a subsistence level and have limited access to financial markets that cannot effectively supply the financial resources and other products needed by the emerging SMME sector.

SMMEs are the engine for growth in Cacadu. To contribute to economic development in the district, there's great need to support SMMEs, a better enabling environment needs to be created and an engagement with financial institutions to develop 'SMME-friendly lending'.

In spite of the significant contributions that they make towards GDP, employment and rural livelihoods, SMMEs continue to face a plethora of challenges that inhibit their growth and development beyond mere survivalist modes of activity.

A multi-pronged approach is needed, 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.

#### **(i) SMME Vision for Cacadu District Municipality**

Consistent with the district IDP and all other strategic policy documents, and drawing on the research undertaken, it is reasonable to assume an SMME vision for Cacadu to be:

*“to promote the creation of vibrant and sustainable SMMEs that contribute towards increased wealth generation, inequality reduction, employment creation and poverty alleviation.”*

By virtue of this vision, the Cacadu District Municipality and its stakeholders commit themselves to achieving the following outputs:

- Vibrant SMMEs, which refers to growing private enterprises;
- Sustainable SMMEs, which refers to income and employment creation beyond the survivalist stage;
- Sufficiently empowered women and youth in a growing SMME sector;
- Effective platform for business development services and support.

#### **a. Strategic Objectives**

In order to achieve the stated SMME vision for the area, the CDM and its partners ought to commit themselves to the following strategic goals and objectives:

1. To improve access to market-driven and sustainable business development support services for the informal, micro, small and medium-sized enterprises in both urban and rural areas.
2. To strengthen the planning, coordination and institutional capacity for SMME support in the district thus ensuring the creation of an enabling and conducive environment for SMMEs.
3. To establish effective and functional partnerships with key provincial and national institutions, as well as escalating the promotion of the economic opportunities across the district.
4. To diversify the existing SMME development base through agriculture, environmental management, tourism and manufacturing development.
5. To increase women, youth and black participation in the entrepreneurial and SMME development sector of the District and its economy.
6. To increase the number of start-ups, and the number of existing enterprises that accelerate beyond survivalist stage.

These strategic objectives set out a performance measure for this SMME Strategy and are generally congruent with those set-out in the Provincial Growth and Development Plan of the Eastern Cape, which seeks to increase the number of start-ups and boost the growth prospects of existing enterprises in the district.

**(i) The role of the Cacadu District Municipality:**

The primary role of the Cacadu District Municipality in SMME development is to coordinate, facilitate and stimulate the sustainable development of Small, Medium and Micro enterprises within its jurisdiction through the following mechanisms:

- Strategy and policy development
- Programme development and co-ordination
- Strategic liaison and networking

This role consists of the following three most critical responsibilities:

*a. Coordination:*

The CDM acts as a co-ordination body for SMME development matters for its area. Through its Integrated Development Plan (IDP), LED Strategy and this SMME Strategy, the CDM will act to ensure alignment between government, business, labour and community programmes as a fundamental step towards achieving the shared SMME vision for the area. The SMME Strategy forms the basis for the coordination of such programmes.

*b. Facilitation:*

The CDM acts to facilitate the creation of an enabling SMME development environment as an integral mechanism to bolster local economic development in the area. The Municipality promotes and encourages proactive participation by government, business, labour and communities in processes that will yield remarkable transformation and growth of local SMMEs. This involves the facilitation of access to appropriate business services, infrastructure, resources such as funding and infrastructure as well as market and business opportunities for SMMEs.

*c. Stimulation:*

The CDM will at all times seek to pioneer new approaches, strategies and interventions to develop, identify and leverage new support and growth opportunities for its SMME sector. These approaches may at time appear to be in the form of direct interventions and incongruent with the conventional role of facilitation and coordination. The implementation of a preferential procurement and value chain management policy is an example of a direct intervention to stimulate a sector of the economy [SMME's and Previously disadvantaged enterprises] to become major economic players.

**(ii) Levels of Institutional Responsibilities:**

The planning, execution and monitoring of SMME development in the CDM area consists of the following three most critical levels of institutional responsibilities:

*1. Strategy and policy development:*

This responsibility, which includes the planning of short, medium, and long-term strategies and policies to guide and direct SMME development within the area, is considered the first and high-end level of institutional responsibilities in the Cacadu District Municipality. The most fundamental purpose is to create an appropriate and conducive business and economic environment to harness the full job creation and poverty alleviation opportunity within the area.

*2. Strategy and programme execution:*

This involves the implementation of all or some aspects of the SMME Strategy of the CDM. This level of responsibility will include packaging the strategy into manageable programmes and projects as well as the provision of ongoing support services to strategy beneficiaries.

*3. Programme monitoring:*

This level is considered the most critical in the planning and execution of the SMME strategy of the CDM as it ensures that stakeholders participate effectively in the monitoring of the implementation processes. Involved as well is the constant evaluation of the impact and performance of the execution process against original plans and strategic directions decided jointly with stakeholders.

**(iii) Agricultural Mentorship Programme**

In 1994 the new democratic government set itself some very ambitious targets for the land reform: restitution claims would be resolved within 10 years and redistribution of 30% of white-owned agricultural land would be achieved within 5 years. Due to very slow progress in implementation, the targets were revised: the completion date for restitution was extended to 2008, and then again to 2011.

The ANC 52nd National Conference from 16-20 December 2007 resolved that: "Fundamental changes in the patterns of land ownership through the redistribution of 30% of agricultural land before 2014. This must include comprehensive support programmes with proper monitoring mechanisms to ensure sustainable improvements in livelihoods for the rural poor, farm workers, farm-dwellers and small farmers, especially women."

By 2008 a total of 5.8 million hectares (around 5% of commercial farmland) had been transferred through a combination of restitution and redistribution. Over 90% of land claims had been resolved, most of them urban claims, but the majority of large rural claims were still unresolved.

This situation puts a lot of pressure to redistribute more land but even under the present pace of redistribution, a comprehensive support to the new land owners is lagging behind. Although emerging farmers often have basic agricultural skills or have received some agricultural training, most are lacking the capacities needed to manage a farm as a business, resulting in the deterioration of the assets (infrastructure, land, stock etc.)

and thus threatening food security. Therefore, agricultural mentorship that goes beyond mere training and extends over several years is urgently needed. Meanwhile training is a short term instrument to fill certain knowledge or skills gaps; mentorship aims to ensure that the acquired knowledge is applied correctly and in a flexible manner adapting it to the local conditions.

In order to develop and implement an agricultural mentorship strategy, GIZ and the Cacadu District Municipality entered in an agreement in March 2009. During the last two and a half years of the cooperation, important progress towards the overall goal has been achieved. An agricultural mentorship strategy has been developed and approved by the Council. Currently, the strategy is being piloted in five projects, in different Local Municipalities and in different commodities. The evaluations of the first twelve months in two of the pilot projects indicate the viability of the strategy and the success of the mentorship.

The District wide roll-out of the programme in cooperation with the local agricultural commodity groups, the Local Municipalities and the Department of Rural Development and Agrarian Reform as main partners has started in April 2011.

#### **4.3.10 LOCAL ECONOMIC DELVELOPMENT INITIATIVE**

Cacadu has entered into an agreement with the Development Bank of South Africa Development Fund to be a pilot on a Local Economic Development Initiative (LEDI). The LEDI funds large capital catalytic economic infrastructure projects, as well as developing and implementing regional economic turnaround strategies.

The LEDI seeks to find a way:

- To ensure that the economies of our urban areas act as spaces of inclusion not exclusion, of economic integration and not growing marginalization and inequity
- Of spreading opportunity through maximizing the economic potential of areas outside the dominant cores, through fostering local space economies that drive shared growth
- To take advantage of high-impact, quick-win investment opportunities that could have a catalytic ripple effect on economic growth

LEDi projects include:

##### **i. Fibre Innovation Hub Rapid Assessment & Strategic Plan**

The purpose of the assessment is to:

- Assess the progress in terms of government-funded fibre innovation in the region,
- Assess the potential of the fibre innovation hub as a driver of economic growth and job creation,
- Make recommendations regarding how the hub can potentially be institutionalised and resourced and
- Identify catalytic projects to be taken forward

There is substantial potential for Fibre industries in the Cacadu district. The project brought together all role players, which include the public sector, private sector and civil

society role players. Agreement was reached on how to re-activate the industry and the plan of action is in implementation.

## **ii. Natural Fibre Cluster Interim Support**

The purpose of this project is to provide short-term assistance to Cacadu District Municipality and other district stakeholders in establishing a coherent and viable partnership entity able to coordinate and champion the Natural Fibre Cluster concept with the region. Areas of intervention include:

- The development of a prioritized project portfolio
- Identification of strategic partnerships and network
- Recommendations in terms of the reconfiguration of institutional arrangements and
- Develop TOR for the Natural Fibre Cluster (NFC) champion

A coherent and viable partnership entity will be established that will be able to coordinate and champion the Natural Fibre Cluster concept with the region. It will maximize the development of the natural fibre industry.

## **iii. Natural Fibre Cluster Championship**

The appointment of a management team will steer the Natural Fibre Cluster and provide administrative support in the establishment of five 'new' niche agro-processing industries in the Eastern Cape.

The Champion of the Natural Fibre Cluster will facilitate appropriate research and the commercialisation of this research, based on market demand, to promote beneficiation of agricultural fibres, which will increase the Gross Value Add of the district.

## **iv. Development of an Agri-tourism Route in Sundays River Valley Municipality**

The objectives of the project are:

- Assist CDM in the establishment of a local tourism organisation in the Sundays River Valley municipal area
- Putting in place a partnership of role-players who will support and benefit from the route and
- Prepare a business plan and funding proposal for the route.

The potential development impact of the agri-tourism route in Sundays River Valley, based on a realistic estimated 7% growth in the industry, owing to the establishment and operation of the agri-tourism route will be substantial. It is estimated that 211 additional permanent job opportunities arising from increased existing and new activities and accommodation offerings operating in the area will be established; that at least 28 SMME developments will be established; and that these new developments will contribute approximately R37m per annum to the GVA of the municipal area.

## **v. Investigation into and identification of niche agro-processing opportunities**

The overall objective of the study is to inform the development of, and investment in, niche agro-processing sectors in the Cacadu District Municipality for the purpose of up-stream and down-stream economic development opportunities and employment creation and increased contribution of agriculture and export-orientated agro-processing to the regional economy. The specific goal is the identification of key regional agro-processing

sectors for development and investment in the region based on a consolidation of spatial planning policies, sector and sub-sector analyses and extensive industry consultation.

The development impact will be substantial. Key areas for exploration will include the potential of fibre innovation linked to the textiles, construction, automotive cluster and food processing and the potential of the Coega Industrial Development Zone as a site for agro-processing and the associated packaging and distribution. A regional approach to the identification and development of agro-processing opportunities will result in the creation of regional linkages and the strengthening of related value chains and ensure a greater economic impact.

#### **vi. Camdeboo Satellite Aquaculture Project**

The Camdeboo Satellite Aquaculture Project (CSAP) proposes a commercially viable fish production venture through the establishment of aquaculture clusters, each consisting of a central management farm and a network of satellite farming systems, which will benefit from economies of scale through their collaborations. The freshwater fish produced will be canned in order to increase shelf life and sold at an affordable price in order to fulfil the growing gap caused by the reduction in the annual pilchard quota.

The project will address the protein shortage in South Africa by the development of aquaculture activities in neglected rural environments. It will develop products to replace the shortage of the pilchard fish catch by using freshwater finfish. It will contribute substantially to job creation amongst rural women and will contribute to the development of sustainable emerging farmers.

#### **vii. Implementation Study on the Generation of Hydro-electricity on micro/mini sites located within Blue Crane Route Municipality**

This project involves the preparation of an implementation plan for hydro-power generation based on the considerable research and development work already done via the Blue Crane Development Agency (BCDA). The project is focused on investigating the viability of eight identified mini/micro hydro sites in the Blue Crane Route region.

The project will lead to the establishment of mini/micro hydro sites in the Blue Crane Route region which will impact considerably in providing green and sustainable energy to the region.

#### **viii. Renewable Energy Rapid Assessment & Audit**

The objective of the project is to undertake a rapid assessment and audit of the potential of renewable energy in the Cacadu district. It is intended that the rapid assessment should include a summary of relevant policies and strategies, an audit of what is currently happening in the district in regard to renewable energy and recommendations for promoting and managing renewable energy in the district.

To identify renewable energy development issue and attend to it in time so that the municipalities in the Cacadu district can get themselves ready to accommodate renewable energy projects. It includes an audit of what is currently happening in the district in regard to renewable energy and recommendations for promoting and managing renewable energy in the district.



#### **ix. Regional Renewable Energy Coordinating Forum**

The aim of the project is to facilitate a regional renewable energy information sharing session(s) for the purpose of coordinating renewable energy efforts within the region by bringing together representatives from major government, private sector, research and NGOs committed to taking forward the renewable energy agenda in the region. Such a forum would be the central point for coordination and information sharing.

The coordinating forum is feeding into the provincial energy strategy.

It should be noted that the forum has been elevated to a provincial RE coordinating forum and to this end the LEDI team has engaged with the provincial Department of Economic Development and Environmental Affairs (DEDEA).

The project will coordinate all the renewable energy issues and efforts within the region. Eventually it will contribute towards the effective and sustainable establishments of renewable energy projects.

#### **x. Land Use and Locational Policy for Renewable Energy**

The project entails:

- The formulation of a detailed locational and land use strategy for establishment of wind farms and large scale renewable energy projects,
- Implementation of district wide land use and locational guidelines, with specific reference to land use application procedure and zoning parameters with respect to renewable energy technologies,
- Assessment of the impact and possible spin-offs of renewable energy, especially wind farms, on the municipal rates base and
- Developing guidelines and policy on district level for possible roll-out to individual local municipalities and Province.

The project will ensure that renewable energy projects will be established within guidelines the context of responsible land use management and increasing the revenue base of local municipalities owing to accurate rezoning of RE land. The LEDI team is liaising with GTZ to leverage funding to extend this study to include the remainder of the province.

#### **xi. Revision of Economic Growth and Development Strategy**

This project will focus on refining a long-term growth and development strategy, based on the input and commitment of the local municipalities and the economic stakeholders of the region and ensuring that it is based on strong reliable data and modelling and that it enjoys wide understanding and buy-in. This will also include developing the sector (tourism attractor and capacity-builder) components of the strategy.

#### **xii. Preparation and Implementation of a Regional Economic Model**

The purpose of the project is to set up the REM to operate for the district, to train the municipal staff and Development Bank staff in its use and to provide output data for use

by the Municipal Services Finance Model. The model, once set up, is a single Excel file that can be used to test different investment scenarios and evaluate them for their impact on economic output, employment, remuneration, electricity demand, water demand and ratable property values in the region.

### **xiii. Strategic Infrastructure Investment Assessment for Kouga Municipality**

The purpose of the project is to identify infrastructure capacity and gaps that support or constrain socio-political and economic development within Kouga Municipality and prioritise infrastructure investment in the municipality by way of an infrastructure investment prioritization model, which will be based on the social, economic and backlog eradication needs of the local municipality. The infrastructure investment assessment will be used as the basis for the development of a municipal services finance model for Kouga Municipality that will plot a path of sustainable development and maintenance of infrastructure.

The project will be the foundation for an infrastructure investment plan that will plot a path of sustainable development and maintenance of infrastructure.

### **xiv. Institutional Support (Camdeboo Municipality)**

#### **Graaff-Reinet Urban Design Plan**

The Graaff-Reinet Urban Design Plan is one of CDM's interventions in the GTZ, AHI, CDM and Camdeboo Municipality Graaff-Reinet small town regeneration partnership. The plan will include design guidelines to promote economic development through mitigating the effect of truck traffic on the town square and the promotion of tourism in one of the township areas.

The project will promote sustainable economic development in the CBD of Graaff-Reinet and thereby save and create substantial job opportunities in the area.

#### **Township Tourism Feasibility Study**

The Township Tourism Feasibility Study is one of CDM's interventions in the GTZ, AHI, CDM and Camdeboo Municipality Graaff-Reinet small town regeneration partnership. The purpose of the study is to test the feasibility of a photography-based township tourism concept, linked to photography clubs and courses.

This project will significantly increase income in township communities through increased tourism into the area.

#### **Skills Development**

A potential skills development programme is one of CDM's interventions in the GTZ, AHI, CDM and Camdeboo Municipality Graaff-Reinet small town regeneration partnership. The purpose of the intervention is to propose a skills development model for the Camdeboo region.

It is envisaged that this education programme will form part of a greater training model, as detailed in the concept document.

### **xv. Institutional Support (Makana Municipality)**

#### **a. LED Thematic Work Group**

The LEDI team will participate in the Makana LED thematic work group for the purpose of identifying suitable interventions to promote the partnership between Makana Municipality, Rhodes University and other stakeholders, most notably in the areas of SMME development. Increased support to SMMEs in the Makana municipal area and therefore increased income circulating in the Makana economy.

**b. National Arts Festival Partnership**

The LEDI team will participate in the National Arts Festival working group for the purpose of identifying suitable interventions to promote the partnership between Makana Municipality, Rhodes University, the Grahams town Foundation and other stakeholders, most notably in the areas of SMME development and skills development. The increase in local artists participating in the festival allows skills development in terms of audio-visual training to take place.

**c. Private Schools Partnership**

The potential partnership between Makana Municipality and private schools has been identified as one of the interventions to form part of the institutional support to Makana Municipality programme. Increased support to SMMEs in the Makana municipal area and therefore increased income circulating in the Makana economy.

Linkages between private schools and previously disadvantaged schools will promote further education for learners in the area.

Increased exposure of Grahamstown as an education hub through joint marketing initiative (including Rhodes University).

**d. Indigenous Nursery & Environmental Restoration Project**

It should be noted that the Rockhurst Carbon Farming project has been replaced with the indigenous nursery and environmental restoration project.

The project aims to restore as many hectares possible of highly degraded Karoo and sub-tropical thicket habitat in the region between Aberdeen and Jansenville, and lay the foundation for a district-wide restoration programme funded by companies looking for environmental offsets. The focus of the programme is linking ecosystem restoration and job creation in much the same way as the “working for” programmes of DEA and DWA. The project will align where ever possible with other existing or future restoration programmes in the Eastern Cape.

The first phase will be focussed on planning and designing a large restoration initiative, and constructing a restoration nursery at Fonteimbos Nature Reserve. The second phase will be the “implementation phase” of the project in which Fonteimbos Nature Reserve and two other highly degraded sites in the region will be ecologically restored. The first phase will generate jobs and stimulate the local economy of Aberdeen by providing construction jobs and skills training. The second phase will provide many employment opportunities linked to the nursery’s management and maintenance, and to the extensive soil and vegetation restoration works.

**e. Municipal Services Finance Model for Blue Crane Route Municipality**

Development of a municipal services finance model for Blue Crane Route Municipality based on the prioritised infrastructure investment schedule developed for the municipality in 2009. The project will lead to an infrastructure investment plan that will plot a path of sustainable development and maintenance of infrastructure.

#### **f. Wind Research and Training Facility**

The Blue Crane Development Agency (BCDA) with the Department of Electrical and Electronic Engineering at Stellenbosch University (SU) has developed a concept for the development of a 1 MW wind farm consisting of 20 x 50 kW wind turbines in the Somerset-East area. The reason for such a facility in Somerset East is due both to its excellent wind profile, its good municipal grid access and the identification of a suitable site as well as the established relationship between the university and BCDA as project facilitator.

The wind farm is divided into groups of different wind generator technologies and systems. It is proposed that the wind farm has a central control unit and a training centre.

### **4.3.11 CACADU DEVELOPMENT AGENCY**

#### **4.3.11.1 Principles**

Through the Regional Economic Development Initiative, principles in promoting economic growth and development in the district are emerging. These principles, based on best practice, and should be integrated into the modus operandi of the district development agency.

- Regional collaboration based on a non-jurisdictional perspective, recognising that economic potential often cuts across municipal and even provincial boundaries
- The promotion of partnerships between government, the private sectors, higher education and research institutions and civil society
- Linking growth sectors, for example the combination of tourism and agriculture industries in an agri-tourism initiative
- Linking formal and informal business communities
- Innovation and new growth sectors
- Small town regeneration, most notably in rural areas
- Importance of data generation, analysis and research to provide accurate base data on which to identify competitive and comparative advantages
- Reduction of red tape processes that often hinder economic development
- Alignment and coordination between sectors and across the spheres of government are essential for economic development interventions to be integrated
- The importance of flexibility in municipal boundaries in the facilitation of regional economic development and the ability to choose the most appropriate functional region for specific interventions should be noted.

The following three areas show the potential for economic growth and employment creation in the Cacadu District Municipality area:

1. Agriculture and agro processing
2. Tourism infrastructure development
3. Small town regeneration
4. Renewable energy

#### **4.3.11.2 Development Objectives**

The development objectives of the Agency are derived from the CDM IDP, which has prioritised five development priorities (objectives) towards securing the overarching strategic goals, the Vision and the Mission adopted from the CDM IDP. The IDP priorities are aligned with the National policy directives of the MTSF and the NSDP and the Municipal Socio-Economic and Enterprise Development Strategy (SEEDS).

The five prioritised development objectives and the rationale for their selection are outlined below:

##### Development Objective 1: Infrastructure Development

The Agency will assist the District Municipality in terms of providing planning and implementation of bulk water and sanitation services, transport and land planning, and will ensure synergies with other service agents such as economic development, tourism and programmes implemented by government departments.

Towards these ends, the Agency will support the CDM in addressing specifically defined focal areas (development objectives):

- Physical and development planning
- Coordinate the provision of regional bulk water and transportation services
- Assist the CDM in the process of identifying potential shared services

##### Development Objective 2: Capacity Building and Support to Local Municipalities

In order to assist the CDM in terms of supporting local municipalities to build capacity and to strengthen ability to perform functions and exercise powers. This includes facilitating self-sufficiency, financial sustainability and an appropriate developmental approach.

Towards these ends, the Agency will support the CDM in addressing specifically defined focal areas (development objectives):

- Ensure that appropriate planning and development facilities are established
- Ensure that appropriate information technology facilities and skills are available
- Develop appropriate systems for local and district community participation

##### Development Objective 3: Economic Development

The Agency will support the CDM in the consolidation and optimal utilisation of available resources to facilitate economic development. This includes targeted investment promotion and more advanced industries that are crucial for long-term economic growth.

Specific sectors earmarked for further development in the district include agriculture and agro-processing, green economy (including, but not limited to renewable energy and ecosystem services), tourism, skills development and education (predominantly, but not exclusively further education and training).

Towards these ends, the Agency will support the CDM in addressing specifically defined focal areas (development objectives):

- The identification, appropriate packaging and promotion of investment opportunities

- Support for SMME and Cooperatives development
- Design of rural development economic initiatives including agricultural mentorship programmes
- Promoting the establishment of alternative energy generation (wind, hydro, solar, bio-fuel)
- Promoting and strengthening regional and local economic linkages, partnerships and networks

#### Development Objective 4: Community Services

Towards these ends, the Agency will support the CDM in addressing specifically defined focal areas (development objectives):

- Ensuring that Local Municipalities have access to appropriate ICT infrastructure and capacity

#### Development Objective 5: Institutional Development

The Agency will assist and support the CDM in the development of internal capacity through the identification of skills required against the skills base on a District-wide basis. This will include the provision of training and development services for the Agency itself.

Towards these ends, the Agency will support the CDM in addressing specifically defined focal areas (development objectives):

- The planning and implementation of skills development programmes together with appropriate monitoring and evaluation systems
- Ensuring that appropriate professional development is adopted in terms of economic aspects of the IDPs at the district and local municipal levels

### **4.3.12 ENERGY AND CLIMATE CHANGE STRATEGY**

#### **4.3.12.1 Renewable Energy**

Renewable energy is poised to be one of the major areas of investment both within the country and internationally in the years ahead. The renewable energy sector is an area of great emerging opportunity for the Eastern Cape. It is a very dynamic sector currently, as the implications of extensive government commitment to renewable energy become apparent. New developments nationally are taking place very frequently and there are also many significant projects happening in the region. The anticipated massive growth in this sector provides major opportunities for growth in job creation in the province because of the potential of the area to host major renewable energy generation infrastructure as well as the potential to be a major manufacturer of such infrastructure leveraging off the automotive sector.

The South African government, business and labour signed a new accord on 17 November 2011 - one of the most comprehensive social partnerships on "green" economy development in the world - geared to create 300 000 jobs within the next 10 years. Key points in the accord include the government's commitment to install one-million solar water heaters by 2014/15, as well as to procure 3 725 MW of renewable energy.

In March 2011, the South African government adopted the Integrated Resource Plan (IRP), as a blueprint to guide the development of the country's energy generation in the period to 2030.

The IRP prescribes the introduction of certain technologies that would change the country's power generation paradigm. In terms of IRP, renewable energy technologies including wind, solar, biomass, biogas and hydro energy generation are to be introduced as cleaner supply side options and energy efficient options including solar water heating, industrial and commercial energy efficient would complement these technologies on the demand side.

To this end, on 3 August 2011, the Department of Energy (DOE) published a Request for Proposals (RFP) in terms of the department's Renewable Energy Independent Power Producer (IPP) Bidding Programme, whereby independent power producers were invited to submit proposals for renewable energy power generation for the first window of the programme that closed on 4 November 2011.

In terms of section 34 of the Electricity Regulation Act, the Minister of Energy made 3,725 MW available for renewable energy generation: 3,625MW was made available for large scale renewable energy project and 100MW has been reserved for small projects. In terms of the RFP published by the DOE as the first window of the RE IPP programme, only proposals in terms of large scale solar photovoltaic (PV), solar concentrated solar power (CSP), wind and hydro were eligible.

The department received fifty-three (53) bids in total amounting to 2,128MW. The evaluation resulted in 28 successful bids with a total of 1,416MW from a) solar PV (631.53MW), b) solar CSP (150MW) and c) wind (633.99MW).

Based on this allocation, a total of 2,209MW is still to be allocated from the remaining phase of the RE IPP programme, to make up the required total of 3,625MW.

The successful solar PV and solar CSP developments are predominantly located in the Northern Cape, North West and Free State provinces.

This announcement is significant for the Eastern Cape as five of the eight successful wind farm developments are to be developed in the Eastern Cape. This translates into 70% of the total power to be generated from successful wind farms announced as successful bidders in the first window (i.e. 443.46MW) will be generated within the Eastern Cape.

In addition to the significance for the Eastern Cape, the announcement of successful wind farm developments is particularly significant for Cacadu District Municipality, as three of the eight approved wind farm developments are to be developed in the district, with an additional wind farm to be developed in Nelson Mandela Bay Municipality. The two largest energy generating wind farms, i.e. Cookhouse Wind Farm (135MW) and Jeffreys Bay (133.86MW) and are to be developed in the district. This will result in significant employment (most notably temporary construction work) and related economic spinoffs for the district.

#### **4.3.12.2 Climate Change**

Initiatives and programmes reflected in District plans and programmes need to take into consideration risks and impacts and limitations imposed by climate change, such as increased temperatures; changes in precipitation levels; increased storm events; tidal surges and sea-level rise; and consider adaptation measures.

Development planning should take in account at least the following:

- Infrastructure development needs to take into account the impact of changing variables such as higher return periods for flooding and droughts, more extreme weather events, and sea level rise. Infrastructure development should pay close attention to geographic areas at highest risk such as flood-prone areas and areas close to sea-level.
- Development plans and programmes need to take into consideration the growing need for climate change mitigation and clean energy projects as development direction and economic opportunity. Such a development direction is underscored by the growing green economy.
- Development plans and programmes need to consider co-funding opportunities through mechanisms such as trading of Carbon Credits and Climate Change Adaptation Funds.
- It should be emphasised that the successful outcomes of development plans and programmes, particularly in regard to poverty alleviation and food security, will increase the resilience of vulnerable communities to climate change.

The effects of climate change such as temperature increases and sea-level rise may have significant knock on effects which combine to threaten the environmental, economic and social systems of the district.

A climate change risk assessment matrix was developed as part of the Eastern Cape Climate Change Response Strategy (ECCCRS) developed by the provincial Department of Economic Development, Environmental Affairs and Tourism (March 2011).

The risk assessment matrix aims to facilitate a step-wise approach to understanding which climate change impacts may affect the province, how serious these impacts are likely to be, and which provincial plans, agencies and departmental and municipal mandates are directly affected.

Climate change risks assessed as being of extreme significance are given in the table below.

**Table 4.29** Climate change risk assessment

<b>Climate Change Manifestation</b>	<b>2<sup>nd</sup> Order Impact</b>	<b>3<sup>rd</sup> Order Impact</b>	<b>Systems / sectors / Infrastructure</b>
More hot days and heat waves	Increased frequency of fire danger index reaching high extreme, coupled with berg-wind conditions	Risk of major loss of livestock, grazing, crops and infrastructure; threats to financial sustainability of existing commercial and subsistence farming operation and rural livelihoods; reduced food security.	Agriculture Sector
Increased storm severity/ Extreme	Increased inundation and loss of coastal land, wetlands and Estuaries	Increased damage to/loss of coastal property and infrastructure and increased insurance premiums	Coastal and Marine Systems



<b>Climate Change Manifestation</b>	<b>2<sup>nd</sup> Order Impact</b>	<b>3<sup>rd</sup> Order Impact</b>	<b>Systems / sectors / Infrastructure</b>
weather events.			
More hot days and heat waves	Increased frequency of fire danger index reaching high extreme, coupled with berg-wind conditions	Risk of major and widespread loss of standing stocks and threats to financial sustainability of existing Operations	Forestry sector
More hot days and heat waves	Increased morbidity and mortality among elderly and infirm (e.g. HIV/AIDS patients)	Increased strain on health services	Social & Economic Systems
Higher mean temperatures	Coupled with increased rainfall, spread in range of diseases and vectors, including cholera, malaria and bilharzia.	General increase in occurrence of disease; exacerbation of effects on people with HIV/AIDS, the elderly and the poor.	Social & Economic Systems
Increased storm severity/ Extreme weather events.	Increased storm surges coupled with sea level rise and flooding from both climate change causes and catchment hardening.	Direct threat to livelihoods, services and infrastructure in coastal low lying areas.	Social & Economic Systems
Increased storm severity/ Extreme weather events.	Coupled with more intense rain, catchment hardening due to urban development, and reduced integrity of water catchments: increased risk of flooding or flash floods	Direct threat to infrastructure within flood-prone areas; Direct threat to human life.	Social & Economic Systems
More hot days and heat waves	Increased frequency of fire danger index reaching high extreme	Increased fire frequency increases direct threat to human life; threats to livelihood and infrastructure.	Social & Economic Systems
More hot days and heat waves	Increased morbidity and mortality among elderly and infirm (e.g. HIV/AIDS patients)	Direct threat to livelihoods and social services	Social & Economic Systems
Higher mean temperatures	Increased evaporation, reduced soil moisture, reduced runoff and river base flow.	Compounded by reduced MAP, systemic water shortages will limit economic growth potential to the south-west.	Social & Economic Systems
Sea level rise	Coupled with storm surges and flood events exacerbated by catchment hardening, inundation and wave damage to coastal low lying areas.	Direct threat to livelihoods, services and infrastructure in coastal low lying areas.	Social & Economic Systems
Increased	Crop damage from hail and	Increased risk of crop failure;	Social &

<b>Climate Change Manifestation</b>	<b>2<sup>nd</sup> Order Impact</b>	<b>3<sup>rd</sup> Order Impact</b>	<b>Systems / sectors / Infrastructure</b>
storm severity/ Extreme weather events.	wind and heavy rain	threats to commercial and subsistence agriculture, rural livelihoods and food security.	Economic Systems
Longer dry spells and increased likelihood/ severity of droughts	Increased risk/frequency of dry land crop-failure; Increased mortality and reduced productivity among livestock.	Threats to commercial and subsistence agriculture, rural livelihoods and food security.	Social & Economic Systems
More hot days and heat waves	Heat waves coupled with dry conditions may increase the risk of uncontrollable shack fires in informal settlements	Threat to human life. Threats to urban livelihoods and increased strain on urban disaster management systems.	Social & Economic Systems
Increased storm severity/ Extreme weather events	Increased frequency of storm Surges	Reduced safety of personnel and increased frequency of injury or loss of life	Transport infrastructure

The ECCCRS further recommends the following adaptation and mitigation measures in response to climate change:

**Table 4.30** Mitigation measures

<b>Adaption Category</b>	<b>Adaption Objective</b>
Coastal Infrastructure and Livelihoods	<ul style="list-style-type: none"> <li>Increased resilience of coastal infrastructure and resources to the effects of sea-level rise, storm-surges, flooding and increased sea temperature (fisheries).</li> <li>Improved response to the impacts of extreme coastal events.</li> </ul>
Water Scarcity	<ul style="list-style-type: none"> <li>Mainstreaming climate change induced water scarcity in institutional decision-making and planning in water stressed areas in the District.</li> <li>Effective water resources management and efficient water use throughout the District.</li> </ul>
Flood management	<ul style="list-style-type: none"> <li>Flood prevention</li> <li>Reducing vulnerability to flooding events;</li> <li>Improved response to the impacts of flooding events</li> </ul>
Responses to increased risk of wildfires	<ul style="list-style-type: none"> <li>Improved wildfire prevention and suppression</li> </ul>
Managing the effects of increased temperature on human lives	<ul style="list-style-type: none"> <li>Societal adaptation to human health impacts from temperature increases associated with climate change.</li> </ul>
Food security	<ul style="list-style-type: none"> <li>Incorporating Climate Change acclimatization and resilience in provincial food security programmes.</li> </ul>

Mitigation Category	Mitigation Objective
Mainstreaming GHG (Greenhouse Gas) Mitigation in Local Government and in Industry	<ul style="list-style-type: none"> <li>• Mainstreaming GHG Mitigation in decision-making at all levels of government</li> <li>• Promoting GHG Mitigation in Local Government Operations</li> <li>• Promoting Greenhouse Gas Reporting in Industry</li> </ul>
Promotion of Renewable Energy in the District	<ul style="list-style-type: none"> <li>• Create an enabling environment for investment in implementation and use of clean energy in the District</li> </ul>
Mitigation and opportunities for sustainable livelihoods	<ul style="list-style-type: none"> <li>• Facilitate integrated lead projects that promote sustainable livelihoods and local economic development while achieving (tradable) emission reductions</li> </ul>
Mitigation in Solid Waste and Wastewater Treatment	<ul style="list-style-type: none"> <li>• Reduction in organic waste to landfill, renewable energy from waste, and methane use or destruction</li> </ul>
GHG mitigation in transport	<ul style="list-style-type: none"> <li>• Facilitate shift to low greenhouse gas modes of transport and transport systems.</li> </ul>

#### 4.3.13 CACADU DISASTER RISK MANAGEMENT PLAN

##### 4.3.13.1 Disaster Management

The Disaster Risk Management Assessment for the Cacadu District was completed in June 2009. The primary purpose of the document was to review the existing Disaster Risk Management Assessment with a view to identifying communities and infrastructure at risk and further prioritize disaster risks for the Cacadu District Municipality. From this assessment a Disaster Management Plan was developed, this plan will be reviewed in 2013/14 due to changes in risk in further assessments done.

Following the assessment exercise, the disaster risks identified to be high priority for the district were

- Fires
- Storm
- Hazardous Materials Accidents

Although the risk calculation undertaken indicated the above disaster risks for the District Municipality, Consideration was also given to those disaster risks that will affect Local Municipalities only. Based on those contingency plans were developed for those disaster risks, whereafter Disaster Plans were developed.

##### a. Fires

In respect of the fire hazard, the Cacadu District Municipality, undertook a separate functionality assessment to have the best mechanism to deal with prevention, mitigation of, and response to fires. It is on the basis of this assessment that a strategy was undertaken. This is dealt with more under the Fire Services section.

##### b. Storm

The district Municipality has developed contingency plans for all Municipalities who have this hazard identified as a disaster risk.

c. Hazardous Material Accidents

Due to the fact that, this disaster risk is directly linked to Fire Services, it is also dealt with more under Fire Services.

The CDM has a Disaster Management Centre that has an uninterrupted power supply situated at the Cacadu District offices. This centre is linked to other emergency centres and has a fully functional communication system for use in cases of disaster. The centre conducts education awareness campaigns and has close relations with the Local Municipalities as a means of managing the development of high risk. These close relations enable the centre to respond timeously to disasters and risk. There are no emergency procurement procedures in the Disaster Management Plan however these will be addressed in the review.

#### **4.3.13.2 Fire Services**

Council has a legislative mandate, in terms of section 84 1 (j) of the Municipal Structures Act, to:

- Plan, coordinate and regulate fire services.
- Provide the fighting of specialised fires, such as Mountain, veldt and chemical fires.
- Co-ordinate the standardization of Infrastructure, vehicles equipment and procedures
- Train Fire officers

CDM undertook a functionality assessment on how best to deal with the function, within its limited resources, and the function currently performing directly all other functions except the fighting of specialised fires, which is done on an agency basis by Municipalities. The CDM has a District Fire Co-ordinator in its employment which acts as chief fire officer. There are no tariffs adopted for fire services by CDM as these no longer apply.

The district Municipality is providing continuous support and capacity to municipalities to deal with the fighting of fires, including dealing with Hazardous Chemical spillages.

In addition, training of Municipal fire officers, on both fire fighting and the handling of Hazardous Material Spillage is a priority of the district in this field.

The District Municipality has further ensured that all fire fighting vehicles in the district are being standardised throughout its area.

#### **4.3.14 HEALTH PLAN**

##### **4.3.14.1 Primary Health Care**

Schedule 4 of the Constitution of the Republic of South Africa, Act No. 18 of 1996, accorded Primary Health Care (PHC) Services to the Province as an area of exclusive provincial competency.

The National Health Council resolved in line with the National Health Act of 2003, that the Primary Health Care services performed by various Municipalities within the Eastern Cape Province must revert to the Department of Health (ECDoH) and further resolved that PHC

Services would again be devolved to Local Government in 2014 after the standardisation of the service is completed.

The National Health Council resolution was effectively implemented in Cacadu District on 01 January 2011.

All nine (9) Local Municipalities in Cacadu District area including Cacadu District Municipality entered into Transfer Agreements with ECDoH to transfer the Primary Health Care Services with effect 01 January 2011.

#### **4.3.14.3 Municipal Health Services**

The CDM has become the responsible service authority for Environmental Health Services (EHS) now defined as Municipal Health Services in accordance with the National Health Act, Act 61 of 2003 from 01 July 2004 in terms of the revocation of Section 84(3) authorizations under the Municipal Structures Act, Act 117 of 1998.

The CDM took a decision that local municipalities are better positioned to be the agents of the district in rendering Municipal Health Services. The CDM has thus finalized and entered into Service Level Agreements (PPSLA) which is renewed annually with local municipalities that have the capacity to render EHS on its behalf, namely Kouga, Blue Crane Route (BCR), Camdeboo, Makana, Ndlambe, and Sundays River Valley.

The Ikwezi, Baviaans and Kou-Kamma Municipalities are serviced by three (3) Environmental Health Practitioners (EHP) that are employed by the CDM.

The main Components of Environmental Health are:

- Active Environmental Educations sessions and Awareness Campaigns/Programmes;
- Water quality monitoring;
- Waste Management and Pest/Vector Control;
- Food control, including quality monitoring;
- Health surveillance of premises;
- Surveillance and prevention of communicable diseases;
- Environmental pollution control;
- Disposal of the dead.

This service as rendered by the CDM, excludes Port Health, Malaria Control and Hazardous Substances these are the competency of the Eastern Cape Department of Health (ECDoH). Due to the size of the geographical area currently serviced, the best mechanism employed to effectively manage Environmental Health is through intergovernmental relations and joint management with the above listed Local Municipalities.

Aspects relating to the objectives and strategies of the Environmental Health function as provided by the CDM may be viewed in Chapter 2 of this document.

#### **4.3.14.3 Conclusion and Way Forward**

CDM currently is only responsible for rendering Municipal Health Services (MHS) throughout the district and through the appointment of the LMs as implementing agents of MHS. In the

financial year 2012/13, CDM would be delegating this service (MHS) to the three (3) LMs that are currently serviced by CDM EHPs as indicated above.

CDM would also remain a District Health Authority (DHA) in line with the Eastern Cape Health Act, Act 10 of 1999 and the National Health Act, Act 61 of 2003. This means that the District Health Council (DHC) will remain and convened by CDM Portfolio Councillor for Health. The DHC is a political structure made up of Portfolio Councillors for Health from all CDM nine (9) LMs and would mainly play an oversight role on PHC services.

The CDM is a licensing authority for Air Quality management however the function is performed by DEDEA through a service Level Agreement.

#### **4.3.15 HUMAN RESOURCE MANAGEMENT PLAN**

The Human Resource Management Plan (a Strategic Document for 2009 – 2014) (HRMP) was developed by the Cacadu District Municipality's Corporate Services and Finance Department in May 2009. The HRMP is the Cacadu District Municipality's (CDM) Statement of how the institution by means of its employees and politician's will achieve the objectives as set out in the Integrated Development Plan (IDP). The CDM has a strategic mandate to alleviate poverty which demands a stringent focus by the CDM on critical services to the Local Municipalities that comprise the district. These services include:

- Infrastructure Development
- Economic Development
- Community Services
- Capacity Building & Support to Local Municipalities
- Institutional Development

In order for CDM to efficiently achieve its strategic goals and objectives, the institution requires an effective Human Resource Management Structure to service its Departments and the Local Municipalities with efficient HRM services. Functions include:

- Recruitment
- Selection
- Retention
- Job Analysis
- Training and development
- Motivation and Employee Wellness
- Dispute Resolution
- Conflict Resolution
- Contracting
- Organizational Rationalization

The HRMP therefore aims to ensure that CDM employees can achieve their best to deliver excellent services.

The Plan is intended to be a framework which sets out the contribution of the Human Resource Management Department to other departments in achieving CDM aims and objectives, with clear indication of priorities.

#### **4.3.15.1 Skills Development Plan**

The objectives of the Skills Development Plan are to train and build capacity among the staff of the CDM. The CDM acknowledges that the continuous growth and development of its staff is fundamental to its future success as an organization. Whilst most of the current staff complement is new to the sphere of local government, it is important to note that most of these new recruits are young, enthusiastic and willing to learn. As may be seen in the project template on Effective Local Governance, provision is made for the training of the internal staff. Furthermore, a 'Knowledge Resource Centre' - reflected on the same project template - will provide the staff with on-site access to knowledge and information to empower them and to build their capacity. It is clear that the CDM is serious about staff development and it is dedicated to the development of a culture of learning within the institution.

The municipality has a SDF responsible for compilation and implementation of the annual training plan commonly known as the WSP.

This plan involves obtaining and annually completing a skills audit questionnaire which is signed off by Manager and subordinate.

This questionnaire is also supplemented by the quarterly performance reviews conducted internally which identify skills gaps that requires interventions in the form of training or enhancing capacity to fulfil the function.

#### **4.3.15.2 Employment Equity Plan**

The CDM has formulated an Employment Equity Plan, which includes the personnel development and training policy. This plan will be revised as circumstances require. The gender component that is outlined in the Integrated Poverty Reduction and Gender Equity Programme highlights the CDM's concern with the employment of women.

This is part of its commitment to rectify the imbalances of the past. The CDM's current organizational structure reflects its commitment to employment equity and placing women in strategic positions. Council has a 5 year plan which was approved in August 2010. Council reports implementation annually either 01 October or at the 12 January each year.

#### **4.3.15.3 RECORDS MANAGEMENT SYSTEM**

The municipality has an archives section which maintains its records in a manner which makes document usage efficient. An audit file is developed annually in accordance with the requirements from National treasury and is provided to the Auditor General together with the Annual Financial Statements on the 31 August each year.

**Table 4.31 Human Resource Plan**

DEVELOPMENT PRIORITY 1 – INFRASTRUCTURE DEVELOPMENT		Strategies for Support	Related Projects	Comment
<b>DEVELOPMENT PRIORITY 2 – CAPACITY BUILDING &amp; SUPPORT TO LOCAL MUNICIPALITIES</b>				
<b>OBJECTIVE 1 :</b> Maximize the potential of CDM LM's and District Municipality to effectively and efficiently deliver services to their communities				
		1) Building in-house capacity at CDM & in LM's so that they can perform their functions & strengthen institutional system	<ul style="list-style-type: none"> <li>o Skills Audit</li> <li>o Training needs analysis</li> <li>o Capacity Building projects</li> <li>o Training &amp; Development</li> </ul>	
HR Required Support	Activities in Support	Responsibility/Role Players	Time-Frame	Resources Required
Conducting of the Skills Audit	<ul style="list-style-type: none"> <li>▪ Develop employee competency/Skills profile</li> <li>▪ Develop employee competency/skills dictionary</li> <li>▪ Development of the skills audit tools</li> <li>▪ Conduct skills audit report</li> <li>▪ Develop personal development plans</li> </ul>	SDF and SHR Officer		<ul style="list-style-type: none"> <li>▪ Field workers</li> <li>▪ IT support</li> </ul>
Conduct training needs analysis	<ul style="list-style-type: none"> <li>▪ Develop training needs analysis tools</li> <li>▪ Conduct training analysis</li> <li>▪ Develop needs analysis report</li> </ul>	SDF and SHR Officer		<ul style="list-style-type: none"> <li>▪ IT support</li> </ul>
Development of WSP	<ul style="list-style-type: none"> <li>▪ Collect information from and liaise with LGSETA</li> <li>▪ Consolidate information from skills audit and training needs analysis reports &amp; personal development plans</li> <li>▪ Develop the CDM WSP</li> <li>▪ Submit the WSP to LGSETA</li> </ul>	SDF and SHR Officer		<ul style="list-style-type: none"> <li>▪ Necessary information from LGSETA</li> </ul>



HR Required Support	Activities in Support	Responsibility/Role Players	Time-Frame	Resources Required	Comments
Undertake Workforce Planning	<ul style="list-style-type: none"> <li>▪ Design recruitment adverts</li> <li>▪ Conduct short listing</li> <li>▪ Conduct interviews reports with recommendation to the council</li> </ul>	SHR officer, HR Manager			
Compile training & development programme	<ul style="list-style-type: none"> <li>▪ Consolidate information from Skill Audit reports, PDP's &amp; WSP</li> <li>▪ Compile the training &amp; development programme</li> </ul>	SDF			
Conduct training & capacity building in policy implementation & legislative compliance matters	<ul style="list-style-type: none"> <li>▪ Develop training material</li> <li>▪ Arrange for training logistics</li> <li>▪ Conduct the training and training impact assessment</li> </ul>	Consultant			
<b>DEVELOPMENT PRIORITY 2- CAPACITY BUILDING &amp; SUPPORT TO LOCAL MUNICIPALITIES</b>					
<b>OBJECTIVE 1 :</b> Maximize the potential of CDM LM's and District Municipality to effectively and efficiently deliver services to their communities					
			To improve the performance of low capacity LM's in respect of Organizational and HR arrangements	<ul style="list-style-type: none"> <li>○ Conducting HR Audits</li> <li>○ Policy/Procedure development</li> <li>○ Review of Organograms</li> </ul>	On request and demand the select LM's will be given assistance with the activities and survey related to these projects.
<b>HR Required Support</b>	<b>Activities in Support</b>	<b>Responsibility/Role Players</b>	<b>Time-Frame</b>	<b>Resources Required</b>	
Conduct HR audit	<ul style="list-style-type: none"> <li>▪ Develop HR audit tools</li> <li>▪ Conduct HR audit</li> <li>▪ Develop HR audit report</li> </ul>	SHR Officer and HR Manager		<ul style="list-style-type: none"> <li>▪ IT support</li> <li>▪ Support from departmental Directors/Managers (Chasers)</li> </ul>	
Policy & Procedure Development	<ul style="list-style-type: none"> <li>▪ Develop Policy/Procedure checklist</li> <li>▪ Submit the checklist to LM's for verification process</li> <li>▪ Develop a gap analysis report with recommendations to LM's</li> <li>▪ Assists LM's in developing HR Policy/Procedure Manual</li> </ul>	<ul style="list-style-type: none"> <li>▪ SHR Officer and HR Manager</li> </ul>		<ul style="list-style-type: none"> <li>▪ Support and buy- in from LM's HR Managers/Officers</li> <li>▪ Support from the internal &amp; external Consultants</li> </ul>	

HR Required Support	Activities In Support	Responsibility/Role Players	Time-Frame	Resources Required	Comment
Reviewing Organizational Structures	<ul style="list-style-type: none"> <li>▪ Collect Information &amp; documentation</li> <li>▪ Consult with LM's HR Practitioners</li> <li>▪ Review the Structures</li> <li>▪ Develop and submit a review report with recommendations</li> </ul>	<ul style="list-style-type: none"> <li>▪ SHR Officer and HR Manager</li> </ul>		<ul style="list-style-type: none"> <li>▪ Corporate Services and Finance Director's Support</li> <li>▪ IT Support</li> <li>▪ LM's HR Directors Support</li> </ul>	
<b>DEVELOPMENT PRIORITY 3- ECONOMIC DEVELOPMENT</b>					
<b>OBJECT 3:</b> To develop and enhance technical and life skills in line with labour market demands of the district in strategic sectors and the region at large					
			<b>Strategies for Support</b>	<b>Related Projects</b>	<b>Comment</b>
			Partner with key players in Human Resources and skills developments	<ul style="list-style-type: none"> <li>○ Coordination of in-house skills development</li> <li>○ Development of LM's HR Development Strategy</li> <li>○ Assist in the Implementation of the HRD Strategy</li> </ul>	On request by the Economic Development Department and on demand the in-house projects/assignments in assisting will be executed
			<b>Time-Frame</b>	<b>Resources Required</b>	
Conduct a specialized Training needs analysis and skills Audit	<ul style="list-style-type: none"> <li>▪ Development of Training Need Analysis/Skills Audit tools</li> <li>▪ Administration of Tools</li> <li>▪ Data Capturing analysis and interpretation</li> <li>▪ Development &amp; submission of a report with statistics and recommendations</li> </ul>	SDF and the HR Managers		<ul style="list-style-type: none"> <li>▪ IT Support</li> <li>▪ Director ED Support and information sharing</li> <li>▪ Printing support</li> </ul>	
Develop Training Schedule	<ul style="list-style-type: none"> <li>▪ Consolidate employee database and statistics</li> <li>▪ Consult with departmental Heads</li> <li>▪ Get approvals from line Managers on Employee training needs</li> <li>▪ Develop and verify the training schedules with relevant custodians and line</li> </ul>	SDF		<ul style="list-style-type: none"> <li>▪ IT Support</li> <li>▪ Departmental line Manager support</li> <li>▪ Printing support</li> </ul>	

HR Required Support	Activities in Support	Responsibility/Role Players	Time-Frame	Resources Required	
Coordinate training and silis Programmes	<ul style="list-style-type: none"> <li>▪ Organize training facilities in-house or externally</li> <li>▪ Consult and verify training logistics</li> <li>▪ Inform the employees and the supervisors of the training logistics and remind them of schedule thereof</li> </ul>	SDF		<ul style="list-style-type: none"> <li>▪ Telephone and Electronic Mailing</li> <li>▪ Training Budget</li> </ul>	
Develop Human Resource Development Strategy	<ul style="list-style-type: none"> <li>▪ Research and Consolidation of information</li> <li>▪ Conduct Bench-marking and analysis</li> <li>▪ Develop the HRD strategy</li> </ul>	Senior HR Officer and HR Manager		<ul style="list-style-type: none"> <li>▪ Corporate and Finance Services director support</li> <li>▪ Printing support</li> </ul>	
Assist in the Implementation of the HRD	<ul style="list-style-type: none"> <li>▪ Present and submit the HRD strategy to ED Director &amp; Manager</li> <li>▪ Develop and HRD Strategy Implementation Framework</li> <li>▪ Workshop the Director and Manager ED on the Strategy &amp; Framework</li> </ul>	Senior HR Officer and HR Manager		<ul style="list-style-type: none"> <li>▪ Corporate and Finance Services Director support</li> <li>▪ Printing support</li> </ul>	
<b>DEVELOPMENT PRIORITY4 – COMMUNITY SERVICES</b>					
<b>OBJECTIVE 5:</b> Promote voluntary testing and counselling amongst the inhabitants of the CDM area of jurisdiction			<b>Strategies for Support</b>	<b>Related Projects</b>	<b>Comment</b>
			Maintain voluntary counselling and testing services in clinics	<ul style="list-style-type: none"> <li>○ Establish an Integrated Health &amp; Wellness Programme</li> <li>○ Develop Health &amp; Wellness Policy</li> <li>○ Develop VCT Strategy</li> </ul>	An internal HIV/Aids, Health & Safety Committees do exist only the EAP has not establish to form coalition to programme
<b>HR Required Support</b>	<b>Activities in Support</b>	<b>Responsibility/Role Players</b>	<b>Time-frame</b>	<b>Resources Required</b>	
Establish an Integrated Health & Wellness Programme	<ul style="list-style-type: none"> <li>▪ Conduct Research and Bench-marking</li> <li>▪ Consult all stakeholders for information sharing</li> <li>▪ In collaboration establish the Programme</li> </ul>	Senior HR Officer, HR Manager, Environmental Services Manager, Health Services Manager		<ul style="list-style-type: none"> <li>▪ Director: Health Services, Infrastructure &amp; Planning, Corporate and Finance support</li> <li>▪ Printing support</li> </ul>	
Develop Health & Wellness Policy	<ul style="list-style-type: none"> <li>▪ Conduct Research and reviews Best Practices</li> <li>▪ Consolidate information</li> <li>▪ Develop the Policy</li> </ul>	Senior HR Officer, HR Manager		<ul style="list-style-type: none"> <li>▪ Support from Manager Environmental Services, Health Services Manager</li> <li>▪ Printing support</li> </ul>	

HR Required Support	Activities in Support	Responsibility/Role Players	Time-frame	Resources Required	Comment
Develop the VCT Strategy	<ul style="list-style-type: none"> <li>▪ Conduct bench-marking, research &amp; analysis</li> <li>▪ Information verification &amp; consolidation</li> <li>▪ Develop the VCT Strategy</li> <li>▪ Submit for review &amp; comment</li> <li>▪ Modify if necessary</li> <li>▪ Submit the final strategy</li> </ul>	Senior HR Officer, Health Services Director/Manager		<ul style="list-style-type: none"> <li>▪ Support from, HR Manager</li> <li>▪ Printing support</li> </ul>	
<b>DEVELOPMENT PRIORITY 4 – COMMUNITY SERVICES</b>					
<b>OBJECTIVE 6:</b> To ensure traditional surgeons and traditional nurses are trained in general health issues, HIV/AIDS prevention and sage practices					
Conducting Training Impact Assessment	<ul style="list-style-type: none"> <li>▪ Develop training impact assessment tools</li> <li>▪ Conduct the training impact assessment</li> <li>▪ Develop &amp; submit impact assessment report</li> </ul>	SDF	Strategies for Support Ensuring training of lingobi and amakhankatha in safe health practices	<b>Related Projects</b> <ul style="list-style-type: none"> <li>○ Conducting Training Impact Assessment</li> <li>○ Conducting Trainer Impact Assessment</li> <li>○ Conducting trainer Impact</li> <li>○ Assist in Planning for training.</li> </ul>	
Conducting Trainer Impact Assessment	<ul style="list-style-type: none"> <li>▪ Develop trainer impact assessment tools</li> <li>▪ Conduct the trainer impact assessment</li> <li>▪ Develop &amp; submit impact assessment report</li> </ul>	SDF		<ul style="list-style-type: none"> <li>▪ Support from Senior HR Officer and HR Manager</li> </ul>	
Assist in training planning	<ul style="list-style-type: none"> <li>▪ Provision of relevant information</li> <li>▪ Assist in skills development programmes coordination</li> <li>▪ Assist in capacity building programmes</li> </ul>	SDF		<ul style="list-style-type: none"> <li>▪ Support from senior HR Officer and HR Manager</li> </ul>	

This plan will be reviewed in the 2012/13 financial year.

#### 4.3.16 THE SPECIAL PROGRAM EMPOWERMENT POLICIES AND STRATEGIC PLANNING FRAMEWORKS

The CDM recognises that it has a critical role to play in addressing imbalances which exist and which have resulted in the vulnerable groups (youth, women and disabled) being most adversely affected.

**The Special Program Policies** serve to guide the CDM in creating opportunities which contribute to the empowerment of the vulnerable groups.

The accompanying **Strategic Planning Framework** which facilitates the translation of the policy into action must be read in conjunction with this policy.

The Special Programmes Empowerment Policy Framework:

The CDM identified the vulnerability of women, youth and people living with disability within the municipality and recognized the importance of finding ways of responding effectively to their needs. As such, the municipality engaged in an exploratory exercise to determine how best to guide service delivery and human resource practices so that discrimination which the vulnerable groups confront is addressed to enable them access to and utilization of available opportunities to improve their life circumstances.

Following a desktop review of documentation, initial draft policy guidelines were developed. The information from these processes enabled the municipality to sketch out a more consultative process for developing Empowerment Policies which could be owned by officials working within the CDM as well as key role-players within civil society.

The current team responsible for overseeing the implementation of this policy is the Municipal Manager, the manager responsible for Capacity Building & Support to Local Municipalities as well as the Special Programmes Officer.

All managers responsible for the various developmental priorities, including human resources will need to provide quarterly reports of the progress within their departments/units in terms of ensuring opportunities are created for women's empowerment. These reports will be developed according to clear reporting guidelines and be tabled at Council meetings.

The existing institutional arrangements will be reviewed in order to ensure that the institutional support established is feasible, thus reflective of the CDM's commitment to promote and ensure women's empowerment.

The CDM feels that its greatest contribution to supporting the vulnerable groups structures and forums is through the support of Capacity Building Initiatives.

The United Nations Development Programme (UNDP) defines 'capacity building' as *the creation of an enabling environment with appropriate policy and legal frameworks, institutional development, including community participation (of women in particular), human resources and strengthening of managerial systems.*

Capacity building is a long-term, continuing process, in which all stakeholders participate such as ministries, local authorities, non-governmental organizations, professional associations, academics and others.

The CDM will strive to build capacity on applying mainstreaming processes among staff within the CDM as well as within the Local Municipalities and among key stakeholders.

In order to ensure that the policies are realized, the CDM is determined to have clear strategic action plans accompany the Empowerment Policies, therefore Strategic Planning Frameworks are also developed to assist in the translation of the policies into action.

Strategic Planning Framework:

The Strategic Planning Frameworks, which accompanies the CDM's Empowerment Policies, introduce key actions which should be considered in initiating the process of creating opportunities for the empowerment of the vulnerable groups who are:

- Citizens within the CDM and Local Municipalities, as well as
- Employed within the CDM and Local Municipalities

The Strategic Planning Frameworks outlines initial actions which the CDM should undertake over the period 2009 – 2012. As these Strategic Planning Framework are a guide, all departments/ sectors/ units within the CDM will need to adapt and further develop these plans to suit their particular circumstances.

The Strategic Planning Frameworks comprise of two components:

*Component 1: Strategic Plans in relation to the key municipal development priorities*

Within the Empowerment Policies, examples are provided which reflect possible ways of creating opportunities for the vulnerable groups' empowerment. These examples were drawn on as the initial actions which are required within the CDM. Therefore, the examples are further elaborated upon in the plans below.

*i) Priority Area: Infrastructure Development:*

In terms of the Development Priority, Infrastructure Development, the CDM will prioritise the creation of opportunities for the vulnerable groups' empowerment by focusing on:

- Provision of water and sanitation;
- Promotion and improvement of public transport facilities and usage;
- Improvement of housing delivery and settlement planning with the LMs; and
- The integrated 2010/tourism infrastructure roll-out plan.

*ii) Priority Area: Capacity Building & Support to LMs:*

In terms of the Development Priority, Capacity Building & Support to LMs, the CDM will prioritise the creation of opportunities for vulnerable groups' empowerment by focusing on:

- Representation and position of vulnerable groups within structures;
- Opportunities and support provided for training and educational programs;
- Enhancing skills to create opportunities to enable the vulnerable groups in communities to participate in discussions and decision making around provision of services;
- Developing accountability systems for ensuring prioritization of the vulnerable groups' empowerment.

*iii) Priority Area: Economic Development:*

In terms of the Development Priority, Economic Development, the CDM will prioritise the creation of opportunities for women's empowerment by focusing on:

- Prioritising the creation of increased employment opportunities;
- Prioritising the vulnerable groups entrepreneurs in developing strategic sectors for purposes of economic growth;
- Establishing partnerships with institutions which encourage and promote the importance of the vulnerable groups' participation in economic development programs.

*iv) Priority Area: Environmental Health:*

In terms of the Development Priority, Environmental Health, the CDM will prioritise the creation of opportunities for vulnerable groups' empowerment by focusing on:

- Developing waste management strategies collaboratively with the vulnerable groups;
- Promoting environmental health education and awareness among the vulnerable groups;
- Providing development opportunities for the vulnerable groups' health professionals working in EHS.

*vi) Priority Area: HIV/AIDS plan:*

In terms of the development priority 'HIV/AIDS plan', the CDM will prioritise the creation of opportunities for the vulnerable groups' empowerment by focusing on:

- Provision of prevention, treatment, care and aftercare programs;
- Promoting awareness of prevention, treatment, care and aftercare needs of the vulnerable groups;
- Formulation and implementation of HIV/AIDS plans for CDM and LMS which address the prevention, treatment, care and aftercare needs of the vulnerable groups.

*vii) Priority Area: Disaster management:*

In terms of the development priority 'Disaster management', the CDM will prioritise the creation of opportunities for the vulnerable groups' empowerment by focusing on:

- Formulation and implementation of an institutional management strategy framework responsive to the vulnerable groups' needs;
- Building their capacity in fire delivery services.

*Component 2: Strategic Plans in relation to key human resource functions*

Within the vulnerable groups' Empowerment Policy, recognition is given to the fact that the prioritization of the vulnerable groups' empowerment must extend to the way in which the CDM operates in relation to its employees.

In so doing, the areas identified where contributions to the empowerment of the vulnerable groups within its structures are as follows:

- Recruitment and selection of employees
- Recruitment and selection of external service providers
- Training and development opportunities for employees
- Monitoring & evaluation of performance

#### **4.3.17 HIV & AIDS SECTOR PLAN**

##### **4.3.17.1 Background**

Cacadu adopted its HIV and Aids Plan in 2008 and the plan is the culmination of all inputs from a range of partners and stakeholders. These Partners and stakeholders come from all nine local municipalities within Cacadu, civil society and community based organizations that are united in their commitment to fight the HIV and Aids pandemic in Cacadu.

The Primary aims of the plan were to:

- ✓ Reduce the rate of new HIV infections by 50% by end of 2011
- ✓ Reduce the impact of HIV and Aids on individuals, families, communities and society by expanding access to appropriate treatment, care and support to 80 % of all HIV positive people and their families by end of 2011

The current plan has five key priority areas, namely:

1. Prevention
2. Treatment, Care and Support
3. Care and Support for Orphans and Vulnerable Children (OVC)
4. Research, Monitoring and Evaluation
5. Human Rights and Access to Justice

##### Prevention

Identifying and keeping HIV negative people negative is the most effective and sustainable intervention in the Aids response. With regards to this KPA the District target was to reduce HIV incidence by 50% by end of 2011.



The lead agency in realizing this KPA is the Cacadu Department of Health. The role of the district is more on the awareness side and encouraging people to go for testing so that they can know their status. The district has worked with the Department of Health in conducting HCT campaigns across the district.

The district target was set at 128 870 and below are statistics for year ending June 2011

- ✓ Number of people who pre-tested = 90 732
- ✓ Total number tested = 83 765 (65% 128 870)
- ✓ Total number of HIV Positive = 7352 (9.3%)
- ✓ Tb screening = = 57 568 (72.5%)
- ✓ Number of people referred for clinical diagnosis = = 7 615

#### Treatment, Care and Support

The district target was to provide an appropriate package of treatment, care and support services to 80% of people living with HIV and their families by 2011 in order to reduce the morbidity and mortality as well as other impacts of HIV and AIDS.

There is an increase in the number of people on ARV treatment. Currently in Cacadu accredited ART and NIMART sites are as follows:

- ✓ 47 clinics,
- ✓ 9 hospitals
- ✓ 4 TB hospitals and
- ✓ 1 Psychiatric Hospital
- ✓ 7 Mobile Clinics

#### Care and support of Orphans and Vulnerable Children

The main objective of this KPA was to ensure that an updated database of Orphans and Vulnerable Children is kept. Also to ensure the implementation of OVC policy and programmes in targeted areas.

With the assistance of the Department of Social Development the identification of Orphans and Vulnerable Children (OVC) was done and a comprehensive database was developed.

#### Research and Monitoring

This KPA is a competency of ECAC and several survey were conducted by their research unit

#### Human Rights and Access to Justice

HIV and AIDS is a human rights issue and the main objective of this KPA is to create a social environment that encourages many more people to test voluntarily for HIV and when necessary seek and receive medical treatment and social support they require.

Respect for and the promotion of human rights is integral to all priority interventions and programmes that are taking place in the district. However more efforts still need to be made as stigma and discrimination are still challenges.

#### 4.3.18 CAPACITY BUILDING STRATEGY

The Cacadu District Municipality is obliged in terms of section 83 (3) of the Local Government Municipal Structures Act, 1998, Act No, 117 of 1998, to ensure that the current performance and potential capacity of the nine local municipalities in the Cacadu District Municipality (CDM) area can fulfil their responsibility for the social and economic development of the respective communities.

These responsibilities are defined as:

- Ensuring integrated development planning takes place
- Building the capacity of the municipalities to perform their functions
- Promoting equitable distribution of resource.

In 2007 Cacadu District Municipality developed and adopted its Capacity Building Strategy. The strategy categorized the nine Local Municipalities into three categories, namely

1. Municipalities that need most assistance (Blue Crane Route, Baviaans, Ikwezi and Sundays River Valley)
2. Municipalities that need average/ medium assistance (Kou-Kamma, Camdeboo)
3. Municipalities that need least assistance (Kouga, Ndlambe and Makana)

The report also highlighted three area of concern across the nine local municipalities, namely:

- ✓ Equipment
- ✓ Budget
- ✓ Staffing

TABLE 4.32: SUMMARY OF THE MDB REPORT 2005/06							
Municipality	Overall %	U	P	B	S	E	Ranking of Problem Areas
Kouga	87	1	2	10	7	12	Equipment, Budget
Ndlambe	79	6	7	7	8	19	Equipment, Staffing, Budget, Performed,
Makana	72	11	10	12	10	11	All problem areas
Kou-Kamma	69	9	9	13	12	15	Equipment, Budget, Staffing
Camdeboo	69	3	4	25	20	19	Budget, Staffing, Equipment
Blue Crane Route	58	14	13	18	17	23	Equipment, Budget, Staffing
Baviaans	51	16	18	19	18	22	Equipment, Budget, Staffing
Ikwezi	48	10	11	26	29	31	Equipment, Staffing, Budget
Sundays River Valley	45	18	20	20	20	20	Equipment, Staffing, Budget, Performed, Understood

Key of Problem Areas	
Understanding	U
Performed Function	P
Budget	B
Staffing	S
Equipment	E

Ranking of Problems Areas	
Primary problem area in the LM	
Secondary problem area in LM	
Third problem area in LM	

Assistance has been giving to all local municipalities depending on the identified need; however it has come to the district's attention that some municipalities have progressed well and others have regressed. The district is still committed in supporting its local municipalities such that it will begin a process of reviewing its Capacity Building Strategy by 2013.

#### **4.3.18.1 Implementation of the Strategy Recommendations**

The Cacadu District Municipality is obliged in terms of section 83 (3) of the Local Government Municipal Structures Act, 1998, Act No,117 of 1998, to ensure that the current performance and potential capacity of the nine local municipalities in the Cacadu District Municipal area can fulfil their responsibility for the social and economic development of the respective communities.

In 2007 Cacadu District Municipality developed a District Wide Capacity Building Strategy and was adopted by council. The adoption by council meant that Cacadu District will implement the plan taking into consideration the resources that are available to CDM. The capacity building strategy had focus areas with specific projects and below is the status per focus area and project as of June 2011.

##### **Institutional**

Under institutional Capacity the focus areas were organization development, Human Resources Management and corporate governance. Progress with regards to the identified projects is as follows:

##### **Organizational Development**

1. Review and re-align structure into Roles and Responsibilities and Delegation
  - An analysis of what policies have been approved in terms of Roles and Responsibilities and Delegation of Power in respect of each local municipality has been conducted.
  - Reports were tabled to all 8 local municipalities that were part of the programme.
  - Turn Around plans were developed and their focus was on, Development of Rules of Order, Roles and Responsibilities and Delegations Register, development of Finance Policies and By Laws (Customer Care and Revenue Management, Rates Policy, Tariff and credit control). Workshopping the above policies and by laws is also part of the turn around plan.
2. Update job analysis and descriptions
  - This was done as part of the job evaluation project
3. Review organogram and ensure linked to IDP
  - So far no movement has been made with regards to this project.

##### **Human Resources Management**

1. Conduct Skills Audit
  - Project completed, a report on skills audit for all employees below section 57 in the district was done and completed.
2. Create and Implement a Workplace Skill Plan (WSP)
  - In financial year 2009/10 all municipalities submitted their WSP timeously. In 2010/11 seven LMs submitted their WSP to the LGSETA and out of the seven only Kouga was recognized for submitting a credible plan. Both Makana and Baviaans did not submit. In 2011/12 only Baviaans and Camdeboo did not submit.
  - CDM hosted several training on Development of Skills Audit Questionnaire and development of WSP. The support to local municipalities is ongoing.

### 3. Implement PMS at all levels

- The following local municipalities were supported:
  - a) Baviaans- service provider is PWC and PMS cascaded to all levels
  - b) Blue Crane Route – service provider is PWC and not cascaded to all levels
  - c) Ikwezi – service provider is AMAVA and not cascaded to all levels
  - d) Sundays River Valley – service provider is AMAVA and not cascaded to all levels
  - e) Makana – service provider is PWC not cascaded to all levels
  - f) Ndlambe – assisted by GIZ and not cascaded to all levels
  - g) Kou-Kamma – service provider was AMAVA and the support was stopped by the LM end of May 2011 when the service provider was almost done with the project.
  - h) Camdeboo – service provider is AMAVA and not cascaded to all levels

Technical support has also been rendered in terms of advising with PMS regulations, sitting in on panel reviews and also PMS workshops.

### 4. Develop an Internal Communication Strategy

- Policy in Place and adopted to council

## Corporate Governance

### 1. Institute an Archives Management

- So far only Kou-Kamma has been supported.

### 2. Review and Institute committee systems

- Part of the Rules and Orders Project

### 3. Review policies and procedures

- This is part of the roles and responsibilities project.
- SRV has been supported to review HR policies as well and the session was facilitated by SALGA. Baviaans, Ikwezi and Blue Crane were assisted with review and development of HR policies.

## **Financial**

Under financial support the focus areas were financial planning, budget and budgetary controls, annual financial statements, internal audit, audit committees, credit control and debt collection, property rates and procurement. Progress with regards to the identified projects is as follows:

### Financial Planning

#### 1. Ensure updated indigent register is in place

- The provincial department DLG&TA provided a programme to assist LM' S with their indigent policies and strategies. LMs were provided with generic policies. During our meeting with the DLG&TA it was suggested that CDM adopt the Baviaans indigent policy as they would be incorporating Rietbron into their area of jurisdiction. Unfortunately we have not had feedback from Baviaans on this matter.

#### 2. Conduct practical MFMA training

- LMS were assisted with Supply Chain Management Training, NQF Level 6 Training (Competency Levels from National Treasury) and CASEWARE training. SRV was further supported with financial statement support, sustainability report and vat calculations.

### Budget and Budgetary Controls

1. produce monthly cash flows statements
  - New budget regulations have been introduced by NT who has been arranging training sessions in the province. Training interventions are also being arranged by the DLG&TA. The CDM is also in the process of installing Caseware in an effort to comply with the NT budget formats and other reporting requirements Although it is facing a number of challenges with the implementation of the software it will encourage LM'S to adopt Caseware and assist with implementation. The system produces cash flow statements
2. Produce monthly statements and sent them out to municipalities or other organs of state that owes the district municipality for services other than basic services.

### Annual Financial Statements

1. Complete and submit annual financial statements
  - 1&2 these two headings can be combined. All municipalities must produce GRAP compliant AFS by 30June 2010.At present NT and the DLG&TA are arranging frequent workshops and training interventions to assist and support LM'S WITH THE IMPLEMENTATION OF GRAP. Unfortunately it has become clear that LM'S do not always take advantage of these training interventions. A GRAP workshop was arranged in Port Elizabeth where representatives of the ASB presented on the changes and improvements to GRAP to be implemented in the future. Few of our LMs attended this very important session.
2. Ensure asset register is in place and review annually
  - All LMs including the district received a grant to develop an asset register that is GRAP/GAMAP compliant.

### Internal Audit

1. Ensure internal audit is in place
  - The CDM went out on tender for internal audit services during 2009 and KPMG was appointed for a period of 5 years. CDM works closely with KPMG to ensure that this vitally important structure of corporate governance functions effectively.

### Audit Committees

1. Ensure audit committees are in place
  - 1 Audit committees are still functioning on a shared services basis and KPMG attends all the meetings in the district. As from 1 July 2009 LM'S are responsible for the recruitment and payment of audit committee members. A concern has been raised regarding the functioning of these committees at SRVM and Kou-Kamma municipalities which are now under administration.

### Credit Control and Debt Collection

1. Draft and implement credit control policy
  - Part of the roles and responsibility project.

### Property rates

1. Develop policy and link it to indigent policy for recovery of rates with appropriate tariff structure
  - Part of the roles and responsibility project

### Procurement

1. Develop and implement policy and conduct staff training
  - Training on Supply Chain Management Policy and Procedures all local municipalities attended.
  - Information session on CDM SC processes

### **Technical**

Under technical support the focus areas were infrastructure support and engineering support. Progress with regards to the identified projects is as follows:

#### **Infrastructure Support**

1. MIG Implementation
  - Assistance to BCR, Camdeboo, Ikwezi and SRV with projects readiness (preparations and submissions MIG business plans, Project Conceptualization, Master Planning and Environmental Impact Assessments)
  - Completion of the Maintenance Backlog Assessment for the Kouga Municipality.
  - Augmentation of Bulk Water Supply in Miller and Vondeling.
  - Rainwater harvesting in Pearston (BCRM).
  - Drought relief projects in Makana and Ndlambe municipalities.
  - Assistance to Local Municipalities with pre-planning and feasibility studies on their projects.
2. Development of Infrastructure Plans
  - Plan developed for four local municipalities namely, BCR, Ikwezi, Baviaans and SRV.
3. Land Use Management system
  - System developed, Baviaans was the pilot and signed a SLA.
4. Land Usage and Building Control
  - Development of Area Based Plans / Land Availability Audit for the nine local municipalities.
  - Provided assistance to Baviaans LM with regards to Town Planning (rezoning, consolidation and sub-division)
5. Technical Skills Enhancement
  - Technical skills training provided by DWAF on water reticulation, waste water and purification – all local municipalities' benefited from this project. A report was requested from DWAF and CDM was promised to receive it but to date CDM is not in possession of the report.

#### **Engineering Support**

1. Cyclical and preventative maintenance and construction of roads and storm water drains
  - Technical support – when it is required
2. Electricity generation and reticulation according to REDS prescription
  - The Cacadu District Municipality is only responsible for energy supply to the DMA. Eskom is the service provider.
  - The settlement of Rietbron is fully serviced. There is no electricity provided to the railway settlements

- Development of Electricity Master Plans for Ikwezi and Baviaans
- Operational and Maintenance Plan for BCR .

## **Planning**

### **IDP Support**

#### 1. Review and assess IDPs

- All local municipalities were supported both financially and technically.
- The financial support is always guided by their process plans
- The support involved the development of Economic profiles and development of institutional score card
- Assisted LMs to develop an IDP that will be guiding in terms of responding to achieving the 6 KPAs
- Community based planning
- Ongoing technical support

### **Spatial Development Framework**

#### 1. Establish and implement the Spatial Development Framework

- Supported BCR

### **Housing**

#### 1. Eradicate housing backlogs

- Various housing projects were undertaken.

### **Local Development**

Cacadu District Municipality is a custodian to drive and implement the District Support team. This structure amongst others will provide and develop institutional capacity of LED units in all local municipalities. Through the Thina Sinakho programme, LED officers and portfolio councillors have been taken through various learning networks and training to both improve their understanding of LED and build LED appropriate systems to improve project generation, management and monitoring and evaluation.

Cacadu District Municipality facilitated the provision of grants from the provincial department of Cooperative governance for Capacity building and employment of people to effectively perform LED function for the following Local Municipalities:

- Ikwezi Local Municipality
- Baviaans Local Municipality
- Camdeboo Local Municipality

### **Tourism**

#### 1. Establish Local Tourism Organization

- Baviaans, Camdeboo, Kouga and Makana will be supported due to the transformed status of their LTOs. Ikwezi has constituted its LTO and Blue Crane Route and Sundays River Valley Municipalities are in the process of establishing their respective LTOs. The other local municipalities will only be supported in the next financial year, once they have established an LTO.

#### 2. Tourism Development Support Programme

- Following the development and revision of Responsible Tourism Sector Plans for local municipalities, grant funding has been approved to Baviaans and Makana Municipalities to kick-start the implementation of their respective tourism plans. The remaining seven local municipalities may apply for this seed funding upon Council adoption of their Responsible Tourism Sector Plans



## **Community participation**

### **Ward Committees**

1. Training on Ward Committees and any participatory structure
  - For financial year 08/09 all local municipalities received a grant to capacitate their public participation structures. CDM further on supported Ikwezi and Baviaans on training their unit members – public participation structure.
  - In 2010/11 Baviaans, Blue Crane Route, Camdeboo and Ikwezi were supported to develop their Public Participation Policies and Strategies. And in 2011/12 Makana, Ndlambe and Sundays River are still being assisted.
2. Community Based Planning
  - Community based planning has been conducted successfully in BCR and SRV. Process was started in Baviaans but the municipality requested the DM to put the implementation of the project on hold as they needed to sort some issues out internally.
  - In financial 2009/10 a workshop was conducted, train the trainer training
  - Ongoing support with CBP for all LMs
3. Public Participation Policy and Strategy
  - Development of policy and strategy for BCR, Ikwezi, Camdeboo and Baviaans. Project mainly funded by Mott and Ford Foundation through PCRD.
  - Makana, Ndlambe and Sundays River are still underway.

### **Information Technology**

1. Ensure efficient ICT systems in place and staff are trained on the use of the system
  - CDM staff trained on internal procurement system
  - Technical support provided to BCR, Ikwezi, Baviaans and SRV in 2007/08
  - Technical support to SRV and Makana 2009/10
  - Currently developed a questionnaires that will be circulated to all nine local municipality and each LM will indicate areas that require support
  - Ongoing support for all LMs with regards policies, interviews and infrastructure audits
2. Implement IT Disaster Recovery Plan
  - Four local municipalities namely BCR, SRV, Ikwezi and Baviaans were supported to upgrade their IT infrastructure. Support was based on request and need identified.

### **Environmental Health**

1. Maintain efficient and regular cleansing services, waste disposal services
  - Maintenance of Environmental Health Joint Management Committee with all local municipalities.
  - Health awareness projects were held in Ikwezi, Kou-Kamma and Baviaans Municipalities on waste management, water conservation and demand management, health and hygiene (water and sanitation) and food hygiene.
  - Pest control outreaches were conducted and focused on dogs and cats' vaccination, dipping and de-worming in Willowmore, Rietbron, Klipplaat, Jansenville, Glenconnor, Wolwefontein, Kleinpoort, Vondeling and Miller.
  - Training of formal food traders on 5 Keys to Food Safety and Hygiene Practices in Baviaans (Steytlerville and Willowmore) and Ikwezi (Klipplaat and Jansenville).

- Community Food Gardens were initiated and coordinated by EHP's in the DMA (two in Kleinpoort, one in Glenconnor, one in SRVM (Kirkwood), one in Kou-Kamma (Kareedouw) and two in Steytlerville).
- Waste management and clean-up campaigns were conducted in Ikwezi (one in Jansenville and one in Klipplaat) and one in Baviaans (Steytlerville).
- The quality of water and food was monitored through routine inspections and drawing of water and food samples throughout the district.
- Disease outbreak monitoring executed with local municipalities in relation to both water-borne and food-borne diseases such Cholera, Shigella Dysentery and Swine Fever throughout the district.

### **Disaster Management**

1. Establish system for effective disaster and fire management
  - Development of disaster management by laws
  - Popularization of the by law
  - Development of disaster contingency plans for local municipalities.
  - Support during floods and other disaster related incidents
  - Training on disaster management framework and fire fighting.
  - Information System has been installed at the DM Centre and to the Camdeboo, Kouga, Makana and Ndlambe.
  - Radios have been installed to improve communication at Camdeboo, Kouga, Makana, Ndlambe and Sundays River Valley.
  - On the 8<sup>th</sup> June 2011 Cacadu municipality was affected by floods in Kouga, Kou-Kamma, Makana, Ndlambe and Sundays River and relief in the form of blankets, mattresses and in soup cases soup kitchen was provided
2. Establish system for effective Fire Management
  - Buying of disaster management equipment (truck for BCR and Ndlambe)
  - Training on fire fighting
  - . Implementation of the Section 78 Assessment of Fire Service by entering into Service Level Agreements with Local Municipalities.
  - 30 Fire Officers within the District trained in Fire Fighter 1, Hazmat Awareness and Basic Ambulance Assistant.
  - Improved fire service delivery at local municipalities by:
    - Purchasing of a Multi-purpose Hazmat Fire engine, with equipment for Sundays River Valley Municipality.
    - Purchasing of Hazmat Trailer for Baviaans Local Municipalities.
    - Purchasing of Hazmat equipment for Sundays River Valley and Baviaans local Municipalities.
    - Procurement of Hydraulic Rescue Systems for Ikwezi, Blue Crane Route and Sundays River Valley Local Municipalities.
    - Restoration of Fire Hydrants at all nine Local Municipalities.
    - Preparing fire breaks at Kou-Kamma Local Municipality.
    - Presenting fire awareness and Hazmat Awareness at schools in Kou-Kamma, Blue Crane Route, Sundays River Valley municipal areas and DMA.

## **Community Health**

1. Establish HIV&AIDS Forums and Strategies
  - Internal and district wide structure established
  - HIV & Aids Policy and Plan developed
  - Awareness campaign undertaken (HCT and Door to Door)
  - LAC outreach conducted – all LACs revived, inducted and helped to develop a plan that is aligned to a budget, except for Kouga. This revival is ongoing
  - Support LMs to hold Candle Lights memorials
  - Training of HIV and Aids Coordinators

## **Special Programmes**

- Policies on Youth Development, empowerment of People with Disabilities and Women Empowerment have been developed,
- Strategic plan for the above policies have been developed for CDM and assisted SRV, Ikwezi and BCR to develop their own strategic plans.
- Camdeboo and Kou-Kamma have been assisted to establish their Youth Forum
- Training on Human Rights
- Established a District SPU forum

## **Outside the Capacity Building Strategy**

Below are the projects that CDM embarked on as additional support to local municipality

## **Technical and Planning**

- Kou-Kamma – R1 million from Province to undertake water related interventions
- Ikwezi – Buying of chlorinators and training of staff
- Ndlambe – technical support with regards to the Bulk water Project
- Erasmus Kloof – EIAs
- Kouga – water demand management project (funding and technical support)
- Development of Waste Management Plans
- Section 78(3) Assessment, shared service model for the Karoo Municipalities.

### **4.3.19 OTHER PLANS**

Public Participation / Communication:

The Cacadu District Municipality has a Communication Policy (available from the CDM upon request) that seeks to enhance transparency and accountability as well as to encourage community participation.

The focus of the communication policy includes:

- Ensuring that a communication system exists which supports a two-way flow of information between stakeholders and role players throughout the District.
- On-going communication planning and development within the district.
- On-going communication capacity building.
- Improving and strengthening media relations.



# **CACADU DISTRICT MUNICIPALITY**

**DRAFT FRAMEWORK/PROCESS PLAN FOR IDP REVIEW 2013 -14**

**The Executive Mayor  
Cacadu District Municipality  
32 Govan Mbeki Avenue  
Port Elizabeth  
Tel: (041) 508 711**

**CACADU DISTRICT MUNICIPALITY**

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# 1. INTRODUCTION

The Integrated Development Planning process is a process of consultation, participation and information sharing. Stakeholder involvement is the cornerstone of the review and refinement of the IDP. The vision for improved quality of life can be achieved through partnership with stakeholders.

Section 23 of the Municipal Systems Act of 2000 requires municipalities to undertake developmentally orientated planning to ensure that it:-

- Strives to achieve the objectives of local government set out in Section 152 of the Constitution
- Gives effect to its developmental duties as required by Section 153 of the constitution, and Together with other organs of state contribute to the progressive realization of the fundamental rights contained in sections 24, 25, 26, 27 and 29 of the Constitution.

## PROCESS FOR PLANNING, DRAFTING, ADOPTING AND REVIEW OF INTEGRATED DEVELOPMENT PLANS

The process is explained in sections 27 – 34 of the Municipal Systems Act of 2000. The district municipality is required to develop a framework plan after consultation with local municipalities in its area.

A framework plan binds both the district municipality and the local municipalities in the area of the district municipality, and must at least: -

- (a) Identify the plans and planning requirements binding in terms of national and provincial legislation on the district municipality and the local municipalities or any specific municipality.
- (b) Identify the matters to be included in the integrated development plans of the district municipality and the local municipalities that require alignment
- (c) Specify the principles to be applied and co-ordinate the approach to be adopted in terms of those matters; and
- (d) Determine procedures –
  - (i) For consultation between the district municipality and the local municipalities during the process of drafting their respective integrated development plans, and
  - (ii) To effect the essential amendments to the framework.

Adoption of process

Section 28 states the following:

(1) Each municipal council, within a prescribed period after the start of its elected term, must adopt a process set out in writing to guide the planning, drafting, adoption and review of its integrated development plan.

The municipality must give notice to the local community of particulars of the process it intends to follow.

## **2. ISSUES TO BE CONSIDERED FOR THE 2013/14 IDP REVIEW**

- Comments received from the MEC in the Assessment of the 2012/13 IDP document
- Areas requiring attention not addressed during the development of the IDP
- Alignment of the IDP to the MTSF and the 12 Outcomes
- Review of the Spatial Development Framework and alignment to the IDP
- Alignment of the district and local municipalities' plans
- Alignment of budgets and plans of the two spheres of government with municipal plans

## **3. ORGANISATIONAL ARRANGEMENTS**

The CDM IDP Review Process will be guided by the following structures:

IDP Steering Committee

IDP Task Team

IDP Representative Forum

IGR Forum for Sector Alignment

- IDP STEERING COMMITTEE

The IDP Steering Committee is the internal support structure which guides the IDP review process throughout the review of the IDP. It is comprised of management and mayoral committee councillors. The IDP Steering is chaired by the Executive Mayor. The main function of this committee is to consider inputs and comments from the various role-players and stakeholders make recommendations on the content of the IDP as well as provide terms of reference for various planning activities.

- IDP TASK TEAM

The proposed task team is responsible for the provision of technical support to the IDP review process. It will be comprised of managers. They are responsible for the provision of input to the IDP on strategy, policies and projects and for ensuring the technical correctness of information provided.

The IDP task team is chaired by the Municipal Manager.

- IDP REPRESENTATIVE FORUM

The IDP Representative Forum will function throughout the review of the IDP. The structure is chaired by the Executive Mayor. The composition of the IDP representative Forum is as follows:

Councillors, National and Provincial Departments, Local Municipalities, Parastatals, Municipal Management officials, Non-Governmental Organisations and Communities.

#### DISTRICT TECHNICAL INTERGOVERNMENTAL FORUM

The proposed IGR Forum will be established in terms of section 27 of the IGR Framework Act No. 13 of 2005. The technical IGR Forum will be chaired by the Municipal Manager, it will comprise of municipal managers from local municipalities from the nine (9) local municipalities and district/regional managers of sector departments within the Cacadu district. The forum is responsible for coherent planning and development in the district as well as alignment of strategic and performance plans.

## **4. MECHANISMS FOR PARTICIPATION**

Chapter 4 of the Municipal Systems act requires municipalities to involve communities and stakeholders in the IDP Review process. The CDM will use the media (local newspaper) to inform stakeholders about the IDP Review. The IDP representative Forum will be as inclusive as possible to accommodate stakeholders. In an effort to ensure maximum engagement, the CDM has scheduled a series of meetings for stakeholder engagement.

Council approval

The draft reviewed IDP and Budget will be submitted to Council for approval in March and May 2013. Thereafter it will be published in the local newspaper for Public Comment.

## **5. FOCUS AREAS FOR THE 2013/14 IDP REVIEW**

Formulate a response to the MEC Comments on the Assessment of the five year IDP

Proper alignment of CDM IDP with nine (9) Local Municipalities' IDPs

Incorporate the strategic plan outcomes into the IDP

Review the Local Government Turn Around Strategy

Review of the CDM SDF

Review/development of all outstanding plans as undertaken by the respective departments and in response to the MEC Comments on the Assessment of the IDP in 2012/13.



## 6. ACTION PROGRAMME

Deliverable /Activity	Responsibility	July				August				September			
		1	2	3	4	1	2	3	4	1	2	3	4
Development of IDP Framework /Process Plan/Budget schedule	Planning Unit/Development Planner												
IDP Steering Committee meeting <b>(6 August 2012)</b>	IDP Steering Committee meeting												
Advertisement of IDP Review and Framework/Process plan/Budget Schedule placed in the local newspaper and local municipal offices	Planning Unit/Development Planner												
Tabling of IDP Framework Plan/Budget schedule to Mayoral Committee	Mayoral Committee												
Council adopts IDP Framework Plan/Budget Schedule <b>(22 August 2012)</b>	Council												
Consultation with stakeholders on the IDP Review process	Planning Unit												
Training of IDP Managers on Community Based Planning	Planning Unit/Service Provider												
CBP roll –out in local municipalities	Planning Unit/IDP Managers												

### **KEY DATES**

6 August 2012 - IDP/Budget/PMS Steering Committee meeting

8 August 2012 - Mayoral Committee meeting to consider the IDP Framework Plan/Budget Schedule

22 August 2012 – Council adopts IDP Framework/Budget Schedule

## ACTION PROGRAMME

Deliverable /Activity	Responsibility	October				November				December			
		1	2	3	4	1	2	3	4	1	2	3	4
Community Based Planning roll-out in nine local municipalities	Planning Unit/IDP Managers												
Consider MEC comments	IDP Task Team /Planning Unit												
Situational analysis – municipal wide analysis	Planning Unit /IDP Task team												
IDP/Budget Steering Committee meeting to confirm priorities (20 November 2012)	IDP Steering Committee												
Stakeholder consultation (IDP Representative Forum)	Planning Unit												
Review of objectives and strategies	Planning Unit / IDP Task Team												
Compile Draft projects													
Consult Local Municipalities on Draft projects	Planning Unit												

## KEY DATES

3<sup>rd</sup> week September to 1<sup>st</sup> week October – Community Based Planning

1<sup>st</sup> week October – IDP Representative Forum meeting

2<sup>nd</sup> week November – IDP/Budget Steering Committee meeting - 20 November 2012

2<sup>rd</sup> week December – IDP Workshop - 11 December 2012

4<sup>th</sup> week November – Consultation with Local Municipalities

## ACTION PROGRAMME

Task/Activity	Responsibility	January				February				March			
		1	2	3	4	1	2	3	4	1	2	3	4
Finalisation of draft projects /alignment with budget	Planning Unit/Finance /IDP Task Team												
IDP/Budget Steering Committee meeting to consider first draft	IDP Steering Committee meeting												
Tabling of Draft IDP to Council	Council												
Publish draft IDP/Budget in local newspaper for Public Comment	Planning unit												

## KEY DATES

1<sup>st</sup> week February – Alignment of budget and plans

4<sup>th</sup> week February – IDP Steering Committee – 28 January 2013

2<sup>nd</sup> week February - IDP Representative Forum meeting – 14 February 2013

4<sup>th</sup> week March (27 March 2013) - Council adopts Draft IDP

4<sup>th</sup> week March – Draft IDP/Budget advertised for Public Comment

## ACTION PROGRAMME

Deliverable /Activity	Responsibility	April				May				June			
		1	2	3	4	1	2	3	4	1	2	3	4
MEC Assessment of IDP	Department of Local Government and Traditional Affairs												
Refinement of Draft IDP/Budget	Planning Unit/IDP Task Team												
Stakeholder consultation	Planning Unit												
Council approves IDP and Budget	Council												
Publication of approved IDP/Budget on the website and local newspaper	Planning Unit												

## KEY DATES

2<sup>nd</sup> week April – Assessment of IDPs

4<sup>th</sup> week May (29 May 2013) - Council adopts IDP/Budget

1<sup>st</sup> week June – IDP/Budget published on website and local newspaper