

- All entities reporting to the Municipality
- All service providers contracted by the Municipality

### 5.1.2 PRESENT SITUATION

Cacadu is monitoring the organization through the SDBIP. It is supported by individual quarterly performance appraisals for 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.

### 5.1.3 FUTURE IMPLEMENTATION

The next financial year will see concentration on the achievement of two objectives, namely:

- Achievement and support of a Clean Audit Report for Performance Measures thereby proving full compliance with all requirements in terms of Performance Management. This will include the realisation of predetermined objectives and targets.

The above objective was being addressed in previous financial years (as outlined below) and will be on-going in the next financial year. It is envisaged that following this huge leap in the strategic governance of Cacadu, refinements will be conducted in the next financial year to ensure the system goes from strength to strength. Such refinements must include the promoted use of more development and 'outcome' indicators.

Year	Audit Opinion
2012/13	Unqualified Audit
2011/12	Unqualified Audit
2010/11	Unqualified Audit
2009/10	Unqualified Audit
2008/09	Unqualified Audit
2007/08	Unqualified Audit

- To increase effectiveness and promote the district-wide approach to Performance Management, which will include strengthening the use of the CDM Automated Performance Management System at all Local Municipalities through further training.

A primary role of the Cacadu District Municipality is to facilitate development of the Local Municipalities within the boundaries of the District. It is the aim of the Cacadu District Municipality, that as it becomes more practiced in the field, it can in turn use

this practical experience to provide hands-on support to those Municipalities requiring it. It will be an on-going development and support priority of the District Municipality until such time Local Municipalities become self-sufficient in Performance Management.

CDM will focus on the following developmental and support initiatives to Local Municipalities;

- Continuous support in the CDM PMS Automated Tool;
  - Support in the construction of SDBIP's and Performance Agreements (technical knowledge sharing);
  - PMS Reports support and knowledge sharing;
  - KPI's construction – technical support;
  - Legislation and compliance knowledge sharing e.g. timeframes compliance;
  - Project management e.g. meeting of targets;
  - Role of Internal Audit and External Audit.
- iii) New objectives and strategies emanating from the decisions at the Strategic Planning Session will also be included in the Performance Management System.
- iv) To create a culture of performance, CDM will implement a performance reward system for all employees in the next financial year. This will also serve as a motivating factor to improve performance to meet the overall objectives of CDM.

#### 5.1.4 THE SDBIP

The table overleaf reflects the CDM's draft SDBIP for 2014/15 which translates the development priorities, objectives and strategies into interventions in the form of projects, be they in-house interventions or otherwise. The projects contained therein are influenced by the attainment of the CDM's objectives and strategies as illustrated in the PMS Automated System as contained within Section 3.

**Table 5.1 Service Delivery Budget Implementation Plan (SDBIP)**

Objective	Strategy	Project	Key Performance Indicator	Annual Target 2014/15	Department	GPS	2014/15 Account Number	2014/15 R's	20 Sep 2014 Target	Performance Milestones 31 Dec 2014 Target	31 Mar 2015 Target	30 Jun 2015 Target	
To provide support to LMs on planning and implementation of bulk water supply projects, contributing to the reduction of the backlog to 5% by 2017	Implementation of water projects as mandated by LMs	Jansenville Water Conservation and Demand Management	Installation of Meters in Jansenville	Meters installed	Planning and Infrastructure Services	Water	01 158 78295	R 1,500,000	25% complete	75% Complete	100% Complete	NA	
		Reviewed Camdeboo Zoning Scheme	Reviewed Camdeboo Zoning Scheme	Reviewed and Consolidated Zoning Scheme Regulations	Planning and Infrastructure Services	Planning & Development	01 152 78195	R 200,000	Regulations Finalised	N/A	N/A		
To promote and co-ordinate integrated spatial planning in the District	Co-ordinate the Implementation of Spatial Planning and Land Use Management Act (SPLUMA)	Review and Consolidation of Camdeboo Zoning Scheme Regulations	Reviewed Inter-City Bus Terminal in Graaff Reinet	75% Construction of Bus-terminal	Planning and Infrastructure Services	Road Transport	01 154 76145 / 01 154 78255	R 5,000,000	Contractor on site	25% Complete	60% Complete	100% Complete	
To promote integration between spatial planning and transportation planning to achieve sustainable human settlements	Implementation of transportation projects	Construction of a Inter-city Bus-terminal in Graaff Reinet	Construction of Inter-City Bus Terminal in Graaff Reinet	Visual Assessments and Inventory surveys complete	Planning and Infrastructure Services	Roads	01 154 75360	R 2,110,000	GIS base data 100% set up	50% Visual Assessments of roads complete	Data and GIS Reconciliation and Refinement 100 % complete	Inventory surveys (bridges, culverts, s/w, signage etc.) 100% complete	
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	Implementation of roads projects as mandated by LMs	Rural Roads Asset Management System (RRAMS)	Rural Roads Asset Management System set up	Construction of Library Complete	Planning and Infrastructure Services	Planning & Development		R 972,000	50% construction of library completed	75% construction of library completed	100% construction of library completed	N/A	
Improving connectivity infrastructure in all nine local municipalities	Rural connectivity particularly broadband and mobile phones access	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		R 1,500,000	Consultant appointed	Study commenced	40% Progress	100% Complete	
To provide costed infrastructure plan	Appointment of experienced professional team	District Wide Infrastructure Plan	Infrastructure Plan Developed	Five year Infrastructure Plan	Planning and Infrastructure Services	All Services		R 1,500,000	Contractor on site	40% completed	75% completed	100% completed	
To provide effective fire fighting to all LMs in the district by 2017	Provide fire fighting capacity	Standardisation of Fire Hydrants in the District	Restored and standardised Fire Hydrants in Koukamma, Camdeboo, Blue Crane Route, Sundays River Valley, Ikwezi, and Bavaans.	Standardised Hydrants in place for Koukamma, Camdeboo, Blue Crane Route, Ikwezi, Sundays River Valley, Bavaans.	Planning and Infrastructure Services	Public Safety		R 3,000,000	25% of construction completed	50% of Construction completed	75% of Construction completed	50% of Construction completed	
	Provide resources	Construction of Ndlambe Integrated Emergency Response Centre	Emergency response centre constructed	Construction station Complete	Planning and Infrastructure Services	Public Safety		R 5,000,000	Contractor appointed	25% of construction completed	50% of Construction completed	75% of Construction completed	

INTEGRATED DEVELOPMENT PLAN 2012 – 2017  
CACABUDISTRICTMUNICIPALITY

Objective	Strategy	Project	Key Performance Indicator	Annual Target 2014/15	Department	GE2	2014/15 Account Number	2014/15 R\$	Performance Milestones					
									29 Sep 2014 Target	31 Dec 2014 Target	31 Mar 2015 Target			
Invest in natural capital to contribute to government's target of creating 20,000 "green" jobs by 2020.	Grow rural tourism economy	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	01 400 78284	R 500,000	Approval of identified and confirmed sites by regulating bodies	Design and construction of signs		Route Monitoring		
				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. Writer Campaign! Printing 7 wonders area brochures	Participate at Tourism Indaba. Writer Campaign roll out. Placements in at least 2 media channels. Support at least to 2 Festivals in the District						
		Tourism marketing	To conduct review and implementation of tourism marketing strategy	Tourism marketing strategy reviewed and implemented	Economic Development	Tourism	01 400 78124	R 1,200,000	Request for project proposals.	Proposals reviewed, evaluated and submitted to Mayoral Committee for approval	5 LTO projects funded, implemented and monitored	Funded Projects implemented and funds spent according to project plan and Monitor		
		Support to LTOs	To support at least 5 LTO's	5 LTO's supported	Economic Development	Tourism	01 400 78052	R 600,000	Request for project proposals.	Proposals reviewed, evaluated and submitted to Mayoral Committee for approval	2 LM projects funded, implemented and monitored	Funded Projects implemented and funds spent according to project plan and Monitor		
		Tourism Sector Development Support to LMs	To support at least 2 LMs	2 LMs supported	Economic Development	Tourism	01 400 78052	R 800,000	Request for project proposals.	Proposals reviewed, evaluated and submitted to Mayoral Committee for approval	2 LM projects funded, implemented and monitored	Funded Projects implemented and funds spent according to project plan and Monitor		
		Tourism education and awareness	Funding Support to Wilderness Foundation Training Programme (Umzi Weihu) for at least 6 district participants	Umzi Weihu supported through transfer of funding for skills development and capacity building	Economic Development	Tourism	01 400 78217	R 600,000	6 participants from the District selected and training commenced	Training in progress	Half year progress report submitted	Training programme completed and close-out report to MC		
		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 mentorship programme	Mentorship implemented and evaluated in 7 LWS	Economic Development	LED	01 147 78188	R 2,000,000	Business Plan reviewed	Four projects implemented and monitored	four projects evaluated	Four projects evaluated	
		To be determined	To be determined	Construction of a Community Library in Alexandria	Provision of a New Community Library in Alexandria	Construction of Library Complete	Planning and Infrastructure Services	Planning & Developm ent	01 205 78421	R 972,000	50% construction of library completed	75% construction of library completed	100% construction of library completed	N/A



INTEGRATED DEVELOPMENT PLAN 2012 – 2017  
CACADU DISTRICT MUNICIPALITY

Priority	Scoping	Project	Key Performance Indicators	Annual Output	Department	DTL	2013/15 Account Number	2014/16 Budget	Performance Indicators			
									31 Oct 2014 %	31 Oct 2015 %	31 Mar 2016 %	30 Sep 2016 %
To provide effective fire fighting to all LMs in the district by 2017	Provide fire fighting capacity	Standardisation of Fire Hydrants in the District	Restored and standardised Fire Hydrants in Koukamma, Camdeboo, Blue Crane Route, Sundays River Valley, Ikwezi, and Baviaans	Standardised Hydrants in place for Koukamma, Camdeboo, Blue Crane Route, Ikwezi, Sundays River Valley, Baviaans.	Planning and Infrastructure Services	Public Safety	01 113 78201	R 1,500,000	Contractor on Site	40% completed	75% completed	100% completed
To facilitate HIV Counselling and Testing (HCT) of 87 000 community members in all LMs annually	Arrange and organising HCT Campaigns in partnership with the department of health	HCT Campaigns	Implementation of HIV and AIDS Plan Strategies	900 people tested in 9 LMs (100 people per LM)	Municipal Manager's Office	Community and Social Service	To be determined	R 120,000	Admin and Preparation phase	Engagement with LMs to intensify awareness	50% of project completed (450 people tested)	100% completed (900 people tested)
To facilitate TB Testing and Counselling for community members in all LMs annually (new)	Creation of TB awareness and education campaigns (new)	TB awareness campaigns in schools	Conduct Educational sessions during World TB Month Commemoration in 2 LMs	450 learners tested for TB (50 in each LM)	Municipal Manager's Office	Community and Social Service	To be determined	R 80,000	Admin and Preparation phase	Engagement with schools and LMs to intensify awareness	50% of project completed (225 learners tested)	100% completed (450 learners tested)
To facilitate HIV Counselling and Testing (HCT) of 87 000 community members in all LMs annually	Arrange and organising HCT Campaigns in partnership with the department of health	HIV and Aids Household survey	Conduct household survey in two LMs (Camdeboo and Baviaans)	Survey done in 2 LMs (Camdeboo and Baviaans)	Municipal Manager's Office	Community and Social Service	To be determined	R 100,000	Identification and Training of volunteers	Field work and Analysis of questionnaires	Compilation of report and presentation of report to Stakeholders and Community	Project complete
<b>DEVELOPMENT PRIORITY 3: INSTITUTIONAL DEVELOPMENT</b>												
To be determined	To be determined	To be determined	To be determined	To be determined	To be determined	To be determined	To be determined	To be determined	To be determined	To be determined	To be determined	To be determined

## 5.2 INSTITUTIONAL PLAN

### 5.2.1 INTRODUCTION

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.

### 5.2.2 GOOD GOVERNANCE

#### 5.2.2.1 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:

- i) Ethical leadership and corporate citizenship
- ii) Council, Mayoral Committee and Councillors
- iii) Management and staff

### 5.2.3 MUNICIPAL INSTITUTIONAL STRUCTURES AND ROLES

#### 5.2.3.1 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 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 5.2: Financial Governance Framework to Local Government**

	Responsible for	Oversight over	Accountable to
<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

#### 5.2.4 INSTITUTIONAL STRATEGIC FOCUS AREAS

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

- Objective 1- Increase levels of Employee Morale and Organisational Efficiency

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

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

- Enhancing service delivery through the development and implementation of institutional frameworks and business systems, including alternative service delivery mechanisms.

#### 5.2.4.2 **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.

#### **5.2.4.3 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.



**5.2.4.4 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.

**5.2.4.5 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.

**5.2.5 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**

*a) 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.

#### *b) 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.

#### *c) 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.

## **5.2.6 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

## **5.2.7 OTHER GOVERNANCE STRUCTURES AND ASSURANCE PROVIDERS**

### **5.2.7.1 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 Audit Committee comprises of four independent, outside members and meets at least six times per annum as per its approved terms of reference, although additional special meetings may be called as the need arises.

The Audit committee reviews activities of the municipality to ensure that it has effective internal control system in place. Its effectiveness is evident in the municipality achieving an unqualified audit seven (7) consecutive years.

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.

#### **5.2.7.2 Internal Audit**

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

#### **5.2.7.3 Anti-Corruption & Fraud Prevention and Risk Management**

The municipality is accountable for risk management within the municipality, it therefore regularly verifies that the municipality has appropriate processes that identify, manage, monitor and report potential and relevant risks. The council formulates monitors and reviews the risk policy and regularly identifies 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.

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

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

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

### **5.2.8 INFORMATION TECHNOLOGY GOVERNANCE**

#### 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.

### **5.2.9 GOVERNING STAKEHOLDER RELATIONSHIPS**

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

#### 5.2.10 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.

#### 5.2.11 ORGANISATIONAL STRUCTURE

The total number of approved posts of the Cacadu District Municipality is 100. Eleven of these are intern posts. The number of appointed staff is 91 including interns. The total number of vacant posts is 9.

All four performance agreements and employment contracts (Municipal Manager and three section 57 managers) were submitted to the Department of Local Government and Traditional Affairs within the prescribed time.

#### ADMINISTRATIVE STRUCTURE



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#### 5.2.12 STRATEGIC HUMAN RESOURCES MANAGEMENT PLAN (SHRMP)

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. The CDM's most valuable asset, when optimally utilised, motivated and developed, is its staff. 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 staff is correctly aligned with business needs and this, in turn, improves service delivery within budget parameters. It achieves this by:

- 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.
  
- 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).

#### **i) 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

#### **ii) Human Capital Management System**

The municipality uses the human capital management systems and processes to enhance staff alignment to business needs and improve staff morale and performance. 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.



iii) **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.

iv) **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.

v) **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.

vi) **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].

vii) **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.

## 5.2.12 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.

i) **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:

ii) **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.

iii) **Communication Structure**

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.

#### **5.2.13 RISK REGISTER**

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.

Cacadu District Municipality Risk Register

Link to strategic objective	Risk name	Root causes for the risk	Impact	Likelihood	Interim risk exposure	Current business processes / controls in place to manage identified risks	Risk owner	Perceived control effectiveness	Residual risk exposure	Mitigation: action plans to further address the residual risk exposure	Action owner	Target date for completion	Current status	Progress as at 09/03/2014
5 - Institutional Development	Financial sustainability	- Low revenue base - Dependent on government grants - Cost of redemption - High payroll costs - Withholding of R21 millie by Equitable Share by National Treasury - Lack of payment by Government institutions - Decreasing conditional grants - Low interest rates	Critical	Likely	High	- Alignment of budget to IDP strategies and resource plan (SHRBP) - Annual completion of the sustainability assessment and submission to Council (the assessment takes what now scenarios) into account trends and what now scenarios - Implemented cash flow management processes and adoption of financial principles (i.e. surpluses) - Prudent investment policy, with continuous monitoring of investments - Diversification of investments (i.e. utilisation of all major financial institutions) - Lobby task team to access more funding in order to implement projects - Continue to lobby for funding for re-election - Strategic planning session to inform way forward - with regards to organization - Appointment of service provider to recover R21 million Equitable Share - Follow up on outstanding debtors - monthly reporting in S71	Municipal Manager	Weak	High	1. Implement action plan strategic planning session 2. Lobby task team to meet by end of January	Various	1 - 30 June 2014 2 - 31 Jan 2014	Planned	1. Not been addressed as funds still need to be acquired. 2. Upon finalisation of review of DXP-
2 - Infrastructure Development	Lack of proper planning with regards to infrastructure needs of Local Municipalities (LMs)	- Lack of maintenance of infrastructure by - Lack of planning - Lack of training and clear definition of roles and responsibilities - Misperceptions of LMs that disaster management is solely the responsibility of CDM	Catastrophic	Likely	Extreme	Lack of Proper planning with regards to Infrastructure needs of Local Municipalities (LMs) - Trained volunteers - DM legislation - Suitable officers placed at LMs - Training interventions for community members - By-laws - Toll free number for assistance - Ongoing maintenance (clearing of storm water drains) - DMP for district	Municipal Manager	Good	High	1. Introduction of early warning system 2. Implementation of DMP 3. Funding needed to be obtained for the early warning system	Municipal Manager	Ongoing	1. Lack of maintenance of infrastructure by	
3 - Community Services	Inadequate Disaster Management (LMs)	- Lack of funding - Lack of training - Lack of planning & clear definition of roles and responsibilities - Misperceptions of LMs that disaster management is solely the responsibility of CDM	Catastrophic	Likely	Extreme			Good	High				Behind schedule	1. Not been addressed as funds still need to be acquired. 2. Upon finalisation of review of DXP-

Link to strategic objective	Risk name	Root causes for the risk	Impact	Likelihood	Inherent risk exposure	Current business processes / controls in place to manage identified risks	Risk owner	Perceived control effectiveness	Residual risk exposure	Mitigating action plans to further address the residual risk exposure	Action owner	Target date for completion	Action status	Progress as at 03/07/2014
4 - Capacity Building and Support to LMs	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 performance interviews</li> <li>- Lack of skills</li> <li>- Not being at the coal face</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> <li>- PMS not used optimally (system used just for compliance)</li> <li>- Poor Project management implementation</li> <li>- No incentive to be star performers</li> <li>- Reluctance to take disciplinary action</li> </ul>	Serious	Almost certain	High	<ul style="list-style-type: none"> <li>- Procurement plan</li> <li>- Implemented PMS</li> <li>- S71 reports</li> <li>- Quarterly SDBIP reports to Audit Committee, MPAC, MAYCO</li> <li>- Specific intervention at MAYCO where managers have to account for each project understanding</li> <li>- Disciplinary policies and procedures</li> </ul>	Municipal Manager	Weak	High	<ol style="list-style-type: none"> <li>1. Zero tolerance for poor performance and appropriate disciplinary action</li> <li>2. PMS system to be used for employee performance and not just for compliance</li> <li>3. Institution could set a specific target - SDBIP (100%)</li> <li>4. Procurement plan to be reviewed monthly</li> <li>5. Progress on projects to updated monthly</li> <li>6. Analysis and interpretation of in-year reports and development of appropriate strategies to address problems</li> <li>7. Performance reviews to be done before the SDBIP is completed</li> </ol>	All Directors are responsible for performance management of their directorates	30-Jun-14	In progress	
5 - Institutional Development	Strained working relationship with Labour Unions	<ul style="list-style-type: none"> <li>- Lack of understanding of issues employer</li> <li>- Lack of trust between employee and employer</li> <li>- Specific issues</li> <li>- Long outstanding disciplinary cases unresolved</li> <li>- Complexity of issues</li> </ul>	Serious	Likely	Moderate	<ul style="list-style-type: none"> <li>- LLF Committee established with various agreements and clearly defined roles and responsibilities</li> <li>- Training interventions - LLF members by SALGA and other bodies</li> <li>- Labour legislation</li> <li>- SALOGBC Collective agreements</li> <li>- Internal communications processes and procedures</li> </ul>	Municipal Manager	Weak	Priority 2	<ol style="list-style-type: none"> <li>1. Implement Strategic HR Management Plan (SHRMP)</li> <li>2. Calendar of actions for HR issues that come up</li> <li>3. The Municipal Manager will meet with the staff after each council meeting</li> <li>4. Directors to hold monthly departmental meetings</li> <li>5. Ensure that LLF is effective and functional with an action plan in place</li> </ol>	Zole Stuurman & co	1. 30 June 2014 2. Per issue	In progress	
3 - Community Services	Inadequate Fire-fighting services	<ul style="list-style-type: none"> <li>- Lack of funding</li> <li>- Lack of staffing</li> <li>- Lack of planning &amp; clear definition of roles and responsibilities</li> <li>- Misperceptions of LMs that disaster management is solely the responsibility of CDM</li> </ul>	Catastrophic	Likely	Extreme	<ul style="list-style-type: none"> <li>- Service Level Agreements with LMs (with all 9 LMs)</li> <li>- Training interventions</li> <li>- Standardisation of fire hydrants</li> <li>- Provision of equipment and truck to LMs</li> <li>- PPE</li> <li>- Risk assessments done per LM</li> </ul>	Municipal Manager	Good	Priority 3	<ol style="list-style-type: none"> <li>1. Implement recommendations from risk assessment on fire fighting per LM</li> </ol>	Ma Ntshane	Ongoing	Behind schedule	The risk assessments have been conducted in 2009. The results must still be implemented. SLA's are to be reviewed with Locals when it expires in July 2014.



Link to strategic objective	Risk name	Root causes for the risk	Impact	Likelihood	Inherent risk exposure	Current business process / controls in place to manage identified risks	Risk owner	Perceived control effectiveness	Residual risk exposure	Mitigating action plans to further address the residual risk exposure	Action owner	Target date for completion	Action status	Progress as at 03/07/2014
4 - Capacity Building and Support to LMs	Poor performance (service delivery and audit outcomes) by LMs impacting on reputation of CDM	- Inability to impact on decision making by LMs - Lack of resources (CDMI building and support by LMs) - Lack of intervention powers - Poor performance by LMs - Poor audit outcomes - Poor relationship with LMs - No coordination of support for LMs (NT District, MEC local Gov, OCA)	Serious	Likely	Moderate	- Project to capacitate LMs in respect of audit outcomes - Dedicated relationship management for LMs	Municipal Manager		Priority 2	1. Re-look at DWF management for LMs (Champion) 2. Lobbying for funding for LMs 3. Each department to develop a capacity building implementation plan in terms of assisting the LM's 4. Shared services between the District municipality and the LM's	1. Director Infrastructure & Planning 2. Municipal Manager 3. Lobby/ team heads 4. Departmental heads	1. Immediate 2. Ongoing 3. Ongoing 4. Plans to be developed by 31 Jan 2014	In progress	
4 - Capacity Building and Support to LMs	Relevance of business model	- Loss of functions - Loss of funded mandates - Loss of financial resources - Lack of co-operation from LMs due to focusing on other priorities & compliance issues & being autonomous - Clarification of roles between Development Agency, Infrastructure & Economic Development Departments - Unfunded mandates	Critical	Likely	High	- Dedicated relationship managers for all local Municipalities - Council resolution to review business model and implement council resolutions - Annual review of IDP - strategic planning process & priority rating method - Outreaches to stakeholders - Interventions by premiers office - Legislative functions - Long term vision of district	Municipal Manager	Satisfactory	Priority 3	1. Implement actions from strategic planning session	Various	Ongoing	Planned	
5 - Institutional Development	SCOA and impact on IT services	- Changing SCOA (SID chart of Accounts) - Change of Legacy system	Serious	Possible	Low	- None at present - have only gone to training and information sessions so far	Municipal Manager		Priority 3	1. Monitoring progress on implementation of SCOA	CFO	Ongoing	In progress	
5 - Institutional Development	Non-compliance to legislation	- Capacity & resource constraints - Overregulation - Lack of understanding of importance of legislation & implications of non compliance - SCM and irregular expenditure	Serious	Almost certain	High	- Utilisation of government and provincial gazettes to identify changes to legislation - Education and awareness training - Management review of all procurement transactions - Compliance calendar - Management review of all procurement transactions	Municipal Manager	Good	Priority 4	Implement actions and monitor and evaluate reports	Various	Ongoing		

Link to Strategic objective	Risk name	Root causes in the risk	Impact	Likelihood	Inherent risk exposure	Current business processes / controls in place to manage identified risks	Risk owner	Perceived control effectiveness	Residual risk exposure	Managing action plans to further address the residual risk exposure	Action owner	Target date for completion	Action status	Progress as at 06/03/2014
1	5 - Institutional Development 1	<ul style="list-style-type: none"> <li>- Relocation to Kifwood</li> <li>- Fear of change culture</li> <li>- Lack of organisational plans for employees</li> <li>- Insufficient career pathing plans for employees</li> </ul>	Critical	Possible	Moderate	<ul style="list-style-type: none"> <li>- Performance interviews to identify whether employee is still happy</li> <li>- Relocation task team</li> <li>- communication to employees through MAM</li> <li>- Have moved from contractual staff to permanent staff which provides more certainty to employees</li> </ul>	Municipal Manager	Satisfactory	Priority 4	<ol style="list-style-type: none"> <li>1. Development of policy and plans / incentives to assist when relocation occurs</li> <li>2. Structured communication plan to be implemented</li> <li>3. Implement Strategic HR Management Plan (SHRMP)</li> <li>4. Survey on organisational culture</li> </ol>	Corporate Services	1. 31 March 2014 2. 31 March 2014 3. 30 June 2014 4. 30 June 2014	Planned	
1	2 - Economic Development 1	Socioeconomic conditions in the District	Significant	Likely	Low	<ul style="list-style-type: none"> <li>- LED Forums attended at LMK</li> <li>- IDP Forums also attended</li> <li>- Establishment of CDA</li> <li>- District Support Team</li> <li>- Mayors Forum</li> </ul>	Municipal Manager	Weak	Priority 4	<ol style="list-style-type: none"> <li>1. Lobbying for funding for implementation of CDM Economic Development strategy (CEDS)</li> </ol>	Director LED	1. Immediately/ 2. February 2014	Planned	
1	5 - Institutional Development 1	Potential litigation involving KDA and previous developer	Serious	Possible	Low	<ul style="list-style-type: none"> <li>- Provincial legal assistance in terms of winding down and dealing with contracts</li> </ul>	Municipal Manager	Satisfactory	Priority 5	<ol style="list-style-type: none"> <li>1. Engage with GFI (developer) to follow up on progress</li> <li>2. Engage with CDA (conditional on land availability agreement having been signed)</li> </ol>	1 - 2. Municipal Manager	1. Immediately/ 2. February 2014	Planned	
1	5 - Institutional Development 1	Lack of strategic plan for District as a whole	Serious	Unlikely	High	<ul style="list-style-type: none"> <li>- IDP &amp; SDF</li> <li>- Compliance with legislation</li> <li>- Planning for strategic session</li> </ul>	Municipal Manager	Satisfactory	Priority 6	<p>Actions from the strategic pain session should be communicated to the LM's</p>		30-Jun-14	Planned	

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

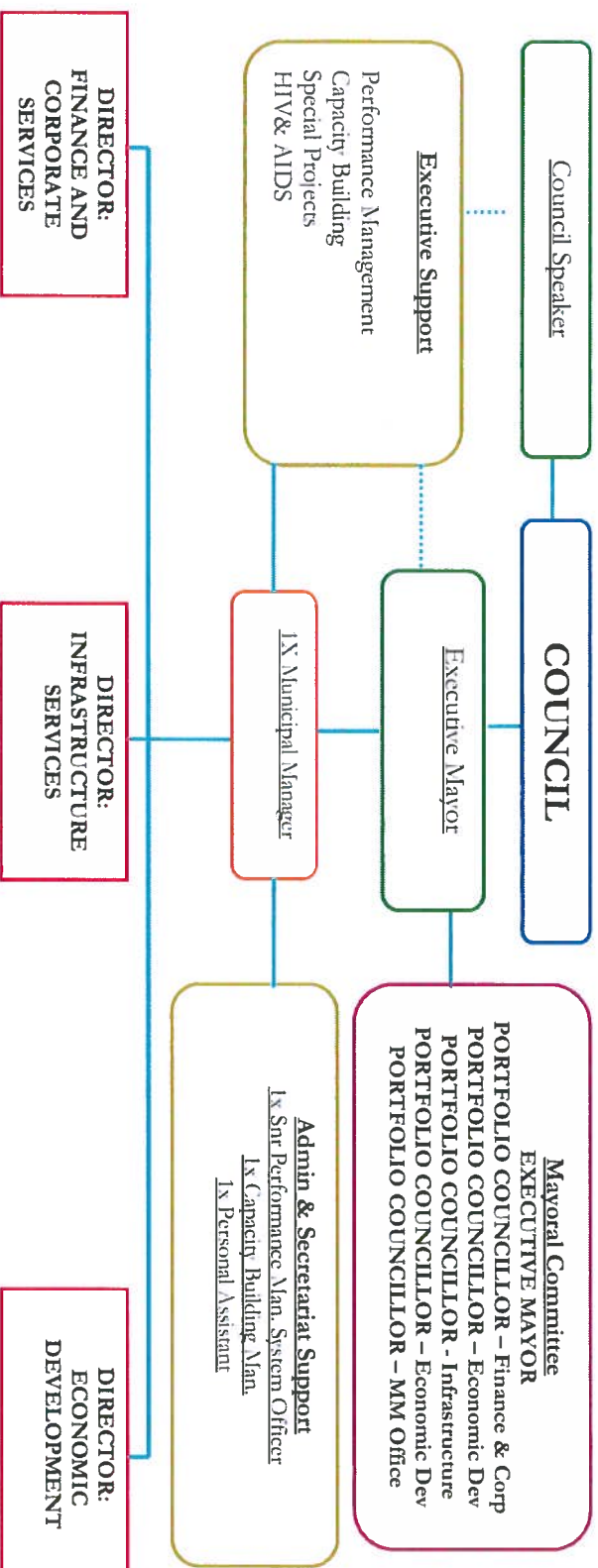
### 5.2.15 ORGANOGRAM

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 affect the movement of personnel or creation of new posts.

Keys factors to note in the organogram below:

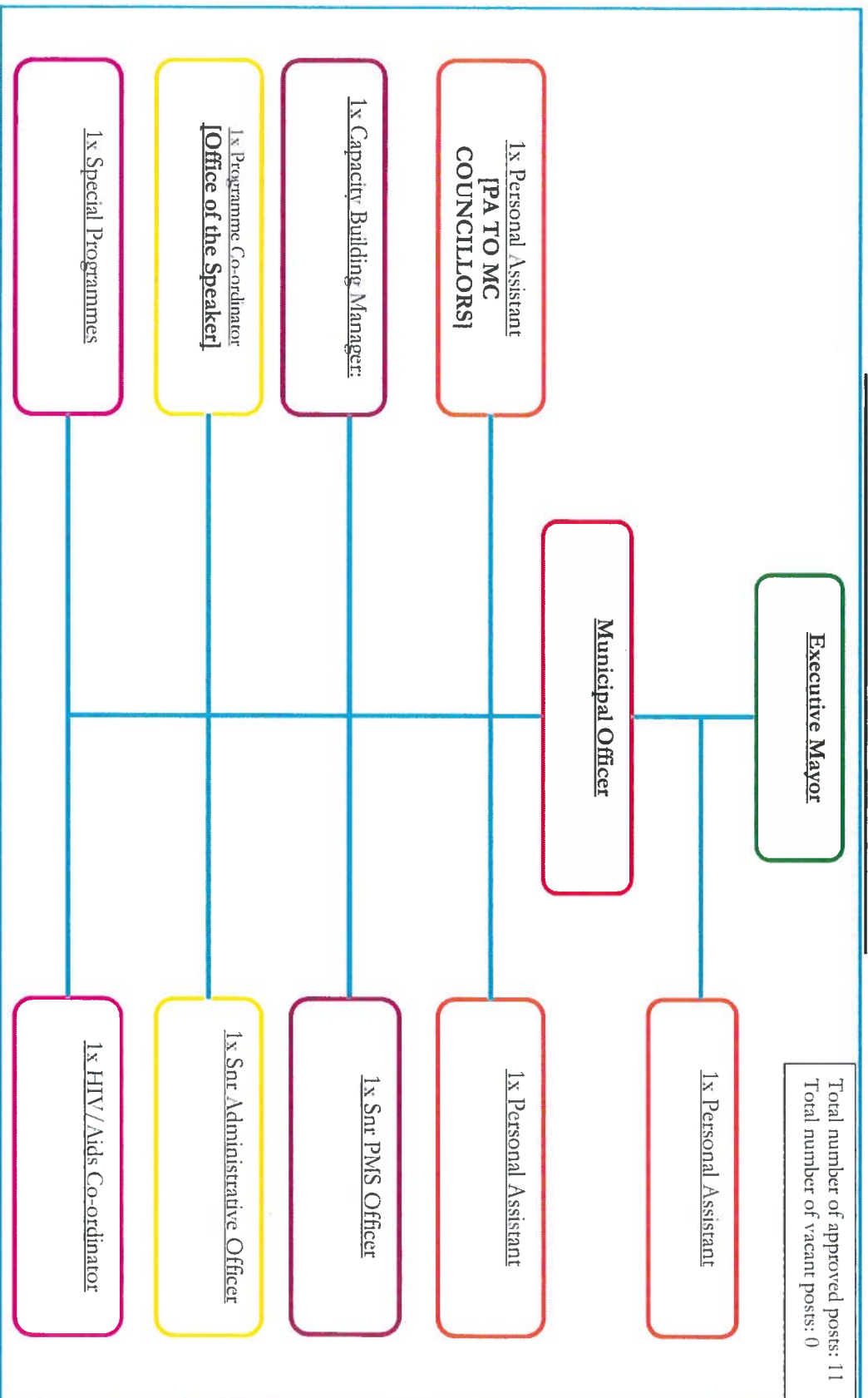
- All S57 Positions are filled as contained in our Council Organogram. The three Director positions and the Municipal Manager position are contractually filled on 5 year renewable contracts basis. These positions will be expiring from September to December 2016 respectively.
- All level 14 -17 positions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

**MACRO ORGANISATION DESIGN**

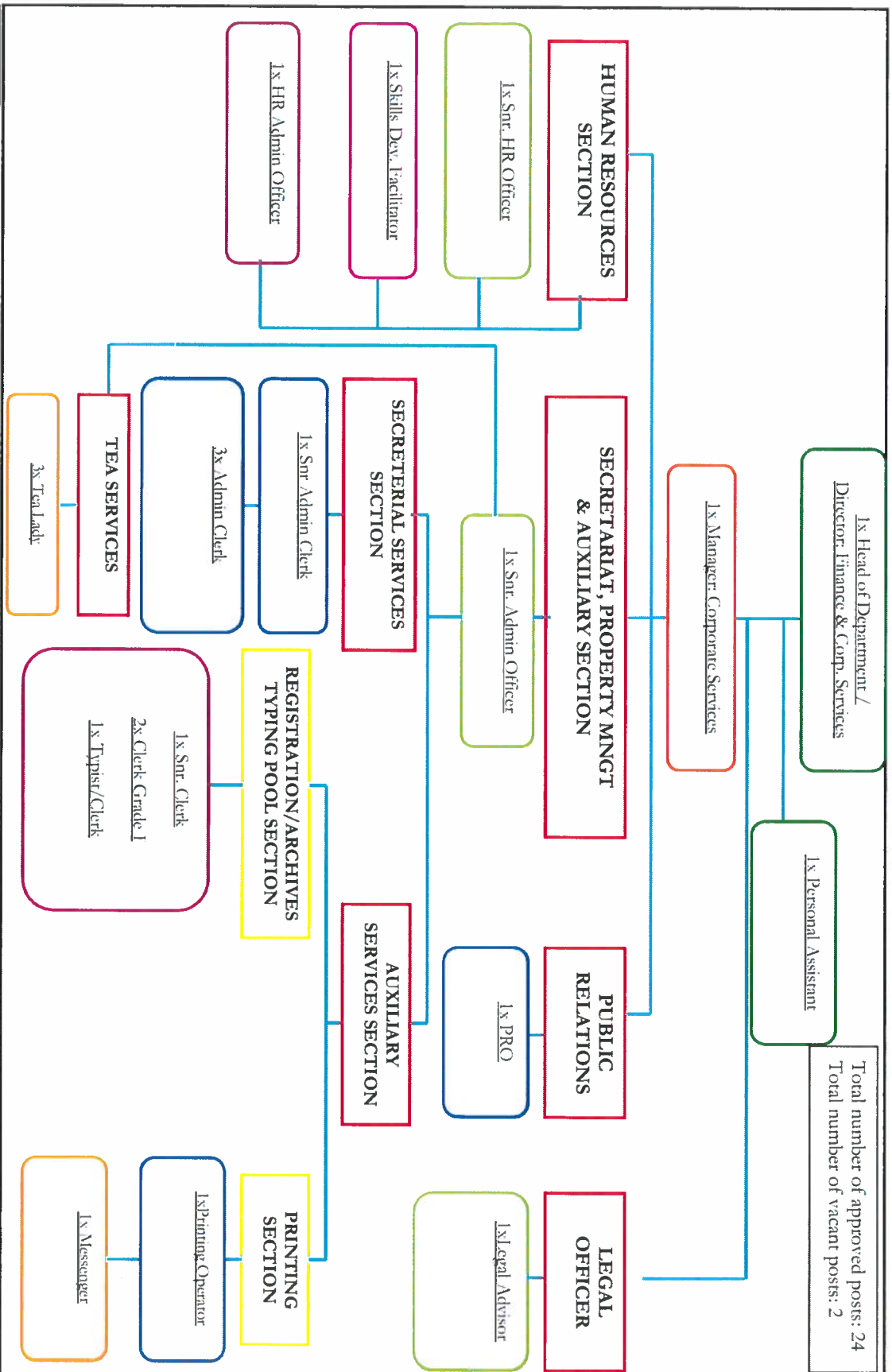




**DIRECTORATE: OFFICE OF THE MUNICIPAL MANAGER**

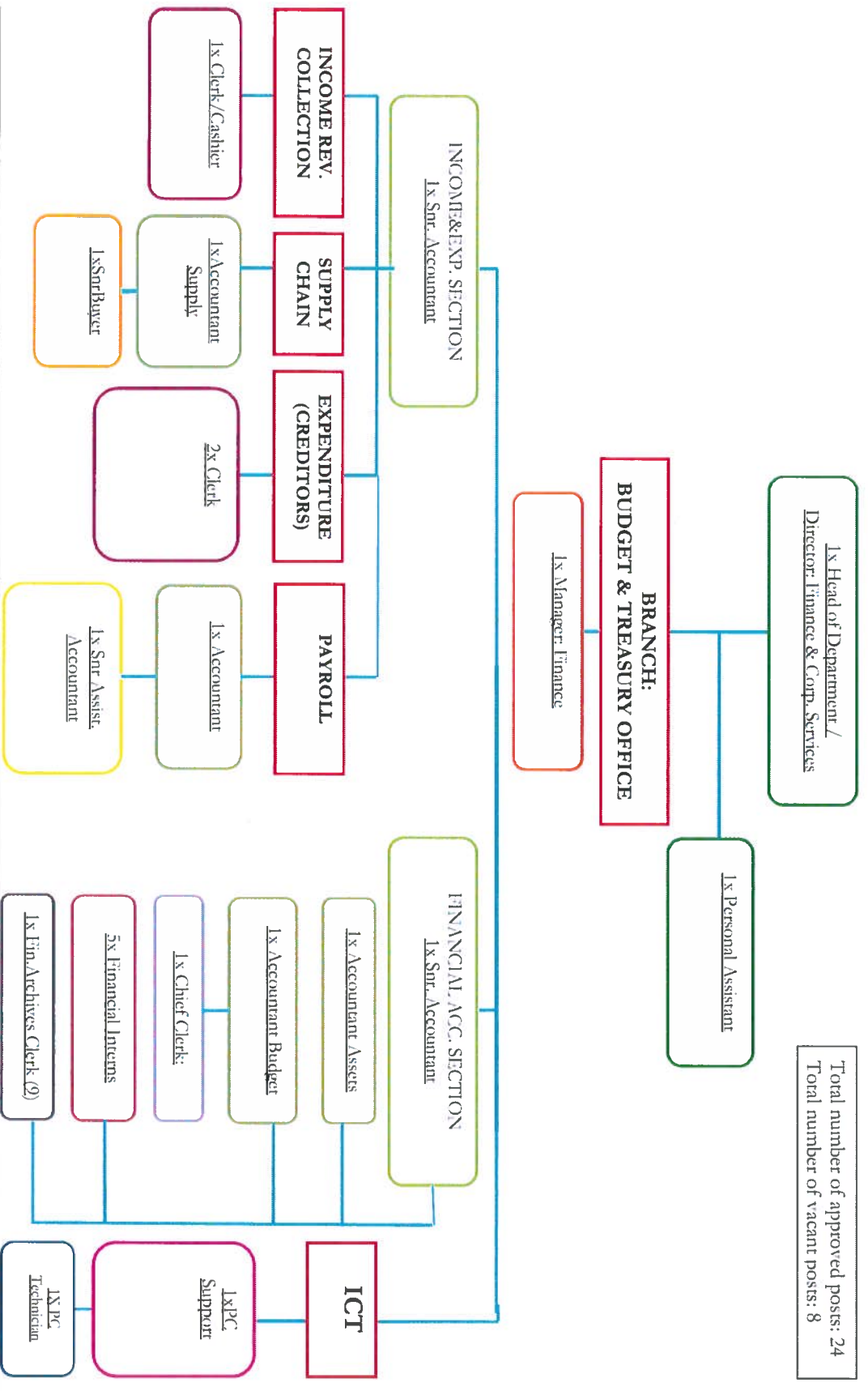


**DIRECTORATE: FINANCE & CORPORATE SERVICES**  
**CORPORATE SERVICES DIVISION**

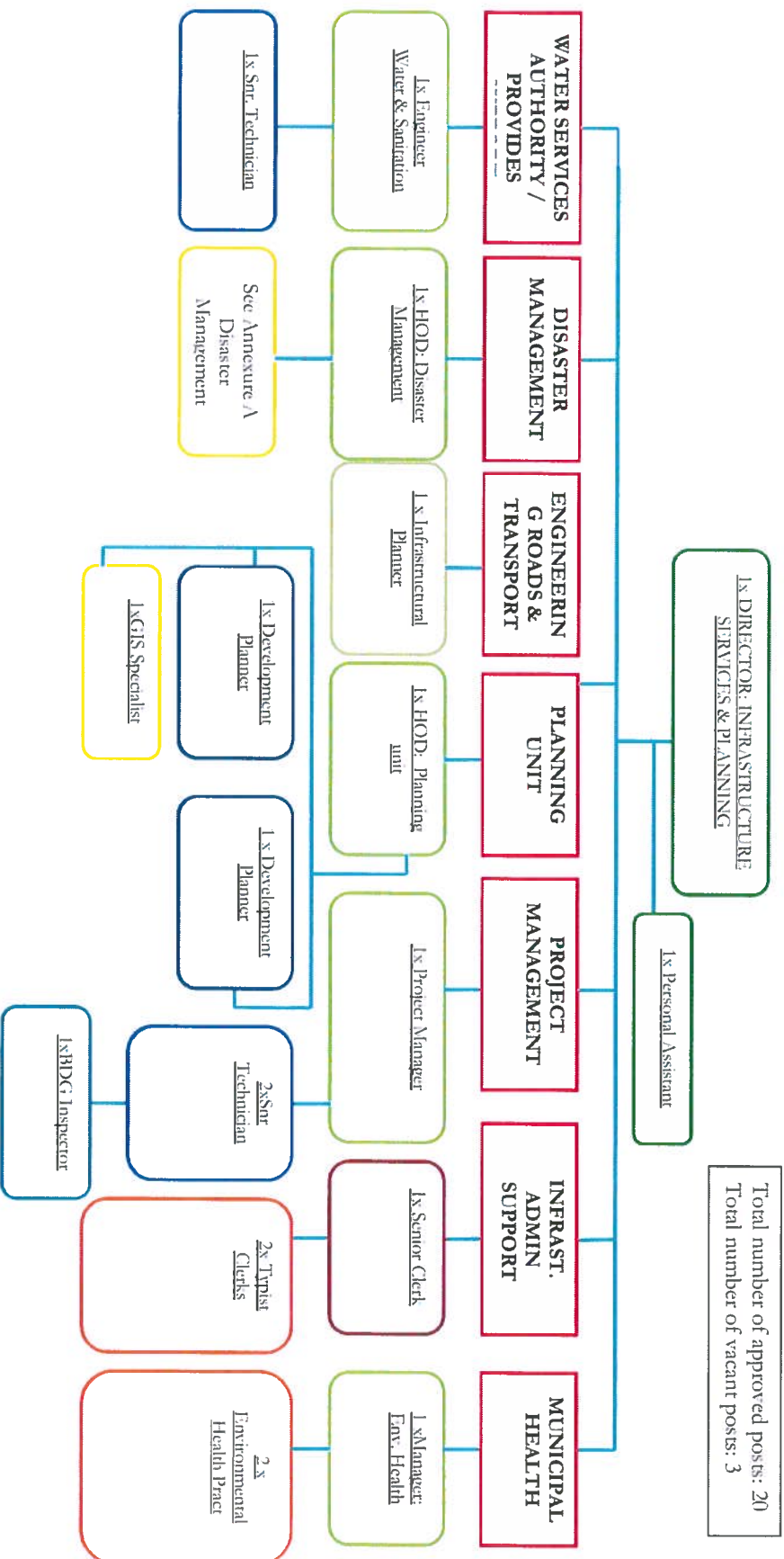


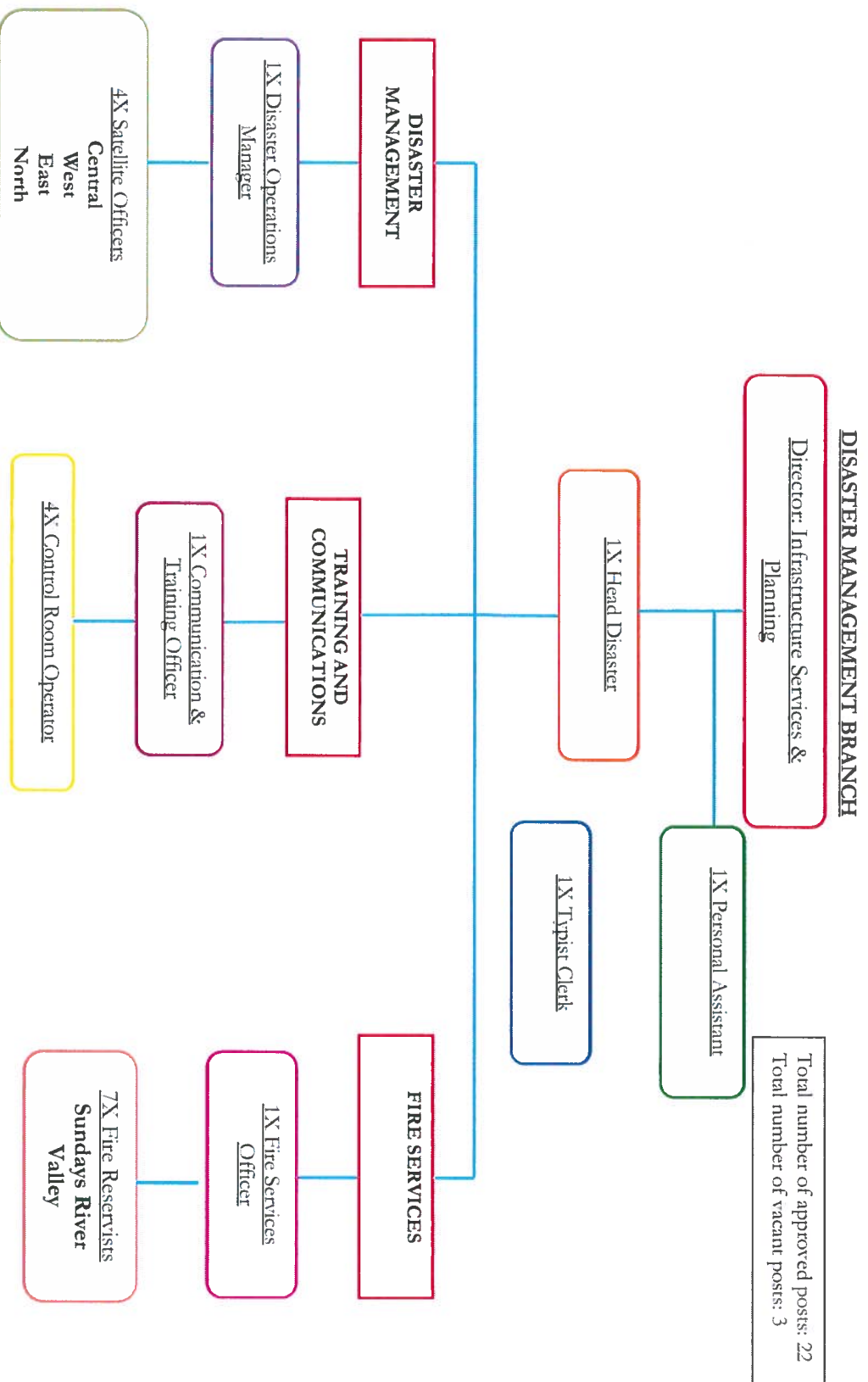


**DIRECTORATE: FINANCE & CORPORATE SERVICES**  
**FINANCE DIVISION**

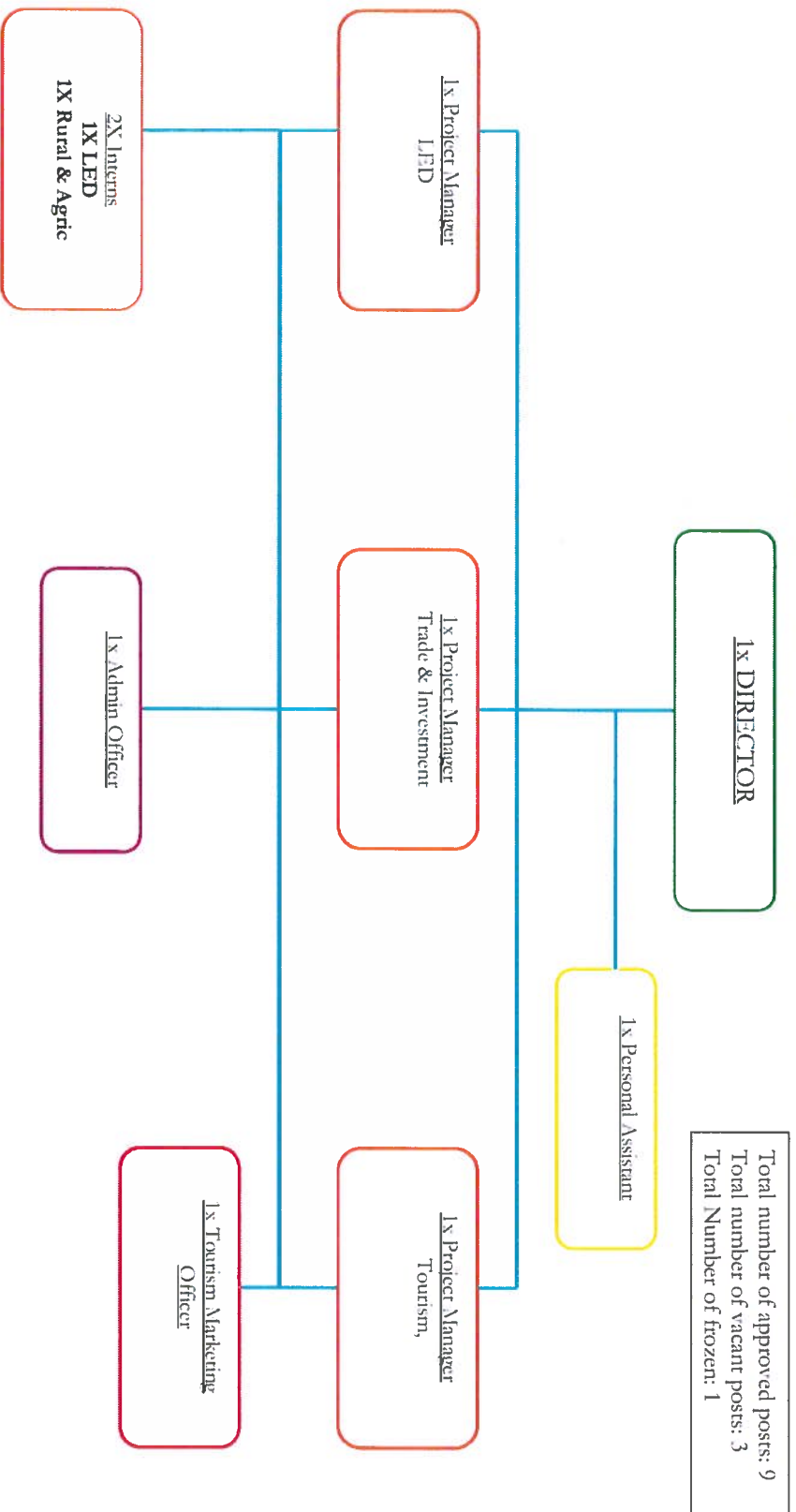


**DIRECTORATE – PLANNING AND INFRASTRUCTURE SERVICES**





**DIRECTORATE: ECONOMIC DEVELOPMENT**



## 5.3 THE FINANCIAL PLAN

### 5.3.1 BUSINESS PLANNING AND FINANCIAL STRATEGY

#### Five-year integrated development plan

The IDP was translated into the business and financial planning process leading up to the Draft 2014/15 budget. The business planning process has subsequently been refined and further aligned to the imperatives and objectives of the Integrated Development Plan.

#### LONG-TERM FINANCIAL STRATEGY

The Long-term Financial Model (LTFS) (Sustainability Assessment Model-SAM) has essentially informed the compilation of the 2014/15 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.

#### 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.

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	2012	2013
<b>Revenue</b>		
Rental income	1,107,274	1,076,549
Tariffs and charges	-	-
Property rates	-	-
	<b>1,107,274</b>	<b>1,076,549</b>
<b>Other income</b>		
Investment interest	17,158,977	15,399,324
Income from agency services	20,941	31,871
Government grants & subsidies	24,461,555	18,381,218
Equitable Share Plus Levy Replacement Grant	67,220,000	71,325,000
Other revenue	9,416,087	4,415,087
	<b>119,384,834</b>	<b>110,629,049</b>
<b>Operating expenses</b>		
Employee costs	38,226,621	42,105,721
Increase in debt impairment	21,613,465	11,663
Bad debts written off	1,183,546	3,121
Collection costs	977	-
Depreciation	1,451,917	1,314,871
Repairs and maintenance	573,953	388,129
Bulk purchases	-	-
Contracted services	2,673,975	2,796,732
Conditional grant expenditure	17,496,177	11,385,952
Other grants and subsidies paid	8,722,556	7,795,839
General expenses – other	55,307,318	43,595,193
Discounting of post-employment medical benefit	5,234,074	4,821,006
Loss on donation of assets	-	-
Actuarial loss on post-employment medical benefit	-	-
Impairment	169,821	(339,948)
	<b>152,654,400</b>	<b>117,790,519</b>
Finance costs	(1,157)	-
<b>Surplus/ (Deficit) for the year</b>	<b>(33,270,723)</b>	<b>(7,161,470)</b>

The following is evident:

At the end of the 2012/2013 financial year the payroll costs were 36% of total expenditure but 48% of the Municipality's sustainable discretionary revenue. The total expenditure, excluding conditional grant funding expenditure, amounted to R106.4 million. This means that in order to balance the operating expenditure including projects funded from own resources, investment income amounting to R15.4 million plus a contribution from the accumulated surplus amounting to R7.2 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 2013/2014 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 5.4% pa;
- that project expenditure for 2014/2015 will amount to R20 million and remain constant in the outer years; and
- that interest earned on investments will decrease as follows from the 2014/2015 financial year:

Interest	2012/13	2013/14	2014/15	2015/16	2016/17
R million	16.9	10.4	11.5	9.4	7.8

FINANCIAL SUSTAINABILITY MODEL							
Details	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
<b>Expenditure</b>							
Payroll Costs	36,073,607	38,226,621	42,105,721	48,130,000	54,173,000	51,258,000	57,694,000
Other Operating Expenditure Total	36,673,050	32,902,885	12,907,814	13,692,700	21,196,200	22,341,000	23,547,000
Sub total	72,746,657	71,129,506	55,013,535	61,822,700	75,369,200	73,599,000	81,241,000
Environmental Health		7,086,365	7,500,000	8,500,000	9,000,000	9,500,000	10,000,000
Fire		7,342,839	3,053,894	10,446,106	11,500,000	10,000,000	10,000,000
Cacadu Development Agency		1,148,021	1,042,757	4,957,173	4,000,000	4,250,000	4,500,000
Sub total - Operations	72,746,657	86,706,731	66,610,186	85,725,979	99,869,200	97,349,000	105,741,000
Own funded projects	40,629,623	48,452,649	39,794,381	39,397,820	35,440,000	25,000,000	20,000,000
Project Expenditure - Grants	100,971,595	17,496,177	11,385,952	15,197,401	5,290,000	5,290,000	5,290,000
	214,347,875	152,655,557	117,790,519	140,321,200	140,599,200	127,639,000	131,031,000
<b>Income</b>							
Sustainable Discretionary Income							
Levy Replacement Grant	51,093,000	52,629,000	54,207,000	55,833,000	57,507,000	58,932,000	60,594,000
Equitable Share	18,294,000	12,786,000	13,464,000	15,163,000	17,331,000	21,887,000	22,022,000
Councillor Allowances		1,805,000	3,654,000	4,095,000	5,170,000	5,401,000	5,644,000
Other	16,928,212	17,509,680	12,518,773	7,926,599	8,236,000	8,680,744	9,149,504
	86,315,212	84,729,680	83,843,773	83,017,599	88,244,000	94,900,744	97,409,504
Non Sustainable Discretionary Income							
Contribution Accumulated Surplus	4,074,089	33,270,723	7,161,470	31,706,200	35,565,200	18,758,138	21,775,290
Interest	22,986,979	17,158,977	15,399,324	10,400,000	11,500,000	8,690,118	6,556,206



INTEGRATED DEVELOPMENT PLAN 2012-2017  
CACADU DISTRICT MUNICIPALITY

	22,986,979	50,429,700	22,560,794	42,106,200	47,065,200	27,448,256	28,331,496
<b>Conditional Grants</b> (exp against conditional grants should be the same as income)	100,971,595	17,496,177	11,385,952	15,197,401	5,290,000	5,290,000	5,290,000
	214,347,875	152,655,557	117,790,519	140,321,200	140,599,200	127,639,000	131,031,000

Details	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Projected Investment Portfolio							
Conditional Grants Balances	135,529,394	38,595,991	20,404,622	20,404,622	20,404,622	20,404,622	20,404,622
Other Provisions	44,184,083	56,720,928	59,716,794	59,716,794	59,716,794	59,716,794	59,716,794
Accumulated Surplus Balance	212,056,766	178,786,043	167,550,484	135,844,284	100,279,084	64,713,884	29,148,684
Cash reserves	391,770,243	274,102,962	247,671,900	215,965,700	180,400,500	144,835,300	109,270,100
Interest Calculation	30,818,431	18,770,571	13,621,955	12,957,942	10,824,030	8,690,118	6,556,206
Expected interest rate		6.85%	5.50%	6.00%	6.00%	6.00%	6.00%

Reconciliation of Accumulated Surplus		
	Balance	Cum Balance
Opening balance	212,056,766	
Less: contributions to balance budget		
2011-12	33,270,723	178,786,043
2012-13	7,161,470	171,624,573
2013-14	31,706,200	139,918,373
2014-15	35,565,200	104,353,173
2015-16	18,758,138	85,595,035
2016-17	21,775,290	63,819,745
	63,819,745	
<i>Own funded projects needs to be limited year on year to ensure sustainability.</i>		

- 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 2017/2018 financial year there will be inadequate revenue sources to balance the budget.

### 5.3.2 MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK

#### 5.3.2.1 PRINCIPLES AND GUIDELINES

- The following budget **principles** and **guidelines** have directly informed the compilation of the 2014/15 MTREF:
- Confirmation of the 2014/15 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

#### 5.3.2.2 OPERATIONAL BUDGET

The following table represents the 2014/15 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 2014 TO 30 JUNE 2017  
REVENUE AND EXPENDITURE BY VOTE

Vote Description R thousand	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Revenue by Vote</b>						
Vote 1 - Executive and council	13 161	16 683	6 168	6 514	6 378	6 654
Vote 2 - Finance and Corporate Services	91 049	95 783	88 771	94 184	98 140	98 412
Vote 3 - Planning and Infrastructure development	14 451	20 768	2 443	4 700	5 000	5 000
Vote 4 - Health	682	1 010	-	10 645	5 624	10 074
Vote 5 - Community Services	800	3 266	557	3 200	-	-
Vote 6 - Housing	600	600	-	590	-	-
Vote 7 - Public Safety	11 144	11 796	-	13 256	10 266	10 276
Vote 8 - Sport and Recreation	-	-	-	-	-	-
Vote 9 - Waste Management	250	544	-	-	-	-
Vote 10 - Roads	4 901	12 155	6 837	7 110	2 200	2 261
Vote 11 - Water	8 649	14 496	3 705	400	-	-
Vote 12 - Electricity	125	134	134	-	-	-
Vote 13 - Other	5 095	6 269	-	-	-	-
0	-	-	-	-	-	-
0	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>150 907</b>	<b>183 503</b>	<b>108 615</b>	<b>140 599</b>	<b>127 608</b>	<b>132 677</b>
<b>Expenditure by Vote to be appropriated</b>						
Vote 1 - Executive and council	37 558	40 476	28 905	35 222	36 916	39 044
Vote 2 - Finance and Corporate Services	34 023	39 306	32 215	36 087	35 939	37 194
Vote 3 - Planning and Infrastructure development	19 226	25 543	18 205	15 840	14 642	14 946
Vote 4 - Health	11 754	12 082	10 451	11 810	12 086	12 742
Vote 5 - Community Services	800	3 266	2 709	3 200	2 300	2 400
Vote 6 - Housing	994	1 000	332	1 005	440	466
Vote 7 - Public Safety	24 693	25 400	17 127	20 946	18 356	18 791
Vote 8 - Sport and Recreation	300	300	300	300	300	300
Vote 9 - Waste Management	250	544	544	-	-	-
Vote 10 - Roads	5 524	12 778	12 014	7 141	2 232	2 294
Vote 11 - Water	9 390	15 231	12 603	4 017	869	924
Vote 12 - Electricity	125	134	134	-	-	-
Vote 13 - Other	6 269	7 443	4 783	5 032	3 529	3 578
0	-	-	-	-	-	-
0	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>150 907</b>	<b>183 503</b>	<b>140 321</b>	<b>140 599</b>	<b>127 608</b>	<b>132 677</b>
<b>Surplus/(Deficit) for the year</b>	<b>-</b>	<b>-</b>	<b>(31 706)</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		
	Audited Outcome	Budget	Variance	Audited Outcome	Budget	Variance	Audited Outcome	Budget	Variance	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
<b>R thousand</b>															
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>															
Receipts															
Ratepayers and other	2,513	4,634	(2,121)	4,634	29,891	(24,257)	29,891	1,445	29,891	1,445	51,088	7,180	6,883		
Government - operating	383,403	246,487	136,916	246,487	106,484	140,003	106,484	99,073	106,484	99,073	89,419	89,992	96,821		
Government - capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest	30,818	22,987	7,831	22,987	16,924	6,063	16,924	15,100	16,924	15,100	10,400	9,000	7,600		
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Payments															
Suppliers and employees	(101,276)	(96,857)	(4,419)	(96,857)	(114,425)	17,568	(126,833)	(53,797)	(126,833)	(53,797)	(65,773)	(17,126)	(18,031)		
Finance charges	(110)	(8)	(102)	(8)	-	(8)	-	-	-	-	-	-	-	-	
Transfers and Grants	(288,995)	(180,287)	(108,708)	(180,287)	(37,740)	(142,547)	(70,368)	(92,055)	(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>(29,197)</b>	<b>(3,044)</b>	<b>1,134</b>	<b>(30,331)</b>	<b>(43,902)</b>	<b>(30,234)</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</b>															
Receipts															
Proceeds on disposal of PPE	(2,099)	(7,466)	5,367	(7,466)	-	7,466	-	-	-	-	-	-	-	-	
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Payments															
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital assets	(3,397)	(7,103)	3,706	(7,103)	(16,110)	8,407	(21,318)	(21,318)	(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>9,073</b>	<b>(14,569)</b>	<b>(16,110)</b>	<b>7,437</b>	<b>(21,318)</b>	<b>(21,318)</b>	<b>(21,318)</b>	<b>(21,318)</b>	<b>13,030</b>	<b>10,000</b>	<b>5,000</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>-</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>38,470</b>	<b>(17,613)</b>	<b>(14,976)</b>	<b>23,517</b>	<b>(65,220)</b>	<b>(51,552)</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	364,310	(857)	364,310	312,462	51,848	312,462	312,462	312,462	312,462	260,910	269,931	278,985		
Cash/cash equivalents at the year end:	384,310	366,697	17,613	366,697	297,486	69,211	247,242	260,910	247,242	260,910	269,931	278,985	280,436		

From the above table it can be seen that the total revenue equates to R 108.6 million inclusive of capital grants utilised to fund the capital expenditure budget. The total operating expenditure is in excess of R140 million, resulting in a deficit of R31.7 million. The accumulated surplus is also utilised to fund the capital expenditure budget of R13.5 million in the 2012/13 financial year.

The detail outcomes of the 2014/15 MTREF will be discussed further below as well as in the Budget Document.

### 5.3.2.3 REVENUE FRAMEWORK

The Cacadu District Municipality is committed to improving the quality of life of all its citizens in the district; to promoting a living environment which fosters harmony and confidence which provides opportunity for growth and prosperity for all living within its region.

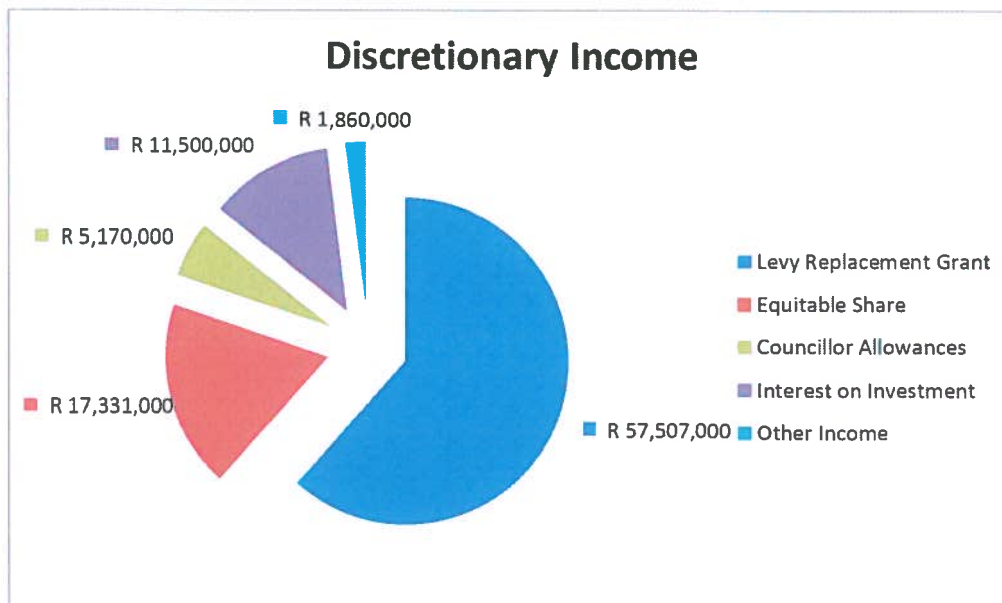
### 5.3.2.4 REVENUE

**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



**i) Interest Earnings**

In 2014/15 interest earnings on investments are budgeted to contribute R11.5m (8%) 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 2007/2008 financial year to finance Operating Expenditure:

**ii) 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.

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%

iii) **Municipal Infrastructure Grant**

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.

iv) **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
2013/14	R55.8 m	3%
2014/15	R57.5 m	3%
2015/16	R58.9 m	2%

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.

v) **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.

### 5.3.2.5 REVENUE AND TARIFF-SETTING

#### i) Revenue Strategy

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

- Growth and economic development
- Revenue enhancement through;
  - Eradication of free basic services to all households
  - Changes in tariff structures
- National Treasury guidelines; and
- Achievement of full cost recovery of specific user charges.

#### ii) 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.

#### iii) Expenditure Framework

The following table is a high level summary of the 2013/14 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 R thousand	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Expenditure By Type</b>						
Employee related costs	43 515	48 525	42 850	47 279	49 711	52 297
Remuneration of councillors	5 683	6 326	5 080	6 894	7 335	7 804
Depreciation & asset impairment	2 033	2 033	1 484	1 505	1 505	1 505
Finance charges	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-
Other materials	-	-	-	-	-	-
Contracted services	5 020	5 020	2 058	4 240	4 380	4 520
Transfers and grants	39 553	41 916	23 863	29 200	23 900	24 800
Other expenditure	55 103	79 682	64 987	51 481	40 777	41 751
Loss on disposal of PPE	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>150 907</b>	<b>183 503</b>	<b>140 321</b>	<b>140 599</b>	<b>127 608</b>	<b>132 677</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 revenue and operating expenditure has decreased by 23% against the 2013/14 adjustment budget and by 7% against the 2013/14 approved original budget. 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 R184 million in the 2013/14 financial year and decreases to R140.6 million in the 2014/15 financial year, a decline of 23%.

A couple of highlights relating to the draft expenditure framework include:

#### 5.3.2.6 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.

#### Capital Budget

#### Capital budget 1 July 2014 to 30 June 2015

Narration	2013/2014	2014/2015	2015/2016
<b>Funding Source</b>			
Accumulated Surplus	15 474	10 000	5 000
<b>Total</b>	<b>13 030</b>	<b>10 000</b>	<b>5 000</b>
<b>Asset Type</b>			
Computer Software	2 000	-	-
Plant & equipment	3 474	-	-
Land & Buildings	10 000	10 000	5 000
<b>Total</b>	<b>15 474</b>	<b>10 000</b>	<b>5 000</b>

#### 5.3.2.7 COMMUNITY CONSULTATION PROCESS

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 '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.

#### 5.3.2.8 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.

#### 5.3.2.9 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.

#### 5.3.2.10 Management Response to the Report of the Auditor – General on the Financial Statements and Performance Information of Cacadu District Municipality for the Year Ended 30 June 2013

Management's response will be provided with reference to the relevant paragraphs in the Audit Report.

i) **Audit Opinion**

Paragraph 6 Opinion.

The Auditor – General has concluded:

*“In my opinion, the financial statements present fairly, in all material respects, the financial position of the CDM and its subsidiary as at 30 June 2013 and its financial performance and cash flows for the year then ended, in accordance with GRAP and the requirements of the MFMA and DORA”.*

The fact that the Municipality has been able to maintain its unqualified audit opinion for seven consecutive financial years in spite of many challenges is a remarkable achievement. Each financial year presents new challenges which have to be carefully managed to ensure that the Municipality achieves a clean audit. During the financial year under review the Auditor – General raised no matters of emphasis, and compliance to legislation improved significantly. These are all signs that the municipality is laying the foundation for a clean audit outcome.

ii) **Report on Other Legal and Regulatory Requirements**

a) *Paragraph 10 – Predetermined Objectives*

The Auditor – General concluded that:

*“There were no material findings on the Annual Performance Reports concerning the usefulness and reliability of the information”.*

The Auditor – General drew attention to the fact the 49% planned targets were not achieved during the financial year and that material adjustments were identified in the Annual Performance report which were corrected by Management.

Various steps and internal controls have been implemented by Management to improve planning, monitoring and reporting in respect of projects.

b) *Paragraph 17 – Annual Financial Statements*

The Auditor – General's findings relating to the Municipality's incorrect interpretation of GRAP relating to heritage assets and other disclosure errors were corrected in the Annual Financial Statements.

c) *Paragraph 18 – Internal Controls*

Management is confident that the municipality's internal controls and governance systems will assist in it achieving a clean audit outcome in 2014.

5.3.2.11 **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 2014/15 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 2014/15 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.

#### 5.4 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 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

INTEGRATED DEVELOPMENT PLAN 2012-2017  
CACADU DISTRICT MUNICIPALITY

Waste Site Name	GPS Co-ordinates	Landfill Class (±)	Registration/permit status	Site Suitability	Estimated Lifespan	Infrastructure	Operation & Management
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
Glennconnor railway location	S33 23 52.0 E25 09 50.0	G:C:B -	Unknown	Inadequate	Good	Inadequate	Inadequate
Glennconnor school location	S33 23 34.9 E25 09 23.2	G:C:B -	Unknown	Inadequate	Good	Inadequate	Inadequate
Glennconnor informal 1	S33 23 45.3 E25 09 43.0	G:C:B -	Unknown	Inadequate	Poor	Poor	Inadequate
Glennconnor 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

Waste Site Name	GPS Co-ordinates	Landfill Class (±)	Registration/permit status	Site Suitability	Estimated Lifespan	Infrastructure	Operation & Management
Jeffreys Bay	S33 58 43.3 E24 57 38.9	G:S:B +	Unknown	Good	Poor	Adequate	Adequate



INTEGRATED DEVELOPMENT PLAN 2012-2017  
CACADU DISTRICT MUNICIPALITY

Waste Site Name	GPS Co-ordinates	Landfill Class (±)	Registration/ permit status	Site Suitability	Estimated Lifespan	Infrastructure	Operation & Management
Oyster Bay Old Waste Site	S34 03.7 E24 39.36.2	G:C:B +	Unknown	Poor	Poor	Good	Inadequate
Oyster Bay - Transfer Station	S34 04.4 E24 39.20.4	G:C:B +	Unknown	Good	Not Applicable	Adequate	Inadequate
Patensie	S33 09.8 E24 47.30.5	G:S:B +	Unknown	Adequate	Poor	Good	Poor
St Francis Bay	S34 13.0 E24 49.24.2	G:M:B +	Unknown	Good	Inadequate	Inadequate	Adequate
Kou-Kamma Municipality							
Clarkson	S34 24.6 E24 20.53.2	G:C:B +	Unknown	Good	Good	Adequate	Inadequate
Coldstream	S33 25.0 E23 41.38.6	G:C:B +	Permitted	Adequate	Adequate	Adequate	Adequate
Joubertina	S33 09.1 E23 52.54.8	G:C:B +	Unknown	Good	Good	Adequate	Adequate
Kareedouw	S33 40.9 E24 18.34.7	G:C:B +	Unknown	Poor	Poor	Inadequate	Inadequate
Krakeelrivier	S33 38.1 E23 44.28.5	G:C:B +	Unknown	Adequate	Inadequate	Inadequate	Poor
Louterwater	S33 20.0 E23 37.46.1	G:C:B +	Unknown	Poor	Inadequate	Adequate	Poor
Misgund	S33 38.1 E23 29.09.2	G:C:B +	Unknown	Adequate	Good	Not Applicable	Not Applicable
Woodlands	S34 39.5 E24 09.35.6	G:C:B +	Unknown	Good	Poor	Adequate	Poor
Sunday's River Valley Municipality							
Addo	S33 01.5 E25 41.44.4	G:C:B +	Unknown	Poor	Adequate	Good	Inadequate
Kirkwood	S33 04.7 E25 30.04.0	G:C:B +	Unknown	Adequate	Inadequate	Inadequate	Inadequate

INTEGRATED DEVELOPMENT PLAN 2012-2017  
CACADU DISTRICT MUNICIPALITY

Waste Site Name	GPS Co-ordinates	Landfill Class (±)	Registration/permit status	Site Suitability	Estimated Lifespan	Infrastructure	Operation & Management
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 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
Alexandria	S33 39 31.5 E26 26 04.0	G:C:B +	Unknown	Good	Good	Poor	Poor
Makana Municipality							

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

#### 5.4.1 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.

#### 5.4.2 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.

#### 5.4.3 RECOMMENDATIONS

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 waste, 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).

#### 5.4.4 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 Riebeek East	Grahamstown – Yes Alicedale – Yes Riebeek 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

<b>Municipality</b>	<b>Status Quo</b>	<b>Comments / Recommendations</b>
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 & 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.

#### 5.4.5 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.

#### 5.4.6 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.

#### 5.4.7 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	✓	-	✓



#### 5.4.8 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

#### 5.4.9 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 5.21** 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

**5.4.9.1 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  $\pm 81.25\%$ . 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.

#### 5.4.9.2 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 5.22** 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.

#### 5.4.10 HUMAN SETTLEMENT GUIDELINES

##### 5.4.10.1 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.

## **5.4.11 INTEGRATED TRANSPORTATION PLAN (ITP)**

### **5.4.11.1 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.

### **5.4.11.2 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.

### **5.4.11.3 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.

### **5.4.11.4 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 according 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 5.23** 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

**5.2.14 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:

i) **DM 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 5.25: 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 key focus areas are as follows:

a) *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.

b) *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.

c) *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.

d) *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.

e) *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

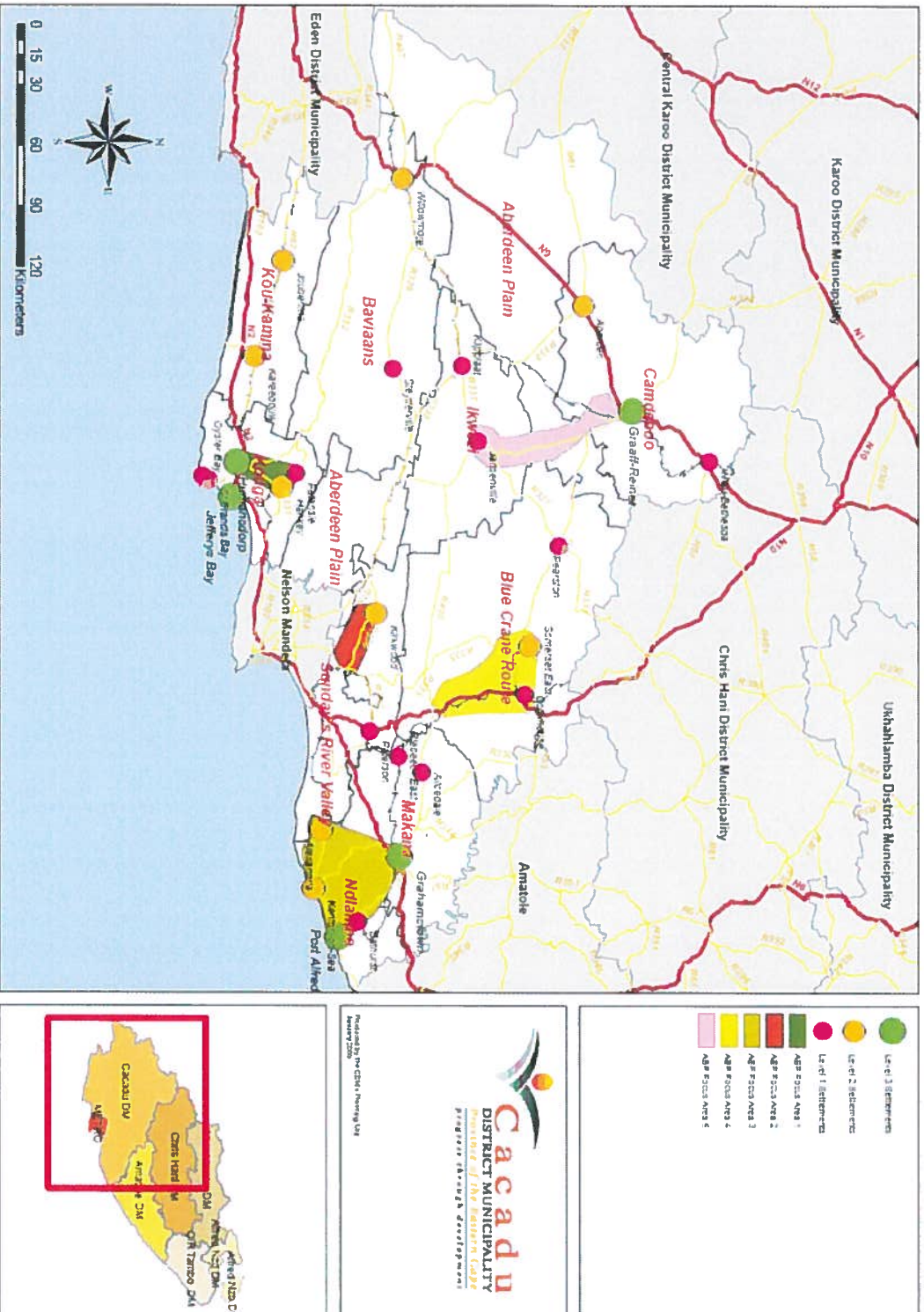


Figure 4.10: ABP Focus Areas



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 5.27 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
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>
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 has 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.

#### 5.4.12 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.

**BROAD INFRASTRUCTURAL FUNDING REQUIREMENTS**

0	1	2	3	4	5	6	7	8	9
Intervention	Makana	Ikwazi	Blue Crane	Kouga	Camdeboo	Sundays River Valley	Kou Kamma	Baviaans	Ndlambe
<b>Housing</b>	<b>R 368 900,000</b>	<b>R 39 050,000</b>	<b>R 52 400,245</b>	<b>R 598,052,000</b>	<b>R 684,991,800</b>	<b>R 286,136,200</b>	<b>R 302,605,818</b>	<b>R 37,900,000</b>	<b>R 595,100,800</b>
Water Backlogs	R 2,454,000	R 19,140,000	R 3,829,999	R 26,836,000	R 569,691	R 19,180,000	R 8,630,000	R 300,000	R 10,241,257
Water Refurbishment	R 15,000,000	R -	R 60,000,000	R 22,990,800	R 20,000,000	R 8,540,000	R 9,004,600	R 7,500,000	R 35,445,000
Water Bulk	R 25,888,205	R 17,390,000	R 3,770,000	R 25,040,000	R 9,000,000	R 23,500,000	R 19,996,107	R 69,031,408	R 509,458,662
Water Treatment Works	R 26,000,000	R 7,000,000	R 25,000,000	R 13,934,000	R 8,500,000	R 24,500,000	R 53,876,650	R 22,931,408	R 23,150,000
<b>Sanitation Backlogs</b>	<b>R 69 342,205</b>	<b>R 43,530,000</b>	<b>R 92,599,999</b>	<b>R 88,710,800</b>	<b>R 38,069,691</b>	<b>R 75,720,000</b>	<b>R 91,507,357</b>	<b>R 99,762,816</b>	<b>R 578,294,919</b>
Sanitation Refurbishment	R 70,955,732	R 31,880,000	R 15,137,000	R 37,718,385	R 9,500,000	R 52,290,000	R 29,388,250	R 30,740,000	R 66,742,000
Sanitation Bulk	R 31,500,000	R -	R 34,000,000	R 50,750,000	R 13,000,000	R 6,500,000	R 13,428,000	R 6,000,000	R 40,105,000
Sanitation Treatment Works	R 15,000,000	R -	R 14,700,000	R 39,665,000	R 5,000,000	R -	R 8,454,502	R 20,200,000	R 105,860,000
<b>Roads: new</b>	<b>R 41,000,000</b>	<b>R -</b>	<b>R 27,000,000</b>	<b>R 56,593,000</b>	<b>R 19,500,000</b>	<b>R 17,000,000</b>	<b>R 27,554,500</b>	<b>R 20,200,000</b>	<b>R 22,200,000</b>
Roads: new	R 158,465,732	R 31,880,000	R 90,837,000	R 184,728,385	R 47,000,000	R 75,790,000	R 78,825,252	R 77,140,000	R 234,907,000
Roads: upgrading	R 181,200,000	R 27,290,000	R 173,000,000	R 156,217,000	R 142,000,000	R 388,000,000	R 251,661,950	R 122,500,000	R 110,749,600
Roads: maintenance	R -	R -	R -	R -	R -	R -	R -	R -	R -
Taxi facilities	R -	R -	R -	R -	R -	R -	R -	R -	R -
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 757,897,937</b>	<b>R 141,760,000</b>	<b>R 408,837,244</b>	<b>R 1,027,706,185</b>	<b>R 912,061,491</b>	<b>R 825,646,200</b>	<b>R 724,600,377</b>	<b>R 337,302,816</b>	<b>R 1,519,052,319</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 R 6,654,864,569.

5.4.13 **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 BBEEE, 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.

#### 5.4.14 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.

#### 5.4.15 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.

#### 5.4.16 LOCAL ECONOMIC DEVELOPMENT 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)**

*a) 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.

*b) 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.

c) *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 of 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.

#### **5.4.17 CACADU DEVELOPMENT AGENCY**

##### **5.4.17.1 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

#### 5.4.17.2 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:

##### a) *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

##### b) *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

c) *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

d) *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

e) *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



## 5.4.18 ENERGY AND CLIMATE CHANGE STRATEGY

### 5.4.18.1 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.

#### 5.4.18.2 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 5. 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 weather events.	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
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	Coupled with more intense rain, catchment	Direct threat to infrastructure within flood-	Social & Economic

<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>
severity/ Extreme weather events.	hardening due to urban development, and reduced integrity of water catchments: increased risk of flooding or flash floods	prone areas; Direct threat to human life.	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 storm severity/ Extreme weather events.	Crop damage from hail and wind and heavy rain	Increased risk of crop failure; threats to commercial and subsistence agriculture, rural livelihoods and food security.	Social & 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	Increased frequency of storm	Reduced safety of personnel and increased	Transport infrastructure

Climate Change Manifestation	2 <sup>nd</sup> Order Impact	3 <sup>rd</sup> Order Impact	Systems / sectors / Infrastructure
severity/ Extreme weather events	Surges	frequency of injury or loss of life	

The ECCCRS further recommends the following adaptation and mitigation measures in response to climate change:

**Table 5.30 Mitigation measures**

Adaption Category	Adaption Objective
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>

## 5.4.19 CACADU DISASTER RISK MANAGEMENT PLAN

### 5.4.19.1 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 2014/15 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, where after 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.

#### 5.4.19.2 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 firefighting 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.



## 5.4.20 HEALTH PLAN

### 5.4.20.1 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.

### 5.4.20.2 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.

#### 5.4.21 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.

#### 5.4.22 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.

#### **5.4.22.1 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.

#### **5.4.22.2 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.

#### **5.4.23 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				
		<b>Strategies for Support</b>	<b>Related Projects</b>	<b>Comments</b>
		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>	Infrastructure Investment can only be supported with the general Human Resource Provisioning and Administration processes
<b>HR Required Support</b>	<b>Activities in Support</b>	<b>Responsibility/Role Players</b>	<b>Resources Required</b>	
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			
Complete training & development programme	<ul style="list-style-type: none"> <li>Consolidate information from Skill Audit reports, PDP's &amp; WSP</li> <li>Complete 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>	SHR Officer and HR Manager		<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>HR Required Support</b>	<b>Activities in Support</b>	<b>Responsibility/Role Players</b>	<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 Manager		<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	Comment
Coordinate training and skills 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 Players		<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: Promote voluntary testing and counselling amongst the inhabitants of the CDM area of jurisdiction</b>					
			<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> <li>Support from Manager</li> <li>Environmental Services, Health Services Manager</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</li> <li>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 tingchhi and amakhankatha in safe health practices	<ul style="list-style-type: none"> <li>▪ Support from Senior HR Officer and HR Manager</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.



#### 5.4.24 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.

v) **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.

vi) **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

#### 5.4.25 HIV & AIDS SECTOR PLAN

##### 5.4.25.1 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

HIV and Aids Coordination is an issue that is very important to the District Municipality. CDM has a District Aids Council that is led by the Executive Mayor and Supported by the Secretariat which consist of HIV and Aids Coordinators from the Local Municipalities, Sector Departments and Community Based Organisations.

CDM is in the process of reviewing its HIV and Aids Strategy to align it to the National Strategy which was launched by President Jacob Zuma in 2013. The following programmes are championed by the HIV and Aids Coordinator:

- Establishment of Local Aids Councils
- Induction of the LAC
- Training of HIV and Aids Coordinators

- Forging partnership with relevant organisations
- Supporting Community Based Organisations
- Partnering with the Local Municipality in hosting of the District World Aids Day

a) *Special Programmes*

The office of the Special Programmes Officer is mandated to assist and coordinate all Special Programmes activities in the district. In line with the developmental role of Capacity Building and Support this office is tasked to ensure the capacity of the designated groups by undertaking the following:

- Establishment of forum of all designated groups
- Induction of forums
- Forging of partnership with relevant organisations and sector departments
- Support Community Based Organisations and Cooperatives
- Supporting and partner with LMs to host District Commemoration Days
- Support various youth, women and people with disabilities initiatives in the district

The office is in the process of reviewing mainstreaming strategies for all designated groups namely children, youth, people with disabilities, women, older persons and HIV & AIDS. It is anticipated that the plans will be reviewed no later than end of 2014.

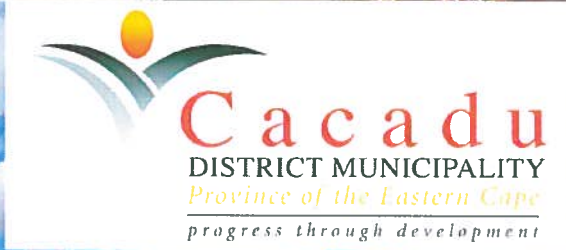
#### 5.4.26 OTHER PLANS

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.

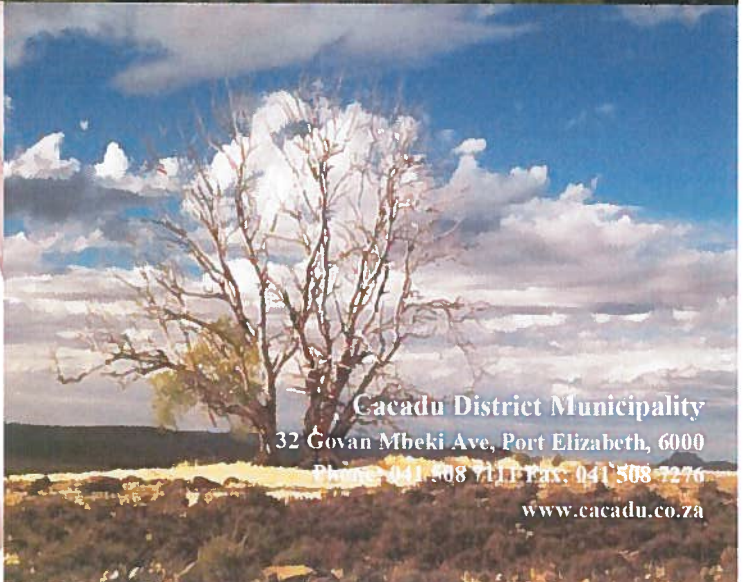
- The focus of the communication policy includes:
- Ensuring that a communication system exists which supports a two-way flow of information between stakeholders and role players throughout the District.
- On-going communication planning and development within the district.
- On-going communication capacity building.
- Improving and strengthening media relations.





# INTEGRATED DEVELOPMENT PLAN 2012-2017

2014/15 Draft Review



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## TABLE OF CONTENTS

	<u>Page</u>
<b>EXECUTIVE SUMMARY</b> .....	iv
<b>OVERVIEW OF THE MUNICIPALITY</b> .....	1
<b>CACADU DISTRICT MUNICIPALITY VISION &amp; MISSION</b> .....	4
<b>CACADU DISTRICT MUNICIPALITY VALUES</b> .....	5
<b>CHAPTER 1: PART 1 -THE PLANNING PROCESS</b> .....	6
1.1.1 IDP OVERVIEW .....	6
1.1.2 THE CDM INTEGRATED DEVELOPMENT PLAN REVIEW .....	7
1.1.3 GUIDING PARAMETERS.....	7
1.1.4 IDP / BUDGET WORK SCHEDULE AND DISTRICT FRAMEWORK PLAN .....	11
1.1.5 CACADU DISTRICT MUNICIPALITY IDP STRUCTURES.....	18
1.1.6 SCHEDULE OF MEETINGS.....	19
1.1.7 MEC COMMENTS ON THE CDM IDP.....	19
<b>CHAPTER 2: SITUATION ANALYSIS</b> .....	20
<b>2.1 DEMOGRAPHICS</b> .....	20
2.1.1 District and Local Population Distribution:.....	21
2.1.2 Population Size per Local Municipality.....	22
<b>2.2 ECONOMIC INTELLIGENCE PROFILE</b> .....	25
2.2.1 Age Structure .....	25
2.2.2 HIV AIDS Profile.....	16
2.2.3 Human Development .....	26
2.2.4 Education .....	28
2.2.5 Housing And Electrification.....	29
2.2.6 Employment .....	30
2.2.7 Economic Structure & Growth.....	31
2.2.8 Location Quotient .....	33
2.2.10 Tourism.....	33

2.3 INSTITUTIONAL CAPACITY.....	35
2.3.1 Powers and Functions .....	36
2.3.2 Cacadu Institutional Analysis .....	37
2.3.3 Institutional Issues – Local Municipalities.....	40
2.3.4 Capacity Challenges.....	42
2.4 INFRASTRUCTURE OVERVIEW AND ACCESS TO SERVICES.....	43
2.4.1 Spatial Development Analysis .....	43
2.4.2 Settlement Patterns .....	43
2.4.3 Road, Transport and Rail Network.....	45
2.4.4 Water Resources.....	53
2.4.5 Water & Sanitation.....	55
2.4.6 Provision of Housing.....	58
2.4.7 Electricity .....	58
2.4.8 Free basic services.....	59
2.4.9 Access to Social Grants.....	60
2.5 SAFETY & SECURITY .....	62
2.5.1 Crime Statistics and Trend Analysis .....	62
2.5.2 Contact or Violent Crimes.....	63
2.7 HEALTH ANALYSIS .....	64
2.8 ENVIRONMENTAL ASPECTS.....	65
2.9 ECONOMIC ANALYSIS .....	66
2.9.1 CDM's Economic Base .....	66
2.9.2 Statistical Correlations.....	68
2.9.3 Potential within the District.....	70
2.9.4 Conclusion.....	78
<b>CHAPTER 3: DEVELOPMENTAL INTERVENTIONS WITHIN THE DISTRICT.....</b>	<b>79</b>
3.1 STRATEGIC DIRECTION.....	79
3.1.1 Emerging Growth And Development Agenda.....	80
3.2 CDM DEVELOPMENT PRIORITIES.....	81
3.3 MECHANISM FOR FORMULATING THE CDM FIVE YEAR IDP.....	85
3.4 INTERGOVERNMENTAL ALIGNMENT.....	86
3.4.1 Cacadu Project Register.....	87
3.5 SECTOR ALIGNMENT.....	88



<b>CHAPTER 4: CACADU SPATIAL DEVELOPMENT FRAMEWORK.....</b>	<b>92</b>
<b>CHAPTER 5: INTEGRATION.....</b>	<b>115</b>
5.1 PERFORMANCE MANAGEMENT FRAMEWORK.....	116
5.1.1 Performance Management Plan For The CDM's IDP 2014/2015.....	116
5.1.2 Present Situation.....	117
5.1.3 Future Implementation.....	117
5.1.4 SDBIP.....	117
5.2 INSTITUTIONAL PLAN.....	122
5.2.1 Introduction.....	122
5.2.2 Good Governance.....	122
5.2.3 Municipal Institutional Structure And Roles.....	122
5.2.4 Institutional Strategic Focus Areas.....	123
5.2.5 Key District Focus Areas B.....	126
5.2.6 Conclusion.....	127
5.2.7 Other Governance Structures And Assurance Providers.....	127
5.2.8 Information Technology.....	128
5.2.9 Governing Stakeholder Relationships.....	128
5.2.10 Integrated Reporting and Disclosure.....	129
5.2.11 Organisational Structure.....	129
5.2.12 Strategic Human Resources Management Plan.....	129
5.2.12 Communication.....	132
5.2.13 Risk Register.....	133
5.2.15 Organogram.....	138
5.3 FINANCIAL PLAN.....	145
5.4 INTEGRATED WASTE MANAGEMENT ASSESSMENT / INTEGRATED WASTE MANAGEMENT PLAN.....	159
5.4.5 Water Services Development Plans (WSDPs).....	172
5.4.6 Human Settlement Guidelines.....	176
5.4.11 Integrated Transport Plan (ITP).....	177
5.2.14 Area Based Plan (ABP).....	181
5.4.12 Comprehensive Infrastructure Plans.....	188
5.4.13 Socio Economic & Enterprise Development Strategy (SEEDS).....	191
5.4.14 Tourism Master Plan.....	193
5.4.15 Cacadu District SMME Strategy.....	195
5.4.16 Local Economic Development Initiative.....	198
5.4.17 Cacadu Development Agency.....	204
5.4.18 Energy & Climate Change Strategy.....	207
5.4.19 Cacadu Disaster Management Plan.....	212
5.4.20 Health Plan.....	214
5.4.22 Human Resources Management Plan.....	215
5.4.23 Records Management System.....	216
5.4.24 Special Program Empowerment Polices & Frameworks.....	222
5.4.25 HIV & Aids Sector Plan.....	225
5.4.26 Other Plans.....	226

## 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 has the largest number of Category "B" municipalities in the country.

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:

**Table 1: Local Municipalities, Settlements / Towns**

<b>Camdeboo</b>	Graaff Reinet, Bethesdaweg, Aberdeen, Kroonvale, Rynheath, Spandauville, Elandskloof, Nieu Bethesda, Kendrew, Aberdeen Road, Oatlands, Fern
<b>Blue Crane</b>	Cookhouse, Pearston, Somerset, Behulpsaam, Barakke, Swaershoek, Bruintjieshoogte, Golden Valley, Long hope, Middleton Uitkeer, Sheldon, Klipfontein, Middlewater,
<b>Ikwezi</b>	Klipplaat, Jansenville, Greystone, Waterford
<b>Baviaans</b>	Willowmore, Steytlerville, Rietbron, Volstruisleegte, Vondeling, Miller, Baroe, Mount Stewart, Colekeplaas, Sandvlakke, Studtis, Smitkraal
<b>Koukamma</b>	Joubertina, Stomsriver, Karedouw, Coldstream, Kleinbos, Krakeelrivier, Louterwater, Marrenburg, Misgund, Sanddrif, Stormsrivier, Thornham, Tweerivier, Assegaaibos, Clarkson, Jagerbos, Kammiebos
<b>Kouga</b>	Patensie, Hankey, Humandorp, Jeffreysbay, Kruisfontein, Cambria, Andrieskraal, Demistkraal, Centerton, Gamtoss, Loerie, Milton, Weston, Aston Bay, Cape St Francis, Sea Vista, Slang Rivier, Oyster Bay
<b>Sundays River Valley</b>	Kirkwood, Paterson, Glenconnor, Kleinpoort, Aranmor, Blue cliff, Bontrug, Coerney, Sunland, Suurberg, Bellevue, Addo, Ncanaha
<b>Makana</b>	Riebeeck East, Alicedale, Grahamstown, Carlisle Bridge, Highlands, Seven Fountains, Sidbury, Salem, Fort Brown, Kommiteet Drift
<b>Ndlambe</b>	Alexandria, Port Alfred, Bathurst, Boknes, Cannon Rocks, Kenton On Sea, Kasouga Southwel, Martindale, Langholm, Kleinemonde

<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

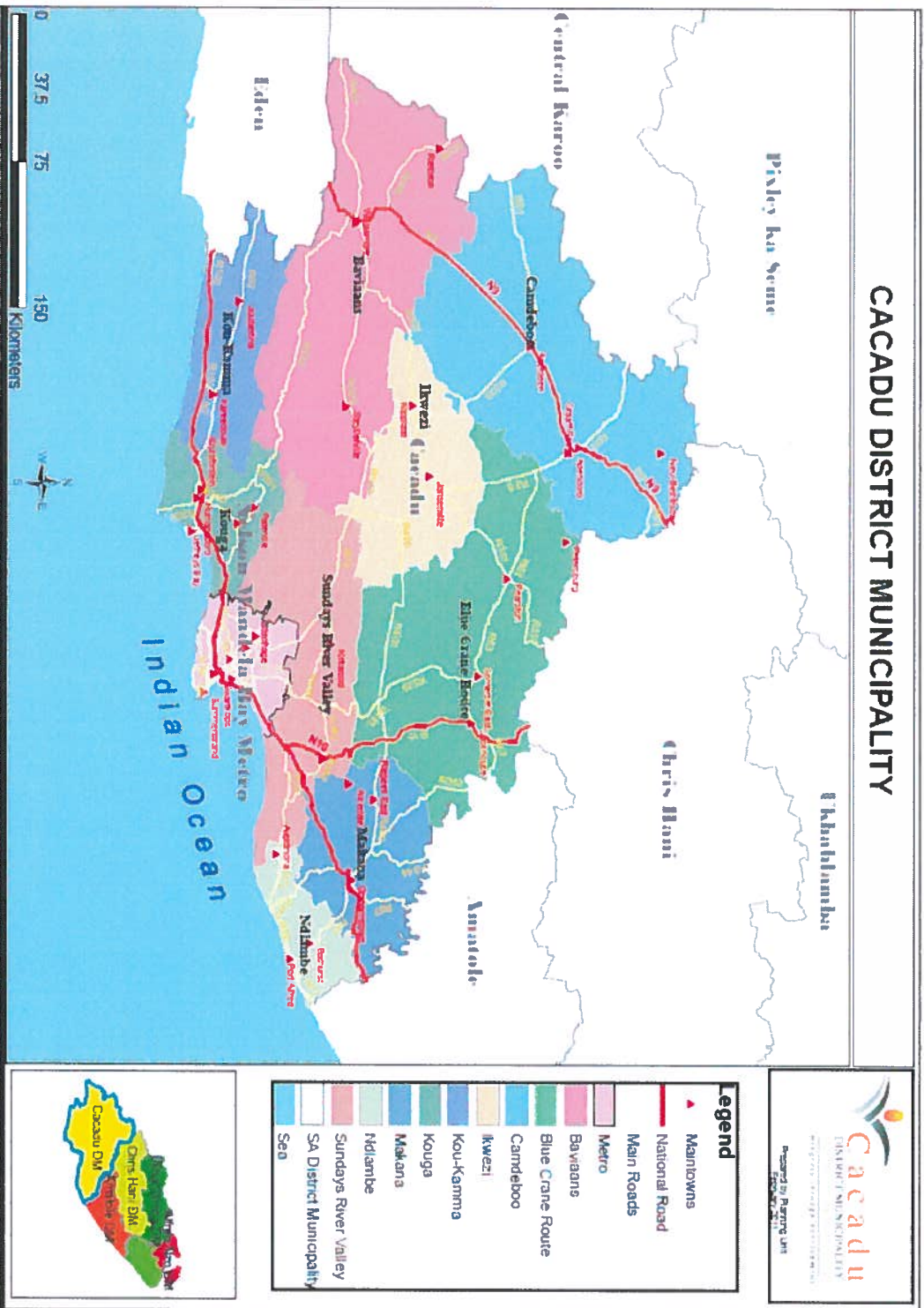
The Cacadu District Municipality offices are located within the Nelson Mandela Bay Metro area, with disaster centres located throughout the district. There are plans to relocate to Kirkwood in the Sundays River Valley municipality area.

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:

Serviceed Municipalities	Location of the 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

## CACADU DISTRICT MUNICIPALITY



**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

The Municipal Systems Act requires municipalities to review Integrated Development Plans (IDPs) annually. This is the second review of Cacadu District Municipality's five year Integrated Development Plan. The IDP is the strategy for attaining the district's vision of "an innovative and dynamic municipality striving to improve the quality of life for all our communities". 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 MILLENNIUM 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

## 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 al
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.

- **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.

#### 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 table below outlines the national and provincial guiding parameters and their alignment to the district and municipality priorities

National development Plan	MTSF	Local Government Strategic Agenda	Provincial Strategic Framework	District priorities
The NDP seeks to eliminate poverty and reduce unemployment by 2030	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 five Key Performance Areas (KPA's) still hold relevance in terms of the department's strategy to render support to local government.	The eight provincial priorities are currently under review in response to the NDP and in an effort to streamline provincial guiding parameters. The Provincial Strategic Framework is the overarching parameter.	The district and local municipalities' priorities are in line with the NDP principles

- **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

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

The Sona and Sopa were focused on achievements of government in the past 20 years. The Sona gave a report of the past five years.

<u>Reflections from the State of the Nation Address – 13 February 2014</u>	<u>Reflections from the State of the Province Address – 21 February 2014</u>
<ul style="list-style-type: none"> <li>• Government has taken a decision to improve the functioning of local government</li> <li>• The amendment of the Systems act is intended to improve the capacity of municipalities to deliver services</li> <li>• Qualified and experienced personnel must be deployed in municipalities</li> <li>• The Medium Term Strategic Framework has been designed as the first five year building block of the national development Plan from 2014 -2019. It also incorporates key targets of the Industrial policy action Plan, the new growth path and Infrastructure Plan</li> <li>• Government had identified five other job drivers, namely, tourism, agriculture , the green economy, infrastructure development and manufacturing</li> </ul>	<ul style="list-style-type: none"> <li>• Green energy sector. The province has secured 12 wind farms in the National Renewable Energy Independent Power Producer Programme valued at R21 billion. R7 billion of the amount has been earmarked for the local content</li> <li>• In order to improve the quality and pace of road infrastructure development, the Provincial Government is exploring possibilities of supporting District Municipalities to procure own equipment and plant for construction and maintenance of roads</li> <li>• The Province is making efforts to be less reliant on the automotive sector through initiatives in the fields of renewable energy, agro-processing and aquaculture</li> </ul>

### 1.4 IDP / BUDGET WORK FRAMEWORK AND PROCESS PLAN 2014/15

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 21 August 2013, Council Resolution.

## 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 2014/15 IDP REVIEW**

- Formulation of a response to comments received from the MEC in the Assessment of the 2013/14 Reviewed IDP document;
- Areas requiring attention not addressed during the review of the IDP;
- Alignment of the IDP to the MTSF and the 12 Outcomes ;
- Alignment of the district and local municipalities' plans ;
- Alignment of budgets and plans of the two spheres of government (national and provincial government) with municipal plans;
- Proper alignment of CDM IDP with the IDPs of the nine (9) Local Municipalities;
- Incorporate the strategic plan outcomes into the IDP;
- Review the Local Government Turn Around Strategy;

- 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 2013/14;
- Review of the CDM Organisational Structure.

### **3. ORGANISATIONAL ARRANGEMENTS**

The CDM IDP Review Process will be guided by the following structures:

- IDP Steering Committee
- IDP Task Team/Management Team
- IDP Representative Forum

- **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/MANAGEMENT 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 IDP – Budget Representative Forum is made up of Councillors, National and Provincial Departments, Local Municipalities,



Parastatals, Municipal Senior Management officials, Non-Governmental Organisations and Communities.

#### **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 will be submitted to Council for approval in March and published in local newspapers for public Comment and the final will be adopted by Council in May 2014.

## 5. 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	IDP Steering Committee meeting												
Tabling of Draft IDP-Budget Framework to Mayoral Committee for consideration													
IDP Consultation meeting with local municipalities													
Advertisement of IDP Review and Framework/Process plan/Budget Schedule placed in the local newspaper and local municipal offices	Planning Unit/Development Planner												
Council adopts IDP Framework Plan/Budget Schedule (21 August 2013)	Council												
IDP Steering Committee meeting													
Consultation with stakeholders on the IDP Review process	Planning Unit												
CBP roll-out in local municipalities	Planning Unit/IDP Managers												
Municipal wide Situational analysis	IDP Task team												

### KEY DATES

- 6 August 2013 - IDP/Budget/PMS Steering Committee meeting
- 7 August 2013 – Mayoral Committee meeting to consider the Draft IDP – Budget Framework and Process Plan
- 13 August 2013 – IDP Consultation meeting with Local Municipalities
- 21 August 2013 – Council adopts Draft IDP – Budget Framework and Process Plan
- 23 August 2013 – IDP Steering Committee meeting
- 12 September - 2013 First IDP Representative Forum meeting

## ACTION PROGRAMME

Deliverable /Activity	Responsibility	October				November				December			
		1	2	3	4	1	2	3	4	1	2	3	4
Consider MEC comments	IDP Task Team /Planning Unit												
IDP/Budget Steering Committee meeting to confirm priorities	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												
Consultation with stakeholders													

## KEY DATES

- 3 October 2013 – IDP Representative Forum meeting
- 21 November 2013 – Consultation with Local Municipalities
- 28 November 2013 - IDP Representative Forum meeting

## 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

28 January 2014 – Alignment of budget and plans with Sector departments  
 1<sup>st</sup> week March – IDP Steering Committee  
 14 February 2014 - IDP Representative Forum meeting  
 26 March 2014 - Council adopts Draft IDP  
 28 March 2014– 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													
IDP/Budget Road shows/Outreach														
Refinement of Draft IDP/Budget	Planning Unit/IDP Task Team													
Stakeholder consultation meeting	Planning Unit													
Council approves IDP and Budget	Council													
Publication of approved IDP/Budget on the website and local newspaper	Planning Unit													

## KEY DATES

3rd week April – Assessment of IDPs  
 April 2014 – IDP/Budget Road shows / Outreach  
 6 May 2014 – IDP Representative Forum meeting  
 28 May 2014 - Council adopts IDP and Budget  
 1<sup>st</sup> week June – IDP/Budget published on website and local newspaper

### 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	2013	2014
Council meeting to adopt CDM IDP Framework Plan	21 August 2013	
IDP - Budget Representative Forum	3 October 2013	
IDP – Budget Steering Committee		30 January 2014
IDP - Budget Representative Forum and Sector Alignment		13 March 2014
Table Draft IDP – Budget to Mayoral Committee		17 March 2013
Council Approval of Draft IDP		26 March 2013
Council approval of Final Draft IDP		28 May 2013

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

The MEC commented on the CDM IDP during the IDP assessment in July 2013. In reviewing the IDP the comments were considered and responses were formulated as outlined below.

## CHAPTER 2: SITUATION ANALYSIS

### 2.1 DEMOGRAPHICS

The CDM relies on the South African National census 2011 (StatsSA) data information on official population figures, assisting it to make informed decision relating to population challenges faced by the district.

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

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:

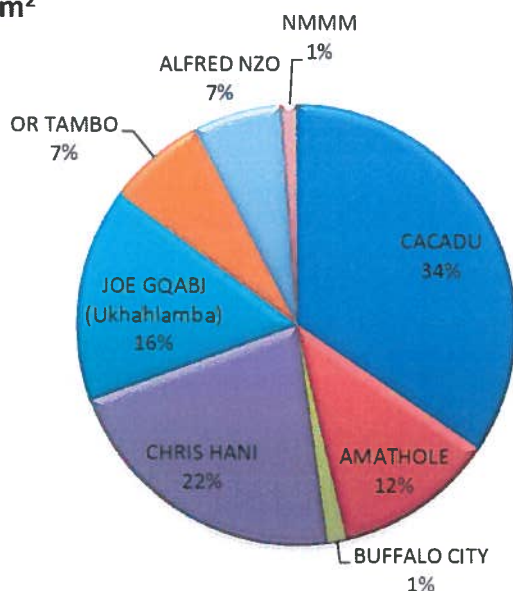
- Information obtained from the 2003 the Eastern Cape Socio Consultative Council survey;
- Information obtained from the 2004 district economic growth and development strategy as undertaken by the Urban Econ Group;
- Information obtained from the Global Insight Group reflecting projected population estimates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

### 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/](http://www.ecprov.gov.za/)



Cacadu has the lowest population density of the Eastern Cape Districts and Metros, due to the area covered by the district. This results in high costs per capita of providing services in the district. 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.

### 2.1.2 Population Size per Local Municipality:

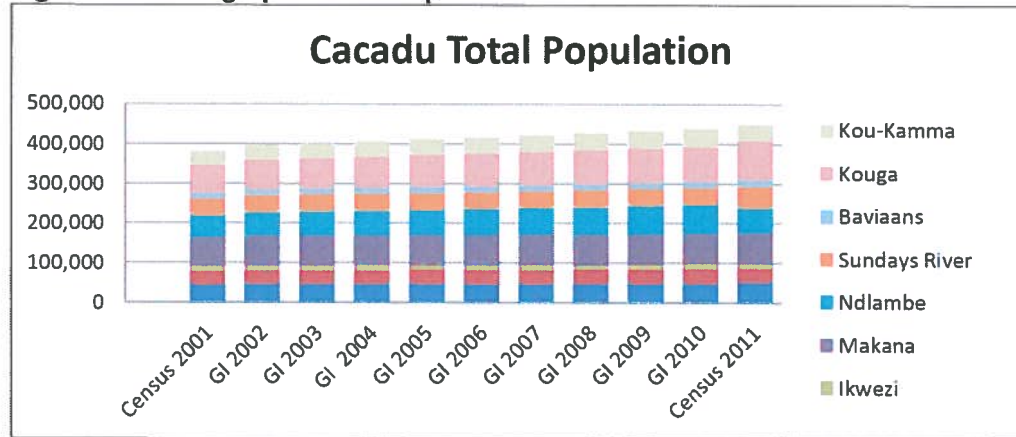
In the efforts to understand the population growth dynamics of the area, the municipality has used different statistic sources to get estimates of information

**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)

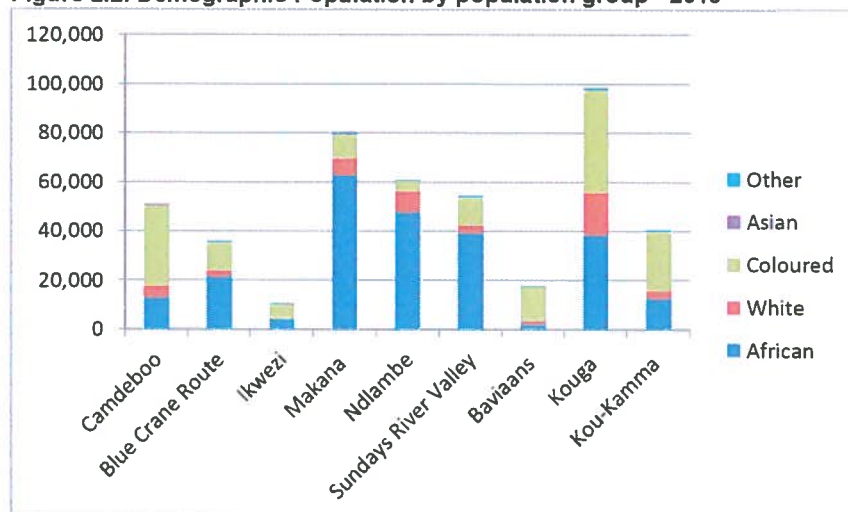
Figure 2.1: Demographic Total Population



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.

## 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

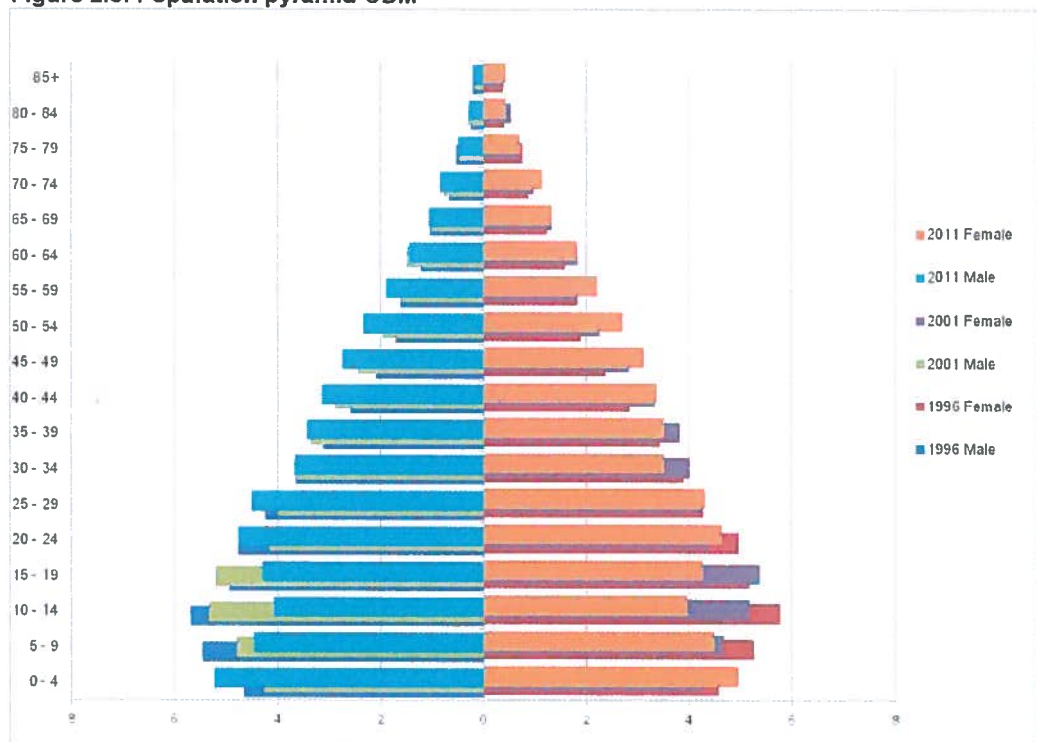
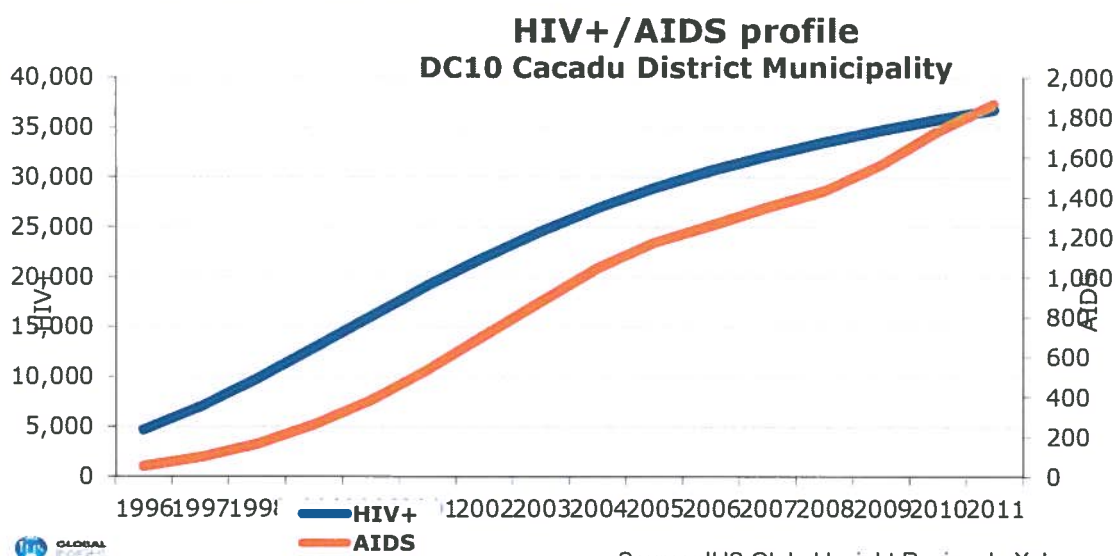


Figure 2.4 below compares the District population for the three census. The 2011 census show a significant decrease in the age groups between 5- 19 year olds, and the graphs also shows the decrease in the population gap between males and females.

### 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

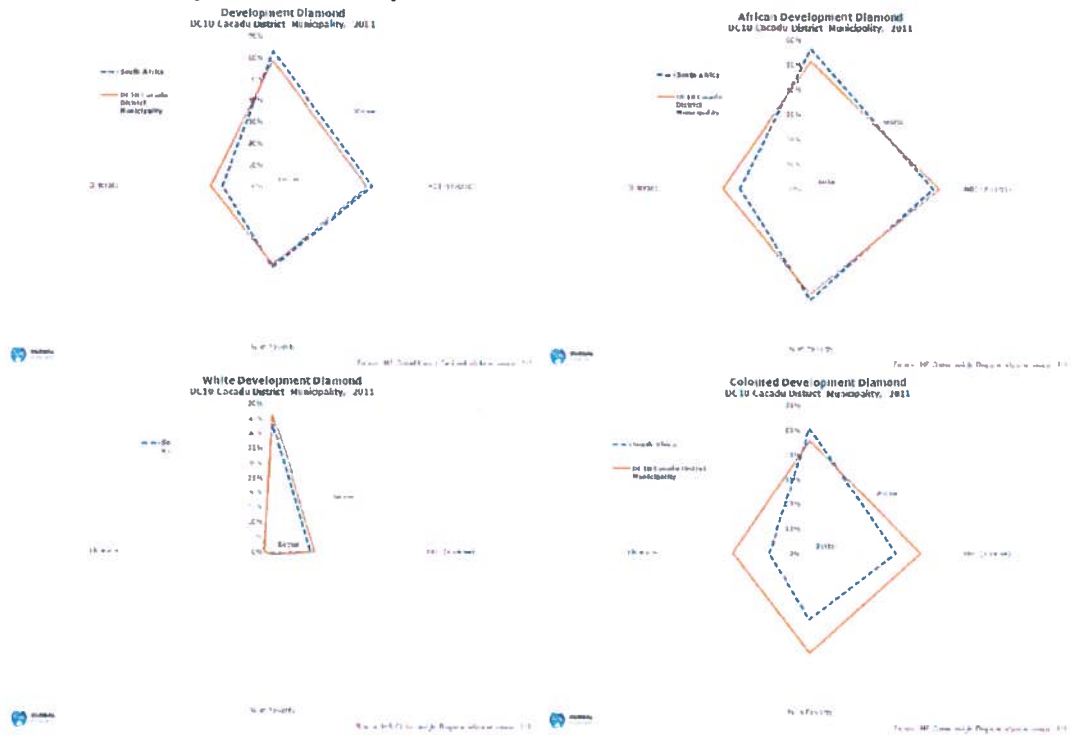
#### 2.2.3.1 The Development Diamond

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.

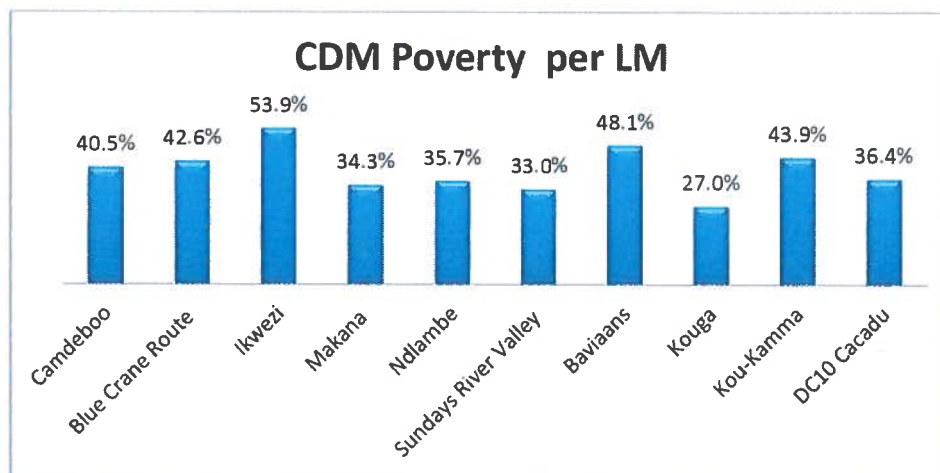
Coloureds experience lower poverty and illiteracy than Africans, but are significantly worse off than the national average. They also experience a higher HDI and roughly the same level of inequality.



### 2.2.3.2 Poverty

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

Figure 2.10: Poverty Overview

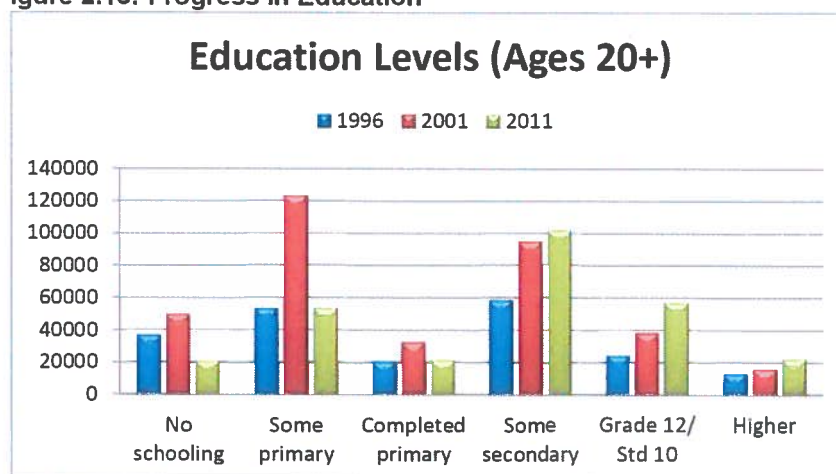


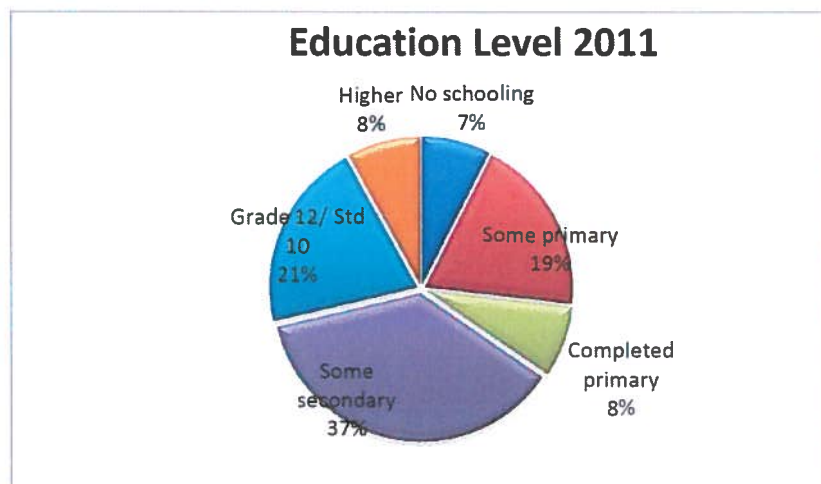
Very serious poverty (where people live on less than \$2 or R 14 – R 18 per day) is rapidly declining, probably in response to the roll out of social grants in South Africa

### 2.2.4 EDUCATION

Improvement in educational attainment is showing rapid and sustained progress.

Figure 2.13: Progress in Education





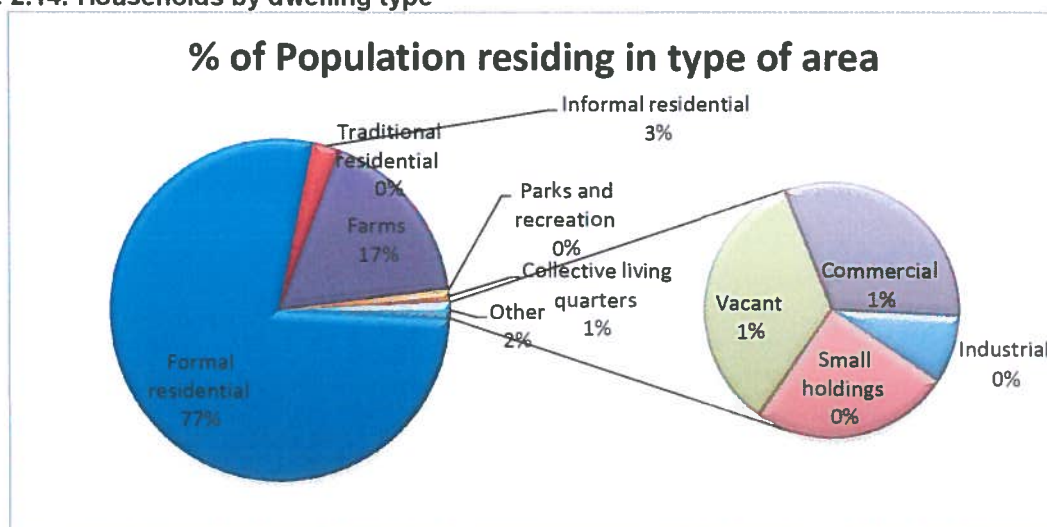
The above education graphs depict the changes in education levels in the population of Cacadu. The graphs show that the greater number of the population has some secondary education (37%), with improvements in people with grade 12 and higher. There have been positive improvements, with the decrease in 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

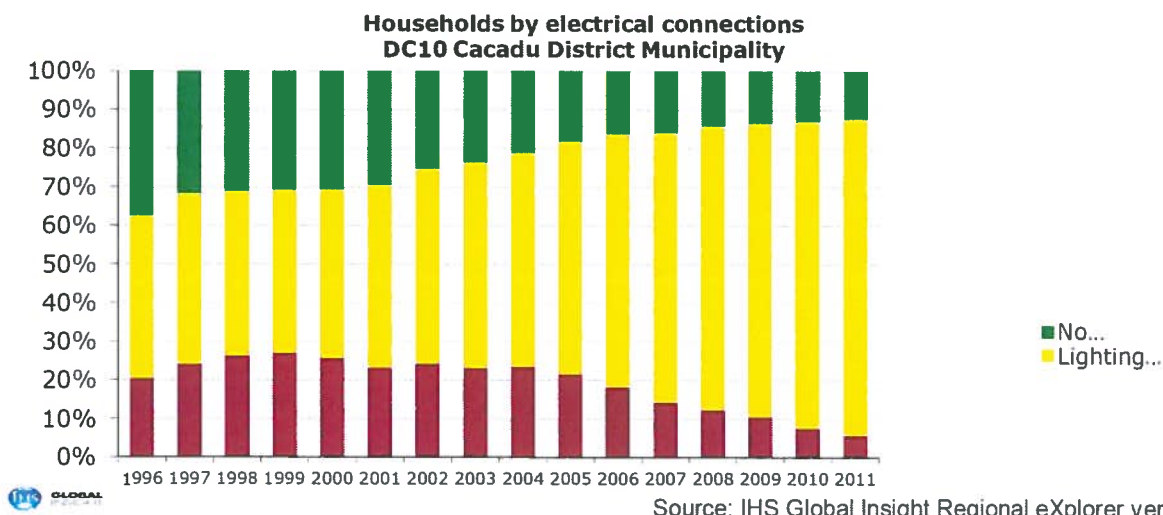
Both housing and electrification are showing serious and steady improvement

Figure 2.14: Households by dwelling type





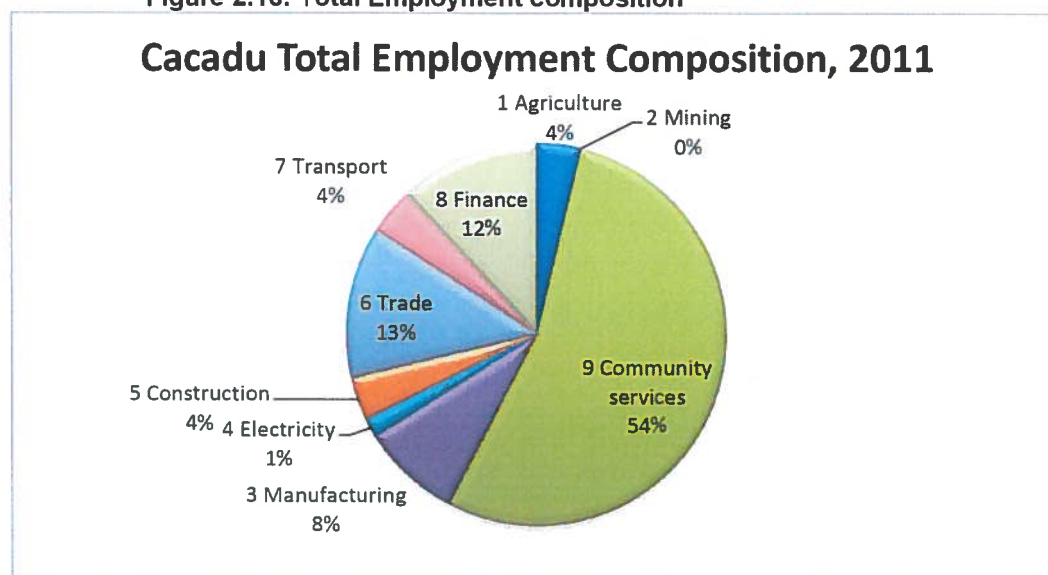
**Figure 2.15: Households by electrical connections**



## 2.2.6 EMPLOYMENT

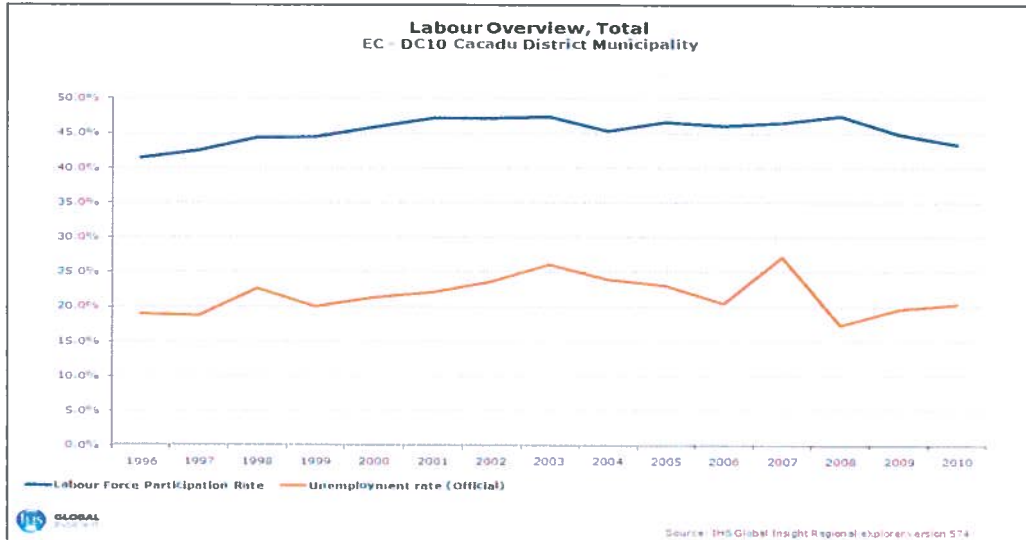
The District's major employer is Trade (which includes retail and tourism), followed by Agriculture and then Community Services (which includes government).

**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

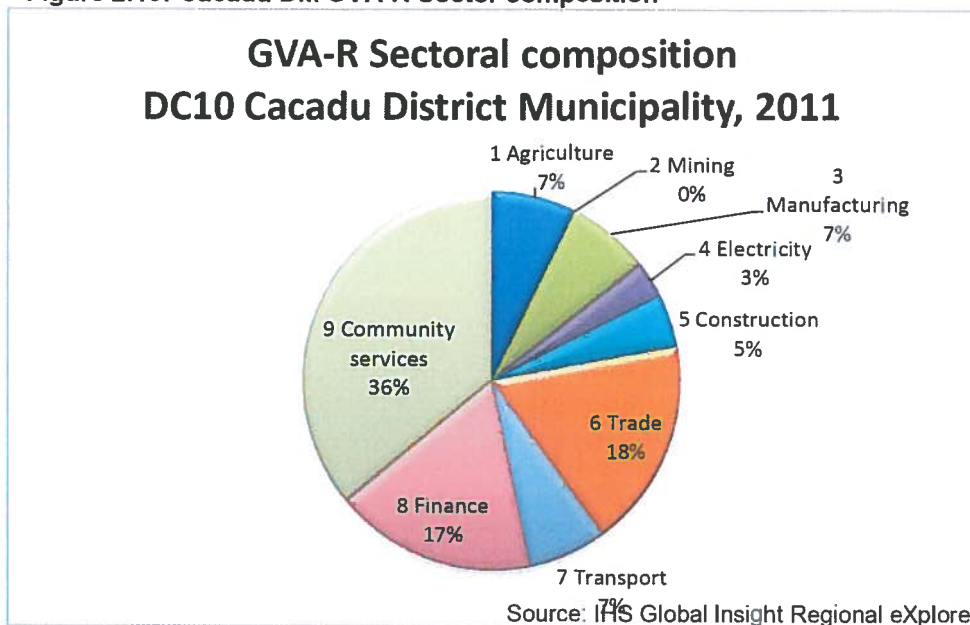


GVA has shown constant and steady growth and is currently at R14 billion

### 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.

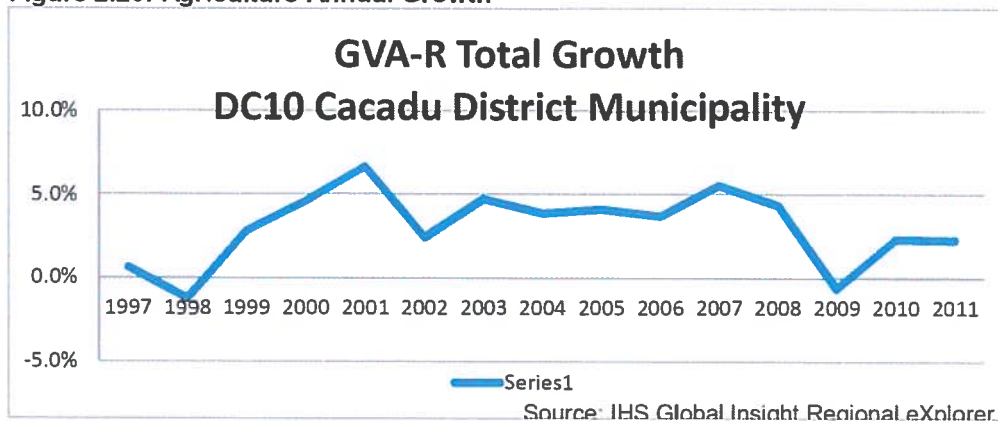
Figure 2.19: Cacadu DM GVA-R Sector composition



### 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

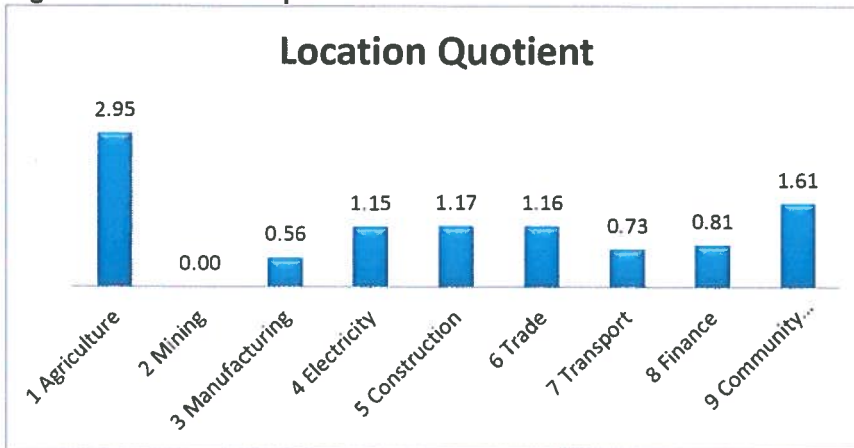


Manufacturing has been showing relatively weak growth over the past seven years and appears to have been hard hit by the recession. Construction growth has been highly cyclical with a progressive decline over the past four years. Trade (which includes retail and tourism) has shown consistently positive 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. This is a concern as it shows that the district is not realising its agricultural potential.

Figure 2.28: Location quotient

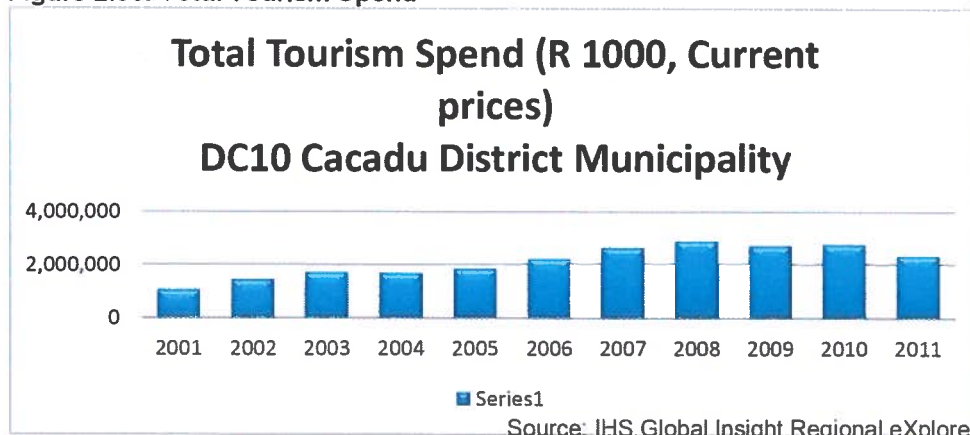


### 2.2.9 Tourism

#### 2.2.9.1 Tourism Spend

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

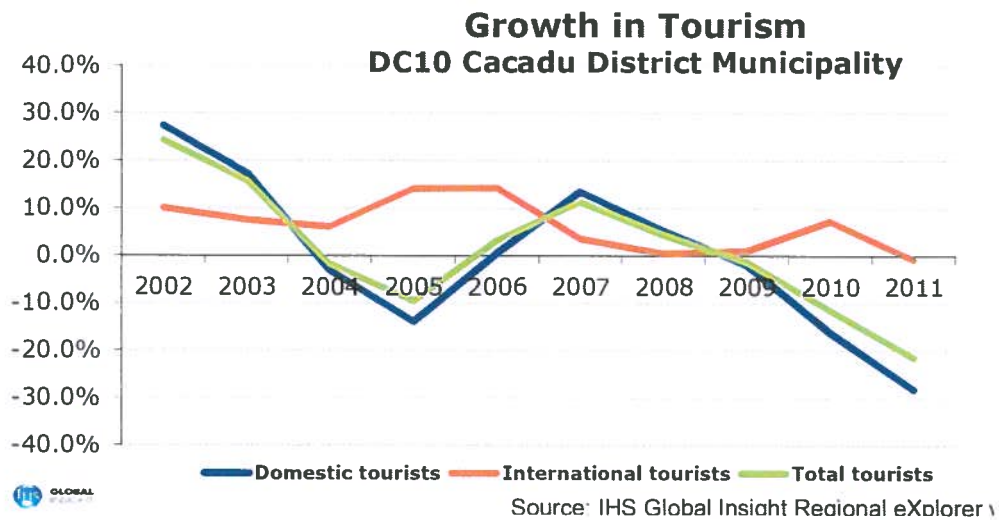
Figure 2.30: Total Tourism Spend



### 2.2.9.2 Visitor Numbers

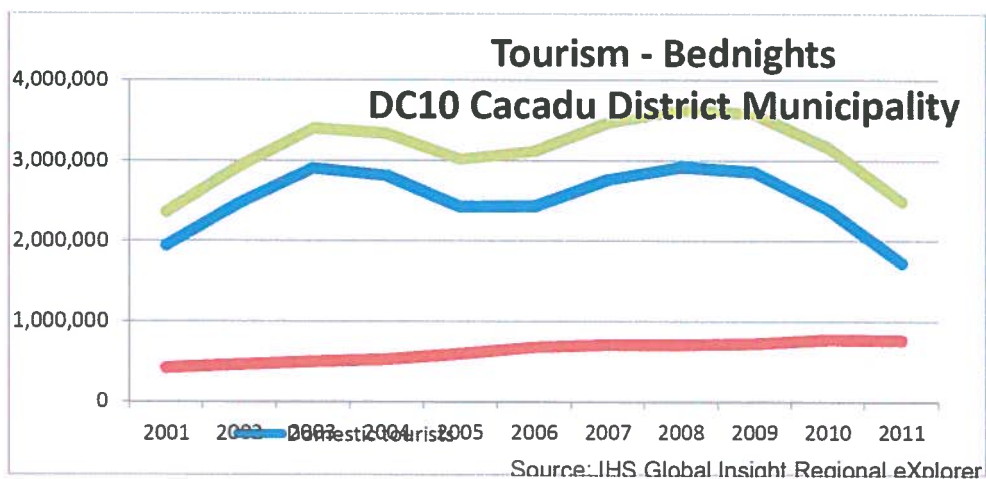
After a sharp decline, international tourism is rising again with domestic tourism remaining buoyant.

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, Firefighting 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**

POWERS AND FUNCTIONS	Cacadu	Candeloob	Blue Crane Route	Ikwezi	Makana	Ndabambe	Sundays River Valley	Baviaans	Kouga	Kou-Kamma
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	Yes
Electricity regulation	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
Porticoes and fences		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	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
Cleaning	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Control of public nuisance	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. This caused the municipality to relook its functions' model to mitigate the financial impact.

The CDM 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 Capacity Building and Support**

Cacadu District Municipality (CDM) has a legislative mandate to build the capacity of the nine (9) Local Municipality in order to ensure that they are able to exercise their powers and most importantly perform their functions of rendering effective and efficient services to their communities. This obligation is executed by adopting a Capacity Building Strategy.



In fulfilling its responsibility the CDM provides support through its directorates and the Capacity Building and Support Unit.

In the past financial years the Capacity Building and Support Unit interacted with the Local Municipalities and conducted a capacity needs assessment and requirements for implementation and the identified projects were incorporated as part of the operational plan and the Service Delivery and Budget Implementation Plan (SDBIP) of the Office of the Municipal Manager.

#### 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.

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 is 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.

#### 2.3.2.6 Review of Organizational Structure

the organizational design of the CDM is based on the Development Facilitation and Capacity Building / Support business model, the 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.

### **Challenges**

Current operational shortcoming of the structure 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;
- Identify clear reporting lines; and
- The ongoing efforts to align the organizational structure to the business model.

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 municipality reviewed the 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 2014/15 financial year for implementation in 2015/16 financial year. All existing posts attached to abolished departments have been transferred to the new department or existing departments.

### 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 (1/12)	BLUE CRANE ROUTE	IKWEZI	MAKANA	NDLAMBE	SUNDAY'S RIVER VALLEY	BAVIAANS	KOUGA	KOU-KAMINA	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)	33.8%	172	110	1268	60	79
Salary % of Total Budget	28% of total Budget 36% of Opex	39.5%	46%	41%	33.8%	32%	38%	38%	37.1%	22%
Free Basic Services (8/4 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
GAM/AP / 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%

INTEGRATED DEVELOPMENT PLAN 2012 – 2017  
CACADU DISTRICT MUNICIPALITY

ISSUES	CAMDEBOO	BLUE CRANE ROUTE	IKWEZI	MAKANA	NDLAMBE	SUNDAY'S RIVER VALLEY	BAVIANS	KOUGA	KOU-KAMMA	CACADU DMA
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	- On 1 July 2011 - 4 wards	12 On 1 July 2011 - 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 CDM Capacity Challenges and Support to LMs

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 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

### Spatial Development Analysis

#### Locational Characteristics

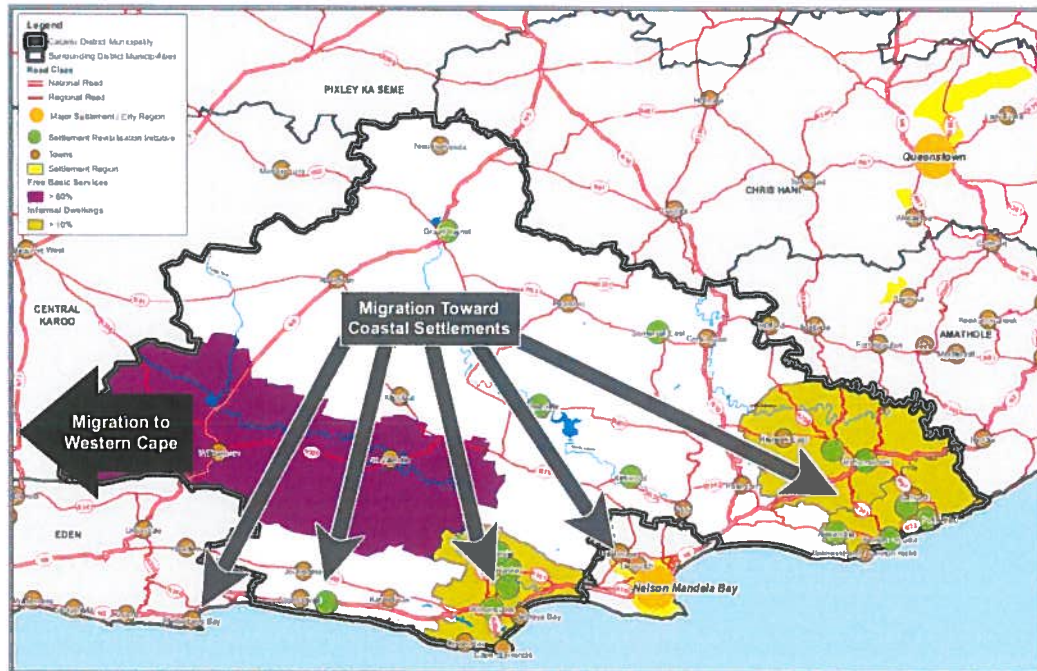
The Cacadu area consists of a predominantly rural agricultural base but differs from the mainstream 'rural' definition that refers primarily to the former homelands.

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.

#### Climate

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°C, and a winter average of 17°C, with an average annual rainfall of 945mm. The town of Graaff-Reinet in Camdeboo Municipality experiences average summer temperatures of 31.5°C and winter average winter temperatures of 19.4°C with an average annual rainfall of 255mm.

### 2.4.2 Settlement Patterns



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.

#### 2.1.1.1 Inland Areas:

Inland areas are typically characterized by a Karoo landmass which restricts agricultural production to extensive practices<sup>5</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. 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>6</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>5</sup>Extensive farming most commonly refers to sheep and cattle farming in areas with low agricultural productivity

<sup>6</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>7</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.

## 2.4.3 Road, Transport and Rail Network Infrastructure

### 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

<sup>7</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.



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 Roads Prioritization Model

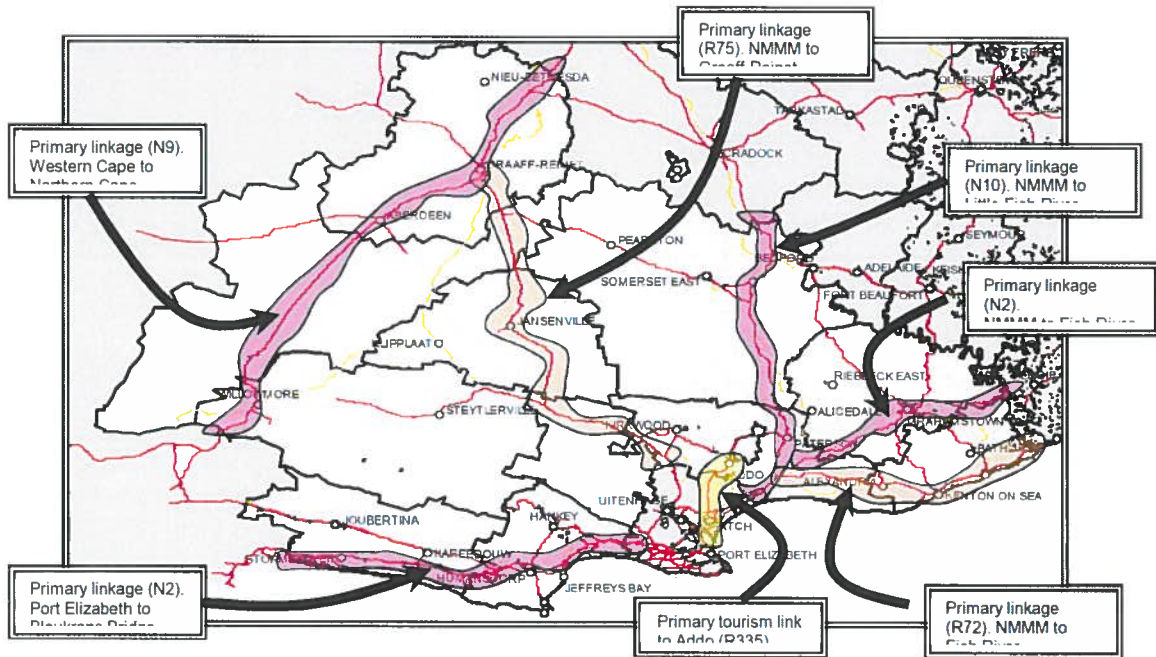
The CDM has recently developed a roads prioritization model to guide economic infrastructure investment and lobby with provincial and national government for funding and expenditure.

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**

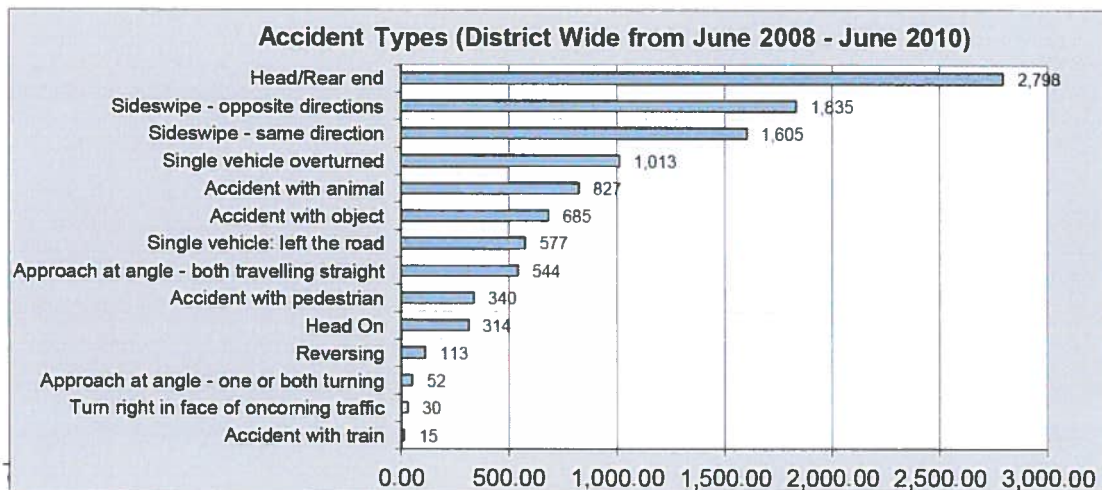


#### 2.4.3.5 Road Safety

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

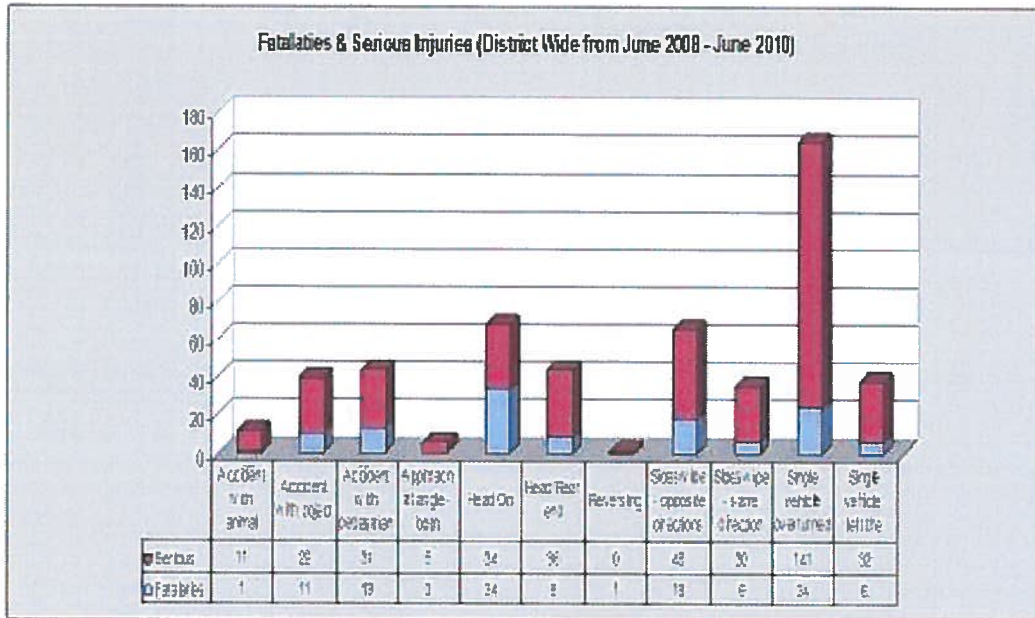
- An easy to use management system linked to GIS.
- Accurate locating of accidents.
- Accurate data recording and capturing.

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 2.35: 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 Thomhill 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, Steytlerville (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

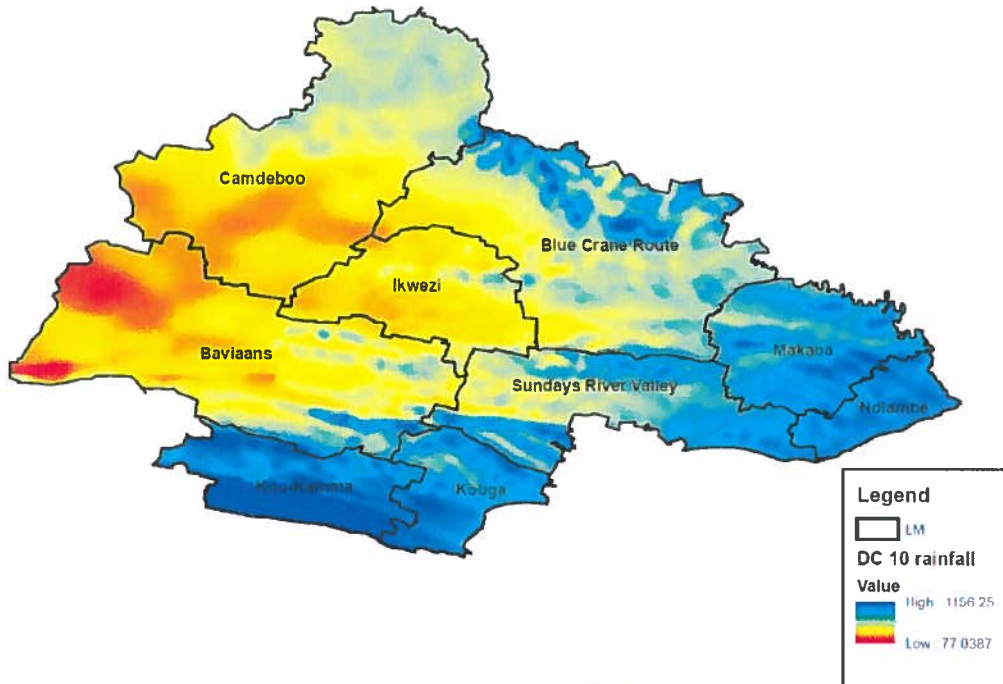
The three major dams, Churchill, Impofu and Loerie are situated in Kouga and Kou-Kamma Municipalities, and predominantly serve the Nelson Mandela Metro, with limited supply to Humansdorp, Jeffreys Bay and St Francis Bay. The transfer schemes were developed predominantly to serve the agriculture sector 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:

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>Gratiff-Reiner</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	7604		R 7,807,191.00	7626		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>Humansdorp</b>	<b>3035</b>	<b>2495</b>	<b>R 23,608,891.00</b>	<b>3037</b>	<b>2515</b>	<b>R 23,072,518.00</b>	<b>3045</b>	<b>2506</b>	<b>R 23,111,927.00</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 182,860.00
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

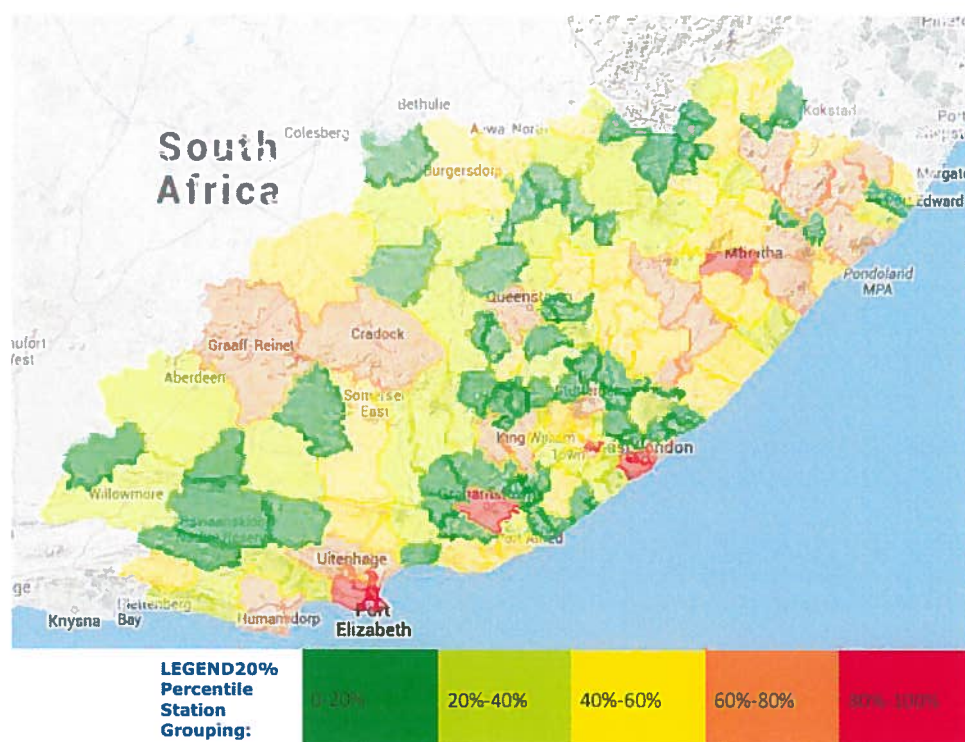
### 2.5.1 Crime Statistics and Trend Analysis

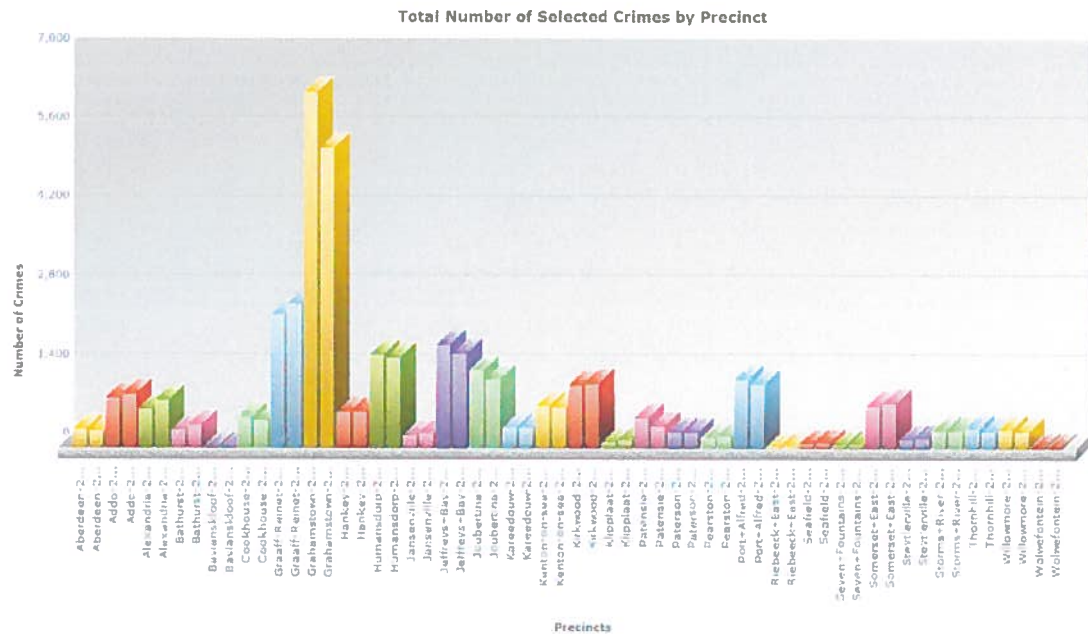
The following graph and map represent the overall crime reports per policing district. The challenge with linking safety information with municipal information is the deference in municipal boundaries and Police Precinct. The analysis will identify the crime trend of the district municipal area between the period of April 2012 to March 2013 and also the change in crime stats between the 2012 and 2013 year.

#### Crime Map

The Heatmap displays all the precincts in South Africa to you. Each precinct is colour coded. The number of total crimes for the category or categories you have chosen are sorted numerically and then divided into 5 blocks, called quintiles.

The first quintile contains the precincts in the bottom 20%, so they have the least crimes. They are shown in green. The fifth quintile contains the precincts that have are in the top 20% in terms of number of crimes, in other words they have the most crimes. They are shown in red. Therefore the colour of the precinct, from green to orange to red, indicates how many crimes it has in comparison to the others.





**Table 2.25: Crime Statistics per Precinct and LM**  
Source: Crimestatssa, 2013

The SAPS statistics show low levels of crimes in the district compared to the overall provincial crime statistics. The urban police districts of Grahamstown, Graaff-Reinet and Humansdorp are areas of concern for the district. Grahamstown in the Makana municipality is part of the top percentile of police stations grouping related to reported crimes. This means crime is more prevalent in the Makana area of the district. This means greater focus should be placed on the Grahamstown area in providing support to victims of these offences.

**Contact or Violent Crimes**

According to the Statistics released by the South African Police Services, 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.

## 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**

ELEMENT	CAMDEBOO LSA	MAKANA LSA	KOUGA LSA
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.

•  
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>8</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:

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<sup>8</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.
- 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.

#### 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.

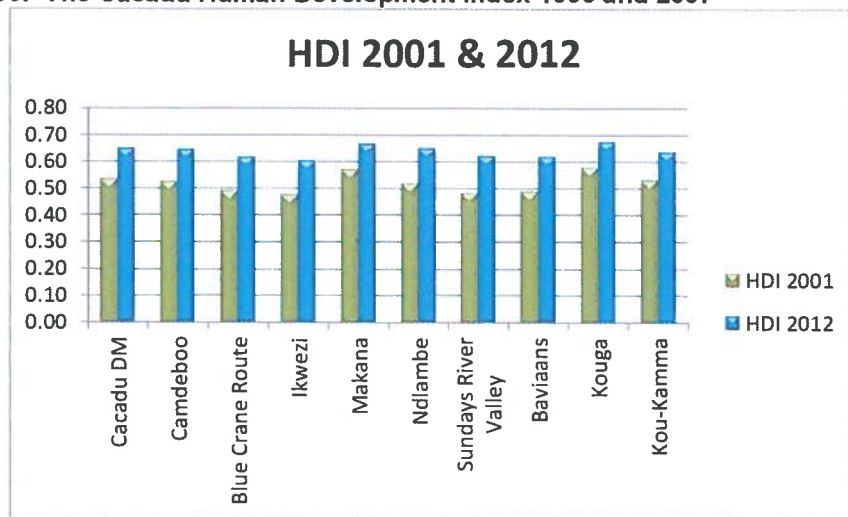
The *educational component* of the HDI is comprised of adult literacy rates and the combined gross enrolment ratio for primary, secondary and tertiary schooling, weighted to give adult literacy more significance in the statistic. The *life expectancy component* of the HDI is calculated using a minimum 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>9</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 (2014)

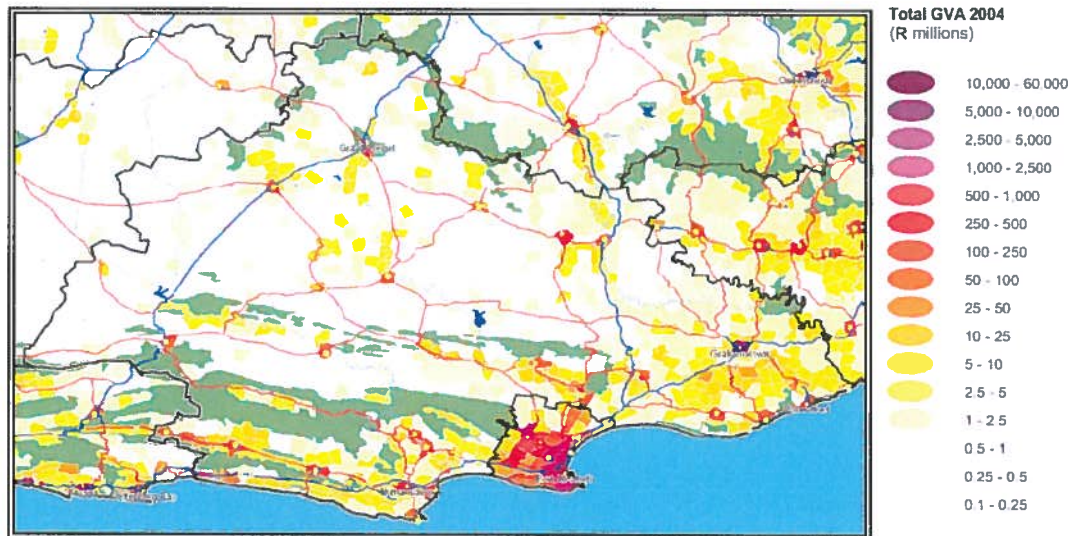
#### 2.9.2.2 The Gross Value Added (GVA) vs People Living in Poverty:

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

<sup>9</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.



**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.

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**

### 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.

#### **Agriculture**

In terms of agriculture and agro-processing, based on a study<sup>10</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)

<sup>10</sup>Source: *Niche Agro-Processing Opportunities in Cacadu District Municipality (July 2011)*

- Mohair industry (Goat population and thus mohair fibre volumes need to be increased to fit growing demand for meat and natural fibre in particular)
- Poultry industry including ostriches (with specific reference to the opportunity of free range chickens)
- Vegetable processing (both hot and cold processing)
- Renewable energy from biomass, the manufacturing of organic compost and charcoal (biochar) from biomass

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

- Wind generation initiatives in the Cacadu District are fast growing with a large number of generation facilities under investigation, as eight of the thirteen approved wind farm developments are to be developed in the district
- Opportunities in terms of energy generation from biomass and the manufacture of biofuel are possible, large scale biomass production is dependent on agricultural infrastructure, sustainability and possible environmental impact.
- hydro power generation capacity / potential, 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 eight of the thirteen approved wind farm developments are to be developed in the district, with an additional two wind farms to be developed in Nelson Mandela Bay Municipality. The two largest energy generating wind farms, i.e. Amakhala Emoyeni (phase 1) (137.9MW) and Cookhouse Wind Farm (135MW) are to be developed in the district. The Blue Crane Route region has been identified by the National Department of Environmental Affairs as one of three potential wind generation 'preferred locations' in the country.

Animal and pet feed industry

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Essential and culinary oils production

- 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.
- 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 built 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 *Abakorabattoir*, 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 Kou-Kamma 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.

## 2.10 CONCLUSION

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.

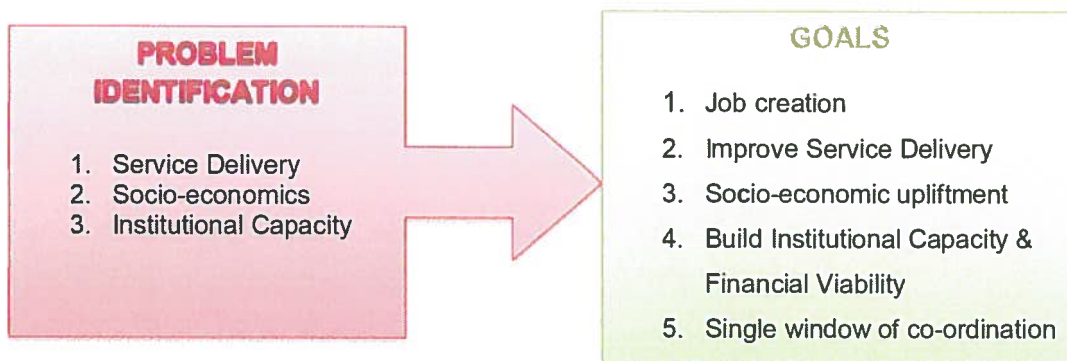
## CHAPTER 3: DEVELOPMENTAL INTERVENTIONS WITHIN THE DISTRICT

### 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.

### 3.1.1 EMERGING GROWTH AND DEVELOPMENT AGENDA

The adoption of the NDP and development of the ECPC Vision 2030 has opened up opportunity for municipalities to equally develop Long Term Visions and Strategy within which the Five Year IDPs must be incremental building blocks. The emerging growth and development agenda posit a conceptual framework that integrates three focal areas of Economic Development, infrastructure and Human Development at the centre of the two; with the three undergirded by Key Enablers and interventions, Institutional Transformation and Governance, and alignment with IDP process inclusive of consultation and incorporation.

Cacadu Long Term Vision Strategy		
Economic Development	Human Development	Infrastructure
Energy	Mass Employment Programmes	energy
Green Economy	Poverty Eradication Programme	Water
Agro-industry	Access to basic services	Irrigation and agro-logistics
Tourism	Skills and education	Trasport
Creative industries		Bulk Infrastructure
Component supplies		WSAWSP
Maritime		
Key Enabler and Interventions Programmes		
Institutional Transformation - Governance		
IDP Process alignment, consultation & incorporation		

Driving both the Long Term Vision development the Growth and Development Agenda; the district will ensure streamlined and focused priorities (clear niche areas per local municipality that have local beneficiation capable of eradicating the critical backlogs of water infrastructure, energy, and transport linkages. Both the Vision development and driving the Growth and Development Agenda would require the following amongst others:

- Prioritising Communication of the Agenda
- Enhancing Institutional Capacity needs
- Resource mobilisation
- Practical IGR
- Research and Planning to be the base

### **Strategic Priorities**

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>
---

#### 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

### **Development Priority 4: Community Services**

#### 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

## **Development Priority 5: Institutional Development**

### 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

### 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.



### 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	Sundaysriver 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

CDM FUNDED PROJECTS REGISTER - 2014/15		
Project Name	Budget 2014/15 R	Source of Funding
MORAL REGENERATION	180,000	Surplus
IMBIZOS AND OUTREACH	150,000	Surplus
PMS SUPPORT TO LMS	50,000	Surplus
MSIG - CAPACITY BUILDING	934,000	Grants and Subsidies
COMMEMORATION DAY CELEBRATION	200,000	Surplus
DISABILITY EMPOWERMENT	200,000	Surplus
WOMEN EMPOWERMENT	300,000	Surplus
YOUTH DEVELOPMENT	250,000	Surplus
LIBRARIES	3,200,000	Surplus
IMPLEMENTATION OF THE HIV/AIDS PLAN	300,000	Surplus
TECHNICAL TOWN PLANNING ASSISTANCE	270,000	Surplus
REVIEWAL OF THE ITP FOR THE DISTRICT	200,000	Surplus
CONSTRUCTION OF SIDEWALKS AND WALKWAYS	50,000	Surplus
EPWP PROJECTS	1,236,000	Grants and Subsidies
PLANNING AND FEASIBILITY STUDY	2,000,000	Surplus
RIETBRON EPWP ROADS & STORMWATER	1,000,000	Surplus
DISTRICT WIDE INFRASTRUCTURE PLAN	1,500,000	Surplus
FEASIBILITY STUDIES FOR SOLID WASTE SITES	370,000	Surplus
HOUSING TRANSFER AND BENEFICIARY	400,000	Surplus
INFR DMA: ALIENATION	190,000	Surplus
CONTRIBUTION TO MUNICIPALITIES	11,500,000	Surplus
RESTORATION OF FIRE HYDRANT DISTRICT WIDE	1,500,000	Surplus
RURAL ACCESS ROADS (RRAMS PROJECT)	2,110,000	Grants and Subsidies
INTER CITY BUS TERMINAL	5,000,000	Surplus
MUNICIPAL DROUGHT RELIEF	400,000	Grants and Subsidies
JANSEVILLE WATER TREATMENT WORKS	1,600,000	Surplus
NIEU BETHESDA WATER TREATMENT	1,200,000	Surplus
DISTRICT DEVELOPMENT AGENCY	4,000,000	Surplus
LEDI PROJECTS	240,000	Surplus
RENEWABLE ENERGY & GREEN ECONOMY	200,000	Surplus
AGRICULTURAL SUPPORT	2,000,000	Surplus
LED PROJECTS	730,000	Surplus
CDM SMME SUPPORT PROGRAMME	1,500,000	Surplus
PELLET FACTORY IN RIETBRON	350,000	Surplus
BUSINESS DEVELOPMENT FORUM	150,000	Surplus
SUPPORT TO LOCAL TOURISM ORGANISATIONS	600,000	Surplus
TOURISM EDUCATION AND AWARENESS	600,000	Surplus
TOURISM MARKETING	1,200,000	Surplus
TOURISM INFRASTRUCTURE INVESTMENT	500,000	Surplus
DEVELOPMENT OF TOURISM STATS SYSTEM	150,000	Surplus
CREATIVE INDUSTRIES	400,000	Surplus
TOURISM DEVELOPMENT (SMME)	800,000	Surplus
SUPPORT TO LM'S FOR IMPROVING AUDIT OUTCOMES	2,500,000	Surplus
LONG TERM MEDICAL LIABILITIES	20,000	Grants and Subsidies
<b>Total</b>	<b>52,230,000</b>	

### 3.5 SECTOR ALIGNMENT

With the 2014/15 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 / PROVINCIAALLY DRIVEN PROJECT

PROJECTS TO BE IMPLEMENTED BY DEPARTMENT OF ROAD AND PUBLIC WORKS						
Municipality	Ward	Program/ Project	Provincial Priority	Budget	Responsible Agent	Time-frame
Koukamma		StormsRiver Primary School	Yes	R33 241 415.96	BNM Architects	24 Months
NMMM		Jubille Primary School	Yes	R40 000 000.00	BNM Architects	24 Months
NMMM		Zanoxolo Primary School	Yes	R8 024 336.82	The Workplace Architects	9 Months
NMMM		Sapphire Road Primary School	Yes	R9 222 129.34	The Workplace Architects	9 Months
NMMM		Kayzer Ngxwana Primary School	Yes	R7 596 593.24	Balshaw and Fogarty	9 Months
NMMM		Empumalanga Primary School	Yes	R8 440 474.95	Afriplan Architects	9 Months
NMMM		Ikhwezelihle Primary School	Yes	R8 725 345.14	Balshaw and Fogarty	9 Months
NMMM		Emzomncane Primary School	Yes	R10 121 824.46	Balshaw and Fogarty	9 Months
NMMM		Cebelihle Primary School	Yes	R10 565 024.45	MMK	9 Months
NMMM		ARTHUR NYOBA CONVERSION INTO STATE DRUG TREATMENT CENTRE	YES	R20 million	C3 ARCHITECTS	2013 - 2015
NMMM		STRUCTURAL REPAIRS TO IBHAYI BUILDING	YES	R11 million	Africoast Engineers	2014/15
Graaff Reinet		HUIS BEYERS NAUDE: NEW OFFICES FOR DOE	YES	R67 million	Afriplan Architects	2007/14
Graaff Reinet		52 Plaskett Street: CONVERSION INTO OFFICES FOR EMS	YES	R3 million	TBA	2014/15
Graaff Reinet		Paving to Petrus De Klerk	YES	R1 million	DRPW	2014/15
Koukamma		New Library at Kareedouw	YES	R9 million	The Workplace Architects	2013/14
Makana		Upgrade of Library	YES	R1 million	The Workplace Architects	2014/15
Sundays River		Upgrade of Library: Moses Mabida	YES	R1 million	The Workplace Architects	2014/15

### Department of Environmental Affairs

MUNICIPALITY	PROJECT	BUDGET	TIME-FRAME	DISCRIPTION
<b>Camdeboo</b>	Upgrading of waste disposal facility in Arbedeen.	R6 M	March 2014- March 2016	Construction
<b>Kouga</b>	Kouga Waste Management and Recycling	R25 M	March 2014- March 2016	Construction of a Material recovery facility in Humansdorp site with equipments, erection of security guard office, fencing, access roads within the sites, construction of transfer stations
<b>Ndlambe</b>	Alexandria Material Recovery Facilities	R9 M	March 2014- March 2016	Construction of site and building on landfill site with skip bins, weigh bridge, sorting machines etc
<b>Ndlambe</b>	Ndlambe East Composting Facility (Port Alfred)	R7 M	March 2014- March 2016	Site clearance, fencing, construction of a storage shed for equipment and dry compost materials
<b>Ndlambe</b>	Municipal/ Medicinal Nursery - Ndlambe East	R3 M	March 2014- March 2016	Establishment of municipal nursery by constructing a nursery and infrastructure. Environmental awareness, composting facility, irrigation system and solar energy.
<b>Koukamma</b>	Tsitsikamma National Park	R17 600,000	March 2014- March 2016	Construction of new admin office at entrance gate, upgrade and refurbish oceanettes, upgrade of the caravan park.
<b>Camdeboo, Baviaans, Blue Crane Route, Kouga, Sundays River Valley, Koukamma, Ndlambe.</b>	Youth jobs in waste	(R51 M shared amongst 34 municipalities)	March 2014- March 2015	Landfill site activities operations, Environmental Awareness Campaigners, waste management administration.
<b>Makana, Ikwezi</b>	Youth Jobs in Waste	(R20 M shared among 11 municipalities)	October 2013- September 2014	Landfill site activities operations, Environmental Awareness Campaigners, waste management administration.



**Eskom Electrification Plan 2014/15**

Local Municipality	Project Name	Planned Connections	Capex
Camdeboo	Lotusville H/D	213	R 3 195 000.00
	Nieu Bethesda H/D	Pre Eng	R 60 000.00
Baviaans	Vondelink	24	R 696 000.00
	Vondelink Link line	-	R 531 222.00
Makana	Ethembeni	100	R 1 800 000.00
<b>TOTAL CACADU</b>		<b>337</b>	<b>R 6 282 222.00</b>

**Human Settlements Project 2014/15**

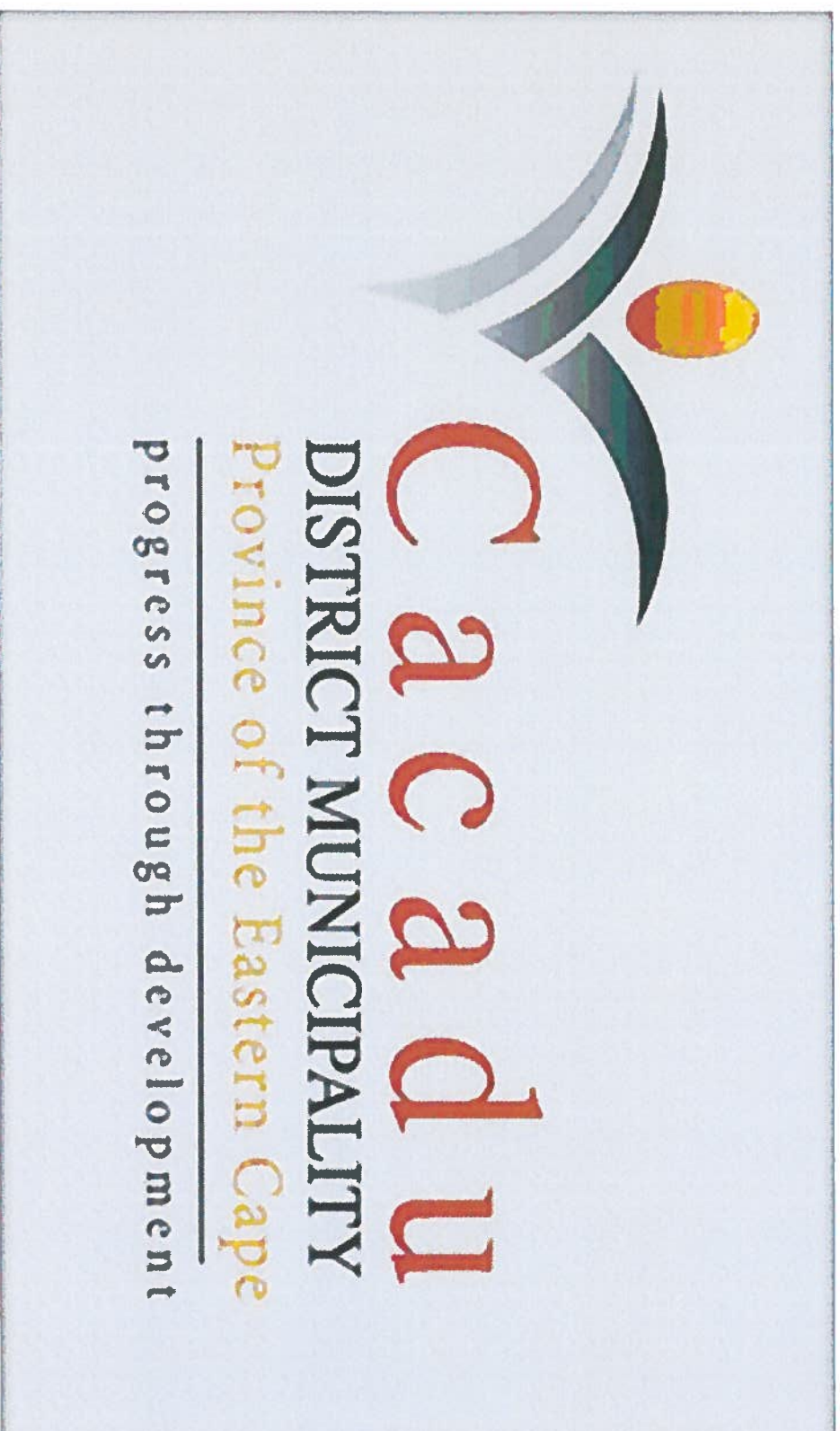
Total Budget for the 2014/15 budget is R 231 000 000

MUNICIPALITY	2014/15	
	SERVICES	UNITS
SRVM- Addo 801		104
SRVM- Enon / Bersheba		113
SRVM-Langbos	300	34
Makana-Mayfield	515	600
Makana Transit Camp		10
Makana-Infill		105
Makana-Alicedale		16
Makana-Disaster		146
Blue Crane- Cothani		5
Baviaans-Steytlerville	72	50
Baviaans-Steytlerville (2 room)		48
Baviaans-Willowmore		85
Ndlambe-Kenton On Sea	250	50
Kouga-Patensie		6
Camdeboo-Kroonvale		63
Camdeboo-Umasizakhe		40
Makana-Fort Brown	188	
Makana-Seven Fountains	229	
Kouga-Hankey Weston	96	
Kouga – Hankey 990	280	
<b>TOTAL</b>	<b>1930</b>	<b>1475</b>

**Housing Rectifications Projects**

MUNICIPALITY	2014/15 FOCUS	
Koukamma-Louterwater, Mountain View, Krakeel, Joubertina, Sandrift, Coldstream, Clarkson, Woodlands, New Rest, Stormsrivier	384	
Ikwezi-Jansenville, Dube	30	
SRVM-Moses Mabida, Bergsig	30	
Blue Crane-Cookhouse, Old Mhandi	30	
Makana- Scotsfarm, Ghost Town, Alicedale	45	
<b>TOTAL</b>	<b>519</b>	

## Chapter 4 : Cacadu Spatial Development Framework



#### 4.1 Spatial strategies

The spatial outcomes of each of the Pillars are set out in the following paragraphs.

##### 4.1.1 Spatial Synopsis

**Human Settlement**

- Nodal
- Dispersed
- Along transportation routes
- Settlement Areas (Koukamma, Kouga)
- Smaller inland settlements are declining in size.
- Coastal settlements including SRV are growing
- Settlement backlog in coastal settlements (Incl. Makana and SRV)

**Environment**

- Vast biodiversity network
- Opportunities for tourism

**Economic**

- Limited higher potential agric land (Sundays, Gamtoos, Fish, Dairy – Koukamma & Ndlambe)
- Forestry – Koukamma
- Low intensity small stock farming (Karoo)

**Infrastructure**

- Good primary road network (Access to all settlements) – Upgrading and maintenance required.
- Services backlog in coastal settlements – Can be expected to grow.
- Renewable energy potential - Particularly wind.

**Human Resources and Governance**

- Lack of capacity to mainstream spatial planning
- SPLUM Bill - Implications

**Rural development**

- Area based plan implementation
- N2 development corridor



#### 4.1.2 Core Values and Principles



**PROVINCIAL  
SPATIAL DEVELOPMENT  
PLAN - EASTERN CAPE**

### Core Values of Spatial Planning

- Reduced settlement sprawl and more compact formalised settlement through densification and diverse, mixed land uses;
- Economy and efficiency of development clustered along strategic transport routes;
- Correction of the historically distorted spatial patterns of settlement with optimum use of existing infrastructure, integration of residential and employment opportunities in close proximity to each other;
- Integration, synergy and linkages between urban and rural areas supported by appropriate infrastructure;
- Community based spatial planning and enforceable land use management based on agreed sustainable community development codes with unified provincial legislation
- Achieving integrated development at community level;
- Integrated spatial development plans (SDFs) which are the principal development management tool for all stakeholders, across the province ("wall to wall") founded on flourishing livelihoods, conserving natural resources and the needs of community neighbourhoods (sustainable development)
- Environmental integrity and sustainability through achieving a balance between safeguarding natural resources, optimizing the livelihoods of communities and developing a flourishing economy.
- Optimum use of existing resources including agriculture, forestry, renewable energy potential, already impacted land (brownfield areas) minerals, bulk infrastructure, roads, transportation and social facilities.



### CDM Spatial Planning

#### Principles

- 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.
- Development must seek to create opportunities that will facilitate economically competitive communities and contribute to the development of the regional economy
- Development must serve the needs of the community and encourage a desired urban and rural spatial form
- Spatial development planning and land use management is to be undertaken in an inclusive and integrated manner

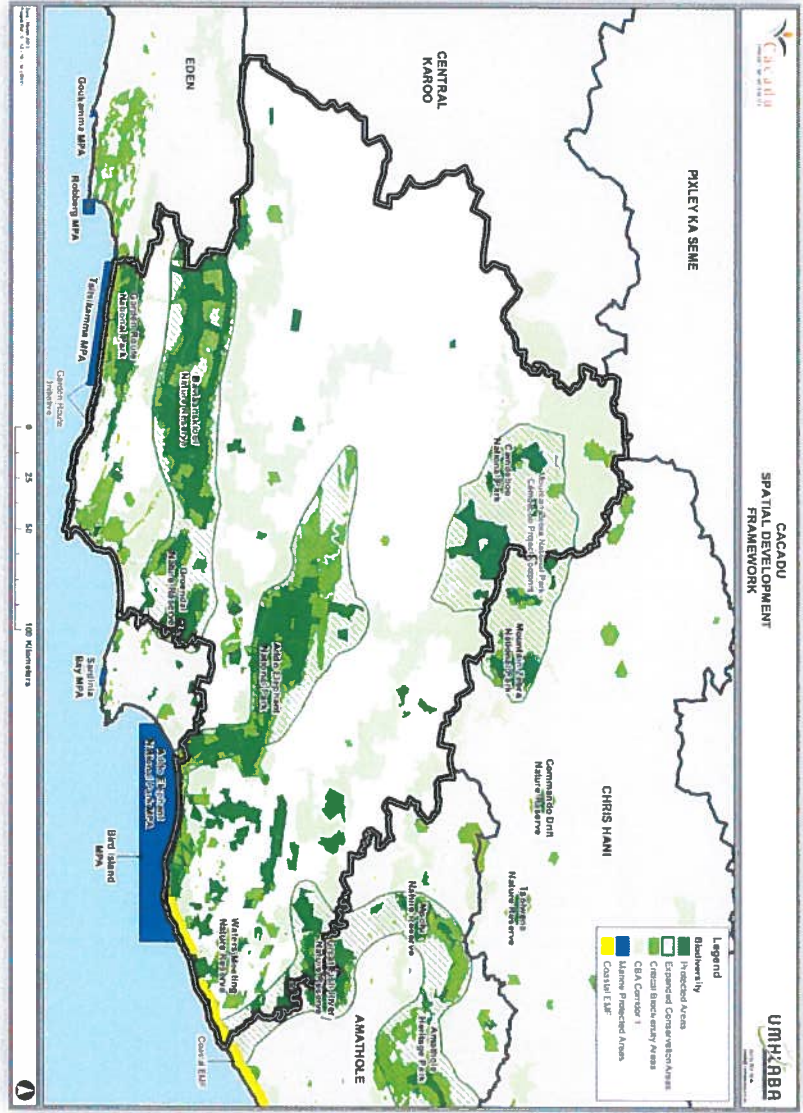
#### Objectives

- The accommodation of the biodiversity resource area footprint and guidelines as set out in the ECP SDF in the LM SDF's
- Efficient and integrated spatial development of infrastructure and transport systems
- A diverse and growing economy supported by sustainably utilised natural resources.
- Managed development of compact and sustainable human settlements with appropriate infrastructure.

#### 4.1.3 Environmental Strategies and Guidelines

ECPSPDF Core Values	CDM Spatial Planning Principle	CDM Spatial Planning Pillar (Primary Pillar highlighted)	CDM Spatial Planning Objective	CDM Strategy/Guideline	Action	Completed
<ul style="list-style-type: none"> <li>Environmental integrity and sustainability through achieving a balance between safeguarding natural resources, optimizing the livelihoods of communities and developing a flourishing economy.</li> </ul>	<ul style="list-style-type: none"> <li>A balance must be struck between the fulfillment 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>Environment</li> <li>Economic</li> <li>Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>The accommodation of the biodiversity resource area footprint and guidelines as set out in the ECPSPDF in the LM SDF's</li> </ul>	<ul style="list-style-type: none"> <li>Spatially demarcate the biodiversity framework (Critical biodiversity areas, protected nature reserves and parks)</li> <li>Ensure that the guidelines contained in the ECBCF and the Coastal EMF are accommodated in the LM SDF's</li> </ul>	<ul style="list-style-type: none"> <li>Reflect the ECPSPDF biodiversity network on the CDM SDF Map.</li> <li>Ensure that the appropriate biodiversity data is available to the LM's for incorporation in the LM SDF's</li> <li>Ensure that the guidelines contained in the Coastal EMF (Port St Johns to Cannon Rocks) are taken into account in the appropriate LM SDF.</li> <li>Capacitate the LM's regarding the usage and interpretation of the ECBCF guidelines and data</li> </ul>	<ul style="list-style-type: none"> <li>Refer to Environmental Spatial Outcomes Plan and SDF Map</li> </ul>

#### 4.1.4 Environmental Spatial Outcome

<b>Pillar</b> <b>CDM Priority</b>	<b>Environment</b> N/A	<b>Spatial Planning Objective</b> The accommodation of the biodiversity resource area footprint and guidelines as set out in the ECPSPDF in the LM SDF's	<b>Spatial Outcome:</b> Refer to the Plan below
<b>Key Issues</b> <ul style="list-style-type: none"> <li>• Not a core competency of the CDM</li> <li>• There are legislative obligations on the CDM to ensure that the principles of NEMA are implemented.</li> <li>• Take cognisance of the guidelines contained in the Coastal EMF.</li> </ul>	<b>Spatial Outcome:</b> 		
<b>Strategies</b> <ul style="list-style-type: none"> <li>• Map the ECPSPDF biodiversity framework (Critical Biodiversity Areas, protected nature reserves and parks)</li> <li>• Make the appropriate biodiversity data available to the LMs</li> <li>• Capacitate the LMs regarding the usage and interpretation of the guidelines and data</li> <li>• Ensure that the Ndlambe and Sundays River Valley SDF's take cognisance of the guidelines contained in the Coastal EMF.</li> </ul>			

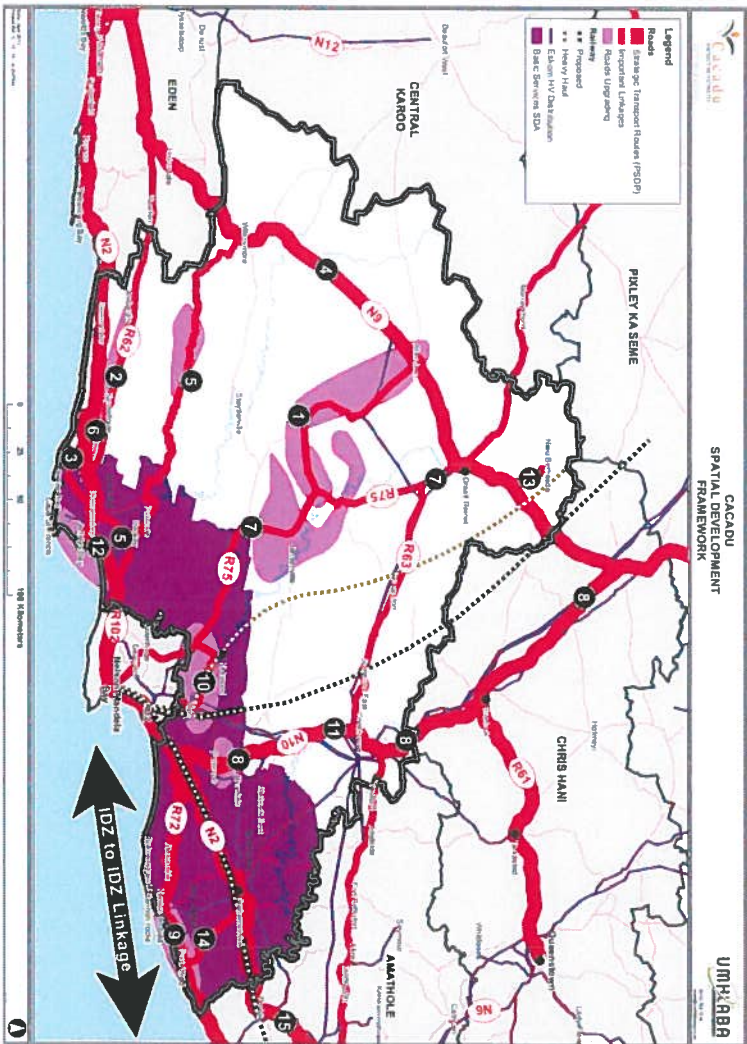
#### 4.1.5 Infrastructure and Economic Strategies and Guidelines

<p><b>ECPSPDF Core Values</b></p>	<p><b>CDM Spatial Planning Principle</b></p>	<p><b>CDM Spatial Planning Pillar (Primary Pillar highlighted)</b></p>	<p><b>CDM Spatial Planning Objective</b></p>	<p><b>CDM Strategy/Guideline</b></p>	<p><b>Action</b></p>	<p><b>Completed</b></p>
<ul style="list-style-type: none"> <li>• Optimum use of existing resources including agriculture, forestry, renewable energy potential, impacted land (brownfield areas) minerals, bulk infrastructure, roads, transportation and social facilities;</li> </ul>	<ul style="list-style-type: none"> <li>• Development must seek to create opportunities that will facilitate economically competitive communities and contribute to the development of the regional economy</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Economic Infrastructure</b></li> <li>• <b>Environment</b></li> </ul>	<ul style="list-style-type: none"> <li>• Efficient and integrated development of spatial infrastructure and transport systems</li> <li>• A diverse and growing economy supported sustainably utilised natural resources</li> </ul>	<ul style="list-style-type: none"> <li>• Spatially demarcate the district resource areas.</li> <li>• Formulate guidelines for development/change in land usage outside existing settlements.</li> <li>• Focus infrastructure development in areas of highest need and potential.</li> <li>• Identify areas where strategic infrastructure projects and programs can help boost economic growth and attract private investment.</li> <li>• Provide appropriate basic services to all settlements within the district</li> </ul>	<ul style="list-style-type: none"> <li>• Reflect the resource areas in the Cacadu SDF</li> <li>• Formulate rural development guidelines (Focussed on the protection of resource and environmental areas)</li> <li>• Spatially reflect the areas where infrastructure investment should be focussed (Both backlog and future demand).</li> </ul>	<ul style="list-style-type: none"> <li>• Refer to the Economic Spatial Outcomes Plan and the CDM SDF Maps</li> <li>• Completed</li> <li>• Refer to the Infrastructure Spatial Outcomes Plan and the CDM SDF Maps.</li> </ul>



#### 4.1.6 Infrastructure Spatial Outcomes

<b>Pillar</b> <b>Infrastructure</b>	<b>Spatial Planning Objective</b> <b>Efficient and integrated spatial development of infrastructure and transport systems.</b>
<b>CDM Priority</b> <b>Infrastructure Investment</b>	<b>Spatial Outcome:</b> <b>Refer to the Plan below</b>
<b>Key Issues</b> <ul style="list-style-type: none"> <li>• The effectiveness of the road infrastructure is directly related to the economic activity of the District.</li> <li>• The national and provincial roads provide effective access within the district and province.</li> <li>• The extensive network of gravel roads requires maintenance and upgrading (The cost in low density areas may be prohibitive.)</li> <li>• The proposed freight rail route from Coega IDZ to the north.</li> <li>• The lack of bulk water supply (Inland and at the coast) remains relevant.</li> <li>• The provision of regional solid waste sites instead of site at each settlement needs to be investigated.</li> <li>• The accommodation of renewable energy infrastructure within the District.</li> <li>• The provision of bulk electricity to the sparsely populated interior remains expensive.</li> <li>• The proposed Thympunt nuclear power station will enhance the bulk electrical supply within the region.</li> <li>• Transportation linkages between the Coega and East London IDZs.</li> <li>• The N2 development initiative (ECPSPDF) needs to be accommodated.</li> <li>• Ndlambe, Makana, Sundays River Valley and Kouga have significant services backlogs.</li> <li>• Population growth trend in the coastal settlements needs to be acknowledged in infrastructure planning.</li> </ul>	
<b>Strategies</b> <ul style="list-style-type: none"> <li>• Focus infrastructure development in areas of highest need and potential.</li> <li>• Establish district wide infrastructure planning, implementation and monitoring capacity.</li> <li>• Identify areas where strategic infrastructure projects and programs can help boost economic growth and attract private investment.</li> <li>• Provide appropriate basic services to all settlements within the district.</li> </ul>	



#### 4.1.7 Economic Spatial Outcomes

<b>Pillar</b> <b>CDM Priority</b>	<b>Economic</b> <b>N/A</b>	<b>Spatial Planning Objective</b> <b>A diverse and growing economy supported by sustainably utilised natural resources.</b>
<b>Key Issues</b>	<ul style="list-style-type: none"> <li>• The District serves as the economic hinterland /service area for the Nelson Mandela Bay Metro</li> <li>• The economy is dependent on the natural resources of the area (Tourism and production)</li> <li>• Spatial planning initiatives need to support the implementation of the SEED strategies by             <ul style="list-style-type: none"> <li>◦ implementing effective spatial planning land use management</li> <li>◦ SDP to identify areas for renewable energy production</li> <li>◦ Recognizing that game reserves and farming are playing a bigger role in the economy</li> <li>◦ Urban Regeneration Projects</li> <li>◦ Identify where infrastructure upgrading is required.</li> </ul> </li> <li>• Provide the spatial framework for the AEP</li> <li>• Inappropriate land use change can have a negative impact on district resources and the economy</li> <li>• The ECPSDF identified areas of the District for future game farming activities. Some of these areas, particularly in Ndabambe, parts of Makana and Camdeboo are located on higher potential arable and grazing land</li> <li>• The introduction of alternative energy generation infrastructure and the associated land use change will provide both economic opportunities but may also have a negative impact on the ecotourism of the district. (Potential changes to the visual and cultural landscapes)</li> <li>• The protected area network together with the intended expansion areas (Nature reserves and parks) provide significant and expanding ecotourism opportunities within the District.</li> <li>• Both the tourism and productive components of the economy are dependent on effective access (Transportation infrastructure)</li> </ul>	<b>Spatial Outcome:</b> <b>Refer to the Plan below</b>
<b>Spatial Strategies</b> <ul style="list-style-type: none"> <li>• The resource base of the Province and the District needs to be clearly demarcated and accommodated in the LM SDF's</li> <li>• Review and adopt the CDM's Guidelines on land use change outside the settlements</li> <li>• Identify where the improved transportation infrastructure would leverage economic growth</li> <li>• Undertake CBD regeneration projects in identified sub-district and sub-local centers</li> </ul>		<p>The map, titled 'CACADU SPATIAL DEVELOPMENT FRAMEWORK', shows a geographical area with various colored zones and infrastructure. Key locations labeled include PILET KASEME, CHRIS HANU, AMATHOLE, EDEN, and Nelson Mandela Bay. A legend in the bottom right corner defines symbols for Tourism Focus Areas (red circle), IZ2 Corridor (pink rectangle), Game Farming (yellow rectangle), and other zones. A large black arrow labeled 'IDZ to IDZ Linkage' points from the coastal area towards the inland. The map also shows roads, rivers, and a scale bar at the bottom.</p>

#### 4.1.8 Human Settlement and Rural Development Strategies and Guidelines

ECP/SDF Core Values	CDM Spatial Planning Principle	CDM Spatial Planning Pillar (Primary Pillar highlighted)	CDM Spatial Planning Objective	CDM Strategy/Guideline	Action	Completed
<ul style="list-style-type: none"> <li>• Reduced settlement sprawl and more compact formalised settlement through densification and diverse, mixed land uses;</li> <li>• Economy and efficiency of development clustered along strategic transport routes;</li> <li>• Correction of the historically distorted spatial patterns of settlement with optimum use of existing infrastructure, integration of residential and employment opportunities in close proximity to each other;</li> <li>• Integration, synergy and linkages between urban and rural areas supported by appropriate infrastructure;</li> </ul>	<ul style="list-style-type: none"> <li>• Development must serve the needs of the community and encourage a desired urban and rural spatial form</li> </ul>	<ul style="list-style-type: none"> <li>• Human Settlement and Social Development</li> <li>• Infrastructure</li> <li>• Rural development</li> <li>• Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Managed development of compact and sustainable human settlements with appropriate infrastructure, amenities and socio-economic opportunities</li> <li>• Integrated and broad based agrarian transformation leading to sustainable livelihoods, increased rural economic development and improved land reform</li> </ul>	<ul style="list-style-type: none"> <li>• Identify the areas (Nodes and corridors) for focused human settlement investment</li> <li>• Promote a human settlement structure that recognises social, economic and functional potential</li> <li>• Promote sustainable compact human settlements;</li> <li>• Adopt guidelines for the provision of social and administrative facilities and make these available to the LM's together with the necessary training and capacity building;</li> <li>• Reflect the five Strategic Area Based Plan Focus areas on the SDF and ensure alignment with other CDM initiatives e.g. Infrastructure, development and tourism focus areas.</li> <li>• Address potential conflict between the ABP focus areas and the Biodiversity network.</li> <li>• Develop a district wide commonage expansion plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Establish and spatially reflect a human settlement structure and district development corridor</li> <li>• Formulate Human settlement guidelines based on the adopted structure.</li> <li>• Identify the focus areas for human settlement investment and development.</li> <li>• Capacitate the LM's with regard to the implementation of the human settlement structure and guidelines.</li> </ul>	<ul style="list-style-type: none"> <li>• Refer to the Human Settlement Spatial Outcomes Plan and the CDM SDF Maps.</li> <li>• Completed</li> <li>• Refer to the Human Settlement Outcomes Plan and the CDM SDF Maps</li> </ul>
					<ul style="list-style-type: none"> <li>• Spatially reflect the Tourism and ABP Focus Areas and identify alignment issues.</li> </ul>	<ul style="list-style-type: none"> <li>• Refer to the Economic Spatial Outcomes Plan and the CDM SDF Maps</li> </ul>



4.1.9 Human Settlement and Social Development Spatial Outcome

<p><b>Pillar</b></p> <p>Human Settlement and Social Development</p>	<p><b>Spatial Planning Objective</b></p>	<p>Managed development of compact and sustainable human settlements with appropriate infrastructure, amenities and socio-economic opportunities. **** Adapted from the EC PSDF</p>
<p><b>CDM Priority</b></p> <p>Provision of Community Services</p>	<p><b>Spatial Outcome:</b></p>	<p>Refer to the Plan below</p>
<p><b>Key Issues</b></p> <ul style="list-style-type: none"> <li>• The Department of Human Settlements is tasked with the development of human settlements</li> <li>• Higher population growth in coastal municipalities</li> <li>• An increase in informal dwellings, including backyard shacks in the coastal municipalities</li> <li>• Low population growth in inland municipalities (Note Makena has a high housing backlog, but has reflected lower growth)</li> <li>• The number of and distance between settlements in Koukamma is prohibitive to effective administration and the provision of services and social/community facilities</li> <li>• More than 40% of the households in the inland municipalities receive free basic services</li> <li>• The Heritage Sites captured in the SAHRA database need to be accommodated in the LM SDFs</li> <li>• Distances between most settlements prevent physical integration – effective transportation is required</li> <li>• Potential additional linkage between N2 and R62 (Koukamma)</li> <li>• Tarring of routes from Grahamstown to Alicedale and Riebeeck East.</li> <li>• The following areas function as settlement regions where physical integration needs to be encouraged             <ul style="list-style-type: none"> <li>○ Jaffarjes Bay, Humansdorp, Paradise Beach</li> <li>○ Cape St Francis and St Francis Bay</li> <li>○ Thornhill, Nompumelelo and Sandri</li> <li>○ Joubertina, Ravina and Tweenvieren</li> </ul> </li> </ul>		
<p><b>Strategies</b></p> <ul style="list-style-type: none"> <li>• Provide appropriate basic services to all settlements within the district (Based on settlement functioning)</li> <li>• Identify areas (Nodes and corridors) for focussed human settlement investment</li> <li>• Adopt a human settlement structure that recognises social, economic and functional potential</li> <li>• Adopt guidelines for the provision of social and administrative facilities and make these available to the LMs together with the necessary training and capacity building</li> <li>• Promote sustainable compact human settlements</li> <li>• Make the SAHRA heritage data available to the LMs and provide the necessary capacity in this regard.</li> </ul>		



#### 4.1.10 Settlement Hierarchy and Functions

Settlement Type	Settlement Name	Settlement Function	Spatial Planning Priority
District Centre	<ul style="list-style-type: none"> <li>• Jeffrey's Bay</li> <li>• Humansdorp</li> <li>• Grahamstown</li> <li>• Graaf-Reinet</li> <li>• Port Alfred</li> </ul>	<ul style="list-style-type: none"> <li>• District-level Administrative centre</li> <li>• Major district service centre for commercial and social goods and services</li> <li>• Education centre</li> <li>• Industrial centre for value-adding processes and local-based manufacturing</li> <li>• Residential development covering full range of economic bands</li> </ul>	<ul style="list-style-type: none"> <li>• Managed urban expansion and public-funded Housing development at higher densities in integrated settlement developments</li> <li>• Urban level of service infrastructure development (i.e. higher order level) to cater for expansion</li> <li>• Upgrade and maintenance of existing infrastructure</li> <li>• CBD management and focus on urban aesthetics</li> <li>• Environmental management (Game Reserve)</li> <li>• Commonage expansion and management</li> </ul>

Settlement Type	Settlement Name	Settlement Function	Spatial Planning Priority
Sub-District Centre	<ul style="list-style-type: none"> <li>• Joubertina/Ravinia/Tweerivieren</li> <li>• Hankey</li> <li>• Kirkwood</li> <li>• Somerset East</li> <li>• Willowmore</li> <li>• Kareedouw</li> <li>• Aberdeen</li> <li>• Alexandria</li> <li>• Kenton-on-Sea/Bushmans River</li> <li>• Sandriv/Nompumelelo/Thornham</li> <li>• St Francis Bay/Cape St Francis</li> </ul>	<ul style="list-style-type: none"> <li>• Municipal-scale Administrative centre</li> <li>• Municipal-scale service centre for commercial and social goods and services</li> <li>• Residential development covering limited range of economic bands (Middle-income – Low-income)</li> <li>• Potential for value-adding agro-industrial processes</li> <li>• Potential for event-related tourism events</li> </ul>	<ul style="list-style-type: none"> <li>• Land Management &amp; Administration - CBD Revitalization and associated planning</li> <li>• Sustainable Human Settlement Programme and infrastructure investment - Public-funded settlement development only in relation to defined need (Backlog and growth associated with current population trends and economic development potential)</li> <li>• Urban development at higher densities in integrated human settlements.</li> <li>• Maintenance and upgrade of existing infrastructure.</li> </ul>

Settlement Type	Settlement Name	Settlement Function	Spatial Planning Priority
Local Centre	<ul style="list-style-type: none"> <li>• Jansenville</li> <li>• Paterson</li> <li>• Patensie</li> <li>• Bathurst</li> <li>• Cookhouse</li> <li>• Steytlerville</li> <li>• Pearston</li> <li>• Aliceedale</li> <li>• Klippiplaai</li> <li>• Boknesstrand/Cannon Rocks</li> <li>• Nieu-Bethesda</li> </ul>	<ul style="list-style-type: none"> <li>• Local-scale Administrative centre</li> <li>• Local-scale service centre for commercial and social goods and services</li> <li>• Residential development covering limited range of economic bands (Middle-income – Low- income)</li> <li>• Potential for value-adding agro-industrial processes</li> <li>• Potential for event-related tourism events</li> </ul>	<ul style="list-style-type: none"> <li>• Limit urbanization (sustainability) – Focus on infrastructure and settlement backlogs and natural growth patterns</li> <li>• Urban aesthetics and land use management (to support local tourism) – CBD regeneration</li> <li>• Maintenance and upgrade of urban level of service infrastructure</li> <li>• Environmental management (to support local tourism)</li> <li>• Identify adequate commonage land to enable food security and economic activity associated with stock.</li> </ul>

Settlement Type	Settlement Name	Settlement Function	Spatial Planning Priority
Sub-Local Centre	<ul style="list-style-type: none"> <li>• Misgund</li> <li>• Coldstream</li> <li>• Clarkson</li> <li>• Oyster Bay</li> <li>• Seven Fountains</li> <li>• Fort Brown</li> <li>• Loutenwater</li> <li>• Krakeelrivier</li> <li>• Woodlands</li> <li>• Riebeeck East</li> </ul>	<ul style="list-style-type: none"> <li>• Minor administrative functions</li> <li>• Minor service centre for social goods and services</li> <li>• Focused support of local economic initiatives- agriculture-based</li> </ul>	<ul style="list-style-type: none"> <li>• Prevent urban expansion beyond the planned accommodation for backlogs in human settlement (Focus on the formalisation of informal dwellings and back yard shacks) and infrastructure.</li> <li>• Areas where higher order facilities should be focused in first instance</li> <li>• Maintenance and upgrade of existing infrastructure</li> <li>• Basic level of service extension with provision for higher levels of service where feasible and sustainable</li> <li>• Local planning to maximise use of existing resources.</li> <li>• Identify adequate commonage land to enable food security and economic activity associated with stock.</li> </ul>

Settlement Type	Settlement Name	Settlement Function	Spatial Planning Priority
Rural Settlements	<ul style="list-style-type: none"> <li>• Koomansbos</li> <li>• Eerserivier</li> <li>• Millar</li> <li>• Klairpoort</li> <li>• Rietbron</li> <li>• Vondeling</li> <li>• Glenconner</li> <li>• Waterford</li> <li>• Salem</li> <li>• Kwaabrand</li> <li>• Wolwefontein</li> </ul>	<ul style="list-style-type: none"> <li>• Primarily residential and livelihood subsistence function</li> <li>• Some provision of limited social goods and services</li> </ul>	<ul style="list-style-type: none"> <li>• Basic level of service extension</li> <li>• Local planning to maximise use of resources</li> <li>• Local land use schemes to be negotiated</li> <li>• Prevent urban expansion beyond the current planned for the accommodation of backlogs in infrastructure and settlement (Formalisation of the informal dwellings only)</li> <li>• Identify adequate commonage land to enable food security and economic activity associated with stock.</li> </ul>



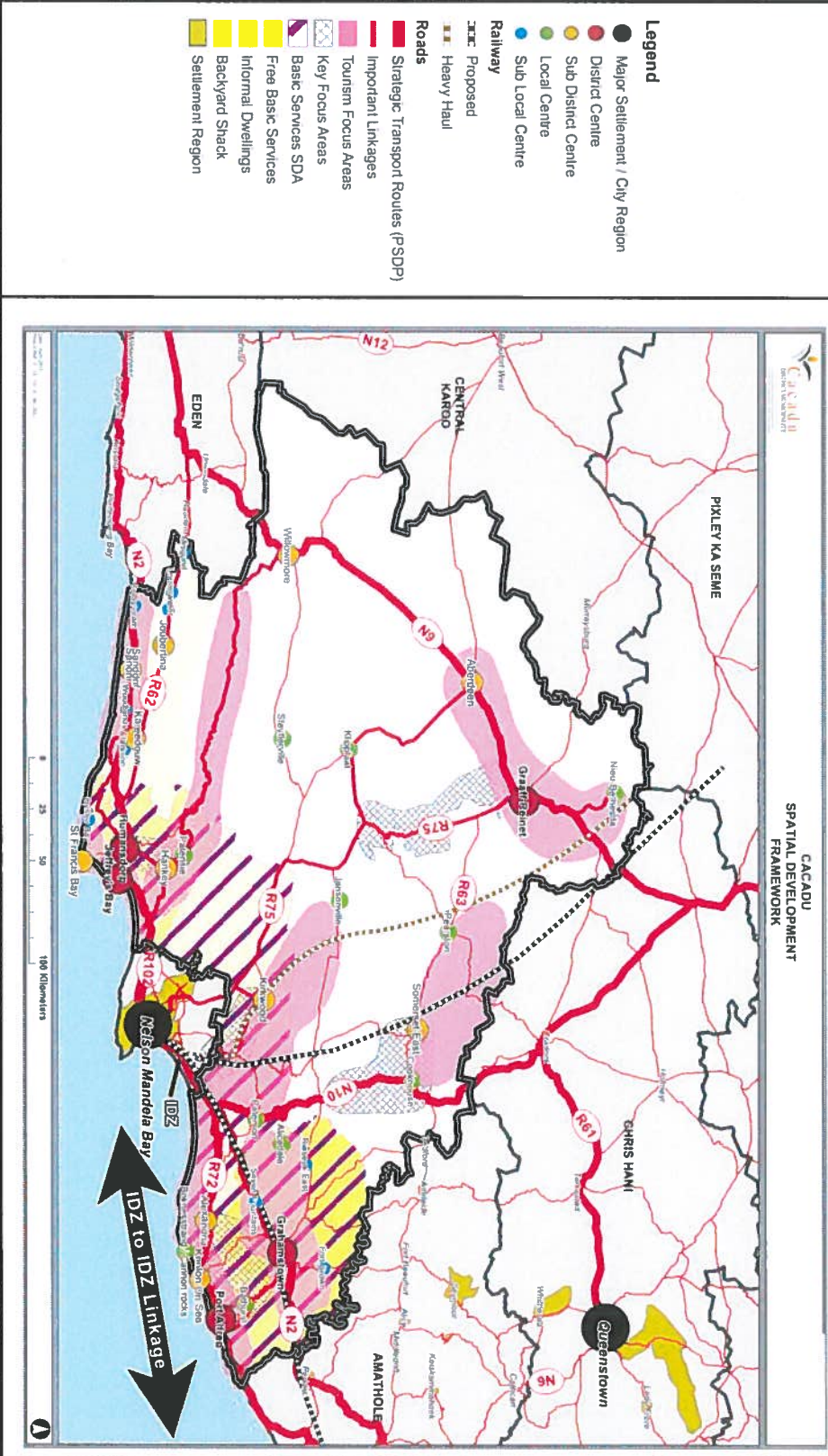
4.1.12 Rural Development Spatial Outcome

<table border="1"> <tr> <td><b>Pillar</b></td> <td>Rural Development</td> </tr> <tr> <td><b>CDM Priority</b></td> <td>N/A</td> </tr> </table>	<b>Pillar</b>	Rural Development	<b>CDM Priority</b>	N/A	<p><b>Spatial Planning Objective</b></p>	<p><b>Integrated and broad based agrarian transformation leading to sustainable livelihoods, increased rural economic development and improved land reform.</b></p>
<b>Pillar</b>	Rural Development					
<b>CDM Priority</b>	N/A					
<p><b>Key Issues</b></p> <ul style="list-style-type: none"> <li>Rural development is not a core competency or function of the CDM.</li> <li>The Department of Rural Development and Land Reform are the responsible department for Rural Development.</li> <li>The primary focus of the CDM SDF with regard to Rural Development is to ensure that the areas identified in the Area Based Plan are appropriately aligned with the District's infrastructure and investment initiatives.</li> <li>The CDM also needs to ensure that the LM's are incorporating the strategies set out in the Area Based Plan to enable the District to achieve its set redistribution targets. These targets need to be revised to reflect current landframes and realistic targets given the performance of the strategies in the past.</li> </ul>	<p><b>Spatial Outcome:</b></p>	<p><b>Refer to the Plan below</b></p>				
<p><b>Strategies</b></p> <ul style="list-style-type: none"> <li>Reflect the five Strategic Area Based Plan Focus areas on the SDF and ensure alignment with other CDM initiatives e.g. infrastructure, development and tourism focus areas.</li> <li>Address potential conflict between the ABP focus areas and the Biodiversity network.</li> <li>Develop a district wide commonage expansion plan.</li> </ul>						



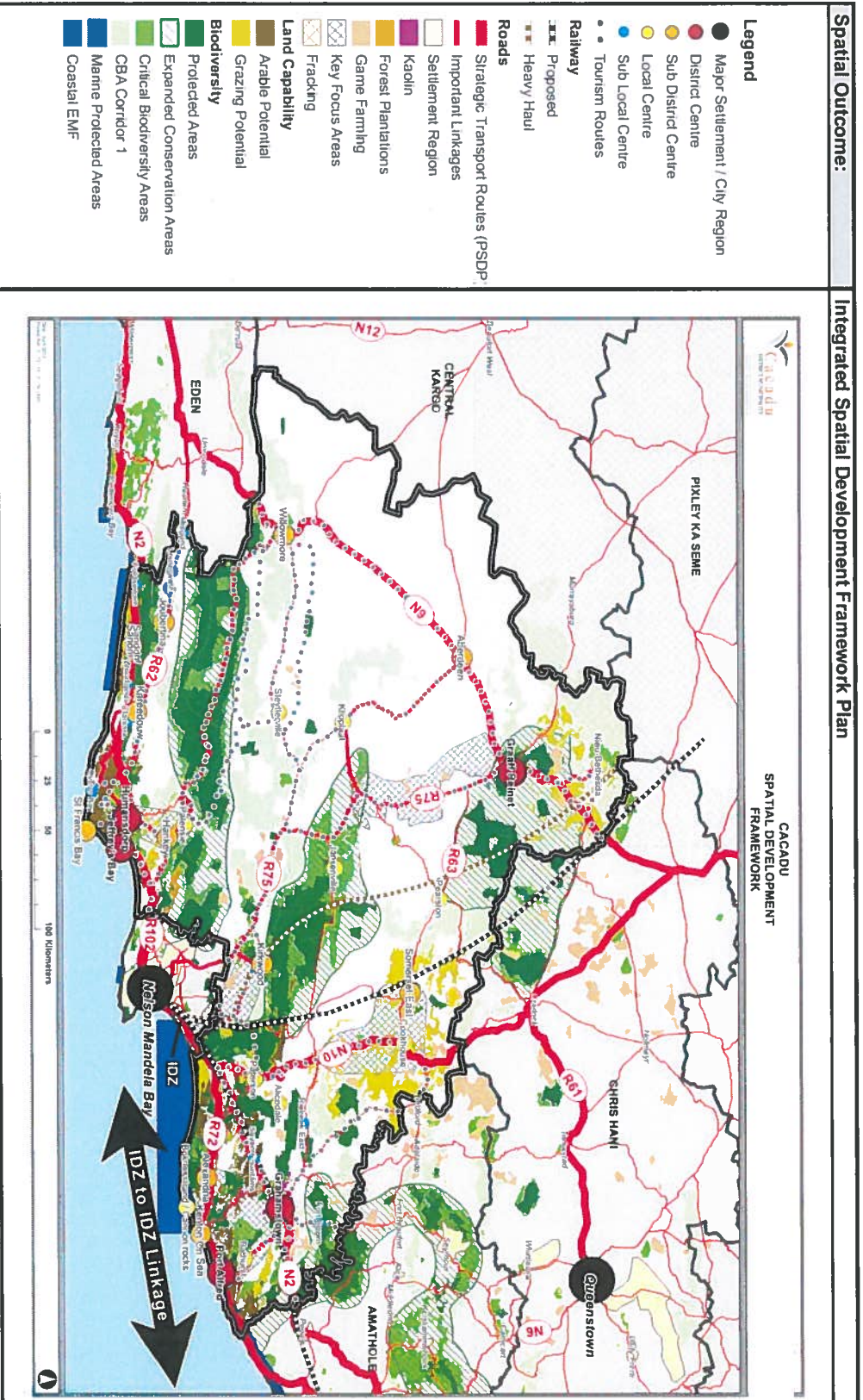
4.2 SPATIAL INTEGRATION  
 4.2.1 Integrated Spatial Strategy Plan

Spatial Outcome: Integrated Spatial Development Strategy Plan



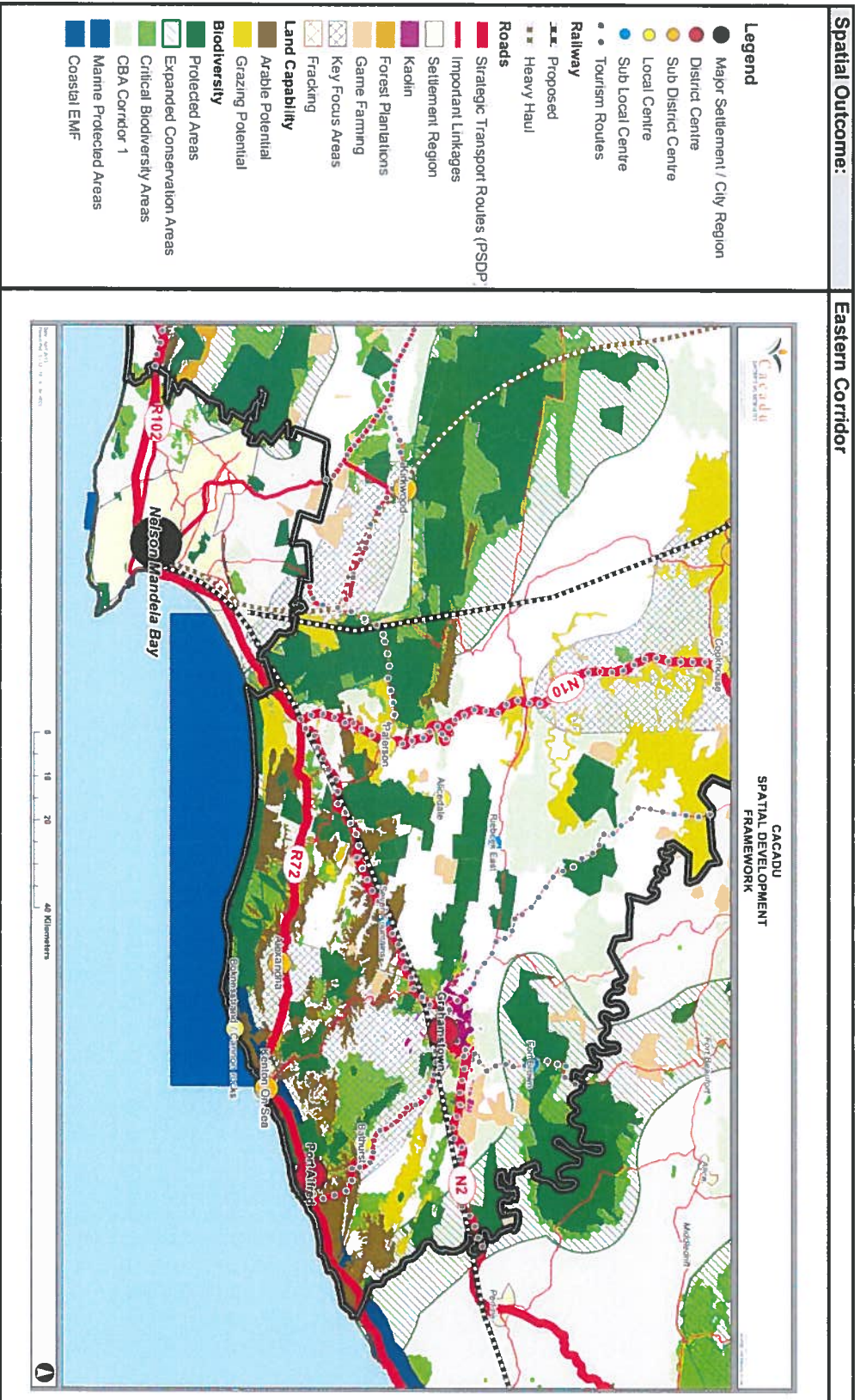
## 4.2.2 Spatial Development Framework Plan

### Spatial Outcome: Integrated Spatial Development Framework Plan

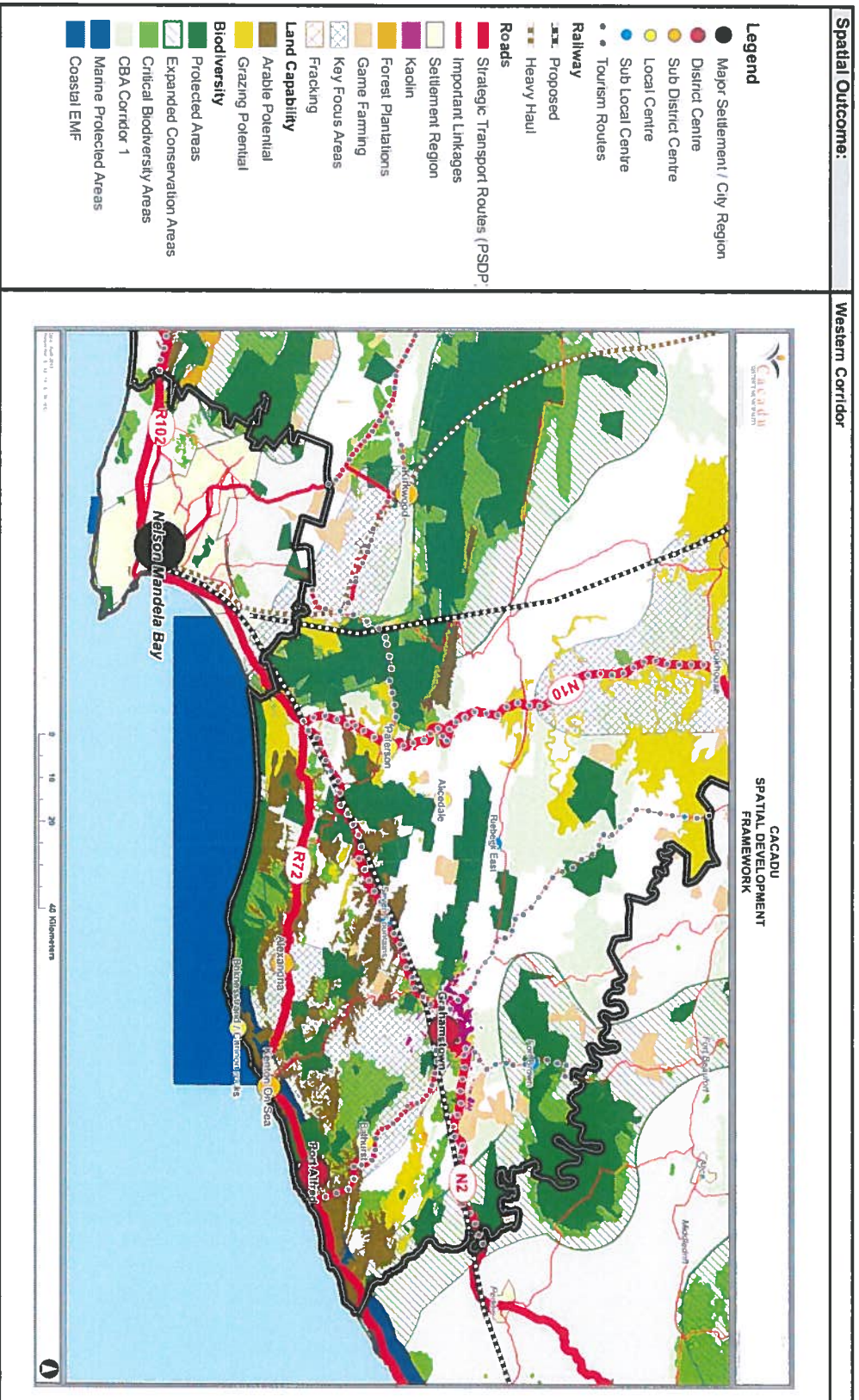




### 4.2.3 Eastern Corridor



## 4.2.4 Western Corridor



### 4.3 Governance and Human Resources Strategies and Guidelines

ECP/SDP Core Values	CDM Spatial Planning Principle	CDM Spatial Planning Pillar (Primary Pillar highlighted)	CDM Spatial Planning Objective	CDM Strategy/Guideline	Action	Completed
<ul style="list-style-type: none"> <li>Community based spatial planning and enforceable land use management based on agreed sustainable community development codes with unified provincial legislation</li> <li>Achieving integrated development at community level</li> <li>Integrated spatial development plans (SDFs) which are the principal development management tool for all stakeholders across the province ("wall to wall") founded on flourishing livelihoods, conserving natural resources and the needs of community neighbourhoods (sustainable development)</li> </ul>	<ul style="list-style-type: none"> <li>Spatial development and land use management is to be undertaken in an inclusive and integrated manner</li> </ul>	<ul style="list-style-type: none"> <li>Governance</li> <li>Human Resources</li> </ul>	<ul style="list-style-type: none"> <li>An integrated District SDF and Land Use Management system enabling the implementation of National and Provincial spatial planning directives</li> <li>A unique, relevant, competent and professional spatial and land use planning resource supporting informed decision making</li> </ul>	<ul style="list-style-type: none"> <li>Identify vertical and horizontal alignment issues to be taken into account in the LM SDFs</li> <li>Establish a minimum standard for each of the LM SDFs to facilitate alignment and uniformity.</li> <li>Implement the necessary adjustments to the CDM SDF once the municipal boundary readjustments have been adopted.</li> <li>Identify partners to provide capacity re land use management, administration and strategic land use planning at identified LM's – Implement shared service agreements where necessary.</li> <li>Ensure effective participatory decision making by making spatial information available to the officials, politicians and residents – (Hard copy plans, internet etc.)</li> <li>Establish a system where specific development records are kept.</li> <li>Establish a geographic information system which will make spatial planning information available to officials (CDM, LM and sector departments), potential investors and residents.</li> <li>Determine the necessary capacity at District level to mainstream spatial planning and land use management</li> </ul>	<ul style="list-style-type: none"> <li>Clearly reflect and communicate the cross border and ECP/SDP issues that need to be accommodated in the LM SDF's.</li> <li>Adopt the ECP/SDP's guidelines for the preparation of SDF's as the minimum standard for the LM SDF's (The guideline documents are to be made available to the LM's)</li> <li>Approach LGTA and the Development Bank to provide capacity re land use management, administration and strategic land use planning at identified LM's.</li> <li>Identify opportunities for shared service agreements (land use management and spatial</li> </ul>	<ul style="list-style-type: none"> <li>Alignment issues identified</li> <li>Reflected in the CDM SDF</li> </ul>

					<ul style="list-style-type: none"> <li>within the District</li> <li>Undertake training and capacity building initiatives aimed at broader awareness of spatial planning policy and legislation within the LM's.</li> </ul>
				<ul style="list-style-type: none"> <li>planning capacity) where the need exists</li> </ul>	
				<ul style="list-style-type: none"> <li>Undertake a needs assessment of the spatial planning capacity required to effectively mainstream spatial development planning and land use management within the district and the LM's.</li> </ul>	
				<ul style="list-style-type: none"> <li>Appoint registered professional planning capacity at the district level, which will be tasked with the rollout of spatial planning and land use management across the district.</li> </ul>	
				<ul style="list-style-type: none"> <li>Establish district wide infrastructure planning, implementation and monitoring capacity</li> </ul>	

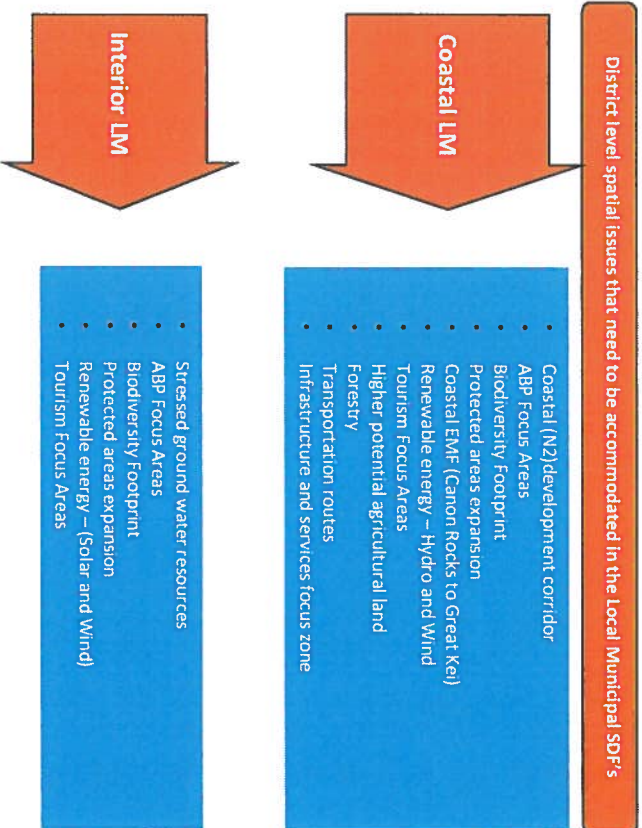


#### 4.4 Human Resources Outcome

Pillar	Human Resources	CDM Priority	N/A	Spatial Planning Objective	Spatial Outcome:	See below																																																					
<b>Key Issues</b> <ul style="list-style-type: none"> <li>Limited human resources to undertake spatial planning in the District and in the LM's</li> <li>Information regarding spatial planning is more readily available but is not usable due to the lack of spatial planning staff</li> <li>There is low awareness of the implications of spatial planning legislation and policy – indicating a need for training and capacity building</li> <li>Capacity needs to be created and made available in the sector departments to assist the DM with the implementation of spatial development proposals</li> <li>There are currently no monitoring or evaluation system which enable an assessment of whether appropriate spatial and land use management is taking place within the LM's</li> </ul>				<b>Spatial Outcome:</b> A unique, relevant, competent and professional spatial development and land use planning human resource supporting informed development decision making.				<b>Spatial Outcome:</b> See below																																																			
<b>Strategies</b> <ul style="list-style-type: none"> <li>Approach LGTA to provide capacity re land use management, administration and strategic land use planning at identified LM's</li> <li>Ensure effective participatory decision making by making spatial information available to the officials, politicians and residents – (Hardcopy plans, internet etc.)</li> <li>Establish a system where specific development records are kept</li> <li>Establish a geographic information system which will make spatial planning information available to officials (CDM, LM and sector departments), potential investors and residents.</li> <li>Undertake a needs assessment of the spatial planning capacity required to effectively mainstream spatial development planning and land use management within the district and the LM's. In this regard combined services provision can be investigated where appropriate circumstances exist</li> <li>Appoint registered professional planning capacity at the district level, which will be tasked with the rollout of spatial planning and land use management across the district.</li> <li>Undertake training and capacity building initiatives aimed at broader awareness of spatial planning policy and legislation within the LM's.</li> </ul>				<b>Proposed Spatial Planning Human Resource Capacity within the Cacadu District and LM's</b> <table border="1" data-bbox="414 840 1157 1646"> <thead> <tr> <th>Municipality</th> <th>SACPLAN Registered Planner</th> <th>Qualified Planner (Qualification to enable SACPLAN Registration)</th> <th>Administrative Support (Geography and/or administrative qualification)</th> </tr> </thead> <tbody> <tr> <td>Cacadu DM</td> <td>1</td> <td>1</td> <td>2</td> </tr> <tr> <td>Kouga LM</td> <td>1</td> <td>2</td> <td>2</td> </tr> <tr> <td>Koukamma LM</td> <td>1</td> <td>1</td> <td>2</td> </tr> <tr> <td>Makana LM</td> <td>1</td> <td>2</td> <td>2</td> </tr> <tr> <td>Ndlambe LM</td> <td>1</td> <td>1</td> <td>2</td> </tr> <tr> <td>Sundays River Valley</td> <td>1</td> <td>1</td> <td>2</td> </tr> <tr> <td>Camdeboo LM</td> <td>1</td> <td>1</td> <td>2</td> </tr> <tr> <td>Baviaans LM</td> <td colspan="3">1 - Combined Service</td> </tr> <tr> <td>Blue Crane Route LM</td> <td colspan="3">2 - Combined Service</td> </tr> <tr> <td>Ikwezi LM</td> <td colspan="3">2 - Combined Service</td> </tr> <tr> <td colspan="4"><b>Proposed Spatial Planning Human Resource Capacity within the Cacadu District and LM's – CDM Based Shared Service Center</b></td> </tr> <tr> <td>Cacadu DM</td> <td>4</td> <td>8</td> <td>8</td> </tr> </tbody> </table>				Municipality	SACPLAN Registered Planner	Qualified Planner (Qualification to enable SACPLAN Registration)	Administrative Support (Geography and/or administrative qualification)	Cacadu DM	1	1	2	Kouga LM	1	2	2	Koukamma LM	1	1	2	Makana LM	1	2	2	Ndlambe LM	1	1	2	Sundays River Valley	1	1	2	Camdeboo LM	1	1	2	Baviaans LM	1 - Combined Service			Blue Crane Route LM	2 - Combined Service			Ikwezi LM	2 - Combined Service			<b>Proposed Spatial Planning Human Resource Capacity within the Cacadu District and LM's – CDM Based Shared Service Center</b>				Cacadu DM	4	8	8
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## 4.6 Governance

<b>Pillar</b> <b>CDM Priority</b>	<b>Governance</b>  N/A	<b>Spatial Planning Objective</b>  <b>Spatial Outcome:</b>	An integrated District SDF and Land Use Management system enabling the implementation of National and Provincial spatial planning directives. **** Adapted from the EC PSDF
<b>Key Issues</b> <ul style="list-style-type: none"> <li>• There is a need to ensure that national and provincial spatial policy is implemented in the LMs – Vertical alignment.</li> <li>• There is a plethora of legislation and policy that impacts on the land use management and spatial planning of the district and the LMs</li> <li>• The Department of Rural Development and Land Reform and the EC Department of Local Government and Traditional Affairs have produced documents aimed at guiding the development of spatial development framework. The EC DLGTA document is more user friendly given the lack of spatial planning resources in the District.</li> <li>• To ensure vertical and horizontal alignment a number of provincial and district wide spatial issues need to be accommodated in the relevant LM SDF's</li> <li>• The realignment of the municipal boundaries will have an impact on the SDF's and IDP's of the affected LMs. This impact will also require adjustments to the CDM SDF.</li> </ul>			<b>Strategies</b> <ul style="list-style-type: none"> <li>• Clearly reflect and communicate the cross border and ECP SDF issues that need to be accommodated in the LM SDF's.</li> <li>• Establish a minimum standard for each of the LM SDF's to facilitate alignment and uniformity.</li> <li>• Implement the necessary adjustments to the CDM SDF once the municipal boundary readjustments have been adopted.</li> </ul>



# Chapter 5: Integration



## 5.1 PERFORMANCE MANAGEMENT FRAMEWORK

### 5.1.1 PERFORMANCE MANAGEMENT PLAN FOR THE CDM IDP 2014/15

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