



Kou-Kamma
MUNICIPALITY

15 YEAR INTEGRATED DEVELOPMENT PLAN OF KOUKAMMA LOCAL MUNICIPALITY



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FOREWORD



Councillor Samuel Vuso
Honourable Mayor

The Integrated Development Plan is intended to guide the development in the local space and for other spheres of government, thus promoting principles of Inter-Governmental Relations (IGR). It spells out where the Municipality is heading and what the inhabitants can expect to happen. The lessons drawn from the public participation processes have assisted the Municipality to sharpen its approach in the planning processes. Public inputs have challenged us to strengthen the link between the Integrated Development Plan and the Budget in order to achieve the objectives of the Municipality. The Integrated Development Plan reflects the pre-determined strategic objectives and priorities which are aligned to the vision of the Municipality and further located within the applicable Sector Plans.

We are committed in making Koukamma a compelling place to live in where basic and quality services are provided to our communities in a sustainable manner, and for this to be realised, we call upon all the stakeholders to join hands with us. Integrated Development Planning is a participatory process aimed at developing a five-year strategic plan that guides all planning, budgeting, management and decision-making in the Municipality; it involves the entire Municipality and its citizens finding the best solutions to achieve sustainable long term development in an integrated and multi-dimensional ways.

EXECUTIVE SUMMARY



Sabelo Nkuhlu
Municipal Manager

The coming Local Government Elections ushers in the fourth generation of the Integrated Developmental Plan within the context of the Developmental Local Government as defined in Chapter Seven of the Constitution of the Republic of South Africa, 1996, White Paper on Developmental Local Government, 1998 and other applicable Local Government Laws, mainly Municipal Structures Act, 1998, Municipal Systems Act, 2000 and Municipal Finance Management Act, 2003. This interesting and exciting development offers an opportunity for Koukamma Municipality to redefine its strategic path building from the existing achievements and taking advantage of the opportunities presented by the new space to reposition itself to discharge its primary mandate of creating better and sustainable livelihoods and culture of good governance. It is against this background that Koukamma Municipality has consciously taken a bold stance to generate a fifteen year Integrated Development Plan rooted on the following tenets:-

(i) Vision

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

(ii) Mission

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

(iii) Values

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

This dictates a solid partnership between the political leadership, management, employees, local community, civil organisations, business community, government departments and other key role players to deliver the mandate of Koukamma Municipality

CHAPTER ONE – PLANNING TRAJECTORY

1.1 Background

A Developmental Local Government is an evolving concept which is influenced by a range of factors in the global environment, regional space and national landscape and it can be construed as a social construct which has a potential to influence:-

- Infrastructure development and investment
- Socio-economic growth and development
- Improvement of living conditions

It is critical to benchmark the performance and impact of a Developmental Local Government since 2000 to date, in terms of key strategic areas of focus as outlined in the international, regional and domestic arena. Equally, it is prudent to appreciate the gaps over the years and what challenges it continues to present including strategic interventions required to address them to ensure achievement of sustainable urban and rural livelihoods. It is against this background that a scientific analysis is undertaken to ascertain the performance and impact of a Developmental Local Government and also to define a long-term strategic vision as a roadmap with strategic outcomes. A high level analysis is shared as a response to highlight the performance and impact of a Developmental Local Government over the years and what should define its future strategic agenda for the next fifteen years to come.

1.2 Millennium Developmental Goals (MDGs)

On the 6-8 September 2000, countries of the world met under the umbrella of the United Nations in its Head-Quarters in New York to define a roadmap as a global response to the major challenges confronting the international community. The international commitment by member states, non-governmental organizations and civil society formations to address the contending challenges of the world was demonstrated by the unanimous adoption of the Millennium Declaration. The significance of the Millennium Declaration is recognition and an admission by world community that the complexity and enormity of its challenges require different forms of approaches within agreed universal arrangements such as multilateral, bilateral and individual responses. The statement contained in the Millennium Declaration captures the essence and the spirit of its international credence and relevance as mirrored by the values, principles, objectives and setting of deadlines for its global agenda for the 21 century. Indeed, this point is illustrated by the global agreement that defined by the Millennium Developmental Goals and Goal 8 Targets and Indicators as:-

- 1.2.1 **Goal One** – Eradicate extreme poverty and hunger
- 1.2.2 **Goal Two** – Achieve universal primary education
- 1.2.3 **Goal Three** – Promote gender equality and empower women
- 1.2.4 **Goal Four** – Reduce child mortality
- 1.2.5 **Goal Five** – Improve maternal health
- 1.2.6 **Goal Six** – Combat HIV/AIDS, malaria and other diseases
- 1.2.7 **Goal Seven** – Ensure environmental sustainability
- 1.2.8 **Goal Eight** – Develop a global partnership for development

Over the past 15 years (from 2000 -2015) the Millennium Developmental Goals constituted a commonly shared and embraced international vision and agenda as the blue print of the 21st century with specific goals, targets, indicators, deadlines and outcomes.

1.3 Resetting the International Agenda (Sustainable Developmental Goals)

The review of the implementation and performance of the Millennium Developmental Goals 2015 vision was undertaken by the international community to ascertain scientific, objective and subjective realities of its successes, failures and challenges. As a consequence, a resetting of the international agenda was born, the 2030 Agenda for the Sustainable Development which comprises of 17 Goals which represent progress, consolidation, unfinished work of MDGs, new challenges and opportunities. The overall objective of 2030 Agenda is for the international community to embrace a set of universally applicable goals that balances three dimensions of sustainable development in terms of environment, socio and economic responses. In essence, the 17 sustainable development goals are:-

- 1.3.1 Goal One** – End poverty in all its forms everywhere
- 1.3.2 Goal Two** – End hunger, achieve food security and improved nutrition and promote sustainable agriculture
- 1.3.3 Goal Three** – Ensure healthy lives and promote well-being for all at all ages
- 1.3.4 Goal Four** – Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- 1.3.5 Goal Five** – Achieve gender equality and empower all women and girls
- 1.3.6 Goal Six** – Ensure availability and sustainable management of water and sanitation for all
- 1.3.7 Goal Seven** – Ensure access to affordable, reliable, sustainable and modern energy for all
- 1.3.8 Goal Eight** – Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- 1.3.9 Goal Nine** – Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
- 1.3.10 Goal Ten** – Reduce inequality within and among countries
- 1.3.11 Goal Eleven** – Make cities and human settlements inclusive, safe, resilient and sustainable
- 1.3.12 Goal Twelve** – Ensure sustainable consumption and production patterns
- 1.3.13 Goal Thirteen** – Take urgent action to combat climate change and its impact
- 1.3.14 Goal Fourteen** – Conserve and sustainably use the oceans, seas, and marine resources for sustainable development
- 1.3.15 Goal Fifteen** – Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
- 1.3.16 Goal Sixteen** – Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
- 1.3.17 Goal Seventeen** – Strengthen the means of implementation and revitalize the global partnership for sustainable development

The Sustainable Development Goals represent an agenda of unprecedented scope and significance and are applicable to all countries appreciative of different national realities, capacities and levels of development and anchored on critical elements of people, planet, prosperity, peace and partnership.

1.4 Mainstreaming of the Integrated Development Plan with National Development Plan

As a 2030 vision for the country, the National Development Plan (NDP) is premised on the foundations of the Constitution which promotes a nation building agenda based on a united, non-racial and non-sexist and prosperous society. In essence, the NDP is a country's blue print that fosters integrated and inclusive planning approaches between Government, non-governmental organisations, civil society formations, business community and the people. As a blue print, the NDP is founded on the notion that appreciates the journey traversed by the country in discharging its nation building agenda by reflecting on its achievements, shortcomings and challenges on the one hand and also rooted on charting a new development path that defines the agenda for the country over the next fifteen years which inculcates a spirit of:-

- integrated and inclusive planning approaches that fosters cooperation and collaboration
- comprehensive social responses to poverty alleviation, hunger, health and diseases
- comprehensive socio-economic programmes and empowerment initiatives
- sustainable infrastructure maintenance, investment and development,
- meaningful citizenry participation and involvement in decision-making processes

Indeed, the NDP represents a scientific analysis of the country based on historical realities of the past, the empirical evidence of the country's performance since the dawn of democracy and the new path that mirrors the nation building agenda post-20 years of freedom. As a strategic vision 2030, the NDP rests on the sustainable and inclusive development with its fundamentals built on a new approach and mind-set of driving the nation building agenda.

The primary thrust of the fundamentals of the NDP is summed up as follows:-

- Comprehensive responses to address poverty alleviation and hunger
- Creating decent and quality jobs and building sustainable livelihoods
- Upgrading existing and building new infrastructure capacity through maintenance, investment and development
- Redefining and transforming the urban and rural space using integration and alignment planning models
- Building a sustainable economic growth and development with greater emphasis on green economy, modernisation of industrialisation, increased agricultural production
- Improving education and training with focus on institutional capacities and human capital development

- Providing quality, affordable and sustainable health care facilities and services to all citizens
- Transforming society and uniting the nation based on shared and embraced vision 2030
- Comprehensive response to fight fraud and corruption and also enhance accountability
- Building a capable and sustainable developmental state to address the vision 2030 agenda

1.5 Integrated Development Plan Linkages to the Spatial Planning and Land Use Management Tools

One of the key and prudent approaches in realising the objectives of a Developmental Local Government is to align its Integrated Development Plan (IDP) to the following important documents:-

- Spatial Planning and Land Use Management Act (SPLUMA)
- National Spatial Development Framework (NSDF)
- Adopted Municipal Spatial Development Framework
- Adopted Municipal Spatial Planning and Land Use Management By-Law

Important objects of these planning instruments in generating a credible, practical and realisable Integrated Development Plan are summed as follows:-

- Provide for a uniform, effective and comprehensive system of spatial planning and land use management for the Republic;
- Ensure that the system of spatial planning and land use management promotes social and economic inclusion;
- Provide for development principles and norms and standards;
- Provide for the sustainable and efficient use of land;
- Provide for cooperative government and intergovernmental relations amongst the national, provincial and local spheres of government; and
- Redress the imbalances of the past and to ensure that there is equity in the application of spatial development planning and land use management systems.
- Central is the ability of the Local Municipality to appreciate its spatial outlook and potential for purposes of integrated, coordinated and inclusive planning based on major developmental nodes which are distinct but related to ensure and enhance greater impact to better the urban and rural livelihoods of its people

1.6 Alignment of the Integrated Development Plan to the Provincial Growth and Development Plan

The Provincial Growth and Development Plan (PGDP) is founded and aligned to the fundamental thrust of the 2030 vision of the NDP for the country. It is against this background that the PGDP articulates and commits to realise a sustainable future for the Eastern Cape that rests on people-centred development to achieve five (05) major interrelated and interconnected goals:-

- An inclusive, equitable and growing economy for the province
- An educated, innovative and empowered citizenry
- A healthy population
- Vibrant, equitably enabled communities
- Capable agents across government and other institutional partners committed to the development of the province.

The strategic goals of the Provincial Growth and Development Plan are further anchored on the four catalytic flagships that cut across a range of sectors and industries to give meaning to the overall objectives of 2030 vision. In essence, these catalytic flagships are:-

1.6.1 Ilima Labantu

It is an agricultural development initiative that aims to revive the rural economy using the endowed resources to address food security, expand its capacity to provide jobs, raise income levels and trigger development in the different but related industries and sectors. It is based on three intervention areas, research and development, education and training and government responses in collaboration with other role players.

1.6.2 Ematholeni (Children First)

It aims to give all children a quality start to development and learning, providing a solid foundation for a future of equal opportunity. It begins from the level of early childhood development (ECD) and builds to the foundation and intermediate phases of primary schooling.

1.6.3 Infrastructure

Its primary focus is the provision and maintenance of infrastructure for spatially equitable social and economic development. It includes social infrastructure (human settlements, public institutions) and economic infrastructure (irrigation systems, factories, production technology, equipment and systems, as well as information and communication technology).

1.6.4 Building Human and Institutional Capabilities for Local Development Action

It aims to build human and institutional capabilities for inclusive and meaningful local development action. It includes building and consolidating a capable state with strong local government and sub-entities; accountable sub-regional agents of national and provincial departments; skilled leaders and functionaries of non-governmental organisations and citizen associations; and capable and responsible citizens.

1.7 Alignment of Integrated Development Plan to the Sarah Baartman IDP District Framework

In terms of legislative provision as per the Municipal Systems Act, 2000, the District Municipality is required to develop a framework plan after consultation with the Local Municipalities in its area. Such a framework plan binds both the District and Local Municipalities within its area of jurisdiction and must address the following aspects:-

- Identify the plans and planning requirements binding in terms of National and Provincial legislation on the District and Local Municipalities or any specific Municipality
- Identify the matters to be included in the Integrated Development Plans of the District and Local Municipalities that require alignment
- Specify the principles to be applied and co-ordinate the approach to be adopted in terms of those matters and
- Determine procedures:-
 - ✓ For consultation between the District and Local Municipalities during the process of drafting their respective Integrated Development Plans and
 - ✓ To effect the essential amendments to the framework
- Critical is that such a process plan must be adopted by Council of the District in line with Section 28 of the Municipal Systems Act, 2000

1.8 Integrated Development Plan

The primary thrust of the Integrated Development Plan is in line with 2030 vision of the SDGs, 2030 vision of NDP, SPLUMA, 2030 vision of the PGDP including Sarah Baartman District IDP Framework. It is further grounded on the founding values of the Constitution of the Republic of South Africa and the Bill of Rights with great emphasis on:-

- Civil Rights
- Political Rights
- Economic Rights
- Social Rights and
- Cultural Rights

It is also premised in the context of Corporative Governance in line with Chapter 3 of the Constitution which deals with relationships between Organs of Government in the three (03) different spheres. In essence, the letter and the spirit of Inter-Governmental Relations finds expression in the framework, methodology and text of the Integrated Development Plan.

It is against this backdrop that the generation of Integrated Development Plan must be a product of inclusive planning and consultation of all role players:-

- Koukamma Municipality and Sarah Baartman District Municipality
- Sector Departments,
- Non-Governmental Organizations, Civil Society Formations, Business Community
- Members of the Ward Committees and the Public

Of importance in the generation of the Integrated Development Plan is the founding mandate of a Developmental Local Government as espoused by Section 152 (1) of Chapter Seven (07) of the Constitution of South Africa. It defines the strategic agenda of a Developmental Local Government as:-

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

The Integrated Development Plan is further located within the context of Section 152(2) of the Municipal Systems Act which instructs a Municipality:-

- Must strive within its financial and administrative capacity to achieve the set objectives in Section 152(1) of the same Act.

It is imperative to infuse Section 153 of the Municipal Systems Act which deals with the duties of a Developmental Local Government as it directs a Municipality to:-

- Structure and manage its administration, budgeting and planning processes to give priority to the basic needs of the community, and to promote social and economic development of the community, and
- Participate in the national and provincial development programmes

Consistent with the letter and the spirit of the Constitution of South Africa in terms of Section 154, the IDP of Koukamma Municipality is anchored on the text of cooperative governance that enjoins National and Provincial Governments to:-

- Work together to support and strengthen the capacity of Municipalities to manage their own affairs, to exercise their powers and to perform their functions
- Ensure that Organized Local Government, Municipalities and other interested persons are offered an opportunity to make representation in respect of Draft Legislation

In terms of Section 156 of the Municipal Systems Act, that deals with the Powers and Functions, assigns an executive authority to a Municipality in respect of and a right to administer:-

- Local Government matters listed in Part B of Schedule 4 and Part B of Schedule 5
- Any other matter assigned to it by National or Provincial Legislation

CHAPTER TWO – SOCIO-ECONOMIC ANALYSIS

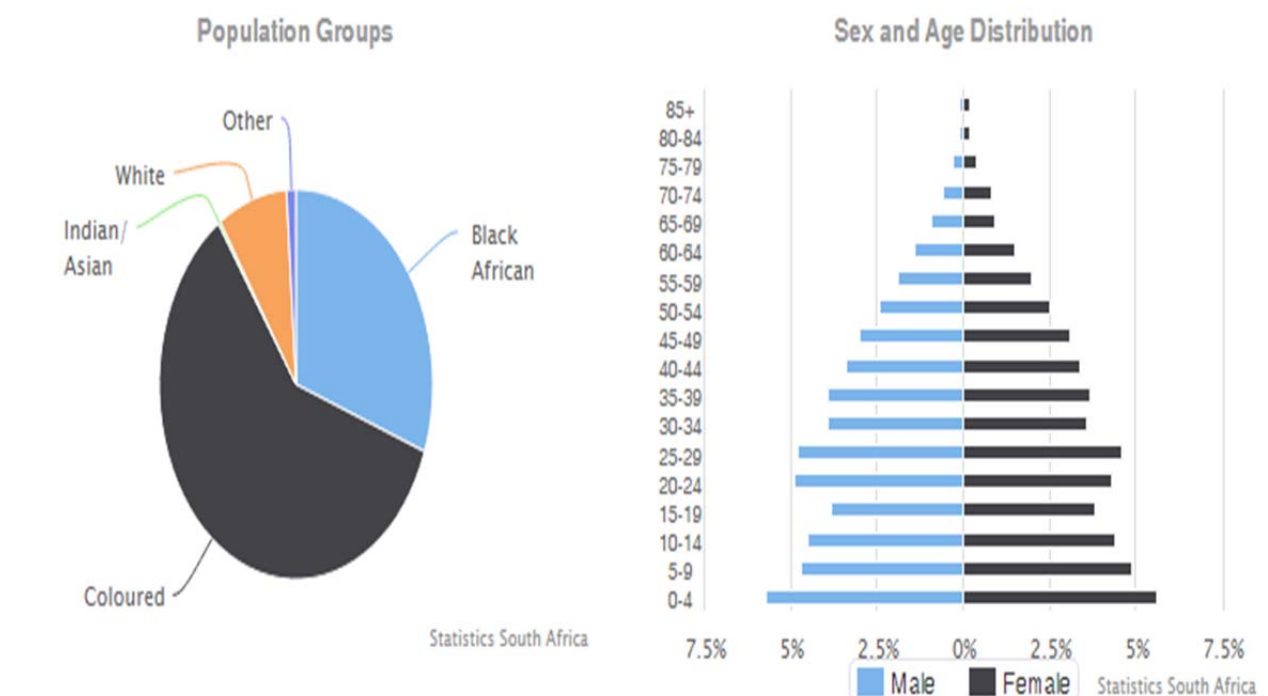
2.1 Context

Socio-economic impact assessment focuses on evaluating the impacts development has on community social and economic well-being. This analysis relies on both quantitative and qualitative measures of impacts. Development impacts are generally evaluated in terms of changes in community demographics, housing, employment and income, market effects, public services, and aesthetic qualities of the community. Qualitative assessment of community perceptions about development is an equally important measure of development impacts. Assessing proposed developments in a socio-economic context will help community leaders and residents identify potential social equity issues, evaluate the adequacy of social services and determine whether the project may adversely affect overall social well-being.

2.1.1 Population

According to Census 2011, Koukamma Municipality has a total population estimated at 40 663, of which 59,8% are coloured, 30,6% are black African, 8,2% are white, and 0,3% are Indian/Asian. Afrikaans is the most spoken language in the Municipality, at 73,5%, followed by Xhosa at 19,9%. Only 2,5% of the population speaks English as their first language. Of those aged 20 years and older, 10,3% have completed primary school, 40,2% have some secondary education, 17,6% have completed matric, and 3,9% have some form of higher education.

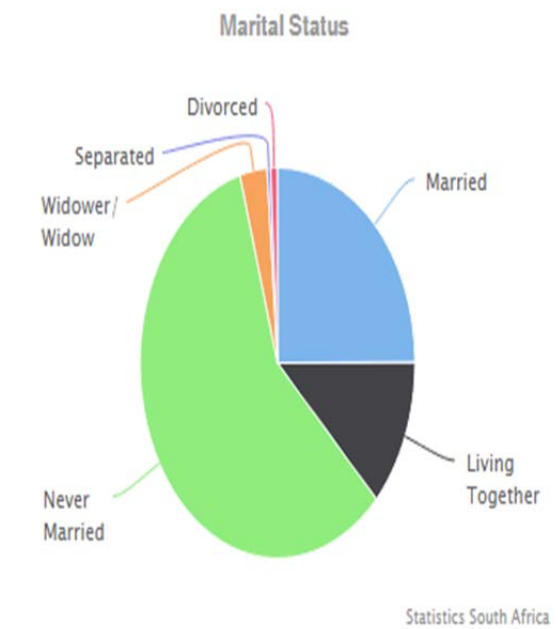
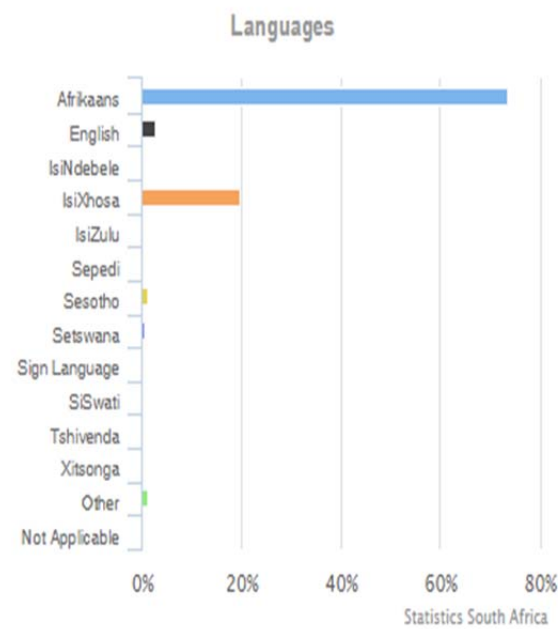
2.1.2 Population Distribution



Group	Percentage
Black African	30,6%
Coloured	59,8%
Indian/Asian	0,3%
White	8,2%
Other	1,1%

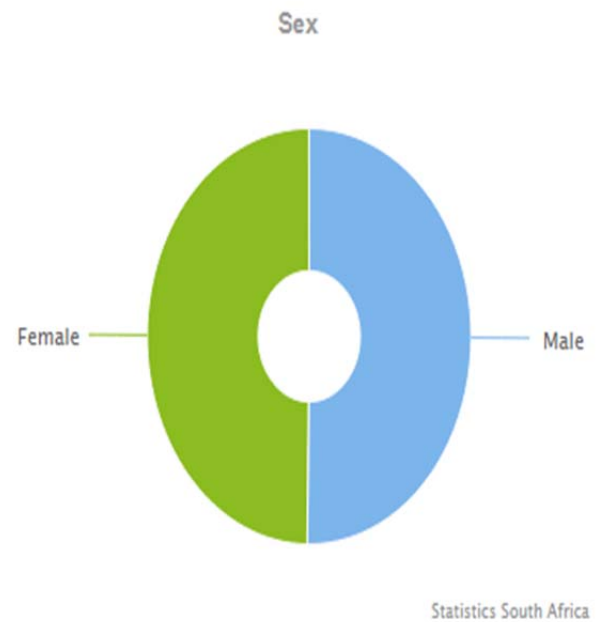
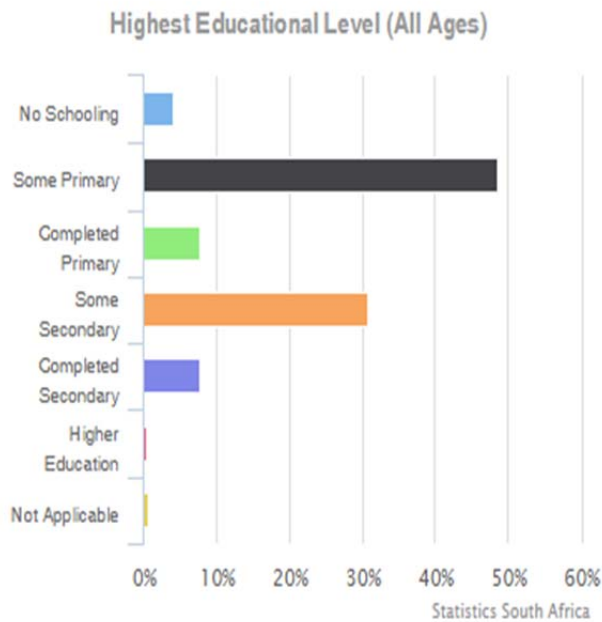
Age	Males	Females
0-4	5,7%	5,6%
5-9	4,7%	4,9%
10-14	4,5%	4,4%
15-19	3,8%	3,8%
20-24	4,9%	4,3%
25-29	4,8%	4,6%
30-34	3,9%	3,6%
35-39	3,9%	3,7%
40-44	3,4%	3,4%
45-49	3%	3%
50-54	2,4%	2,5%
55-59	1,9%	2%
60-64	1,4%	1,5%
65-69	0,9%	0,9%
70-74	0,6%	0,8%
75-79	0,3%	0,4%
80-84	0,1%	0,2%
85+	0,1%	0,2%

2.1.3 Language and Marital Status



Language	Percentage
Afrikaans	73,5%
English	2,6%
IsiNdebele	0,2%
IsiXhosa	19,9%
IsiZulu	0,2%
Sepedi	0,1%
Sesotho	1,1%
Setswana	0,5%
Sign Language	0,1%
SiSwati	0%
Tshivenda	0,1%
Xitsonga	0%
Other	1.1%
Not Applicable	0,4%

2.1.4 Education Levels and Sex



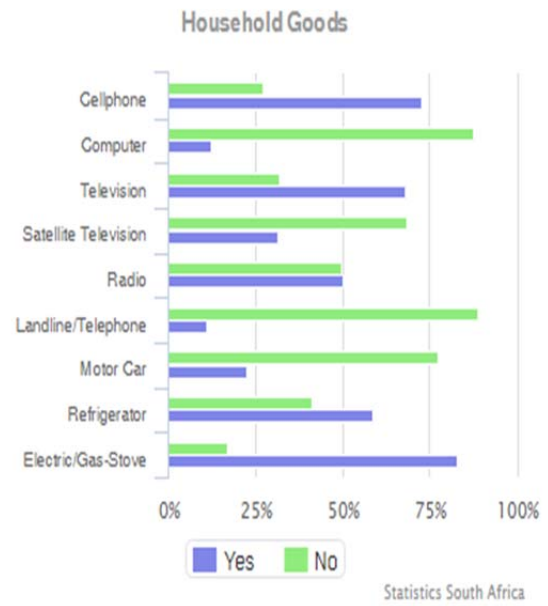
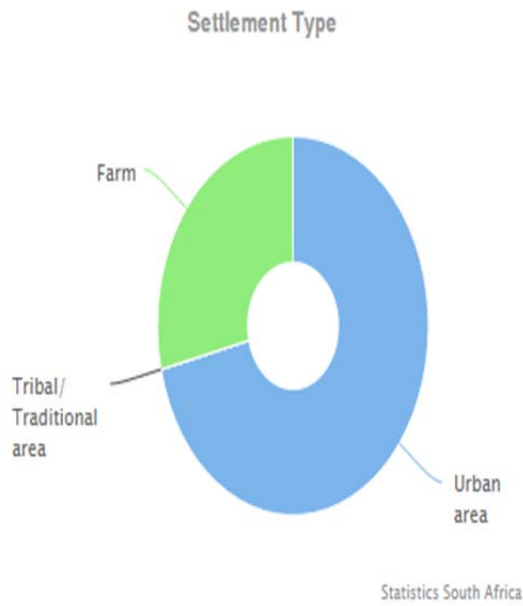
Group	Percentage
No Schooling	4,1%
Some Primary	48,5%
Completed Primary	7,8%
Some Secondary	30,8%
Completed Secondary	7,7%
Higher Education	0,5%
Not Applicable	0,6%

Sex	Percentage
Female	49,8%
Male	50,2%

2.1.5 Living Conditions

There are 11 032 households in the municipality with an average household size of 3,6 persons per household. 68,3 % of households have access to piped water inside dwelling/institution, 21,4% access piped water in their yard and only 4,6% of households do not have access piped water. 87,1% of households have access to electricity for lighting.

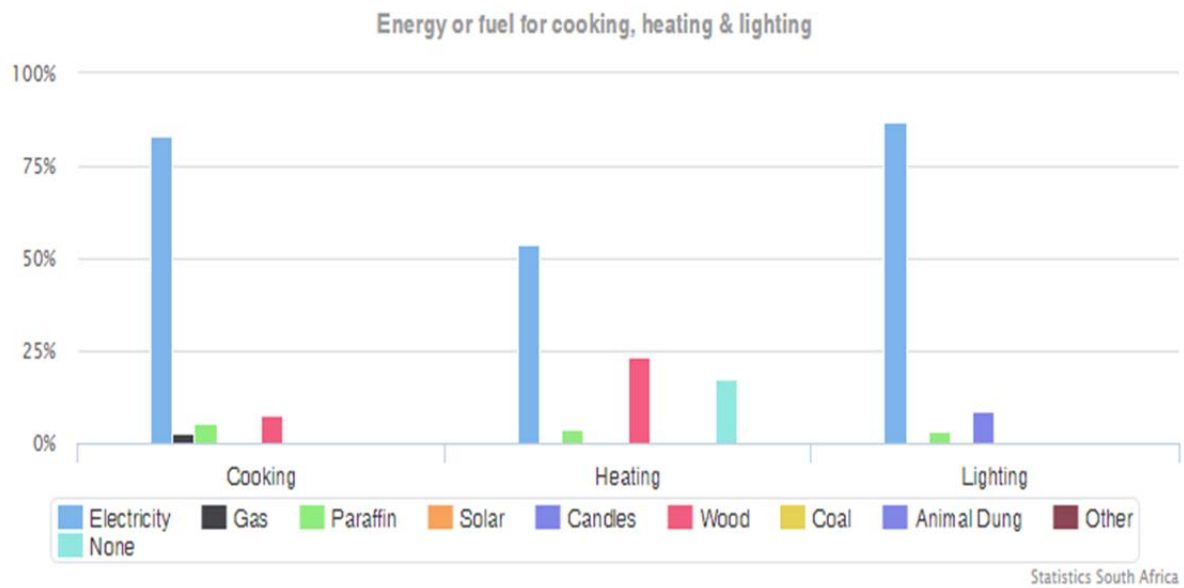
2.1.6 Settlements and Households Goods



Area	Percentage
Urban	71,3%
Tribal/Traditional	0%
Farm	28,7%

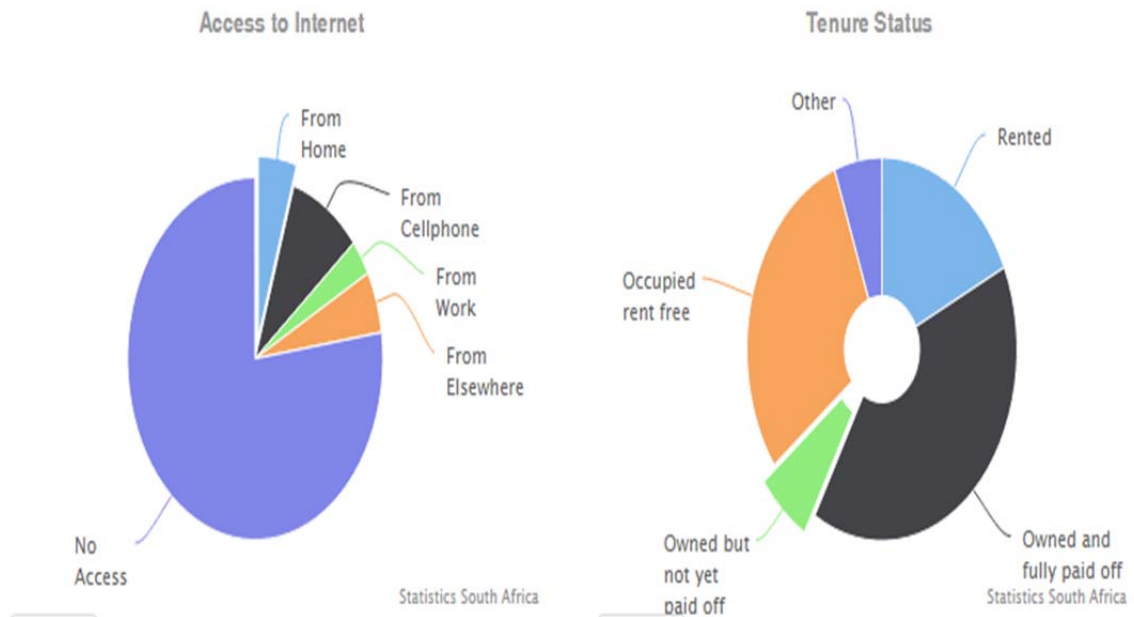
Item	Yes	No
Cellphone	72,6%	27,4%
Computer	12,2%	87,8%
Television	68,1%	31,9%
Satellite Television	31,6%	68,4%
Radio	50,3%	49,7%
Landline / Telephone	11,2%	88,8%
Motor Car	22,4%	77,6%
Refrigerator	58,8%	41,2%
Electric / Gas-Stove	83%	17%

2.1.7 Energy or Fuel Usage



Energy Source	Cooking	Heating	Lighting
Electricity	83,1%	53,7%	87,1%
Gas	2,8%	0,8%	0,1%
Paraffin	5,5%	4%	3,5%
Solar	0,2%	0,2%	0,3%
Candles	0%	0%	8,6%
Wood	7,8%	23,3%	0%
Coal	0,1%	0,4%	0%
Animal Dung	0,1%	0,1%	0%
Other	0%	0%	0%
None	0,4%	17,5%	0,4%

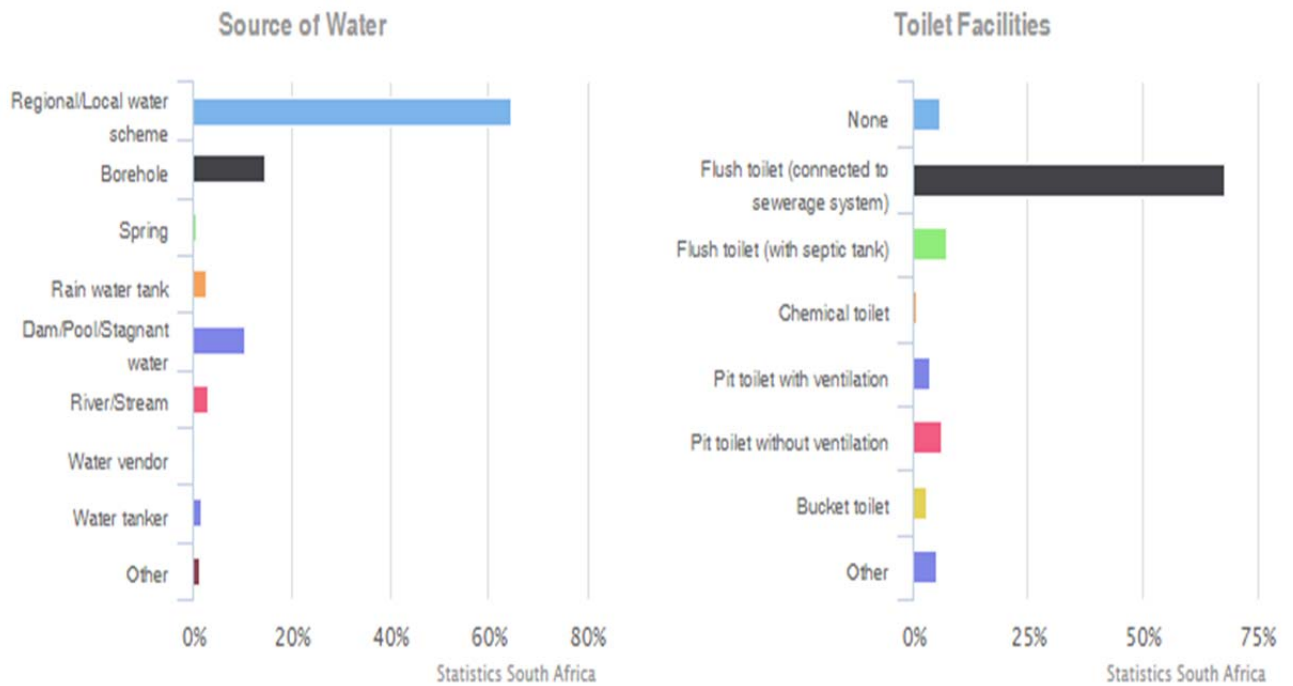
2.1.8 Internet Access and Tenure Status



Access	Percentage
From Home	4,9%
From Cellphone	9,1%
From Work	3,2%
From Elsewhere	5,5%
No Access	77,3%

Tenure Status	Percentage
Rented	18%
Owned and fully paid off	40,3%
Owned but not yet paid off	6,4%
Occupied rent free	29,6%
Other	5,7%

2.1.9 Water Sources and Toilet Facilities

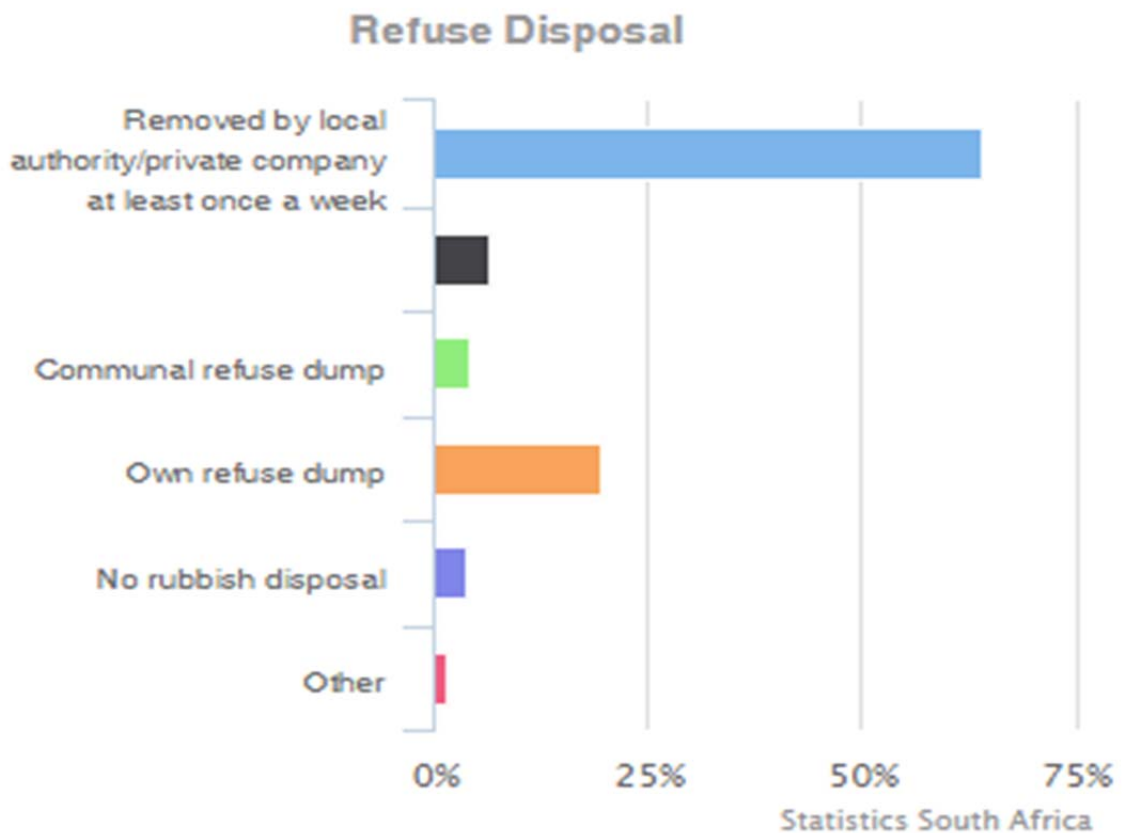


Source of water	Percentage
Regional/Local water scheme (operated by municipality or other water services provider)	64,7%
Borehole	14,6%
Spring	0,8%
Rain water tank	2,6%
Dam/Pool/Stagnant water	10,7%
River/Stream	3%
Water vendor	0,5%
Water tanker	1,8%
Other	1,3%

Toilet Facility	Percentage
None	5,8%
Flush toilet (connected to sewerage system)	68%
Flush toilet (with septic tank)	7,4%
Chemical toilet	0,9%
Pit toilet with ventilation	3,8%
Pit toilet without ventilation	6,1%
Bucket toilet	3,1%
Other	5%

Chart [Data](#)

2.1.10 Refuse Disposal

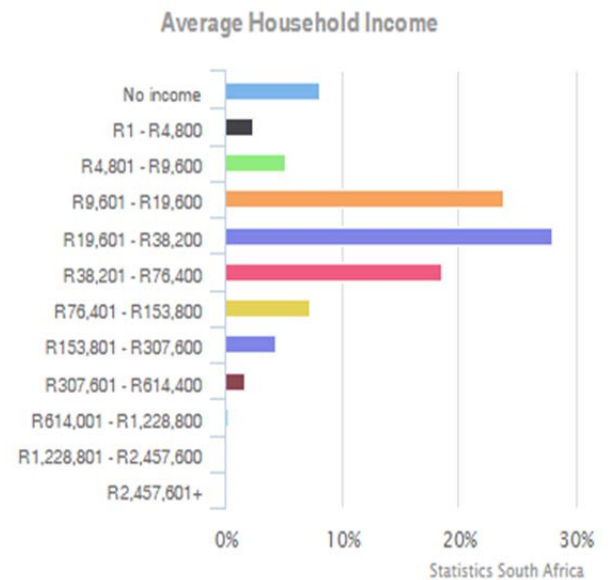
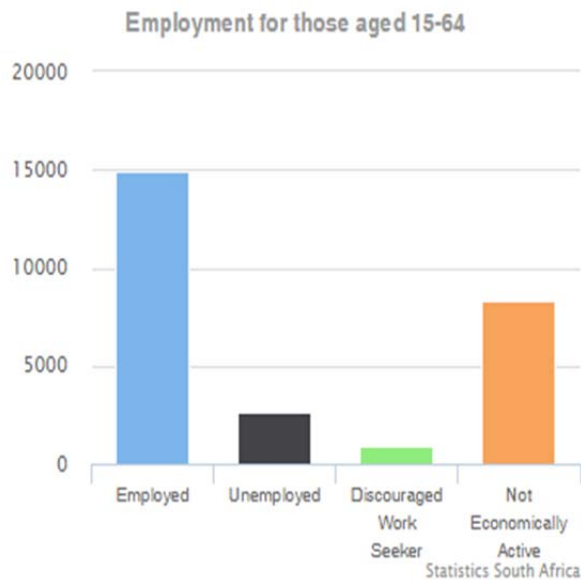


Refuse Disposal	Percentage
Removed by local authority/private company at least once a week	64,2%
Removed by local authority/private company less often	6,5%
Communal refuse dump	4,3%
Own refuse dump	19,6%
No rubbish disposal	3,7%
Other	1,7%

2.1.11 Economy

In Koukamma, close to 14 931 people are economically active (employed or unemployed but looking for work), and of these, 15,0% are unemployed. The economically active youth (15–35 years) in the area total 7 519.

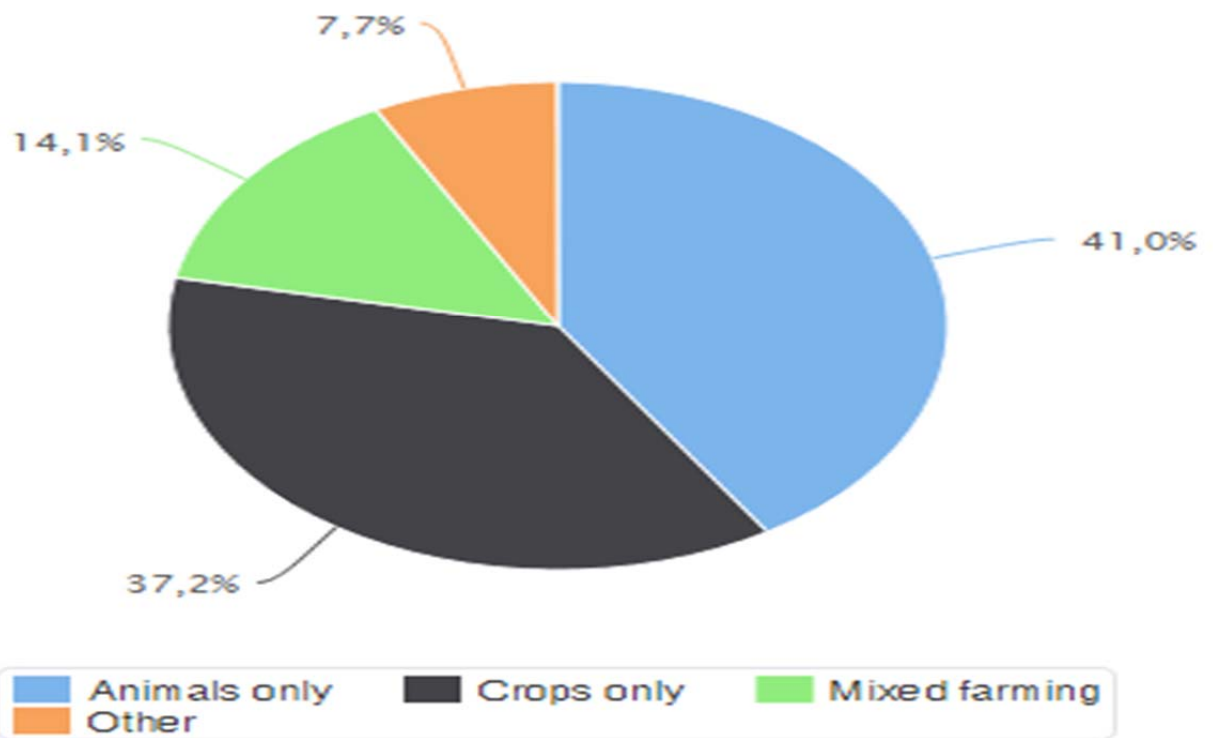
2.12 Employment and Income



Employment Status	Number
Employed	14931
Unemployed	2645
Discouraged Work Seeker	878
Not Economically Active	8277

Income	Percentage
None income	8,1%
R1 - R4,800	2,4%
R4,801 - R9,600	5,1%
R9,601 - R19,600	23,9%
R19,601 - R38,200	28%
R38,201 - R76,400	18,6%
R76,401 - R153,800	7,2%
R153,801 - R307,600	4,3%
R307,601 - R614,400	1,7%
R614,001 - R1,228,800	0,3%
R1,228,801 - R2,457,600	0,2%
R2,457,601+	0,1%

Agricultural households by type of activity

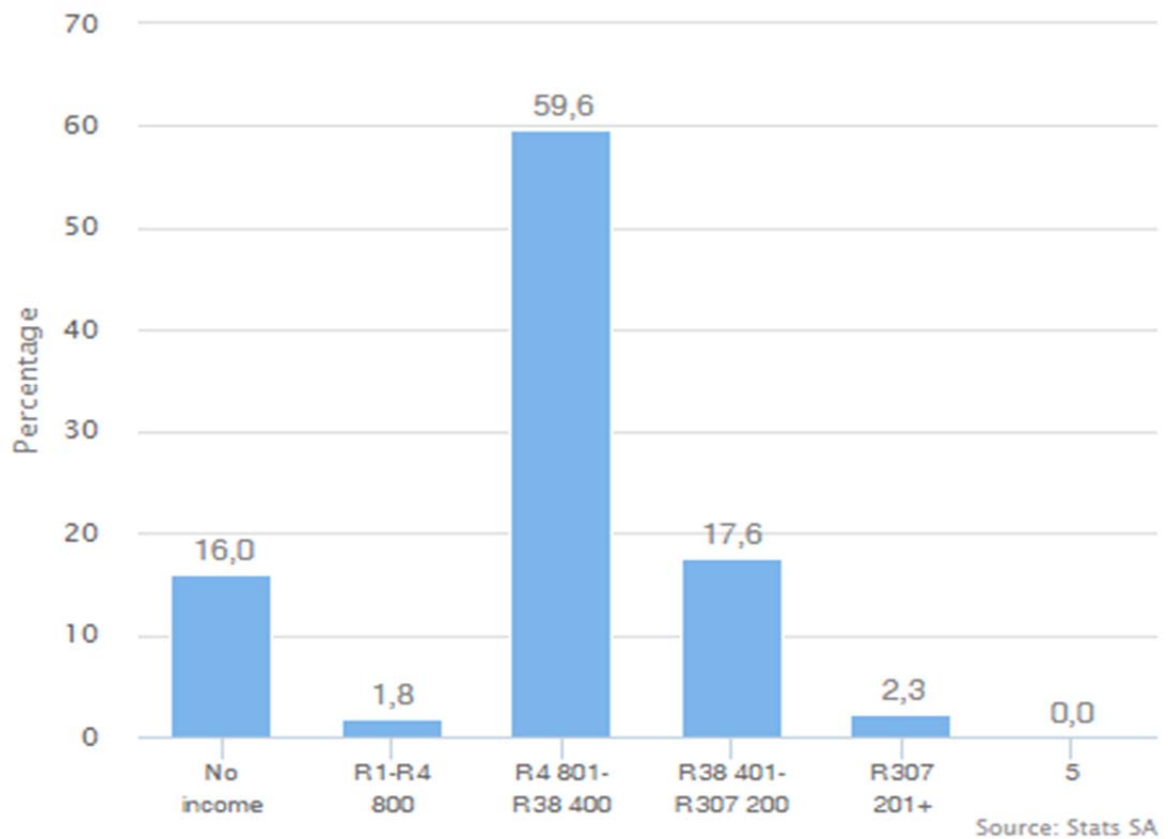


Source: Stats SA

Agricultural households	
Type of activity	Number
Crops only	737
Animals only	814
Mixed farming	280
Other	152

**An agricultural household may not fall under more than one agricultural activity

Income category of agricultural households



CHAPTER THREE – TENETS OF THE INTEGRATED DEVELOPMENT PLAN

3.1 Pre-Determined Objectives and Priorities of the Integrated Development Plan

Over the next fifteen years, the strategic objectives and priorities will be anchored and aligned to:-

- Sustainable Development Goals,
- National Development Plan,
- Spatial Land Use and Management Act,
- Provincial Growth and Development Plan,
- IDP Framework of Sarah Baartman District Municipality and
- Local Government Strategic Agenda in line with Back to Basic Philosophy

However, the strategic objectives and priorities will be packaged and aligned to each and every five year term of Council of Koukamma Municipality within a 15 year vision. The primary strategic objectives with its priorities are underscored as follows:-

3.1.1 Municipal Transformation and Institutional Development

(a) Five (05) Year Generation of Human Resource Development and Management Strategy

- ✓ Review of Human Resource Recruitment and Selection Policy
- ✓ Attraction of Scarce or Critical Skills (HR Prioritisation of Scarce Jobs)
- ✓ Retention of Talent and Expertise (Reward Good Performance, Conduct Exit Interviews)

(b) Five (05) Year Generation of Employment Equity Plan with Numerical Goals

- ✓ Transformative and Representative Workforce in line with the Regional Demographics
- ✓ Gender Main-Streaming of the Workforce
- ✓ Compliance with the Legal Requirements on Employment of People Living With Disabilities

(c) Five (05) Year Development of Human Resource Implementation Plan

- ✓ Critical and Scarce Skills aligned to the IDP Strategic Objectives and Priorities and HRDMS
- ✓ Implementation of Organisational Establishment in line with HR Plan

(d) Five (05) Year Employee Wellness Plan

- ✓ Creation of Enabling and Sustainable Conducive Working Environment
- ✓ Conducting Educational and Empowering Programmes (Healthy Life Styles, Financial Management)

(e) Five (05) Year ICT Governance Framework and ICT Governance Policy

- ✓ 5 Year Development of the ICT Road Map (Consolidation and new key areas of focus)

(f) Strengthening and Improving Performance of Oversight Functions

- ✓ Strengthen and Improve Performance of Council Oversight Functions
- ✓ Strengthen and Improve Performance of Oversight Functions by Section 79 Committees
- ✓ Strengthen and Improve Performance of Oversight Functions by Municipal Public Accounts Committee

3.1.2 Provision of Basic Services

(a) Water Services

- ✓ Existing Water Sources and Future Bulk Supply Demands (Dams, Boreholes , Irrigation Schemes)
- ✓ Sustainable Bulk Water Supply Infrastructure Maintenance, Upgrade and Development
- ✓ Upgrade of Existing and Building of New Water Storage Facilities and Catchment Channels
- ✓ Installation of Water Harvesting Tanks
- ✓ Improvement of Blue Drop Performance (Development of WSDP with Operational and Monitoring of Implementation Plans)
- ✓ Installation of Smart Water Meter System (Improve Water Sources Management System)

(b) Sanitation Services

- ✓ Sustainable Bulk Waste-Water Infrastructure Maintenance and Upgrade
- ✓ Overhauling of Existing Waste-Water Infrastructure and New Infrastructure Installation (Digesters to Full-Water Borne System and Install New Alternative Waste-Water Systems)
- ✓ Improvement of Green Drop Performance (Operational and Monitoring of Implementation Plans)

(c) Electrification Services

(i) Installation of Bulk-Electrical Infrastructure Network

- ✓ Installation of Bulk Electrical Infrastructure Network in Kareedouw
- ✓ Application for funds for the Bulk Electrical Infrastructure Network

(ii) Electrification of Low Cost Houses

- ✓ A number of low-cost houses Hermanskraal and Komansbos

(iii) Installation of Street Lights and High-Mast

(iv) Installation of Geysers to Low Cost Houses

- ✓ Application for Funds to the Department of Energy
- ✓ Installation of Geysers to the Low-Cost Houses in Koukamma

(d) Road Infrastructure Network and Storm-Water Drainage Services

(i) Municipal Internal Streets (Paving , Surfacing and Graveling)

- ✓ Upgrade of gravel and surfaced roads in Kareedouw
- ✓ Upgrade of gravel and surfaced roads in Clarkson
- ✓ Upgrade of gravel and surfaced roads in Mandela Park
- ✓ Upgrade of gravel and surfaced roads in Cold-Stream
- ✓ Upgrade of gravel and surfaced roads in Joubertina and Ravinia

(ii) Provincial Roads

- ✓ Upgrade of Langkloof Route (R62)
- ✓ Upgrade of Clarkson-Humansdorp Route (R102)
- ✓ Upgrade of Bloukrans Route (R102)

(e) Human Settlement Services

(i) Destitute Houses

- ✓ Building of Low-Cost Houses in Koomansbos
- ✓ Building of Low-Cost Houses in Gri-Qua Rust
- ✓ Building of Low-Cost Houses in
- ✓ Building of Low-Cost Houses in

(ii) Rectification Houses

(iii) New Housing Projects (Green-Fields, Social Houses.)

(f) Five (05) Year Plan on Environmental Health Services

- ✓ Review and Development of Integrated Waste Management System
- ✓ Licensing of Landfill Sites (Rehabilitation, Management and Maintenance of Land-Fill Sites and Establishment of Transfer Stations)
- ✓ Curbing of Illegal Dumping Sites and Driving Clean Settlement Campaign

(g) Five (05) Year Plan on Integrated Coastal Management Plan

- ✓ Review and Develop a 5 Year ICMP
- ✓ Drive Working for Coast Campaign (Side-Walk Cleaning, Removal of Alien Vegetation)

(h) Five (05) Year Plan on Integrated Recreational Facility Services

(i) Upgrade and Construction of Cemeteries

- ✓ Establishment and Management of New Cemeteries
- ✓ Upgrading of Existing Cemeteries

(ii) Sport-Fields Development Services

- ✓ Upgrading of Sport-Field in Clarkson
- ✓ Upgrade of Sport-Field in Krakeel
- ✓ Upgrade of Sport-Field in Misgund

(iii) Multi-Purpose Community Centre and Community Halls

- ✓ Upgrading of Community Halls
- ✓ Construction of a New MPCC

(iv) Library Services

- ✓ Upgrading of Library in Clarkson
- ✓ Construction of Library in Kareedouw

3.1.3 Promotion of Local Economic Development

(a) Review and Development of LED Strategy

(b) Major Economic Projects

- ✓ Agri-Park Development
- ✓ Pure Medicine Development
- ✓ Honey Bush Tea Development
- ✓ Waste Energy (Biomass)
- ✓ Tourism Precinct (Huisklip, Formosa and Khoisan Village)
- ✓ Wind Farm Energy (Furniture Factory, Vegetation, Essential Oils)

(c) EPWP Job-Creation Initiatives

- ✓ Sustainable EPWP Full-Time Employment (FTEs)
- ✓ Creation of EPWP Job Opportunities (JOs)

3.1.4 Financial Viability, Management and Sustainability

- ✓ Maintain AG Unqualified Opinion with Improvements
- ✓ Strategy Response on Going-Concern (Balance Sheet or Healthy Financial Profile)
- ✓ Improve Revenue Enhancement Strategy
- ✓ Responsive and Offensive Debt Collection Strategy
- ✓ Responsive and Offensive Credit Control Policy
- ✓ Develop a Comprehensive and Sustainable Investment Strategy
- ✓ Strengthen SCM Compliance and Contract Management
- ✓ Improve Legislative Compliance and Reporting Systems
- ✓ MSCDA Compliance

3.1.5 Good Governance and Public Participation

- ✓ MPAC Oversight Functions
- ✓ Audit Committee Functioning and Performance in terms of Section 166 of the MFMA
- ✓ Internal Audit Function
- ✓ Risk Management (Risk-Based Management Strategy, Risk-Based Profile and Register)
- ✓ Performance Management System (Contracts, Plans, Assessments and Reviews)
- ✓ Public Participation System (Ward Committee System, Mayoral Imbizos, IDP-Budget)

CHAPTER FOUR – SECTOR PLANNING PHILOSOPHY

4.2 Context of Sector Planning

- 4.2.1 Spatial Development Framework
- 4.2.2 Water Service Development Sector Plan
- 4.2.3 Water Conservation and Demand Management Sector Plan
- 4.2.4 Integrated Human Settlement Sector Plan
- 4.2.5 Integrated Local Transport Sector Plan
- 4.2.6 Integrated Energy Sector Plan
- 4.2.7 Integrated Disaster Management Sector Plan
- 4.2.8 Integrated Waste Management Sector Plan
- 4.2.9 Integrated Coastal Management Plan
- 4.2.10 Local Economic Development Strategy

N.B The sector plans will be incorporated into the final Integrated Development Plan in accordance with the indicated or applicable sector plans.

CHAPTER FIVE – FUNDING PLANNING AND ALLOCATION

5.1 Context

The Draft Annual Budget for the financial year 2016/2017 and the outer two financial years 2017/2018 and 2018/2019 has been developed based on the Integrated Development Plan of Koukamma Municipality which outlines a fifteen year vision in line with the Sustainable Developmental Goals, National Development Plan, Provincial Growth and Development Plan, the Integrated Development Framework of Sarah Baartman District Municipality and applicable Sector Plans. In tabling the Draft Annual Budget with the outer two financial years, consideration has been given to the Division of Revenue Act, the Municipal Finance Management Act including the Medium Term Revenue Expenditure Framework which constitutes the cornerstones of the legislative context in presenting a credible and progressive Draft Annual Budget.

5.2 Council Resolutions

On the 30th March 2016 the Council of Koukamma Local Municipality will meet in Kareedouw, to consider the approval of the Draft Annual budget of the municipality for the financial year 2016/17 MTREF. It is recommended that Council approves and adopts the following resolutions:

1. The Council of Koukamma Local Municipality, acting in terms of Section 24 of the Municipal Finance Management Act (Act 56 of 2003) approves:
 - 1.1. The Annual Budget of the municipality for the financial year 2016/17 and the multi-year and single-year capital appropriations as set out in the following tables:
 - 1.1.1. Budgeted Financial Performance(revenue and expenditure by standard classification);
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote)
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type); and
 - 1.1.4. Multi-year and single-year and single year capital appropriations by municipal vote and standard classification and associated funding by source.
 - 1.2. The financial position, cash flow budget, cash-backed reserve/ accumulated surplus, asset management and basic service delivery targets are approved as set out in the following table:
 - 1.2.1. Budgeted Financial Position;
 - 1.2.2. Budgeted Cash Flows
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation;
 - 1.2.4. Asset management; and
 - 1.2.5. Basic service delivery measurement.

2. The Council of Koukamma Local Municipality, acting in terms of Section 75A of the Local Government: Municipal Systems Act, (Act 32 of 2000) approved:
 - 2.1. The property rates tariffs- as set out in Annexure A,
 - 2.2. The tariffs for electricity- as set out in Annexure A
 - 2.3. The tariffs for Sanitation-as set out in Annexure A
 - 2.4. The tariffs for refuse- as set out in Annexure A and
 - 2.5. Any other municipal tariffs as set out in the Tariff book
3. The Council of Koukamma, acting in terms of Section 75A of Local Government: Municipal Systems Act (Act 32 of 2000) approves the tariffs for other services, as set out in Annexure C.
4. To give effect to the municipality's annual budget, the Council of the Council of Koukamma Local Municipality approves that:
 - 4.1. The cash backing is implemented through the utilisation of a portion of the revenue generated from property rates to ensure that all capital reserves and provisions, unspent conditional grants are cash backed as required in terms of Regulation 8 of the Municipal Budget and Reporting Regulations, 2009(MBRR).

5.3 Executive Summary

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities. Section 21 of the Municipal Finance Management Act deals with Municipal Budgets and describes the entire budgeting process. The Mayor is tasked with the co-ordinating the processes for preparing the budget, reviewing the Integrated Development Plan (IDP) and budget related policies. The Accounting Officer, as per Section 68 of the MFMA, is required to assist the Mayor in developing and implementing the budgetary process. Great emphasis was placed in ensuring that the budget is realistically funded. A complete analysis of the various financial scenarios and outcomes was done and the best viable solution sought. In addition to the budget, an amendment to the Municipal Systems Act (MSA) and Chapter 4 of the MFMA require that the Integrated Development Plan (IDP) be adopted at the same time of adopting the budget. The IDP informs the budget and their simultaneous adoption will ensure that the budget is properly aligned to the IDP and ensure that planned projects are credible and that the budgets are realistic and implementable. The budget was drafted in conjunction with the IDP.

The annual budget was prepared in accordance to the National Treasury's content and format as contained in Circular 78 & 79. The two concepts considered were:

- 1) That the budget must be funded according to Section 18 of the MFMA(as mentioned above), and
- 2) That the budget must be credible.

A credible budget is described as one that:

- Funds only activities consistent with the draft IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality.
- Is achievable in terms of agreed service delivery and performance targets.
- Contains revenue and expenditure projections that are consistent with current and past performance and supported by documented evidence of future assumptions.
- Does not jeopardize the financial viability of the municipality(ensures that the financial position is maintained within generally accepted prudential limits and that obligations can be met in the short, medium and long term); and
- Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds are transferred from low-to high- priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on noncore and 'nice to have items' as approved by the Cabinet. The Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. The Municipality has also adopted a conservative approach when projecting its expected revenue and cash receipts. The main challenges experienced during the compilation of the 2016/17 MTREF can be summarised as follows:

- The ongoing difficulties in the national and local economy
- Aging and poorly maintained roads and electricity and water infrastructure.
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality'
- The increased cost of bulk electricity (due to tariff increases from Eskom), which is placing upward pressure on service tariffs to residents,
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies;

- Availability of affordable capital/borrowing.
- Low collection rates and
- Cash flow challenges

The following budget principles and guidelines directly informed the compilation of the 2016/17 MTREF:

- The 2015/16 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget adopted as upper limits for new baselines for the 2016/17 and annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs.
- There will be no budget allocated to National and Provincial funded projects unless the necessary grants to the municipality are reflected in the National and Provincial budget and have been gazetted as required by the annual Division of Revenue Act (Dora) or MTBPS.

Table 1 Consolidated Overview of the 2015/16 MTREF

DESCRIPTION	2015/16	Budget year +1	Budget year +1	Budget year +2
	ADJUSTMENTS BUDGET	201617	201718	201819
Operational Income	-149 791 266.70	-135 120 185.24	-139 595 364.42	-148 244 780.76
Operational Expenditure	132 841 805.14	137 556 545.24	147 174 178.74	156 270 745.13
Capital Expenditure	39 333 300.94	18 659 300.00	14 824 776.60	15 699 438.42
(SURPLUS) / DEFICIT	22 383 839.38	21 095 660.00	22 403 590.92	23 725 402.78
Depreciation	22 343 782.00	21 095 660.00	22 403 590.92	23 725 402.78

Total operating revenue has decreased by 11.0 per cent or R14.67 million for the 2016/17 financial year compared to the 2015/16 Adjustments Budget. This is mainly due to the fact that the grant has decreased significantly from the compilation of the adjustments budget to the new financial year.. For the two outer years, operational revenue for rates and services will increase by 6 % and 6 % respectively. Total operating expenditure for the 2015/16 financial year has increased by R4 714 million or 3.4 per cent, when compared to the 2015/16 Adjustments Budget. For the two outer years, operational expenditure will increase by 6 % and 6 % respectively.

5.3.1 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations (MBRR) states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in Section 53 of the Act.

5.3.2 Overview of budget related- policies

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies. The following draft budget polices will be tabled for consideration with the draft budget:

- Supply chain management
- Credit Control and Debt Collection
- Indigent Support
- Rates
- Write off
- Tariff
- Virement

5.3.3 Overview of budget assumptions

5.3.3.1 External factors

Due to the slowdown of the economy, companied by the geographical are of the municipality; financial resources are limited as result of slow/no economic growth, this therefore reduces payment levels by consumers. The high levels of unemployment, resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the Municipality's finances.

5.3.3.2 General Inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2016/17 MTERF:

- National Government macro-economic targets;
- The general inflationary outlook and the impact on Municipality's residents and businesses.
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity; and
- The increase in the cost of remuneration.

5.3.3.3 Collection rate for revenue services

The current collection rate of the municipality is below 50%, this necessitates aggressive revenue enhancement strategies. Therefore base assumption is that tariff and rating increases will increase at the same rate as CPI. As part of the revenue enhancement strategies to be implemented, new proposed tariffs are to be introduced during the new financial year, as well as a step tariff for electricity. An action plan is also developed by the finance department to address the low collection rate.

5.3.3.4 Salary increases

In accordance with the guidance in the MFMA circular 78 as the Salary wage agreement that was signed, salaries were adjusted by 8.6%. This also takes into account salary notch increases of 1%.

5.3.3.5 Impact of national, provincial and local policies

In compilation of the draft budget for 2016/17, cognisance was taken of Provincial and National strategies.

5.3.3.6 Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 97 per cent is achieved on Operating expenditure and 70 per cent on the Capital Programme for the 2015/16 of which performance has been factored into the cash flow budget. This basis has thus been used as a benchmark for the 2016/17 annual budget.

5.4 Operating Revenue Framework

For Koukamma to continue improving the quality of services provided to its community it needs to generate the required revenue. The municipality is currently faced with a collection rate of <50%, in these tough economic times strong revenue management is fundamental. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues. The municipality's revenue is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/ calculating the revenue requirement of each service;
- The municipality's Property Rates Act, 2004 (Act No. 6 of 2004) (MPRA) and amendment of 2014.
- Increase ability to extend new services and recover costs.
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff Policies of the Municipality.

Table 2 Summary of revenue classified by main revenue source

VOTE	DESCRIPTION	201617	201718	201819
02	PROPERTY RATES	-16 686 302.70	-17 720 853.47	-18 766 383.82
06	SERVICE CHARGES	-23 768 299.25	-25 241 933.80	-26 731 207.90
08	RENTAL	-341 872.79	-363 068.90	-384 489.97
10	INT: INVESTMENTS	-32 011.42	-33 996.12	-36 001.90
12	INT: DEBTORS	-7 474 810.85	-7 938 249.12	-8 406 605.82
16	FINES	1 484 000.00	1 576 008.00	1 668 992.47
18	LICENSES AND PERMITS	-29 994.38	-31 854.03	-33 733.42
20	AGENCY SERVICES	-2 136 403.00	-2 268 859.99	-2 402 722.73
22	GRANTS AND SUBSIDIES	-20 188 074.00	-14 497 000.00	-15 413 000.00
24	GRANTS AND SUBSIDIES	-39 760 000.00	-42 981 000.00	-46 102 000.00
26	OTHER INCOME	-26 186 416.85	-30 094 556.99	-31 637 627.69
30	GAIN ON DISPOSAL OF ASSETS	-	-	-
		-135 120 185.24	-139 595 364.42	-148 244 780.76

As the municipality is largely grant dependant, most revenue is from the National government, comprising of 44.4 per cent. All income from these grants has been gazetted as part of the Division of revenue act. Secondly revenue generated from rates and services charges also forms a significant percentage of the revenue basket. In the 2016/17 financial year, revenue from rates and services charges is estimated to total R23 768 million and property rates at R16 686 million. As part of the budget process for the 2016/17 financial year, an application was put to the National Energy Regulator (NERSA) to change the current step-up tariffs. Approval of this is still outstanding. The other item contributing to revenue is "other income" which consists of various items such as income received from permits and licences, building plan fees, connection fees, rental of facilities and other sundry income. Departments have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective and market related.

Table 3 Operating and Capital Grants Receipts

Grants	2016/17	2017/18	2018/19
Capital			
Direct			
MIG	14 694 000.00	15 665 000.00	16 326 000.00
ACIP	4 700 000.00		
INEP		4 000 000.00	4 000 000.00
Indirect			
RBIG			
INEP			
	19 394 000.00	19 665 000.00	20 326 000.00
Operational			
Equitable share	39 760 000.00	42 981 000.00	46 102 000.00
FMG	1 825 000.00	1 900 000.00	2 155 000.00
DSRAC	932 000.00		
Environmental health	962 926.00		
EPWP	1 000 000.00		
	44 479 926.00	44 881 000.00	48 257 000.00

As indicated in the table above, is a breakdown of both capital and operational grants to be received in the 2016/17 MTRF. The funding from ACIP will be utilised towards Water and Sanitation projects.

5.5 Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process. National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the ratio for the non-residential categories, Public Service Infrastructure and agricultural properties relative to residential properties to be 0,25:1. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the Municipality has been amended accordingly. In terms of the Municipal Property Rates Act, property valuations need to be assessed every four years for inclusion in the General Valuation Roll. The municipality has an updated valuation roll; however a supplementary valuation will have to be completed before implementation of the new valuation roll.

Table 4 Comparison of proposed rates to be levied for the 2014/15 financial year

Tariffs are attached as a separate appendix to the report

5.6 Sale of Electricity and Impact of Tariff Increases

Considering the Eskom increases and the meeting dated April 2013, with the delegation from the NERSA the Municipality was advised that a stepped tariff structure needs to be implemented from 1 July 2013. However the municipality thought it well to maintain the current tariff structure during the 2014/15 financial year. During the 2015/16 budget process, this decision was revisited and consequently concluded that the step- tariff structure will need to be implemented, an application in this regard was made to NERSA. The decision was kept constant for the 2016/17 financial year. Registered indigents will again be granted 50 kWh per 30 day period free of charge. The following tables show the proposed changes to the current tariff structure:

Table 4: Tariff structure (Electricity)

2015/16		2016/17	
Prices per cent (Excl VAT)			
Block 1 (0 - 50Kwh)	R 0.80	Block 1 (0 - 50Kwh)	0.85
Block 2 (51 - 100Kwh)	R 1.00	Block 2 (51 - 350Kwh)	1.35
Block 3 (101 - 200Kwh)	R 1.50	Block 3 (351 - 600Kwh)	1.65
Block 4 (>200Kwh)	R 2.00	Block 4 (>600Kwh)	1.95

With the above increases the aim is to both increase revenue and encourage consumers to use electricity wisely as our country's national grid is under severe pressure. No basis charge will be levied for electricity.

5.7 Operating Expenditure Framework

The Municipality's expenditure framework for the 2015/16 budget and MTREF is informed by the following:

- Balanced budget constrain (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit.
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the assets renewal and backlogs eradication.
- Operational gains and efficiencies will be directed to funding the capital budget and other core services.

Table 5 Summary of operating expenditure by standard classification item

VOTE	DESCRIPTION	201617	201718	201819
42	EMPLOYEE RELATED COSTS	37 826 088.83	40 548 967.23	43 346 208.77
44	EMPLOYEE RELATED COSTS	6 343 903.73	6 800 664.80	7 269 910.67
46	REMUNERATION OF COUNCILORS	3 120 445.56	3 313 913.18	3 509 434.06
48	BAD DEBTS	23 475 726.75	26 703 307.15	28 278 802.27
52	DEPRECIATION	21 095 660.00	22 403 590.92	23 725 402.78
56	REPAIRS AND MAINTENANCE	1 420 435.95	1 508 502.98	1 597 504.65
58	INTEREST PAID	422 242.60	448 421.64	474 878.52
60	BULK PURCHASES	3 774 414.07	4 008 427.75	4 244 924.98
62	CONTRACTED SERVICES	1 755 970.19	1 864 840.34	1 974 865.92
64	GRANTS AND SUBSIDIES PAID	2 740 559.24	1 785 206.83	1 829 668.16
66	GRANTS AND SUBSIDIES PAID	15 459 854.02	16 418 364.97	17 387 048.51
68	GENERAL EXPENSES	20 121 244.29	21 369 970.95	22 632 095.83
		137 556 545.24	147 174 178.74	156 270 745.13

The budgeted allocation for employee related costs for the 2016/17 financial year totals R43 274 million, which equals 32.1 per cent of the total operating expenditure. Circular 70 guidelines have been implemented with regards to the percentage of employee costs to operational expenditure is between 30-40%, the municipality is thus within these limits. Furthermore as per Circular 78, a guideline increase of CPI + 1% was proposed. The cost associated with the Remuneration of Councillors is determined by the Minister of Cooperative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent Proclamation in this regard has not yet been finalised as negotiations are still underway.

The provision of debt impairment was determined based on an annual collection rate per services which is currently as follows:

- Property rates: 70%
- Sewerage: 13%
- Water: 22%
- Electricity: 10%

While the expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues. Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R 21 096 million for the 2016/17 financial year and equate to 15.3 percent of the total expenditure. Note that the implementation of GRAP 17 Accounting Standard has meant bringing a range of assets previously not included in the assets register onto the register. This has resulted in a significant increase in depreciation relative to previous years. Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses. Other materials comprise of amongst others the purchase of materials for maintenance. In line with the Municipality's repairs and maintenance the expenditure has been prioritised to ensure sustainability of the Municipality's infrastructure. The following are the main expenditure categories for 2016/17 financial year:

- Employee related costs
- Remuneration of Councillors
- Debt impairment
- Depreciation and Asset Impairment
- Bulk Purchases
- Transfers and grants

5.8 Free Basic Services: Basic Welfare Package

The welfare package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services that households are required to register in terms of the Municipality's Indigent Policy. An amount of R15 459 million has been allocated from the 2016/17 equitable share to provide relief to the indigent consumers. Taking cognizance of the plight of the poor and affordability of basic services, 6kl of free water and 50kwh of electricity per month, refuse, sanitation; grave site as well as rebates on rates is applicable.

5.8 Capital Expenditure

Capital expenditure for the next three years will be funded solely by Grants and other external fund sources. This is due to significant constraints of Council funds as highlighted in the sections above and the significant impact that the increase in the bulk electricity tariffs had on the cash flow of the municipality. The Capital Grants to be received are highlighted in the Executive Summary above.

Table 6 Capital Expenditure By Project

Project	Total Cost
Coldstream bulk water supply	1 245 787.47
Stormsriver Replacement of Low Pressure water mains	6 017 700.00
Rehabilitation of Louterwater Water Treatment Works	10 347 700.00
Laurelridge rehabilitation of WWTW	2 200 000.00

CHAPTER SIX – PERFORMANCE MANAGEMENT FRAMEWORK

6.1 Introduction

Performance Management is a process which measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the municipality. At local government level performance management is institutionalized through the legislative requirements on the performance management process for Local Government. Performance management provides the mechanism to measure the targets and strategic goals, set by the organisation and its employees. This Framework will assist Koukamma Municipality in adhering to the legislative requirements that drive Performance Management in Local Government and in achieving the institutional goals. Performance Management is a governance tool for Council, whereby the Mayor can measure the performance of the Municipal Manager and Managers directly accountable to the Municipal Manager. The Performance Management System will assist Koukamma Municipality in adhering to their mission, vision and organisational values.

6.2 Purpose

The purpose of the Plan is outlined below, mainly:-

- (i) To give effect to legislative obligations of the Municipality.
- (ii) To ensure the management of performance in an open and transparent manner.
- (iii) To provide a uniform way of conducting performance within the organisation.

6.3 Objectives

The main objective of this document is to outline the Performance Processes that will be followed by the Municipality whose main intention is to achieve

- (i) Improve Municipal Performance
- (ii) Identify poor performance and take remedial action where required
- (iii) To link performance to the overall objectives of the Municipality as per the IDP

6.4 Legislative Requirements

Section 152 of the Constitution of the RSA, 1996, which deals with the objects of local government, emphasises Performance Management as a requirement for an "accountable government". White Paper on Local Government (1998) The White Paper on Local Government (1998), introduced the practice of performance management for local government as a tool to facilitate their developmental role.

Municipal Systems Act, 2000 (Act 32 of 2000) The Municipal Systems Act, 2000 (Act 32 of 2000) also picks up on these concepts and principles of accountability and establishment of a Performance Management System (PMS); promote a culture of performance management among political structures, office bearers & councillors and its administration, and administer its affairs in an economical, effective, efficient and accountable manner.

In terms of Section 41, the core components of a PMS are to:-

- (i) Set Key Performance Indicators (KPIs),
- (ii) Set measurable performance targets (PTs),
- (iii) Monitor performance and measure and review annually,
- (iv) Take steps to improve performance, and (v) establish a process of regular reporting.

Section 42 requires that the community, in terms of the provisions of Chapter 4 of the Act, which deals with Public Participation, should be involved in the development, implementation and review of the PMS, and also that the community be involved with the setting of KPIs and PTs for the municipality; hence PMS should be aligned to the IDP (Integrated Development Plan)

The Municipal Planning and Performance Management Regulations (No 796, 24 August 2001) deals with the provisions for the following aspects of the PMS:

- (i) The framework that describes and represents the municipality's cycle and processes for the PMS and other criteria and stipulations [S7], and the adoption of the PMS [S8];
- (ii) The setting and review of Key Performance Indicators (KPIs) [S9 & 11];
- (iii) The General KPIs which municipalities have to report on [S10]
- (iv) The setting of performance targets, and the monitoring, measurement and review of performance [S 12, 13];
- (v) Internal Auditing of performance measurements [S14];
- (vi) Community participation in respect of performance management [S15]

Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006 (No R. 805, 1 August 2006) These regulations seek to set out how the performance of Municipal Managers and Managers directly accountable to Municipal Managers, their contract management and the development of performance Agreements as a tool to measure set KPI's. Municipal Finance Management Act, Act No. 56 of 2003 requires that a Service Delivery Budget Implementation plan (SDBIP) be implemented, based on set targets and Performance Indicators as per the Integrated Development Plan (IDP)

6.5 Integrated Development Plan

An Integrated Development Plan is an inclusive and strategic plan for the development of the Municipality which links, integrates and co-ordinates plans, aligns resources and forms the framework on which annual budgets must be based on. The IDP is therefore the instrument guiding all planning, management, investment, developmental and implementation decisions taking into account input from all stakeholders. The institution collates information from the IDP and transforms them into a reality through the development of a Service Delivery and Budget Implementation Plan, a performance based document that is directly aligned to the development priorities as set out in the Integrated Development Plan.

6.6 Service Delivery and Budget Implementation Plan

The SDBIP is a plan that converts the IDP and budget into measurable criteria on how, where and when the strategies, objectives and normal business processes of the municipality will be implemented. It also allocates responsibility to directorates to deliver the services in terms of the IDP and budget.

In accordance with MFMA Circular No.13 prescribes that the IDP and budget must be aligned

- (i) The budget must address the strategic priorities
- (ii) The SDBIP should indicate what the municipality is going to do during next 12 months
- (iii) The SDBIP should form the basis for measuring the performance against goals set during the budget /IDP processes.

The SDBIP needs to be prepared as described in the paragraphs below and submitted to the Executive Mayor within 14 days after the budget has been approved. The Executive Mayor needs to approve the SDBIP within 28 days after the budget has been approved. Each directorate will be responsible for the development of their departmental SDBIP in

conjunction with the budget and the IDP requirements for the financial year in question. The Municipal Manager and managers directly accountable to the municipal manager will consolidate the document to have one organisational SDBIP which will in turn form the basis for the measurement of Performance.

The SDBIP should contain the following information, which should be aligned;

- (i) Objective
- (ii) Strategy
- (iv) Key Performance Indicator
- (v) Annual Target
- (i) Budget
- (ii) Vote Number
- (iii) Quarterly Targets

6.7 Development of Key Performance Indicators and Targets

Local Government: Municipal Planning and Performance Management Regulations, 2001 prescribes the following;

- (i) A municipality must set key performance indicators, including input indicators, output indicators and outcome indicators, in respect of each of the development priorities and objectives referred to in section 26(c) of the Act.
- (ii) A key performance indicator must be measurable, relevant, objective and precise.

A municipality must, for each financial year, set performance targets for each of the key performance indicators set by it. A performance target set in terms of sub regulation (l) must –

- (i) be practical and realistic;
- (ii) measure the efficiency, effectiveness, quality and impact of the performance of the municipality, administrative component, structure, body or person for whom a target has been set;
- (iii) be commensurate with available resources;
- (iv) be commensurate with the municipality's capacity; and
- (v) be consistent with the municipality's development priorities and objectives
- (vi) Set out in its integrated development plan.

The Municipality will make use of the SMART principle when developing Key Performance Indicators.

<u>S</u> pecific	Each KPI must be clear and concise
<u>M</u> easurable	A KPI should specify the measurement required
<u>A</u> chievable	Can the KPI be reached?
<u>R</u> ealistic	Even if the KPI can be reached – is it possible given the resources?
<u>T</u> ime bound	What is the time limit placed on the KPI?

6.13 Performance Agreements

Performance Agreements must be developed and entered into by the Municipal Manager and managers directly accountable to the Municipal Manager by the 31st of July each financial year. The agreement will terminate on the termination of the employee's contract of employment for any reason.

The Purpose of the agreements as prescribed by The Performance Regulations, 2006 is to;

- (i) comply with the provisions of Section 57(1)(b),(4A),(4B) and (5) of the Act as well as the employment contract entered into between the parties;
- (ii) specify objectives and targets defined and agreed with the employee and to communicate to the employee the employer's expectations of the employee's performance and accountabilities in alignment with the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality;
- (iii) specify accountabilities as set out in a performance plan, which forms an annexure to the performance agreement;
- (iv) monitor and measure performance against set targeted outputs;
- (v) use the performance agreement as the basis for assessing whether the employee has met the performance expectations applicable to his or her job;
- (vi) in the event of outstanding performance, to appropriately reward the employee; and
- (vii) give effect to the employer's commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery.

The performance plan which forms part of the performance agreement as an annexure sets out;

- (i) the performance objectives and targets that must be met by the employee
- (ii) the time frames within which those performance objectives and targets must be met.
- (iii) the performance objectives and targets reflected in the performance plan are set by the employer in consultation with the employee and based on the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality, and shall include key objectives; key performance indicators; target dates and weightings.
- (iv) The key objectives describe the main tasks that need to be done. The key performance indicators provide the details of the evidence that must be provided to show that a key objective has been achieved. The target dates describe the timeframe in which the work must be achieved. The weightings show the relative importance of the key objectives to each other.
- (v) The employee's performance will, in addition, be measured in terms of contributions to the goals and strategies set out in the employer's Integrated Development Plan

Key Performance Areas (KPA's) for Municipal Managers	Weighting
Basic Service Delivery	
Municipal Institutional Development and Transformation	
Local Economic Development (LED)	
Municipal Financial Viability and Management	
Good Governance and Public Participation	
Total	100%

In addition to the indicators and targets, Core Competency Requirements need to be indicated per Directorate for review purposes.

CORE COMPETENCY REQUIREMENTS FOR EMPLOYEES (CCR)		
Core Managerial and Occupational Competencies	√ (Indicate choice)	Weight
Core Managerial Competencies:		
Strategic Capability and Leadership		
Programme and Project Management		
Financial Management	compulsory	
Change Management		
Knowledge Management		
Service Delivery Innovation		
Problem Solving and Analysis		
People Management and Empowerment	compulsory	
Client Orientation and Customer Focus	compulsory	
Communication		
Honesty and Integrity		
Core Occupational Competencies:		
Competence in Self-Management		
Interpretation of and implementation within the legislative and national policy frameworks		
Knowledge of developmental local government		
Knowledge of Performance Management and Reporting		
Knowledge of global and South African specific political, social and economic contexts		
Competence in policy conceptualisation, analysis and implementation		
Knowledge of more than one functional municipal field / discipline		
Skills in Mediation		
Skills in Governance		
Competence as required by other national line sector departments		
Exceptional and dynamic creativity to improve the functioning of the municipality		
Total percentage	-	100%

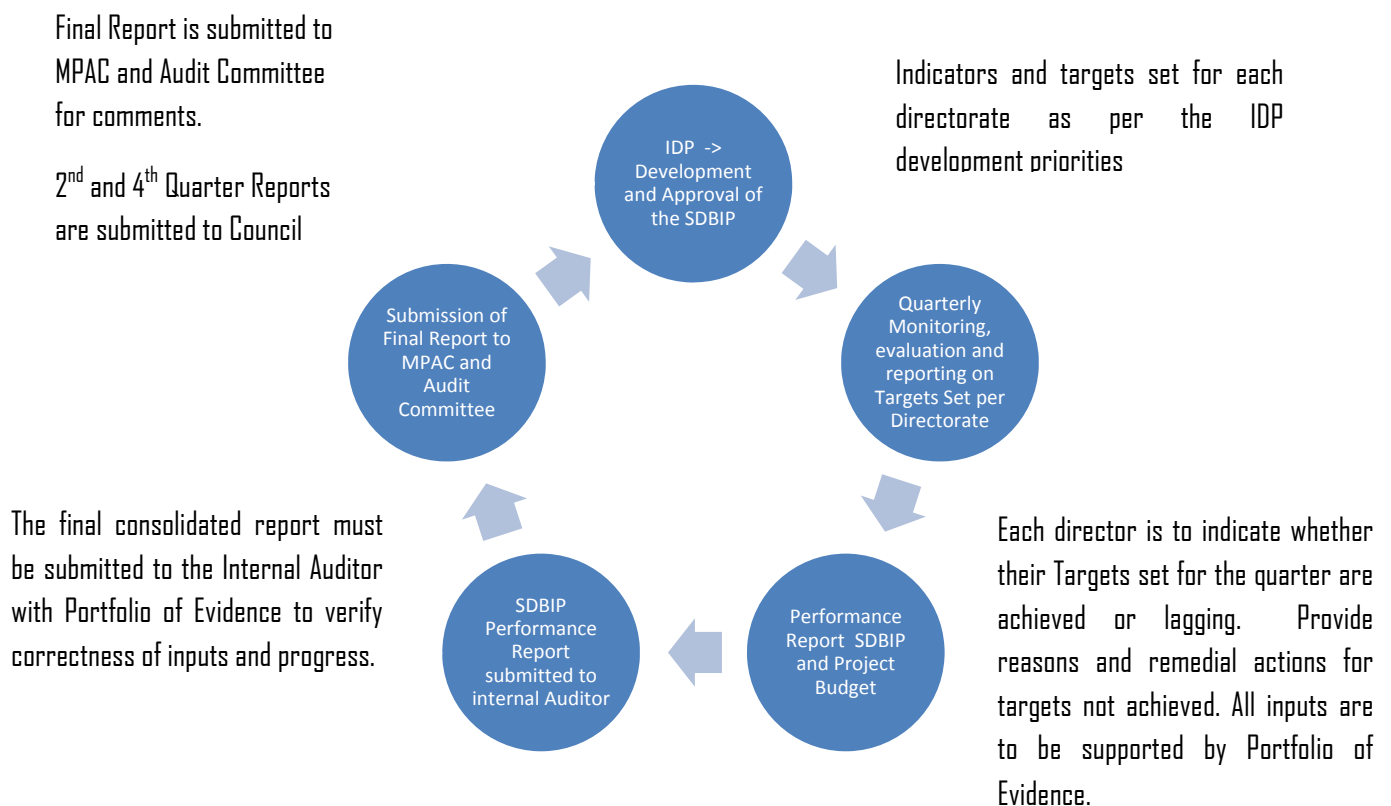
The combined KPA and CCR assessment scores, weighted 80% and 20% respectively, will make up the overall assessment of the individual manager's score. Where the KPA portion is the organisational performance score from the Organisational scorecard, and CCR is the result of an assessment on its own. The following table depicts the split as follows:

Component	Weighting	Source
Score for organisational performance	80%	Overall municipal performance based on the Organisational Scorecard score
CCR score of a manager	20%	CCR appraisal result

6.9 Organisational and Individual Performance Monitoring and Review

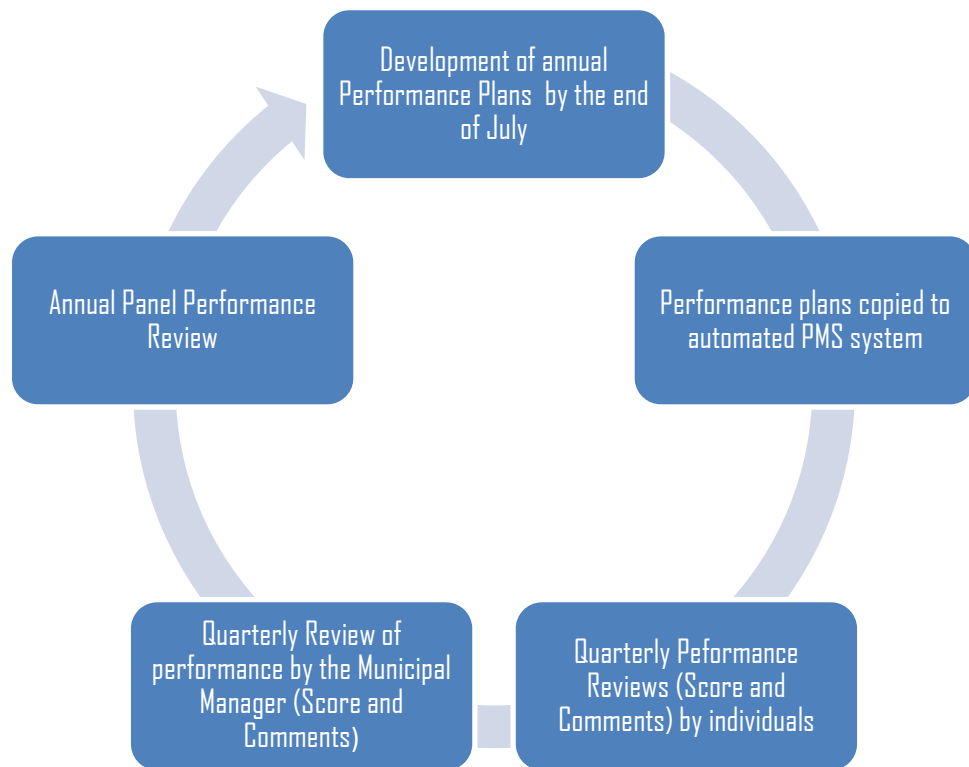
6.9.1 SDBIP Quarterly Reporting

In terms of legislation, the Municipality must report to Council on Performance of Indicators and Targets set at least twice a year. The process for reporting on SBDIP Projects is based on the following approach:-



6.9.2 Performance Review of the Municipal Manager and Managers directly accountable to the Municipal Manager

Performance Reviews will be conducted the Municipal Manager and Directors based on their performance plans on a quarterly basis. The aim is for the Municipal Manager to monitor whether the required performance of his/her directors is achieved, and under performance can be addressed when and where required. The Municipality will make use of the automated PMS System to conduct Performance Reviews.



6.9.3 Annual Performance Review Panel

In terms of the “Performance Regulations for Municipal Managers and Managers directly accountable to the Municipal Manager, 2006” annual performance of the Municipal Manager and Managers accountable to the Municipal Manager must be reviewed by a Panel. For purposes of evaluating the annual performance of the Municipal Manager, the Mayor must establish an evaluation panel, constituted of the following persons:

- (i) Mayor;
- (ii) Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;
- (iii) Another member of Council;
- (iv) Mayor and/or municipal manager from another municipality; and
- (v) Member of a ward committee as nominated by the Mayor.

For purposes of evaluating the annual performance of managers directly accountable to the municipal manager (HoD/Department), the Municipal Manager must establish an evaluation panel, herein referred to Municipal Manager’s Review Panel, constituted of the following persons:

- (i) Municipal Manager;
- (ii) Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;
- (iii) Another member of Council;
- (iv) Municipal Manager from another municipality.

The Evaluation Panel committee will then prepare a report with the recommendations to the Mayor for the payment of Bonuses to the Municipal Manager and SSG Managers.

6.10 Performance Scoring

The Performance Regulations for Municipal Managers and Managers directly accountable to the Municipal Manager, 2006” requires the Municipal Manager and Managers directly accountable to the Municipal Manager to score their performance based on the extent of achievement of each indicator against target set.

6.10.1 Key Performance Indicators and Key Performance Areas Assessment

(i) Each KPA will be assessed according to whether performance indicators have been met on all the KPIs in that specific KPA.

(ii) An indicative rating on a 5-point scale will be provided for each KPI and that will be added to determine the total summarized rating for the KPA

(iii)The applicable assessment rating calculator will be used to add to the scores and calculate the final KPA score based on a weighted average score.

6.10.2 Core Competency Requirements Assessment

(i) Each CCR will be assessed according to performance indicators have been met

(ii) An indicative rating on a 5-point scale will be provided for each CCR

(iii) The rating is multiplied by the weighting given to each CCR, to provide a score

(iv) The applicable assessment rating calculator will be used to add to the scores and calculate the final CCR score, based on a weighted average score.

The table below will be used as a guide when scoring performance:

Level	Terminology	Description	Rating				
			1	2	3	4	5
5	Outstanding performance	Performance far exceeds the standard expected of an employee at this level. The appraisal indicates that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance plan and maintained this in all areas of responsibility throughout the year.					
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.					

3	Fully effective	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the Employee has fully achieved effective results against all significant performance criteria and indicators as specified in the PA and Performance Plan.	
2	Not fully effective	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan.	
1	Unacceptable performance	Performance does not meet the standard expected for the job. The review/assessment indicates that they employee has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the PA and Performance Plan. The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.	

6.11 Performance Bonuses

As contemplated in Regulation 32. (1) of 2006 Regulations, the valuation of the employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance. A performance bonus, based on affordability may be paid to the employees, after:

- (i) the annual report for the financial year under review has been tabled and adopted by the municipal council
- (ii) an evaluation of performance in accordance with the provisions of the Regulation
- (iii) approval of such evaluation by the municipal council as a reward for a level of performance deserving of a performance bonus in terms of the bonus criteria

A performance bonus ranging from 5% to 14% of the all-inclusive remuneration package may be paid to the employee in recognition of outstanding performance. In determining the performance bonus the relevant percentage is based on the overall rating, calculated by using the applicable assessment-rating calculator; provided that –

- (i) a score of 130% to 149% is awarded a performance bonus ranging from 5% to 9%; and
- (ii) a score of 150% and above is awarded a performance bonus ranging from 10% to 14%.
- (iii) In the case of unacceptable performance, the employer shall –
provide systematic remedial or developmental support to assist the employee to improve his or her performance; and after appropriate performance counselling and having provided the necessary guidance and/or support and reasonable time for improvement in performance, and if the

performance does not improve, the employer may consider steps to terminate the contract of employment of the employee on grounds of unfitness or incapacity to carry out his or her duties.

6.12 Performance Reporting Tool

Date	Requirement	Legislation/Policy	Comments
July 31	Conclude S57 Performance Agreements Submit to MEC and place on KKM website within 10 days of conclusion	MSA Sec 57(2)(a) MM Regs 2006, 4(4)	
July	4 th Quarter Report on SDBIP Submitted to Audit Committee, MPAC and Council	MM Regs 2006, (28)	
August	Conclude Annual Performance Targets and conduct annual panel Reviews of S57 Employees	MM Regs 2006, (27)	
October	Conclude Quarter 1 Performance Reports on SDBIP and submit to Audit Committee, MPAC and Council	MM Regs 2006, (28)	
January	Conclude Quarter 2 Performance Reports on SDBIP and submit to Audit Committee, MPAC and Council	MM Regs 2006, (28)	
25 January	Prepare and Submit a Mid-Year Budget and Performance Report to Council and National Treasury	MFMA Sec 72	
31 March	Draft SDBIP Project List to be included in the Draft IDP and Budget	Koukamma Practice	Projected projects for the financial year are listed
31 March	Approval of Annual Report by Council	MFMA sec 121(1) MSA sec 46	
April	Payment of Performance Bonuses	PMS MM Regs 2006 (8)	

April	Report On 3 rd Quarter SDBIP Performance	PMS MM Regs 2006 (28)	
May 31	Approval of Final IDP and Budget	MFMA Sec 16(l)	
June	Approval of Draft SDBIP and Performance Agreements within 14 days after the approval of IDP and Budget	MFMA Sec 69(3)(a)(b)	
June	Adoption of the Final SDBIP within 28 days after the approval of the IDP and Budget	MFMA Sec 53 (c)	

CHAPTER SEVEN – PROJECT PROFILING

PROJECTED PROJECT LIST 2016 - 2017

Objective	Strategy	Responsible Department	Budget	Source of Funds	Settlement
The provision of improved and refurbished water supply systems in KKM	Replacement of the Joubertina Water Supply Pipe	Technical Services	R798 420.00	RRU	Joubertina
	Replacement of the pressure tank in Coldstream	Technical Services	R 2 700 000	ACIP	Coldstream
	Replacement of the low pressure water mains in Stormsriver	Technical Services	R6 017 000	MIG	Stormsriver
	Refurbishment of the Louterwater WTW	Technical Services	R10 348 120	MIG	Louterwater
	Upgrading of the Misgund Bulk water supply	Technical Services	R11 520 441 R2 500 000	RBIG	Misgund
	Refurbishment of the Bulk water infrastructure in Coldstream	Technical Services	R1 245 865	MIG	Coldstream
The provision of improved WWTW in KKM	Rehabilitation of the WWTW at Laurel Ridge	Technical Services	R3 500 000	ACIP	Laurel Ridge
	Refurbishment of the Louterwater WWTW	Technical Services	R3 500 000	ACIP	Louterwater
The upgrading of KKM internal Roads	Paving and upgrading of KKM internal Roads	Technical Services	R30 000 000	Sanral/ National Treasury	All Settlements
Provision of adequate Fire and Disaster management services in KKM	Purchasing of a Fire service vehicle	Community Services	R180 000	SBDM	All Settlements
	Establishment of a satellite fire station in Kareedouw	Community Services	R250 000	SBDM	Kareedouw
	Establishment of a satellite fire station in Joubertina	Community Services	R200 000	SBDM	Joubertina
Effective Rendering of Library Services	Ensure the completion of the Kareedouw Library	Community Services	R12 500 00	DSRAC	Kareedouw
	Ensure the conversion of the Ravinia Resource Centre into the establishment of a Library facility	Community Services	R 120 000	DSRAC	Ravinia
Implement Integrated Waste Management Plan	Appointment of Service Provider for the implementation of the IWM Plan	Community Services	SBDM	SBDM	All

	Build transfer station in Kareedouw	Community Services	Project not yet funded - awaiting outcome on submission of business plan	Environ. Affairs/ MISA	Kareedouw
	Rehabilitate and Operationalise Twee Riviere and Woodlands land fill sites	Community Services	Project not yet funded - awaiting outcome on submission of business plan	Environ. Affairs/ MISA	Twee Riviere Woodlands
	Rehabilitation of closed land fill sites in Louterwater, Kareedouw, Clarkson and Coldstream	Community Services	Project not yet funded - awaiting outcome on submission of business plan	Environ. Affairs/ MISA	Louterwater Kareedouw Clarkson Coldstream
Implementation of the business plan on honey bush tea	Commercialize Honey Bush Tea Project and ensure local beneficiation for the 2016/17 financial year.	Local Economic Development	R2 998 000	DEDEA	Tweeriviere/ Joubertina
Implementation of the business plan on essential oils project	Provide technical support to the essential oils project in Woodlands for 2016/17 financial year.	Local Economic Development	Not Yet Funded	n/a	Woodlands
Implementation of the Council resolution to Develop Farm 496	Facilitate mixed development on farm 496 in Tsitsikamma for the FY 2016/17	Local Economic Development	Not Yet Funded	n/a	Nompumelelo Village
Implementation of the Agro Processing Plan strategy	Facilitate the establishment of agro-processing plant in the Langkloof area in the 2016/17	Local Economic Development	Not Yet Funded	n/a	Langkloof area
Implementation of a food security programme in Guava Juice	Installation of an irrigation system for the food security programme in Gauva Juice	Local Economic Development	Not Yet Funded	n/a	Ekuphumleni
Implementation of a viable medicine plantation	The establishment of the pure herbal medicine plantation in Drie Krone	Local Economic Development	R20 000 000	ECDC/DTI	Kareedouw
Implement a Youth Brick and Paving initiative	Facilitate the establishment of the Koukamma Brick and	Local Economic Development	Not Yet Funded	n/a	Kareedouw

	Paving Project				
Implementation of the LED strategy to develop Huisclip into a tourism attraction	Facilitate the development of the Huisclip nature reserve as a tourism attraction site in the 2016/17 FY	Local Economic Development	Not Yet Funded	n/a	Tsitsikamma
Implementation of coastal management plan	Facilitate the development of small-scale commercial fisheries in the 2016/17 FY	Local Economic Development	Not Yet Funded	n/a	Tsitsikamma
Create a new vegetable project through the landcare program	Develop a vegetable plant for the Koomansbos Community	Local Economic Development	Not Yet Funded	n/a	Koomansbos
Implementation of alternative renewable energy strategy (Biochar)	Facilitate alternative renewable energy project in KKM (biochar)	Local Economic Development	Not Yet Funded	n/a	Kareedouw
Implementation of the LED Strategy to develop an Agri Tourism initiative	Develop an Agri-Tourism initiative in Misty Mountains/Cornucopia for the 2016/17 FY.	Local Economic Development	Not Yet Funded	n/a	Cornucopia
Implementation of a community driven Honey Bee Project in Thornham	Development of the Honey-Bee project in Thornham.	Local Economic Development	Not Yet Funded	n/a	Thornham
Development of a Cheese Factory	Establishment of a Cheese Factory within the amaMfengu community.	Local Economic Development	Not Yet Funded	n/a	Snyklip
Develop a Furniture Factory plant at Renselfier Manufacturing.	Revitalization of the Renselfier Furniture Manufacturing Plant.	Local Economic Development	Not Yet Funded	n/a	Kareedouw

CHAPTER EIGHT - CONCLUSION

This is the Draft Fifteen Year Integrated Development Plan of Koukamma Municipality which is being tabled for consideration and improvement towards the final document which will be entertained in the Council of May 2016 in accordance with the laws of the country.