

## Commercial deciduous fruit farming in SA

The outlook for market prices, both locally and internationally, remains positive reflecting a marginal increase even in real terms. This suggests some relief for producers in combating the proverbial price-cost squeeze. Investments tend to follow product prices as proxies for willingness to undertake risk and hence to establish and replace orchards.

Apple and pear producers operate in a particularly uncertain decision-making environment, facing continuous change such as dynamic technological innovations, exposure to international markets as well as changing national and international legislation and regulations. The sustainability of pome farming systems will therefore be influenced by economically rational decision-making and the ability to adapt to a changing decision-making environment. Not only technical efficiency (like irrigation scheduling, orchard practices, etc.), but also strategic planning and innovative management are important to accommodate trends and drivers of change such as:

- Irrigation dependence - in future the total share of available water to agriculture will probably decline. Furthermore, climate change will have an effect on rainfall and temperatures. Thus, the need for optimal irrigation efficiency cannot be overstated. Furthermore, choice of pome cultivars when replacing orchards and even choice of enterprises will become more important as rainfall patterns and intensity change and minimum and maximum temperatures in crucial periods of the production year change.
- The ratio between the cost of labour and capital (like mechanical equipment) will influence employment patterns. The use of specific capital equipment, like mechanical platforms can increase labour efficiency and productivity.
- The share of exports in production implies that the exchange rate is an important driver of the profitability of these crops.
- Fruit production systems have to adhere to specific national and international food safety and environmental legislation and regulations, as well as to standards set by various local and international retailers (e.g. GLOBAL G.A.P.).
- Education and training of farm workers is important, contributing to, amongst others, higher productivity, better communication and job satisfaction. Investment in quality training facilities and schools (on national and provincial level) will improve the quality of human capital.
- Plant density, tree shape, canopy management and orchard design can contribute to higher production and better-quality fruit. The efficiency of activities like thinning, pruning and harvesting will also be influenced by these considerations.
- Netting for shade and / or hail protection could be considered in specific producing areas.
- How the National Development Plan will unfold and materialise, and specifically the effect of the land reform policy and programmes, small farmer development and Agricultural Broad



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Based Black Economic Empowerment (AgriBBEE) will influence the structure, stability and prosperity of the commercial deciduous fruit farmers.

- Lack of clarity and various versions of possible land reform increase uncertainty and can amongst others affect the replacement strategies of orchards, employment patterns, food security and export potential of the country.

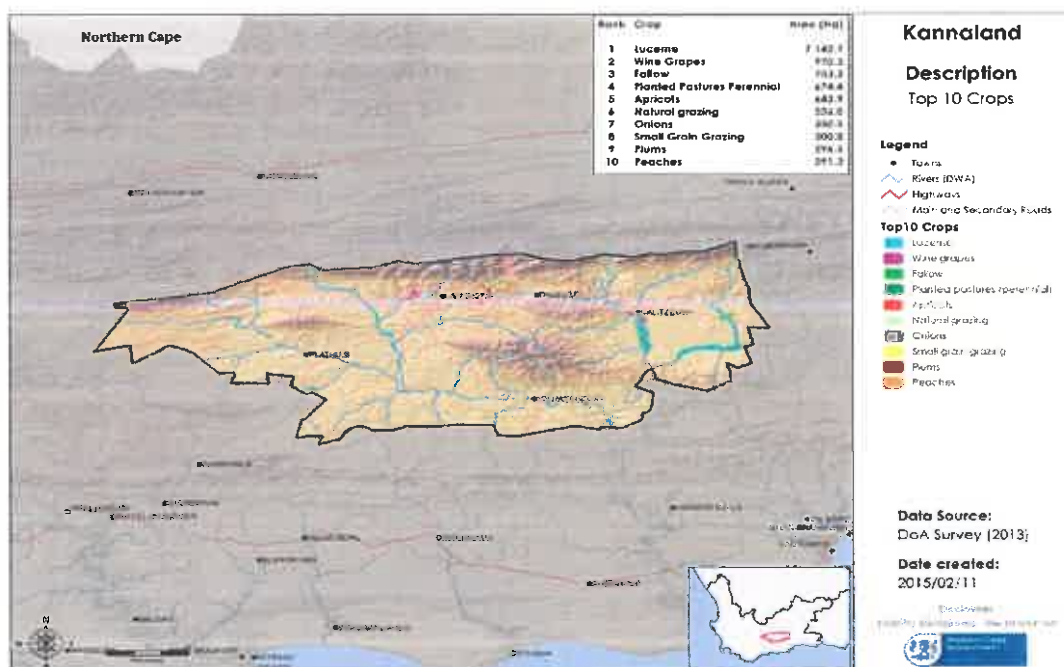


FIGURE 11: DOA SURVEY 2013

## 2.14 Spatial Alignment

A Municipal Spatial Development Framework (MSDF) is a long-term development strategy required in terms of the Municipal Systems Act 32 of 2000 and forms part of the Integrated Development Plan (IDP). The main aim of the MSDF is to clearly outline the spatial status quo of the Municipality, identify the opportunities and threats and then set out the local authority's goal, strategies and supporting policies in achieving medium - and long-term growth. It must give spatial expression on the Municipality's service delivery and development agenda. Furthermore, it clarifies and directs development and management activities in urban and rural areas in alignment with National and Provincial spatial planning legislation.

## Legislation Regulating Municipal Spatial Development Frameworks

A host of new planning legislation applicable to MSDFs has been brought into operation since 2014, starting with the introduction of the **National** Spatial Planning and Land Use Management Act



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(SPLUMA) in 2013. SPLUMA, in conjunction with various other pieces of legislation (listed hereunder), have effectively replaced the former Western Cape Land Use Planning Ordinance, 1985, and now guide spatial planning and land use management in the Republic.

The Spatial Development Framework (SDF) is the 20-year Development Plan for Kannaland Municipality was reviewed and adopted by the Kannaland Council (during the 2013/2014 financial year). The Municipality, with the assistance of Garden Route District Municipality, is in the process to review the SDF for approval in the 2019/2020 financial year.

The Kannaland SDF makes specific recommendations concerning the following elements:

- Bio-regions;
- Spatial Planning Categories (SPCs) for Land Use Management;
- Sustaining the economy;
- Major infrastructure projects;
- Major Tourism Destinations;
- Land Reform;
- Urban Related Development;
- Climate change;
- Urban design guidelines;
- Potential rural nodes and periodic rural markets; and
- Settlement hierarchy and structure.

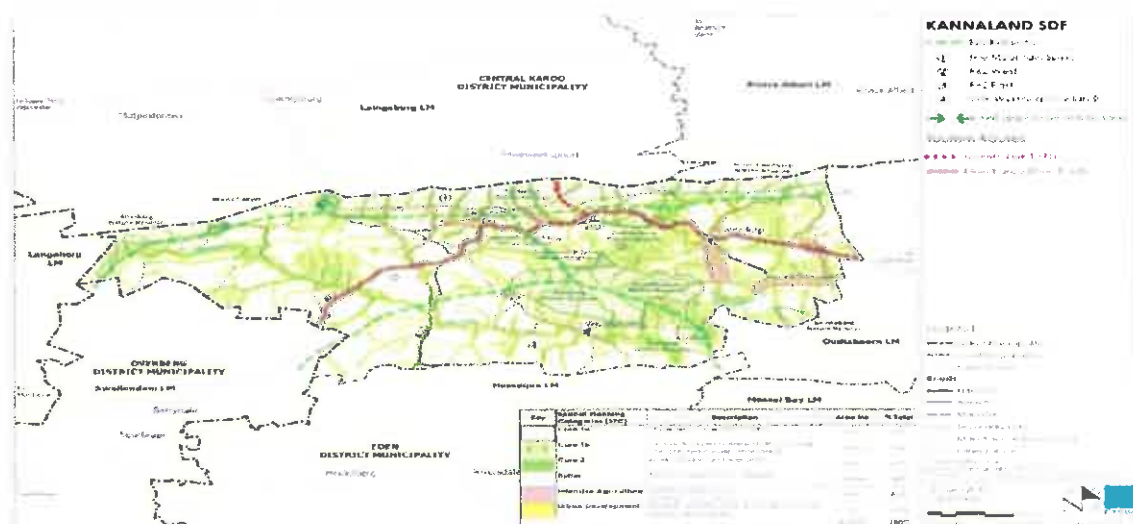


FIGURE 12: KANNALAND SDF – REFER TO FIGURE 5.3.1.1 IN SDF

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The following diagram illustrates the alignment of the sector plans with the Municipal Spatial Development Framework (MSDF). The ultimate objective of this one holistic planning approach which commences with development of an SDF (that is inclusive of all current and future developments) is to inform and align operational plans ensuring planning is streamlined across sector departments.




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**FIGURE 13: SDF ALIGNMENT WITH SECTOR PLANS**

The current SDF outlines various catalytic projects for Kannaland spatially as well as future economic initiatives. The SDF is attached to this IDP. The SDF puts forward spatial proposals for:

- Rural Areas (natural environment, agricultural areas and land reform)
- Tourism (including agri-tourism)
- Urban related development

The SDF indicates that the rural areas of the Kannaland Municipality should be classified per Spatial Planning Categories (SPC's). These include:

- Indicate areas like corridors on zoning maps and other planning maps to ensure their preservation and protect these areas from undesirable land uses.
- Overgrazing should be discouraged and the eradication of alien plant species promoted.
- Environmental management plans need to be formulated as apriority.
- The Kannaland Municipality should market the proposed ecological corridors and accordingly implement land use control over these areas.
- In terms of tourism the following goals are provided:
- Develop tourism in a sustainable manner for the benefit of all in the municipality.

- Promote tourism in order to create jobs.
- Increase disposable income levels of community members through increased tourism opportunities.

The envisioned project timeframe for the review of the SDF is 16 months, as stipulated by the Spatial Development Framework Guidelines 2014, compiled by the National Department of Rural Development and Land Reform (DRDLR). The review will aim to ensure compliance with the procedural as well as content requirements in terms of all the applicable legislation. Tender specifications are current will rolled out for the appointment of a specialist team of consultants to head the review, consisting of town planners, engineers, environmental practitioners, economists and GIS professionals.

The current status of the MSDF illustrates a misalignment of the objectives in the IDP as well the proposed projects for the outer financial years. However below is a diagram where the MSDF's objectives is linked to the current IDP Objectives (2017-2022).

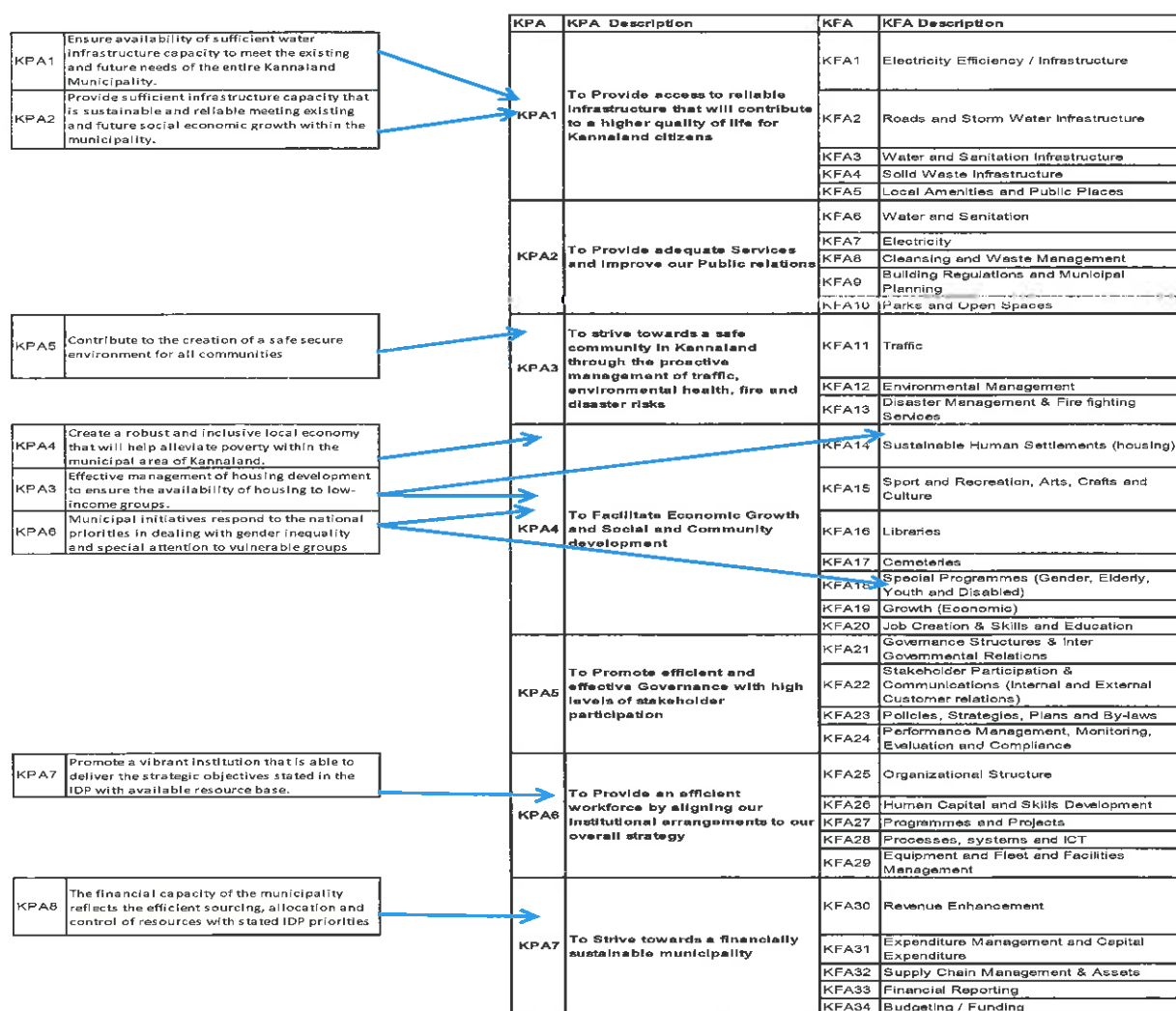


FIGURE 14: OBJECTIVES LINKAGE



## Bio-Regions

The SDF identifies key structuring elements that can help to distinguish different bio-regions according to the patterns of the natural environment, social economy and built infrastructure of the municipality. Four bio- regions have been identified:

- The Mountain Spine
- S1 Encourage closing of the gap between Anysberg and Klein Swartberg on the Kannaland side of boundary through donation or resort zone development in exchange for conservancy (similar to recent Grand Canyon process);
- S2 Promote protection of CBAs on lower slopes through stewardship and strictly controlled wilderness tourism developments which should be informed by design guidelines to minimize visual and ecological impacts.

### R62 West

- Increase brand marketing of R62 with public facilitation and resources where possible;
- Intensive farming areas should enjoy the highest level of protection, particularly where they are in easy transport access of settlements;
- Promote protection of CBAs along river corridors and on the Touwsberg through stewardship and strictly controlled wilderness tourism developments to be informed by design guidelines to minimize visual and ecological impacts.

### R62 East

- Increase brand marketing of R62 with public facilitation and resources where possible;
- Incentivise and promote Zoar and Amalienstein residents to take advantage of the tourism potential along the R62;
- Ensure all future Breaking New Ground (BNG) low cost housing does not detract from the visual quality of the settlement;
- Intensive farming areas should enjoy the highest level of protection, particularly where they are in easy transport access of settlements.

## Spatial Planning Categories for Land Use Management

The Spatial Planning Categories provide the basis for managing rural land uses. The general conditions guiding what activities may occur within each category are generally in accordance with

- Core 1a Formally protected conservation areas

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- Core 1b Critical Biodiversity Areas
- Core 2 River corridors and wetlands

### Urban Areas

This includes the areas that are or will be used for urban related activities. All these areas should be included in a defined Urban Edge. These include the settlements of:

- Ladismith;
- Calitzdorp;
- Zoar; and,
- Vanwyksdorp

### Rural Nodes

- Hoeko
- Voorwaart;
- Warmbad; and,
- Dankoord.

### Extractive Industry

These include all mining activities in the Municipality. The promotion of settlements at mines should not be encouraged. The labour force to support mines should be accommodated in the existing urban areas or proposed rural nodes (if found viable).

### Wind and Solar Energy Generation

These include all wind and solar energy generation facilities. These facilities should be promoted to support the supply of electricity in the municipality and the provision of basic services to those in need. These projects are to be sensitively placed to not negatively impact on the surrounding urban, agricultural or natural environment. Kannaland Municipality is about to embark on a nation-wide renewable energy project which have already been approved by National Treasury. This project will over the next 4 years become the major source of income of the Municipality.

### Sustaining the Economy

Although Kannaland faces major poverty and employment challenges it is a well-resourced municipality compared to many other including in the Western Cape. These resources include:

• Almost the entire area of the municipality can be considered of outstanding natural beauty and biodiversity significance with great appeal to the wilderness and adventure tourism market:



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- Eco-resorts and getaways;
- Hiking;
- Bird-watching;
- Organised and informal mountain biking; and
- Self-drive and motorcycle touring;
- Agriculture and its associated industries including wine and dairy represent another tourism market;

The heritage and urban environment of the settlements of Zoar and Vanwyksdorp have potential to appeal to the cultural tourism market. As mentioned previously, it is important that public housing projects are designed and laid out so that they enhance rather than undermine this potential. Major production of agricultural products in the form of cheese, dairy, wine and port occurs at processing plants and wineries within the municipality's boundaries rather than the raw material being exported to value adding enterprises elsewhere.


These secondary economic sectors require higher staffing with more skills and hence have the potential to encourage improved human resource levels and incomes.

However, the current infrastructure shortfalls need to be urgently addressed, either directly or through the promotion of alternative technologies; as well as infrastructure these enterprises also require that the underlying resource of good agricultural land, especially that used for irrigation farming is kept intact and where possible extended. Urban development and other uses which could destroy this resource should be located where it is not necessary to take land out of production; and, it is essential that access to all these economic sectors, agriculture, manufacturing and tourism be broadened through land reform, mentoring and entrepreneurial development projects.

### Major Infrastructure Projects (as per SDF)

The following projects should be considered:

- Implement a multi-pronged water management strategy;
- Rainwater harvesting;
- Grey water recycling;
- Reducing unaccounted for water;
- Extension of regional water service delivery; and,
- Water demand management for large users.
- Promote domestic and large-scale solar energy usage and projects such as wind and solar farms subject to appropriate guidelines and siting principles.

  
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## 2.15 Tree Planting and Paving

Tree planting is one of the cheapest forms of urban upgrading with the greatest positive visual impact. This can be done together with upgrading of roads per town as identified through this document. The ideal is to make our towns greener and will result in attracting visitors and possible investment.

The tree planting and paving projects can initially form part of the Extended Public Works Program (EPWP). They are labour intensive and cost effective. For example, broken bricks can be used for



paving or pavers can be made on site. Planting trees helps prevent soil erosion, stabilizes coastlines and increases land


fertility. Trees also serve a role in water regulation: They can help stave off damage during flooding as well as conserve water during droughts.



## 2.16 Major Tourism Destinations

Ladismith, Calitzdorp and Vanwyksdorp B&Bs, guesthouses, restaurants and places of interest;

- Cheese factory shops;
- Public and Private nature reserves and eco-resorts for hiking and MTB;
- Port and Wine Cellars;
- Scenic routes for self-drive and guided tours, especially Seweweeks Poort, R62, R327 and district road from Ladismith to Calitzdorp via Vanwyksdorp;
- Potential mission route and cultural tourism opportunities including Lutheran mission complex and church in Ladismith, SA Mission society church in Zoar and Berlin Mission Society church in Amalienstein;
- Zoar as potential cultural tourism centre along Hoof Street with B&Bs and cafes and Amalienstein mission as termination of Seweweeks Poort pass;
- Ensure that new development responds positively to the layout of historic settlements; and,
- There are no cultural landscapes with the Garden Route district which have any formal protection status. Various examples of representative cultural landscapes were identified in the Heritage and Scenic Resources:

  
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The 2019 Tourism Marketing Strategy lists the following tourism attractions:

The key tourist attractions in Kannaland include:

- Seweweekspoort
- Towerkop hiking trail
- Stanley's light – hiking trail
- Vasbyt
- Historical buildings
- Bushmen paintings
- Kuduskloof (Live music)
- Wine cellars
- Succulents capital and biodiversity (Unique endemic plant life)
- Hiking trails (Groenfontein)
- Hot springs
- Art galleries
- Kruisrivier circular route
- Scenic environment and Twelve mountain passes
- Historical churches
- Fruit farms
- Cave paintings
- Rock climbing
- Spekboom project
- Donkey rides and farm tours
- Sustainable living farms
- Cycling routes
- Historical and Heritage routes
- Saam Stap project
- The Gallery (Local art and local produce)
- Natural produced product(preserves)
- Homestays
- Authentic
- Cuisine



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## 2.17 Land Reform

- Land reform opportunities should not be targeted only at agricultural operations although this will always be the major activity;
- Bio-diversity conservation and eco and agri-tourism operations should also be considered; and,
- Future land reform projects should carefully consider the context in which they are located and then seek to take advantage of that area's opportunities, not only in agriculture.

## Settlement Guidelines

### Walking Distance as the Primary Measure of Access

The need to ensure that people have access to a variety of opportunities is implied in a number of the DFA principles (S3(c)(i), (iii)). This requires an understanding of the relationships between different activities in terms of spatial proximity (close and far), access and time. In the past accessibility has usually been considered in terms of travel time in private vehicles, however, this measurement is not only environmentally unsustainable, as it is mostly dependent on access to private motor vehicles but also reflects a denial of the reality that the majority of our citizens do not have private vehicles, may not always be able to afford public transport and thus have to spend significant time and energy walking to fulfil their needs. Thus, appropriate walking distance should always be used as the measure for accessibility.

### Land use integration and interface

The implementation of the walking distance principle to promote greater access to opportunities for all people, will require the functional integration.

### Socio-Economic Integration

The principle of access and integration, also requires socio-economic integration (DFA principle S3(c)(i),(vii)). Little progress has been made in this regard since the advent of democracy. In reality there is often community resistance to integration of poor, middle- and high-income communities, and bank valuers often downgrade property values where informal settlements or low-income housing is provided in close proximity to middle- and high-income housing.

The use of a socio-economic gradient with relatively small differences in income and property value between adjacent communities can help mediate this problem. In particular efforts should be made to locate low income neighbourhoods nearer to the core or nodes of settlements and away from the periphery.



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## Intensification Corridors and Linkages

### Principles:

- Sensitive infill and redevelopment of major arterial axis in clearly defined precincts;
- Corridors to concentrate activities and support its speedy initiation especially in more rural areas, should be delineated to include one erf on either side of the identified street, otherwise called the spine of the corridor;
- Show sensitivity towards existing heritage buildings;
- Enhance the street experience through landscaping and guiding the architecture of new developments;
- Encourage a multiple level of entry into the economic market and enhance job creation, the intensification corridors should be limited to residential, office and retail uses and only compatible light industrial uses, e.g. non-nuisance manufacturing or craft activities that may require a retail outlet on the same premises;
- Define a single uniting structure of intensification corridors, nodes and linkages between town and township; and,
- Encourage supporting densification pattern and infrastructure provision.

### Sub-centre Nodes

Three levels of hierarchy of urban nodes containing business and community facilities shall be clustered together as far as possible to provide satisfactory access and clustering of activities

- Primary: primary schools, crèches, clinics, bus and mini-bus taxi stops; and,
- Secondary: high schools, day care centres, hospitals, libraries, sports and community halls, sports fields;

Nodes should be managed to concentrate the business therein and where growth is required, the node should be encouraged to grow along the corridor towards each other. This is to manage and prioritise in a strategic manner, the implementation of needed infrastructure and to provide the greatest opportunity of success of these businesses.

### Urban Edge

These should be reviewed to ensure that:

- Sufficient protection is given to land requiring protection, inter alia, the agricultural land currently under cultivation and CBAs;



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- That compaction rather than expansion of urban settlements is encouraged to promote non-motorised transport modes where appropriate;
- Urban Edges which provide sufficient land for the development of the needs of the area for about 20 years, given the current growth rate, is proposed around the exiting urban footprint; and,
- It is proposed that these urban edges only be realigned based on actual need and once all the existing under or unutilized vacant land has been developed.

### **Infill, Densification and the Suburbs**

It is clear that significant infill and densification is required in order to restructure the settlements in the Municipality. Well located land has been identified to contribute to this important goal.

### **Wind and Solar Farm Siting Principles**

The following wind farm siting principles are proposed to be used as a first set of questions to guide potential developers of wind and solar farms. Terrain suitability need to be investigated and should include the following typical aspects in the design process:

- Slopes by gradient classes;
- Rocky areas;
- Soil type and permeability;
- Natural watercourses and areas with high water table, Rainfall data; and
- Vegetation.

### **Infrastructure**

The following principles shall apply:

- Ensure a base level of services only is available for all residents in the Municipality including those households qualifying for indigent grants;
- Where possible implement GAP housing schemes as part of subsidy projects so as to help cross-subsidise required infrastructure projects;
- For low density settlements, where the high cost of conventional grid services is prohibited and not preferred and to promote sustainable use of natural resources reduce dependency on conventional grid services.

The following are proposed:

- Promote the use of solar hot water projects so as to help cross-subsidise infrastructure costs;



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- Promote use of solar of water heaters, PV panels, grey-water recycling, waste separation at source, and passive building design to as to minimize energy, solid waste and water demand, see Figures (a) and (b); and,
- Encourage rainwater harvesting and grey water (water from hand basins and kitchen sinks) recycling,

#### **Land use restrictions are set:**

- Height:
- Setback
- Site Development Plan (SDP)
- Visual and environmental impact
- Finishing and Colour

#### **Urban Design Guidelines**

Create open space systems that integrate the elements of a settlement to contribute to a meaningful urban structure. This can be done by:

- Providing connectivity between open spaces;
- Establishing linkages between open spaces;
- Aligning the open space system with public buildings; and
- Ensuring an improved quality of linkages through the continuation of special activities or functions along major routes.
- Locating buildings around open spaces and streets so that sufficient enclosure is created;
- The appropriate height of buildings; and
- Locating the highest buildings to the southern side of the open space, with lower buildings or trees on the northern side.
- Concentrate intensive activities along major vehicular and public transport routes;
- Locate majority of public buildings and increase densities along these routes; and
- Locate buildings closer rather than further from the streets to increase pedestrian activity, a sense of enclosure and surveillance.

#### **Potential Rural Nodes and Periodic Rural Markets**

The potential of rural nodes is derived from the rural economic opportunities that are generated by their location and “attracting force”. However, in some nodes these forces are so small that permanent infrastructure or services cannot justify permanent buildings or staff. Initially, these nodes, can be supported through periodic markets at which mobile services, for instance, home affairs, pension pay outs, clinics, libraries can be dispensed.



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This approach could be applied at settlements with low threshold populations to ensure that the necessary services can be provided. Where such facilities do not exist, periodic service centres should be established for coordinated use by a wide variety of government, nongovernment and private organisations.

These periodic service centres should be located at points of highest access according to the same principles. The services of various government departments and private sector organisations should be co-ordinated into a mobile caravan of dedicated buses and vans which travels from periodic service centre to periodic service centre stopping for morning or afternoon sessions as appropriate.

Local arts and crafts people and business people should be encouraged to trade in the stop-over periods of the mobile service caravans at the periodic service centre. The location of shops and abattoirs should also be encouraged here. This strategy should be considered for Zoar, Amalienstein and Vanwyksdorp.

- There is potential for fruit processing and manufacturing
- Agri tourism needs to be promoted
- We are ashamed of the town because it is dirty.
- A money problem cannot be solved with money. What you have needs to be managed correctly.
- There is no culture of transparency in the municipality. We do not see how the money the municipality receives is spent.

### **Settlement Hierarchy and Structure**

Kannaland Municipality's settlement hierarchy and structure comprises the following settlements along the R62:

- Ladismith has the largest population and number of economic activities, including manufacturing;
- Calitzdorp and Zoar has a higher population but far less economic activity than the former; and,
- Vanwyksdorp is isolated from the main settlement system along the R62. It is tucked away to the south at the foot of the Rooiberg near the Groot River.

### **Integrated Human Settlements**

The municipality developed and approved a Human Settlement Plan in 2016 which will manage the overall housing projects in the municipal areas. The purpose of this Human Settlement Plan is to feed into the Provincial Multi Year Housing plan. To establish a medium to longer term (i.e. 20 year) strategy



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for the development of integrated and sustainable human settlements within the municipality's area of jurisdiction.


To identify specific priority projects emanating from these programs for which more detailed planning is required to implement them. Furthermore, the approved HSP guideline will assist the local municipality in the following:

- Guiding the vision of municipality.
- Delivering integrated and sustainable human settlements through the compilation of credible HSPs.
- Drawing linkages with the IDP process with adequate information about the housing projects, their benefits, parameters as well as strategic and operational requirements.
- Ensuring that the contents and process requirements of planning for sustainable human settlement development are adequately catered for.

Aside from this long-term strategic planning, the municipality plans to facilitate the transfer of Rural Development Programme houses in Ladismith. The subdivisions have been registered with the Surveyor-General and have been included in the general plan of the town. The provision of human settlements is a high priority for the municipality. Challenges do exist with regard to the capacity of bulk infrastructure services with specific reference to waste water treatment works and water works. This has delayed the delivery of human settlements over the past few years which has resulted in the significant increase in the housing waiting list.

A Housing Pipeline was developed to assess the demand for low- and middle-income groups housing in Kannaland. Given the high unemployment in towns and the agricultural nature of the local economy which is affected by the national and international trends toward a magnetization of the agricultural sector has resulted in a significant increase in the demand for low cost housing. The non-availability of homes for the middle income grouping which consisting of municipal workers, nurses, teachers, government officials, and ordinary factory workers and policemen has highlighted the demand for GAP housing. Two projects have been registered on the housing pipeline for 78 and 29 GAP houses in Ladismith. A portion of housing is also subsidised by the Department of Human Settlements depending on the salary bracket.

The Human Settlement Plan will ensure long term planning with regard to the delivery of the appropriate infrastructure that will enable the municipality to address the backlog for low cost housing and make land available for housing.

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Given the expectation of economic growth resulting from water security and the ancillary job-creation prospect of the proposed dam and its construction, the provision of affordable housing and its supporting infrastructure, such as water, electricity, sanitation, sewerage, and roads are foremost in creating a sound and sustainable cradle for continuing development and growth. Once the reservoirs have been upgraded, the water capacity for this area will be sufficient to accommodate further house projects.

The table below displays the current housing demand within the Kannaland Municipality. It's evident that Ladismith has the highest demand for housing opportunities.

Town	Housing classification of housing demand list					Current demand	HS
	Gap	Farms	Shacks	Backyard dwellers	Residents currently at parents		
Ladismith	107		206	269	577	1321	
Zoar			45	20	335	545	
Calitzdorp			28	182	456	1093	
Vanwyksdorp			27	61	32	126	
<b>Total</b>						<b>3085</b>	

**TABLE 8: HOUSING DEMAND LIST - HUMAN SETTLEMENT PLAN**

Kannaland Municipality faces a small human settlements challenge in comparison to the rest of the region, although the level of service of their housing stock is generally poor. The housing backlog is a significant proportion of the total population of the municipality.

There are relatively few houses that are in the supply and acclaim gaps. Over the past financial years there has been an increase of informal settlements and informal dwellings, thus the municipality acknowledges that housing and access to economic opportunities is a high priority for this municipality. An NGO, Women in Construction has been appointed to make an assesement of housing needs in the area. The MOA of the NGO needs to be extended to include back yard dwellers and informal areas.

The recent informal settlement shack count and verification study conducted by the province to gather necessary planning and prioritisation information on the numbers, level of services, density and living conditions within the informal settlements geared towards informing municipalities of current status of the informal settlement within the municipal area. The information presented in below was extracted from the study:



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**TABLE 9: INFORMAL SHACKS  
SETTLEMENT DEMAND**

Towns	No of shacks
Ladismith	206
Zoar	45
Calitzdorp	28
Vanwyksdorp	27
Total	306

**COUNT - HUMAN  
PROFILE**

### Human Settlement Pipeline Projects:

Project Name/Description	Programme	Total No of Housing Opportunities	Earliest Implementation Year
3314 : Ladismith Parmalat (380 services & 280 units) IRDP	IRDP	422 - EIA in Process	2018-19
3315 : Ladismith Showgrounds GAP (170 services & 170 units) IRDP	IRDP	40 On Hold	2018-19
3316 : Ladismith Showgrounds GAP (350 services & 350 units) IRDP	IRDP	350 On Hold	2018-19
3320 : Ladismith Abolition Street Site GAP (78 services & 78 units) IRDP	IRDP	78 less	2018-19
3322 : Zoar Protea Park Infill (44 services & 44 units) IRDP	IRDP	44	2015- 16
3323 : Zoar Protea Park Reclamation (100 units) RP	RP	44	2015-16 / 2016-17
3321 : Zoar Protea Park Infill (100 units) IRDP	IRDP	100	2020-21
2703/1128 : Calitzdorp Berging (671 services & 671 units) IRDP	IRDP	692	2014/15 Remainder to move to 2018-19 due to bulk
Calitzdorp Old Hospital Site (150 units) SH	Social Housing	150	2018-19
3324 : VanWyksdorp Remainder Ert 110 (100 services & 100 units) IRDP	IRDP	100	2020-21

**TABLE 10: SUMMARY OF CURRENT HUMAN SETTLEMENTS PIPELINE PROJECTS**

An amount of R380 000 has been allocated by Province for planning in the 2018/19 financial year. R95 000 is required to subdivide and register 65 erven in Zoar.

## 2.18 Thusong Centre

The Thusong Service Centre in Ladismith serves the Kannaland area providing access to various government offices.

The location was chosen due to the proximity to existing bulk infrastructure. Thusong outreach programs are currently conducted in partnership with other lead departments to assist the community.

The municipality embarked on a project proposal to establish the thusong e-centre as a digital village for the youth. The social hub will include internet connection, tablets to ensure students can do research and homework. The development of a



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homework hub extension for school going learners accessing the Thusong Service Centre is prioritized for 2019/20.

Further planning on establishing e-centers in Calitzdorp and Zoar (in the new libraries) for implementation in 2020/2021, is in process whereby the municipality already submitted business plans to the relevant department and raised at the back to basic platforms.

The municipality will embark on a process by entering agreements with sector departments residing in the thusong centre to participate in programmes e.g social development. A social development forum has been established with an MOU regarding projects to address the social ills in Kannaland. NGO's namely Engedi Havem and Oasis already play a significant role in the area by engaging with schools and the youth to mitigate the social ills (programmes are initiated through needs analysis).



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## CHAPTER 3: GOVERNANCE AND INSTITUTIONAL STRUCTURES

### 3.1 POLITICAL STRUCTURE

#### Municipal Council

The Council is the ultimate decision-making authority. Decisions to approve or amend the Municipality's integrated development plan (IDP) may not be delegated and have to be taken by the full Council. The Council exists of 7 Councillors.

		Position	Party	Ward
	<b>EXECUTIVE MAYOR</b> Councillor Magdalena Barry	Ward Councillor	ANC	Ward 3
	<b>SPEAKER</b> Councillor Alletta Theron	Ward Councillor	DA	Ward 4
	<b>DEPUTY MAYOR</b> <b>CHAIRPERSON: PORTFOLIO COMMITTEES</b> Councillor: Phillipus Antonie	PR Councillor	ANC	Ward 3

TABLE 11: COUNCILORS

#### Executive Mayor

In terms of the Municipal Systems Act and the Municipal Finance Management Act the Executive Mayor must:



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	Councillor Hyrin Ruiters	PR Councillor	ICOSA	Ward 3
	CHIEF WHIP Councillor Werner Meshoa	Ward Councillor	ICOSA	Ward 2
	Alderman Jeffrey Donson	Ward Councillor	ICOSA	Ward 1
	Councillor Joshlyn Johnson	PR Councillor	DA	Ward 3

- manage the drafting of the IDP;
- assign responsibilities in this regard to the municipal manager;
- submit the draft plan to the municipal council for adoption; and
- co-ordinate the annual revision of the IDP and determine how the IDP is to be considered or revised for the purposes of the budget.

### Ward Committees

The role of the Ward Committees in relation to the IDP is to –



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- assist the ward councillor (who is the chairperson) in identifying challenges and needs of residents;
- provide a mechanism for discussion and negotiation between different stakeholders in the ward;
- interact with other forums and organisations on matters affecting the ward;
- draw up a ward plan that offers suggestions on how to improve service delivery in the particular ward;
- disseminate information in the ward; and
- monitor the implementation process concerning its area.

## Political Parties

The political oversight role resides within the Municipal Council. The Municipal Council comprises of three political parties namely:

- African National Congress (ANC);
- Democratic Alliance (DA); and
- Independent Civic Organisation of South Africa (ICOSA)

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## Mayoral Committee

The Mayoral Committee is the advisory body of the Council. The Mayoral Committee comprises of the Executive Mayor, Executive Deputy Mayor and the Speaker.

## 3.2 Oversight Structures

### Municipal Public Accounts Committee (MPAC)

The Municipal Public Accounts Committee is a committee of municipal Council appointed in accordance with section 79 of the Structures Act. This committee focuses mainly on compliance in accordance with of the Local Government: Municipal Finance Management Act, 2003. The MPAC furthermore exercise oversight over the executive functionaries of Council and ensure good governance in the Municipality. The terms of reference of the MPAC are as follows:

- Investigate unforeseen and avoidable expenditure (Section 29 of MFMA)
- Investigate unauthorised, irregular or fruitless and wasteful expenditure (MFMA Sec 32)
- Review the quarterly report of the Mayor on the implementation of the budget and the state of affairs of the municipality – SDBIP (Section 52 (d) of MFMA)
- Review the monthly budget statements (Section 71 of MFMA)
- Review the mid-year budget and performance assessment (Section 72 of MFMA)

- Ensure disclosure of Councillors, Directors and Officials. (Section 124 of MFMA)
- Review of Financial Statements before the submission to the Auditor General (AG) (Section 126 of MFMA)
- Review and give recommendation on the Submission of Annual Report (MFMA Sec 127)
- Present an oversight report on the Annual Report (Section 129 of MFMA)
- Ensure that issues raised by AG are addressed. (Section 131 of MFMA)
- Ensure the function of the Audit Committee (Section 166 of MFMA)
- Ensure that disciplinary action instituted against Councillors, the Municipal Manager and Senior Management is within the guidelines of the MFMA financial misconduct regulations. Review the IDP (Section 25 of MFMA)
- Annual Review of the IDP (Section 34 of MFMA)
- Review the performance management plan (Section 39 of MFMA)
- Monitor that the Annual Budget is aligned with the IDP (Regulation 6 of the LG: Municipal planning and performance regulations)
- Monitor that all declaration of interest forms are completed by Councillors and relevant municipal staff (Section 54 – read with item 7 of schedule 1)

Name	Position
P Antonie	Chairperson
J Donson	Councillor
J Johnson	Alderman


TABLE 12: MPAC

### Audit and Performance Committee

The process commenced of the appointment in the year under review but were not representatives of the the broader community.

Name	Position
Mr Claude Ipser	Chairperson of Audit Committee
Mr Johan Johannes	Member
Ms Hilda Duiker	Member
Mr Johan De Wet	Member

TABLE 13: AUDIT AND PERFORMANCE COMMITTEE



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### 3.3 Administrative Structure

The organizational structure has been reviewed and approved by Council on 12 March 2019. The Organisational Restructuring Implementation Plan was approved by the Municipal Manager and the placement process in terms of the Organisational Restructuring Implementation Plan has commenced.

#### MUNICIPAL MANAGER

The Municipal Manager is responsible for the design and execution of all arrangements regarding the compilation and implementation of the IDP. The Municipal Manager is, subject to the policy directions of the municipal council, responsible and accountable for-

- the implementation of the IDP and the monitoring of progress with implementation of the plan; and
- the formation and development of an administration equipped to carry out the task of implementing the IDP.


#### HEADS OF DEPARTMENTS AND OFFICIALS

Their role is to -

- provide relevant technical, sector and financial information and analysis for determining priority issues;
- contribute technical expertise in the consideration and finalisation of strategies and identification of projects; and provide departmental operational and capital budgetary information.

SENIOR MANAGEMENT	
Municipal Manager	Mr R Stevens
Director: Corporate Services	Vacant
Director: Infrastructure Services	Mr N Jonker
Chief Financial Officer	Mr R F Butler
Senior Manager: Community Services	Vacant

TABLE 14: SENIOR MANAGEMENT


  
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## CHAPTER 4: STRATEGIC THRUST

### 4.1 High Level SWOT Analysis

As part of the development of its new 5-Year IDP, the Municipality conducted a very thorough Institutional SWOT analysis during October-November 2016, of which the results were discussed at subsequent management meetings, as well as at IDP Stakeholder Engagements held since. The following weaknesses were identified as the top problematic areas and deserving of focused and urgent attention or intervention:

- Small revenue base
- Delay in finalizing staff establishment and placement process
- Poor safeguarding of assets and poor fleet management
- Ageing infrastructure and poor maintenance of assets
- Limited revenue collection, poor credit control
- Poor law enforcement, application of by-laws
- Lack of capacity in some departments

  
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STRENGTHS		WEAKNESSES	
I N T E R N A L  F A C T O R S	<ul style="list-style-type: none"> <li>• Support with shared services through District, Inter-municipal and Provincial Shared Services.</li> <li>• Close cooperation on management level through regular extended management meetings weekly.</li> <li>• Situated in close proximity to major towns within the Garden Route district and towns in other districts who share the same challenges and opportunities.</li> <li>• Three Game Reserves.</li> <li>• Fertile agriculture soil.</li> <li>• Heritage Tourism.</li> <li>• Stable political environment.</li> <li>• Flourishing hospitality trade.</li> <li>• Good interaction and communication between Council and community.</li> <li>• A major arterial road (Route 62 and sub roads) connecting Kannaland to</li> </ul>		<ul style="list-style-type: none"> <li>• Weak tax bases and poor payment record amongst rate payers.</li> <li>• Financial constraints caused by historical poor payment record for services and areas such as Zoar which previously suffered from uncertainty about service delivery responsibilities and mandates.</li> <li>• Little or no foreign investment due to weak infrastructure, ineffective marketing strategy.</li> <li>• Poor roads and public infrastructure due to lack of funds for operation and a lack of maintenance plans.</li> <li>• High level of illiteracy and a low skills base, lack of qualified tradesmen.</li> <li>• High Dependence on grants.</li> </ul>

	Oudtshoorn, Barrydale, Riversdale and Laingsburg.	
	OPPORTUNITIES	THREATS
<b>E X T E R N A L  F A C T O R S</b>	<ul style="list-style-type: none"> <li>• To develop into the agriculture hub of the Garden Route district.</li> <li>• To develop the Tourism trade along Route 62</li> <li>• Foreign investment in farming</li> <li>• Expanded Public Works Program (EPWP) for job creation</li> </ul>	<ul style="list-style-type: none"> <li>• Dependency of municipality on Government Grants</li> <li>• Water scarcity, especially in rural areas</li> <li>• Global warming and climate change</li> <li>• Increasing prevalence of HIV/Aids and Tuberculosis</li> <li>• High level of unemployment and seasonality of employment</li> <li>• High Poverty index</li> <li>• High volume of stale consumer debt</li> </ul>

TABLE 15: SWOT ANALYSIS

As an institution Kannaland Municipality realised that, to achieve growth and the development it must embrace the principles of sustainable development as adopted in the world forum on sustainable development. The principles focus on the following:


**People:** Development must be focused on human development. This means that the people must lead a long, healthy life, be equipped with knowledge and skills and earn a decent income to have a decent life.

**Economy:** Economic growth becomes an important variable in the sustainability equation. Growing the local economy will enable the Municipality to provide services on a sustainable manner especially to the poor.

**Environment:** the living generation should ensure that they don't deplete natural resources. The living should reserve and conserve resources for future generations and care for biodiversity and the ecosystem.

The purpose of this section is to align the IDP strategies with the IDP priority areas, key performance indicators and strategic interventions. To achieve the Municipal vision, developmental priorities were identified as main drivers of development. The identification of these priorities was informed by the municipal challenges, the District Growth Development strategy and the local government strategic agenda.

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It is important for council to plan for the five-year cycle based on its strategic priorities and community needs and to reflect on how these are being addressed. Sufficient maintenance and replacement of assets as well as the over-reliance on grants are being addressed through the implementation of the Financial Recovery Plan in terms of the provincial intervention after requests by the Council to put the Municipality under administration in terms of Section 139 of the Constitution. For more information on the Section 139 intervention, please refer to Executive Summary, page 20).

It should be noted that the following priorities have been clustered of which the main purpose is to focus on a sustainable municipality and good basic services for the five-year period:

Economic development -	Agriculture, SMME, Art and Culture and Tourism
Human Development -	Education, skills and information support, social development
Sustainable services -	Effective use of resources, infrastructure and community development
Financial Health -	Financial reporting, IDP and PMS

## 4.2 Strategic Priorities

Kannaland Municipality developed strategic priorities (KPA's), objectives and strategies in order to achieve the outcomes in its mission statement, however, achieving the outcomes remain a challenge mainly due to the critical financial situation and low revenue sources of the municipality. The financial predicament prevents the provision of sufficient capacity and resources to run the Municipality efficiently and effectively.

Since 2016 the Municipality has been assisted by the provincial departments of Local Government and Provincial Treasury to overcome the challenges posed by historical events, poor performance and non-compliance. Taking into consideration political, national, provincial and district policies, Kannaland Municipality adopted the following seven (7) Strategic Priorities (KPA's):

### KPA 1: Reliable Infrastructure

To provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens


citizens



### KPA 2: Service Delivery

To provide adequate services and improve our public relations



  
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### KPA 3: Safe Communities

To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks

### KPA 4: Socio-Economic Development

To facilitate economic growth and social and community development



### KPA 5: Effective and Efficient Governance

To promote efficient and effective governance with high levels of stakeholder participation



### KPA 6: Efficient Workforce

To provide an efficient workforce by aligning our institutional arrangements to our overall strategy



### KPA 7: Financial Sustainability

To strive towards a financially sustainable municipality

The process below was followed to determine what must be done (objectives) to address the priority issue and how (strategies) this will be achieved. This process is illustrated below:

## MUNICIPALITY'S LONG-TERM VISION



FIGURE 15: MUNICIPAL LONG-TERM VISION ILLUSTRATION

The logical flow of objectives and strategies from each development priority's problem statement (situation) and the resultant unpacking of projects / programmes are comprehensively discussed below.



### 4.3 Implementation Strategy

Throughout this chapter each key performance area will be broken down to municipal objectives and to the programmes and projects that Council intends to execute within this five-year cycle. It should be noted that most of the needs identified are already summarized in the prioritisation analysis in previous chapters of the IDP.

The Key Performance Areas (KPA's) and Key Focus Areas (KFA's) are reflected in the subsection below as well as information gathered during the public participation sessions and work sessions.

#### 4.3.1 Key Performance Area 1: Reliable Infrastructure

**Strategic Objective 1.1 - To provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens**

The Municipality realises that the achievement of its strategic objectives relies heavily on the establishment of proper infrastructure for basic service delivery and the maintenance thereof. The access to basic services has improved in all informal and formal settlements although there are still room for improvement. The municipality places a high priority on water and sanitation services and to expand, refurbish or upgrade the infrastructure to meet future development requirements.

Due to the severe drought, the Municipality emphasizes the improvement of water security and quality and therefore business plans have been submitted to the Department of Water and Sanitation for the building of the new proposed Swartberg Dam and waste water treatment works in Ladismith. The aim is to unlock business development potential, attract investment to the area and facilitate the implementation of residential development. The Municipality has to rely on grant funding for capital projects.

#### **KFA 1: ELECTRICITY EFFICIENCY / INFRASTRUCTURE**

Electricity is the main energy source of households. Kannaland Municipality is responsible for the provision of electricity to Ladismith and Calitzdorp, whilst Zoar and Vanwyksdorp are supplied by ESKOM.

Throughout the entire municipal area, a needs analysis was done to identify infrastructure /assets that need to be upgraded. It was established that 95% consist of aging infrastructure and should be urgently upgraded as it holds various risks for the municipality. Business plans have been drafted and submitted for the necessary funding in order to address the identified challenges.



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The municipality has applied for INEP, EEDSM and MIG funding with the Department of Energy and DCOG for electricity infrastructure upgrades. Funding for the following projects have been approved:

<b>2019/20</b>  <b>(INEP)</b>	Electrification of 179 houses (phase3) in Claitzorp	R2 800 000
	Route 66 OH Ring feed +- 2 km in Calitzdorp Bergsig(phase1)	R296 500

In Calitzdorp the planned housing project of 179 IRDP top structures as outlined in the Human Settlement Plan, will also be electrified during the financial year.

The current substation in Calitzdorp has an electricity usage capacity of 1.6 MVA. On completion of the 179 houses in Calitzdorp, the electricity usage capacity will have to be increased. It was identified that the current electricity supply should be upgraded to supply sufficient electricity to industries as well to human settlement developments. The ring feed project will ensure that Bergsig have a more constant power supply. The fact that ESCOM does not have the capacity to provide more than 1.6 MVA is a serious challenge. The ESCOM substation will have to be upgraded in order to provide a higher MVA.

The following was identified as needs and will be prioritised for the current and outer financial years:

- Upgrading of new transformers and refurbishment of old transformers;
- Adequate fleet for better service delivery;
- Sufficient and suitably skilled staff;
- Electrification of informal areas throughout the Municipal area;
- Upgrading of switching room, Middleton Street (Ladismith);
- Refurbish switching room at Ladismith Cheese factory to ensure ringfeed to the factory;
- Close ringfeed at Parmalat factory;
- Replace 11KV bundle in Nissenville due to aging infrastructure to mitigate the risk of power outages; and
- Replace street lights with LED lights and rusted steel poles in Ladismith and Calitzdorp.

Upgrading and refurbishment of infrastructure will result in a secure revenue stream as well as quality services delivered to residents and businesses of Kannaland.

During the IDP Public Participation Process, the following needs were identified and will be prioritised to be addressed in the 2019/20 financial period:



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WARD	ISSUE
<b>Ward 1: Nissenville Ladismith</b>	<p>Street lights in Hoeko needed</p> <p>Electrical services to the residents in Hoeko needed</p> <p>Streetlights on the R62, Ladismith needed (entrance from Van Eyck Avenue to Sakkiesbaai)</p> <p>Streetlights on the Baan, Goldinglaan, Martin Gelderblom Street, Dr Hoffman Street, September Street and Ladismith needed</p> <p>Lighting in Sakkiesbaai (Pedestrians) needed</p> <p>Operation and Maintenance on all electricity infrastructure must be attended to throughout ward one</p>
<b>Ward 2: Calitzdorp</b>	<p>Electricity for the housing project as well as high mass lights or street lights</p> <p>High mass lights must be installed to provide light in the dark spots in Bergsig</p> <p>Installation of electricity for the new houses in Bergsig</p> <p>Street lights must be installed for light in the dark spots in Bergsig</p> <p>Electricity services to informal areas</p>
<b>Ward 3: Zoar</b>	<p>Lighting on the sports field needed</p> <p>Electricity services to informal areas</p> <p>Lighting throughout the Zoar resident area</p> <p>Lighting at the entrances of Zoar</p>
<b>Ward 4: Main Town Ladismith</b>	<p>Street lights for areas without street lights (Vanwyksdorp)</p> <p>Trimming of trees to prevent electricity failures</p>



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## KFA 2: ROADS AND STORMWATER

The main road system in Kannaland Municipality consists of National and Provincial roads maintained by the Provincial Government. The R62 national road passes through Calitzdorp, Zoar and Ladismith and alongside Vanwyksdorp on the corridor linking the Breede Valley with Oudtshoorn and beyond.

Divisional and sub-divisional roads: The divisional roads such as the R327, and R323, are maintained by the Garden Route District Municipality which has offices in Ladismith and working camps in Calitzdorp and Vanwyksdorp. Roads are critical to the economy of the region because residents, farmers and entrepreneurs are reliant on accessible roads for their livelihood. Vanwyksdorp, which is a small town, remains a very isolated area and is linked to the R62 by the R365 which is a gravel road also maintained by the Garden Route District Municipality.

The Municipality is responsible for the maintenance of municipal roads within the four towns (Ladismith, Calitzdorp, Zoar and Vanwyksdorp).

### Roads Stormwater Master Plan Project

The Kannaland Council resolved that all gravel roads be paved. Paving projects are more labour intensive, create jobs, more cost effective, require less maintenance and has a longer life span. A detailed roads storm water master plan was finalised during the 2017/18 financial year to determine all non-functional and functional issues of the roads to be addressed. It is evident that the majority of the paved roads in the four towns are falling into the category of poor to very poor. The majority of unpaved roads in the four towns require blading (not necessarily re-gravelling) mainly due to poor drainage as well as poor maintenance over the years. Funding is required to implement the identified and prioritised projects in the Roads and Storm Water Master Plan.

### Ladismith Roads Project

A plan for the extensive upgrade and maintenance of the north-western side of Ladismith's roads will be developed during the 2019/20– 2021/22 financial years. The municipality will engage with the relevant sector departments to assist as the MIG funding mainly aims to eradicate municipal infrastructure backlogs in poor communities to ensure the provision of quality basic services.

The road network in Ladismith comprises of 22.07 km of paved roads (93%) and only 1.61 km of unpaved roads (7%).





## Zoar Roads Project

Through the IDP public participation it was identified that there is a need to pave the internal roads of Zoar and the project is registered with MIG. Council resolved that all gravel internal roads in Zoar be upgraded with paving. Phase 1 of the project have been registered through MIG for funding. All gravel roads in Zoar (approximately 20 kilometres) will be paved. The following roads are prioritized to be paved:

- Konstabel Drive;
- Ruiters Drive;
- Pietersen Crescent;
- Van Ster Avenue;
- Alwyn Avenue; and
- Barry Drive (Partially).



**FIGURE 16: ZOAR INTERNAL ROAD UPGRADE**

Priority is currently being given to water and sanitation projects due to drought-related risks.

## Calitzdorp Roads Project

The municipality is planning to upgrade all roads and pavements in Calitzdorp and have applied to the Department of Rural Development and Land Reform for grant funding to address identified upgrades during the 2019/20 financial year. Unfortunately, no feedback has been received from the Department.



## Calitzdorp Road Maintenance Project

General road maintenance will be undertaken on an on-going basis. Operational maintenance will be continued and potholes will be filled.



FIGURE 17: CALITZDORP BERGSIG INTERNAL ROADS

### Calitzdorp 3 way stop project

During the public participation sessions and at the IDP Indaba it was raised that a three-way stop is urgently required at the entrance of Calitzdorp (on the Route 62 way). It will minimise road accidents and promote road safety to all motorists and residents. The municipality needs to ensure that the correct processes are followed to be assisted.

### Vanwyksdorp Roads Project

General road maintenance will be undertaken on an on-going basis. The municipality aims to upgrade all gravel roads and funding needs to be sourced.

The road network in Vanwyksdorp comprises of 0.58 km of paved roads (10%) and 5.50 km of unpaved roads (90%).

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The municipality has developed an integrated transport plan with the assistance of the District Municipality and Provincial Government however support will be required to fulfill the projects listed below. The Rural Transport Programme must be developed and needs to be aligned with the integrated transport plan.

Projects identified in the ITP are as follows:

No	Project	Phase (to be completed still)	2017/18	2018/19	2019/20	2020/21	2021/22	Funding source	PSO 3 Program	PSO 3 Outcomes
								WCG: Western Cape Government, K: Kannaland Local Municipality	Public transport program	Outcome 1: 13% modal shift, private to public transport by 2022, leading to 60:40 private: public split in the CCT CBD
									NMT and Sustainable Transport Program	Outcome 2: Shift in freight haulage from road to rail increasing by 10% to 2022
									Transport Infrastructure Program	Outcome 3: Reducing road fatalities by 50% in 2022
									Safety Home Program	Outcome 4: Reduce the transport infrastructure backlog by 2022
									Tourism Program	
									Transport Management Program	
1	NMT facilities along main route to Nissenville	1 & 4				X	X		X	X
2	NMT link between Bergsig and R62 towards Calitzdorp	2 & 4				X	WC G		X	X
3	NMT facilities along key business routes in Ladismith	4			X		X		X	X
4	NMT facilities along key pedestrian routes in Zoar and Amalienstein	3			X		X		X	X
5	Development of a local area NMT Plan for Kannaland				X		K		X	X
6	Repair of existing sidewalks in Ladismith	1 & 4		X			K		X	X
9	Investigation into an Integrated Public Transport Network for Kannaland LM	All		X			WC G	X		X

No	Project	Ward (to be completed 2018)						Funding source	PSO 3 Program					PSO 3 Outcomes				
		2017/18	2018/19	2019/20	2020/21	2021/22	WC G: Western Cape Government, K: Kamelaland Local Municipality		Public transport program	HMT and Sustainable Transport Program	Transport Infrastructure Program	Safety Home Program	Tourism Program	Transport Management Program	Outcome 1: 13% modal shift, private to public transport by 2022, leading to 50:40 private: public split in the CCT CBD	Outcome 2: Shift in freight haulage from road to rail increasing by 10% to 2022	Outcome 3: Reducing road fatalities by 50% in 2022	Outcome 4: Reduce the transport infrastructure backlog by 2022
10	Shelters and bays in Zoar	3	X				K	X						X				
11	Shelters and bays in Nissenville and town	1 & 4	X				K	X						X				
12	Shelters needed on DR1661 in Calitzdorp	2	X				WC G	X						X				
13	Demarcation and shelter at Ladismith Informal Rank	4	X				K	X						X				
14	Demarcation of bays in Calitzdorp for minibus-taxis	2	X				K	X						X				
15	Regular maintenance at Ladismith Main Rank	4	X				K	X						X				
16	Upgrading of roads in residential areas	ALL					MIG		X								X	
17	Sight distance to be improved at intersections in Van Riebeeck Street in Ladismith	1 & 4		X			K		X								X	
18	Street lighting various streets	ALL		X			K		X								X	
19	Paving of entrance in VWD	4		X			WC G		X								X	
20	Maintenance of existing tarred / paved streets	ALL	X	X	X	X	K		X								X	
21	Tar road to caravan park				X		K		X								X	
22	Storm water Masterplan for All Towns	ALL	X	X	X	X	K											

No	Project	2017/18	2018/19	2019/20	2020/21	2021/22	Funding source	PSD 3 Program	PSD 3 Outcomes
	Ward (to be completed still)								
							WCG: Western Cape Government, K. Kannaland Local Municipality		
							Public transport program		
							HMT and Sustainable Transport Program		
							Transport Infrastructure Program		
							Safety Home Program		
							Tourism Program		
							Transport Management Program		
							Outcome 1: 43% modal shift, private to public transport by 2022, leading to 60:40 private/public split in the CCT CBD		
							Outcome 2: Shift in freight haulage from road to rail increasing by 10% to 2022		
							Outcome 3: Reducing road fatalities by 50% in 2022		
							Outcome 4: Reduce the transport infrastructure backlog by 2022		
23	R327 Vanwyksdorp to Ladismith, 33kms (GRDM)		X				WC G		

TABLE 16: INTEGRATED TRANSPORT PLAN

The following prioritized actions are required for implementation of the proposed public transport strategies:

- Assistance to the local authorities in managing operating license applications. The Garden Route District Municipality will be requested to assist with improving communication between taxi operators and the PRE. This could include regular meetings, travel and secretariat functions;
- Identification of routes with significantly high numbers of illegal operators in order to utilise law enforcement services effectively;
- Update of the PRE Garden Route District Municipality public transport registration database to ensure that dormant licenses are not considered and those pending applications (not approved yet) are also included;
- The implementation of an IPTN for the Garden Route District Municipality.
- Maintain close relations with the PGWC to ensure intimate knowledge of NLTA-related processes and impact on public transport operations.

As previously mentioned, the tree planting linked to paving and/or upgrading of roads and pathways will be prioritized thus support from sectors or donations of trees from the Department of Agriculture, Forestry and Fishery (DAFF) will be required to execute this initiative. The implementation of the integrated transport plan aligned with the rural transport programme, will also ensure economic growth for the Kannaland area.

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Included in the ITP are the following priorities per ward:

Ward	Issue
Ward 1:	Resurface internal roads  All road areas in Nissenville needs to be maintained
Ward 2:	The upgrading of all roads in Bergsig and Bloekomlaan needs to be addressed
Ward 3:	The upgrading of all internal gravel roads needs to be addressed.
Ward 4	Roads in Ladismith town need to be maintained  Paving of gravel roads  Pedestrian paths need to be upgraded and maintained:  Upgrading the road leading to waterkloof and the road to the traffic station in Ladismith

### Storm Water

The municipality is committed to maintain and clean the existent storm water drainage systems in the Kannaland area. A Jet machine for the cleansing of the storm water drainage system will be needed, however funding needs to be sourced.

It should be noted that with all road upgrades and repairs, storm water drainage systems will also be upgraded and maintained on a regular basis. Where the storm water drainage system cannot handle the high volumes, upgrading will be identified and business plans will be compiled and submitted to the relevant departments.

### KFA 3: SANITATION AND WATER INFRASTRUCTURE

Access to potable water and sanitation is essential to maintain a healthy lifestyle. Basic services are rendered to rural areas when required. The municipality has identified the need for a long-term water and waste water security investigation for Zoar, Calitzdorp, Vanwyksdorp and Ladismith.

Only 10 households in Zoar are still making use of the bucket system due to their location and the difficulty to connect those properties to the sewage system for which funding needs to be sourced. Business plans have been submitted to Department of Water and Sanitation to address this challenge under the bucket eradication programme but funding was declined.



The municipality is planning to replace the septic and conservancy tanks in Calitzdorp and Vanwyksdorp in the coming years by linking those households to the sewage system throughout the Kannaland area.

Currently, in Ladismith sanitation gravitates to the WWTW which comprises a primary settling tank, bio-filter, humus settling tank and sludge facilities (anaerobic digester and sludge drying beds). The existing infrastructure is currently exceeding its capacity. Therefore, the Municipality initiated the project to upgrade and extend the works to ensure compliance with effluent quality and accommodate future growth.

### Zoar WWTW Project

Over a three-year financial period, the municipality plans to upgrade the WWTW in Zoar. The following measures were identified to be implemented. Funding application needs to be submitted to MIG for 2020/21.

### Ladismith and Calitzdorp Waste Water Treatment Works Project

For the waste water treatment works in Ladismith and Calitzdorp, the following reports have been completed and submitted to Department of Water and Sanitation for funding although no funding has been received to date for construction of the works:

- Ladismith: Upgrade and extend Waste Water Treatment Works
- Calitzdorp: Upgrade and extend Waste Water Treatment Works

Below is a map of where the Ladismith and Calitzdorp waste water treatment works are currently situated:



**FIGURE 18: LADISMITH WWTW**

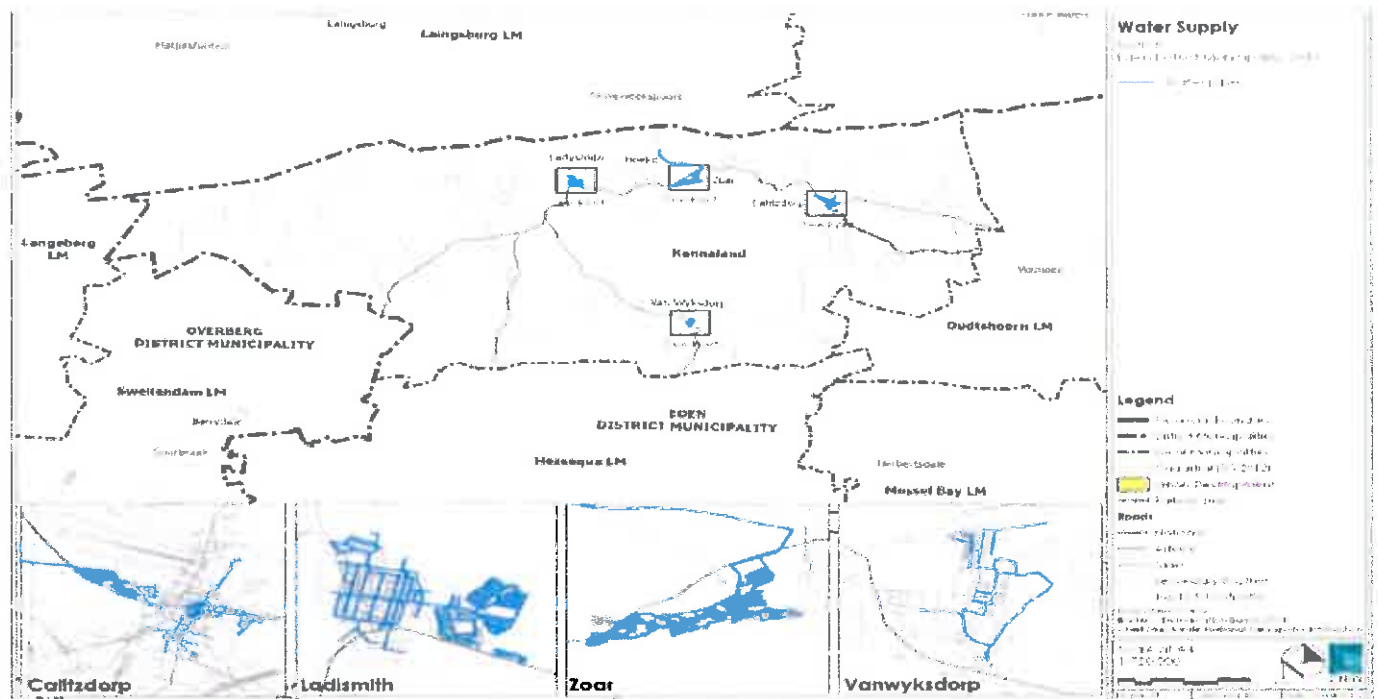


**FIGURE 19: CALITZDORP WWTW**

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The figure below indicates the water infrastructure in Kannaland.



**Ladismith water infrastructure:** 12 boreholes are currently operational and were drilled as part of the Ladismith Water Feasibility Study and drought relieve intervention. The 12 boreholes are currently capable of delivering approximately 30l/s to Ladismith. The borehole yields are not sufficient to enable the municipality to supply water to the town during dry periods. For future planning the building of the proposed Swartberg Dam is essential for water security.

In order to achieve economic growth, the Municipality needs to ensure availability of sufficient water infrastructure capacity to meet the existing and future needs of Ladismith. The Municipality must provide sufficient infrastructure (raw water storage capacity) that is sustainable and reliable in meeting existing and future social economic growth for Ladismith.

### Vanwyksdorp Water Reticulation Project

This project is aimed at upgrading water infrastructure which is cost effective and sustainable to supply the Vanwyksdorp community with potable water. It aims to supply pipelines that are accessible for maintenance and repairs. The project is planned for the 2022/23 financial year.

### Calitzdorp: Water Availability study Project

This project is aimed at the identification of water sources and to make proposals for providing water security in the Municipality.

Program/Project Description	Medium Term Revenue & Expenditure Framework			Project Information
	2017/18	2018/19	2020/21	Ward
Calitzdorp: Water Availability studies		R750 789		2

**TABLE 17: WATER AVAILABILITY STUDY PROJECT**

This study will be completed in the 2018/19 financial year and will, in conjunction with the 2017/18 Water Services Audit Report, be utilized to prioritize future developments.

### Ladismith Reticulation Project

Program/Project Description	Medium Term Revenue & Expenditure Framework			Project Information
	2018/19	2019/20	2020/21	Ward
Ladismith: Rehabilitate and upgrade Water Reticulation	R796 0000	R3 000 000	R5 000 000	4

**TABLE 18: LADISMITH RETICULATION PROJECT**

This project is aimed at upgrading water infrastructure which is cost effective and sustainable to provide the Ladismith community with potable water. It aims to supply pipelines that are accessible for maintenance and repairs.

### Swartberg Water Storage Dam Project

Economic Development in the Ladismith area (which is the biggest economic node in the Kannaland municipal area) has been restricted by the lack of water storage capacity. The municipality is initiating the process for the establishment of a bulk water storage facility (dam) for the municipal area in partnership with the other two spheres of government. Engagements in this regards form part of the back-to-basics meetings.

The availability of raw water storage can unlock current and future housing developments and will ensure the availability of housing for medium to low income groups. Kannaland Municipality has approved a Human Settlement Plan, which will manage overall the housing projects in the municipal

areas. The provision of human settlements is a high priority for the municipality. The Municipality engages with the relevant sector departments in this regard, as this is an urgent matter for Kannaland.

The construction of a new raw water storage dam for the town of Ladismith will be a major catalyst for



future sustainable economic growth. As stated previously, the dam will unlock various economic projects. This project has been prioritized and the municipality has submitted various business plans to be pursued during the 2019/20-

2020/21 financial years in order to identify and source the resources required to build the dam in partnership with the Garden Route District Municipality, Provincial and National Government.

### Water security Project

A new 3 mega-litre reservoir, in addition to the proposed Swartberg Dam, in Ladismith will be required to secure water supply for the next ten years. Refurbishment of old piped networks requires ongoing attention.

### Vanwyksdorp

Potable water is extracted for Vanwyksdorp from three boreholes and a fountain (Die Oog), stored in a reservoir and distributed to three reservoirs. All water enters the network system via the reservoirs and is distributed to consumers.

Future developments planned for Vanwyksdorp with regards to water is the following:

- Vanwyksdorp upgrading of raw water reservoir project;
- Vanwyksdorp upgrading of water reticulation networks;
- Vanwyksdorp additional boreholes drilling and equipping; and
- Vanwyksdorp upgrading of the WTW.

### Calitzdorp

Bulk raw water to Calitzdorp is supplied via the Calitzdorp Nels Dam and a gravity bulk pipeline and booster pumpstation to the water purification plant and reservoirs. All water is entered into the network





system via the reservoirs and is distributed to consumers. Currently the Nels Dam is owned and managed by the Calitzdorp Irrigation Water Board.

### **Calitzdorp Water Project**

Business plans was submitted to DWS for funding of the following projects:

1. Replace raw water supply pipeline from the Nelsdam to the WTW;
2. Construct a new reservoir at Bloekomlaan (to be completed in 2019/20);
3. Construct a new direct pipeline to Bloekomlaan (to be completed in 2019/20);
4. Construct a high-pressure pump station and reservoir in Bergsig.

Funding for the abovementioned business plans in 1 and 4 was not approved by the department but will be re-submitted during 2019/20 for funding in the outer financial years.

Future developments planned for Calitzdorp with regards to water include drilling and equipping of boreholes.

### **Zoar**

Zoar receives its water directly from the Tierkloof dam which is located in the Seweweeks Poort. The dam is used for domestic supply to the Zoar community. The Tierkloof Dam belongs to the Department of Water and Sanitation, but the water supply is managed by the municipality. A bulk raw water pipeline conveys the water to the Zoar Water Treatment Works which is situated opposite the township of Zoar, next to the R62 district road.

During 2018/19 the Zoar water treatment works as well as the equipment of the existing borehole have been upgraded through the drought relief programme.

Future developments planned for Zoar with regards to water is the following:

- Upgrade and refurbishment of raw water supply pipeline; and
- Drilling and equipping of additional boreholes.

### **KFA 4: Solid Waste Infrastructure Programme**

The municipality has two licensed landfill sites in Ladismith and Zoar. The waste from Vanwyksdorp and Calitzdorp is transported to Ladismith and Zoar respectively.

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## Integrated Waste Management Plan (IWMP)

Kannaland Municipality is compiling a 3rd Generation Integrated Waste Management Plan for approval by Council by December 2019. It is imperative that R1,4m be sourced for acquiring the necessary equipment. Training is essential, needs to be provided in the near future and assistance in this regard is required. A designated Waste Management Officer has been appointed and additional personnel to take care of the various waste management responsibilities have been provided for on the new organizational structure.

It is a requirement that internal and independent external audits be conducted for all waste management facilities and that audits be submitted to the Department. The waste management facilities are currently all non-compliant which is a great concern. The necessary equipment has recently been acquired to cover litter and thereby reducing the effect on the neighbouring environment being affected by windblown litter. Security measures are in place at the Ladismith Landfill site.

In accordance with the National Environmental Management: Waste Act 59 of 2008: National Waste Information Regulations all municipalities are required to submit actual quantities of waste for the different activities they are registered for on the Integrated Pollutant and Waste Information System (IPWIS) as of 2018. It is therefore imperative that municipalities allocate funding and make provision for the acquiring of waste quantification equipment in their budgets. Additionally, municipalities who currently make use of a waste estimation system, will have to make provision for the acquiring of equipment to obtain actual weights (approximately R40 000) and phase out the use of waste estimation techniques. The Municipality needs to plan accordingly. Kannaland Municipality is currently utilizing the waste estimation technique.

The provincial government has taken a position to institute a 50 per cent ban on organic waste to landfill by 2023 and a total ban by 2028. The diversion of organic waste can divert as much as 38 per cent of waste to landfill if effective strategies are implemented.

Due to a lack of finances, the Kannaland Municipality has not operated the four Waste Disposal Facility (WDFs) according to the authorisation conditions. A lack of stockpiled cover material is preventing daily covering of waste, which together with a lack of waste compaction, have led to wind-blown litter and consequent complaints. The Municipality needs to develop action plans to address all the non-compliance matters and report to Council and the Department on a quarterly basis.

The Assessment of the Municipal Integrated Waste Management Infrastructure: Garden Route District Report indicates the following imperatives for which grant funding will have to be sourced as the municipality does not have the financial capacity:

- Rehabilitation of all waste disposal facilities (R24 361 700) except for Ladismith Landfill Site;
- Operational compliance costs for all waste facilities except for Calitzdorp (R6 484 900);
- Cost of integrated infrastructure for Kannaland Municipality to achieve 20 per cent diversion (R7 065 000) with the development of a chipping facility and material recovery facility in Ladismith; and
- The cost of integrated infrastructure for Kannaland Municipality up to 2030 (R8 040 900) for the establishment of 3 drop-off facilities at Zoar, Calitzdorp and Vanwyksdorp.

Due to the lack of resources and security measures, the Municipality was requested to investigate disposing of all of its household waste at the Ladismith WDF only. The other sites will not be closed but will no longer be used, which will reduce risks for the Municipality.

### Waste Management Project

The municipality has planned the following in terms of waste management for the period of this IDP:

- Erection of signage for the three landfill sites (completed);
- Addressing the issue of storm water diversion (as required by the permits) at the landfill sites which will be addressed 2019/20;
- Looking into the possibilities of recycling/waste diversion of recyclables, organic and construction waste supported by sustainable waste minimization and source separation initiatives and infrastructure (under consideration to be implemented during 2019/20);
- Further cleaning of illegal dumping sites in Kannaland municipal area (ongoing);
- Environmental awareness and clean-up campaigns (ongoing);
- Awareness campaigns on illegal dumping and waste minimization (ongoing);
- Purchasing of new collection equipment and proper maintenance on vehicles – new bulldozer has been acquired and a new refuse truck will be leased during 2019/20;
- Waste removal services to informal settlements as well as farm areas (ongoing). Farmers bring their waste to a collection point where refuse is picked up on a weekly basis;
- Planning phase of Calitzdorp: Solid Waste Transfer Station Project (requires assistance from Province).

### Calitzdorp solid waste infrastructure project

A solid waste transfer station for Calitzdorp is planned for the 2020/21 financial year. Financial assistance amounting to R2m will be required from provincial or national government. In order for the Municipality to obtain a license for the transfer station, the facility has to be upgraded to the required standards.

### Vanwyksdorp: Solid Waste Transfer Station Project

The establishment of a solid waste transfer station that complies with the requirements in Vanwyksdorp is planned for the 2020/21 financial year and the estimated costs amounts to R1 319 188.

Below is where the current landfill site is located:



Figure 21: Landfill site map

## KFA 5 LOCAL AMENITIES AND PUBLIC PLACES

### Community Halls

The Community Services Section is responsible for the administration and maintenance of community halls in the Kannaland area. There are currently 5 town halls that are used by the community for various purposes. These halls are situated in the various towns and issues that required attention are listed below:

- Bergsig in Calitzdorp: this hall is in urgent need of upgrading;
- Calitzdorp Town Hall: the interdict against the utilization of this hall needs to be addressed;
- Maxis Hall in Zoar: there is a need for proper management and maintenance;
- Town Hall in Ladismith: there is an urgent need to upgrade this hall in order to ensure better utilization by the community.
- Town Hall in Nissenville: this hall needs to be upgraded urgently. In order to improve utilization of this hall improved management and maintenance are required.

The community has identified the need to build community facilities in rural areas such as Voorbaat, Vanwyksdorp and Warmbad which cannot be provided due to insufficient funding.

### Swimming Pools

The municipality has two swimming pools, one in Calitzdorp and one in Ladismith. The pools are however not in operation due to its unacceptable condition. Funding urgently needs to be sourced for upgrading of the pools.

The communities in Zoar and Vanwyksdorp have also identified the need for swimming pools and the municipality will apply to the Provincial Department of Arts and Culture and/or MIG for funding for the construction of swimming pools in these areas.

## KFA 6: PROGRAMMES AND PROJECTS (PMU)

MIG, RBIG, and WSIG funding have been obtained as per the municipality's prioritization for the following projects:

### MIG PROJECTS

PROJECT NAME	2018/2019	2019/2020	2020/2021
Calitzdorp: Water Availability Study	750 789		
Kannaland: Installation of water meters	386 598	724 682	
Zoar: Upgrade Water Reticulation	3 338 302		
Van Wyksdorp: Greenhills: New Street Lighting	303 240	194 967	
Calitzdorp: New Sport Field Lighting	882 930	219 115	
Zoar: Upgrade Sport Field Ph2	2 222 341	4 144 329	
Ladismith: Upgrade Water Treatment Works		760 959	3 000 000
Zoar: Drill and Equipment of Boreholes		2 078 119	
Ladismith: New Waste Water Treatment Works		1 600 000	
Zoar: Sport Field Lights			1 308 720
Zoar: Upgrade Waste Water Treatment Works			3 500 000
Van Wyksdorp: Upgrade Water Reticulation			2 250 830
<b>TOTALS</b>	<b>R7 884 200</b>	<b>R9 757 449</b>	<b>R10 059 550</b>

### RBIG PROJECTS

PROJECT NAME	2018/2019	2019/2020	2020/2021
Ladismith: New Swartberg Dam		R10 000 000	R20 000 000
Ladismith: New Waste Water Treatment Works		R15 000 000	R27 000 000
<b>TOTALS</b>		<b>R25 000 000</b>	<b>R47 000 000</b>

### WSIG PROJECTS

PROJECT NAME	2018/2019	2019/2020	2020/2021
Calitzdorp: Bloekomlaan: 1.5MI Reservoir	8 000 000		
Calitzdorp: Raw Water Pipeline from Nelsdam to water treatment works		10 000 000	
Van Wyksdorp: Upgrade Raw Water Reservoir			10 000 000
<b>TOTALS</b>	<b>R8 000 000</b>	<b>R10 000 000</b>	<b>R10 000 000</b>

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## Pipeline Projects

Pipeline projects are projects that have been identified but not yet funded. Funding applications are being prepared.

Town	Project Name	Source Funding
Zoar	Upgrade Waste Water Treatment Works	MIG
Zoar	Installation of High Mast Lights	MIG
Zoar	Upgrade and Refurbishment Raw Water Supply Pipeline	MIG
Zoar	Drill and Equipment of Boreholes	MIG
Van Wyksdorp	Rehabilitate Water Reticulation Investigation	MIG
Van Wyksdorp	Upgrade Water Reticulation	MIG
Calitzdorp	Rehabilitation and Upgrade of Roads	DRD&LR
Ladismith	Rehabilitation and Upgrade of Roads	DRD&LR
Calitzdorp	High Pressure Pump Station and Reservoir	DWS
Calitzdorp	Upgrade various sections on Water Reticulation	DWS
Ladismith	New Treated Water Reservoir	DWS
Van Wyksdorp	Upgrade Raw Water Reservoir	DWS
All Towns	Kannaland: Update Water Master Plan	MISA
All Towns	Kannaland: Update Sanitation Master Plan	MISA
All Towns	Kannaland: Pressure Management Investigation	DLG
Calitzdorp:	Upgrade Waste Water Treatment Works	DWS and DRD&LR
Ladismith:	New Cemetery	MIG

## Joint planning Programme

The Joint Planning Initiative is based on mega or long-term projects and initiatives whilst the IDP Indaba focuses on immediate or short-term projects which require integrated planning and support from other lead departments in provincial and national government. The Joint Planning Initiatives (JPI's) are more of a longer-term nature.

These JPI's consist of catalytic projects commonly referred to as game changers which would require collaborative planning and pooling of resources between the relevant government departments and municipalities in order to maximise the impact on the socio-economic and infrastructure challenges faced by local communities.

The municipality has identified a number of catalytic projects/programmes namely under the following categories:

- Housing;
- Social services and youth activities and development;
- Infrastructure: water, drainage and sanitation;
- Infrastructure: roads and transport

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- Safety and security;
- Economic development and local business development; and
- Agriculture.

These projects/programmes would have a significant impact in the municipality, region and even the province and it is therefore crucial that strategic partnerships be formed to facilitate joint planning for the successful implementation of these projects/programmes. The current status of previous commitments will not be included in this document as mentioned at the IGR platforms, Council is in process to review the long-term projects to be tabled at the next JPI. However, the Departments which played a significant role in assisting the municipality are commended for their continuous commitment.

#### **Joint planning initiatives project: initiatives:**

The Municipality will actively engage with the lead departments at Provincial Government in terms of projects as agreed within a particular JPI, and reflect such engagements within the IDP Review. The Municipality will indicate some of the key partnering arrangements in place to support service delivery initiatives in creating public value.

#### **Agri Processing Project:**

The Klein-Karoo has vast developmental potential, especially in terms of agriculture and agro-processing. The dairy, fruit and livestock economic sectors need to be analysed in order to determine the output and benefit that can be gained from these sectors. Value-adding processing of these sectors should be analysed in terms of developing these sectors from the base of Kannaland. The appointment of a service provider to do this analysis and development of an agro-processing implementation plan is an important mechanism to prepare strategies to optimise the region's development potential.

### **KFA 7: HUMAN SETTLEMENTS**

#### **Human Settlements Plan Project**

The Municipality, with the assistance of the Department Human Settlements completed the Human Settlement Plan for Kannaland. The plan should be reviewed annually as data tend to change.

The Municipality undertakes to conduct the planning for the following housing projects which have been developed as part of a ten-year plan for housing for the Kannaland municipal area:

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LOCATION	HOUSING UNITS	FUNDING SOURCE
Calitzdorp: Bergsig	692	DoHS MIG
Ladismith: Parmalat	422	DoHS MIG
Vanwyksdorp	TBD	DoHS MIG

TABLE 19: PROPOSED HOUSING PROJECTS - SOURCE: ASLA

### ***Proposed Calitzdorp Bergsig Housing Project***



FIGURE 22: CALITZDORP BERGSIG HOUSING PROJECT

The first phase of 250 of the total of 692 houses has been completed. The second phase is planned to complete the balance of the 692 houses. A planning and implementation plan will be developed as part of the Integrated Human Settlements Plan.

### **Proposed Ladismith Housing Project: Parmalat**

The Ladismith Parmalat project is currently in the planning phase and entails 530 housing opportunities. The bulk services need to be upgraded before implementation of the project can commence.

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**FIGURE 25: HOUSING PROJECT: VANWYKSDORP**

## **Objective 2.2 - Provide for the needs of indigent households through improved services**

### **Underserved Areas Programme/ Service delivery strategy project**

Funding is required to appoint a service provider to develop a service delivery strategy for the rural area and for the decaying or under-served urban areas. The reason for this programme is to ensure that sufficient infrastructure and bulk services capacity are available to create an environment conducive for development and economic growth.

### **Reduction of backlogs assessment project**

The Municipality will review the data on the access to services by households in the municipality in order to determine the impact of reduction of backlogs. This will be initiated in the 2019/20 financial year in partnership with the Provincial Government.

### **Ladismith: Informal Settlements Services Project**

An urgent need exists to provide basic services in accordance with the Municipality's Constitutional Mandate and to reduce the backlogs in the provision of basic services to informal settlements.

### **KFA 8: COMMUNITY FACILITIES PROGRAMME**

Planning of projects and/or funding obtained for various community facilities are reflected below.

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### Calitzdorp Sport Field Project

PROJECT NAME	2018/2019	2019/2020	2020/2021
Calitzdorp: New Sport Field Lighting	882 930	219 115	

TABLE 20: CALITZDORP SPORT FIELD PROJECT

### Ladismith Cemetery Project

The current cemetery is running out of capacity and a new facility needs to be identified, procured, rezoned and made available for burials. Funding is however required for investigative assessments of suitable sites for a cemetery.

### Zoar: Sport field Upgrade Project

PROJECT NAME	2018/2019	2019/2020	2020/2021
Zoar Upgrade sport field phase 2	2 222 341	4 144 329	
Zoar Sport field lights			1 308 720

TABLE 21: ZOAR SPORT FIELD PROJECT

## 4.3.2 KEY PERFORMANCE AREA 2: SERVICE DELIVERY

### (National KPA – 1: Basic Service Delivery and Infrastructure Development)

### KFA 9: PROVIDE BASIC SERVICES AND IMPROVE PUBLIC RELATIONS

The delivery of municipal services (electricity, water, sanitation, refuse, roads and storm water) is a key function of the Kannaland Municipality. Kannaland Municipality faces significant service delivery challenges, including the roll out of services to rural areas and under-served households; ensuring that adequate maintenance of assets occur; controlling the rising unit costs of service delivery; addressing future bulk supply shortages and ensuring adequate investment in economic infrastructure. These challenges are even more difficult in view of the high expectations from communities, decaying infrastructure, limited organisational capacity and insufficient resources.

Funding approved for basic service delivery and infrastructure development include the following:

#### Water Services

Kannaland Municipality is the designated Water Services Authority in its demarcated municipal area. There are four water treatment works (plants) located at Ladismith, Zoar, Calitzdorp and Vanwyksdorp.

The municipality in the process to take ownership of the Klein Karoo Water Scheme, which currently

PROJECT NAME	2018/2019	2019/2020	2020/2021
Calitzdorp: Water Availability Study	R 750 789		
Calitzdorp: Bloekomlaan: 1.5Ml Reservoir	R8 000 000		
Calitzdorp: Raw Water Pipeline from Nelsdam to water treatment works		R10 000 000	
Kannaland: installation of water meters	R 386 598	R 838 084	
Zoar: upgrade water reticulation	R3 338 302		
Zoar: drill and equip boreholes		R2 078 119	
Zoar: upgrade waste water treatment works			R3 500 000
Vanwyksdorp: Greenhills: new street lighting	R 303 240	R 194 967	
Vanwyksdorp: upgrade water reticulation			R2 250 830
Van Wyksdorp: Upgrade Raw Water Reservoir			R10 000 000
Ladismith: upgrade water treatment works		R 760 959	R3 000 000
Ladismith: new waste water treatment works		R1 600 000	
Ladismith: New Swartberg Dam		R10 000 000	R20 000 000
Ladismith: New Waste Water Treatment Works		R15 000 000	R27 000 000
<b>TOTALS</b>	<b>R12 778 929</b>	<b>R40 394 010</b>	<b>R65 750 830</b>

resides under the Garden Route District Municipality. Vanwyksdorp Water Treatment Works is supplied from the Buffelsfontein River and three boreholes. Irrigation water is supplied from the Buffelsfontein River every second week for seven hours. Zoar Water Treatment Works is supplied from the Tierkloof Dam belonging to the Department of Water and Sanitation. Calitzdorp Water Treatment Works is supplied from the Nels Dam belonging to the Irrigation Board.

Water sources are limited in the Kannaland area. It is imperative that proper planning and management of water resources is ensured at all times. The Municipality strives to comply with the water services Act 108 of 1997.

### Greendrop and Bluedrop Status

No audits have been performed since 2013/14.

During the 2013-2014 Green Drop PAT Report, the situation in two of the systems however deteriorated, mainly due to the lack of wastewater quality data available to the Department during the assessment. Other concerns of the DWS are the apparent overload of the wastewater works as

indicated in the high operational capacity percentages. This progress reporting decision was made due to either the lack of flow measuring or, in the case of Ladismith, the actual overloading of the works as is evident in the high flows to the works. Funding in the amount of R1 6m has been allocated and the Ladismith WWTW will be upgraded during 2019/20. Other information received indicated that the works is being upgraded, and this is applauded. The Municipality also has insufficient supervisory and process controller competencies available at any of their systems which are being addressed.

It is important to afford staff the necessary accredited training to be able to operate effectively and efficiently. Maintenance staff is available at all systems. Maintenance on equipment at water and waste water treatment plants are being outsourced with effect from May 2019.

The DWS provided the W2RAP and GDIP tools to assist the municipalities to progressively improve their wastewater systems in a planned, consistent and organised manner.

The 2017/18 Water Services Audit Report will be submitted to Council on 31 May 2019 and will be included in the next IDP review.

### Public Participation

During the Public Participation Process, the following Service Infrastructure issues were raised:

Ward	Issue
Ward 1:	A dam for Ladismith to provide in the demand for water
Ward 2:	Water tanks must be supplied as a risk prevention method in case of fire, when fire fighting services are not available
Ward 3:	Water during summer months Water provision for agriculture (farmers)
Ward 4:	A dam for Ladismith to provide in the water demand of the community

**TABLE 22: WATER AND SANITATION – PUBLIC PARTICIPATION PROCESS**

### Municipal Services Programme

#### Service Delivery Partnerships Project

The Municipality needs to review the service delivery strategies and service levels and will seek opportunities to service delivery partnerships and the development of a delivery plan and charter for implementation.

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## Master Plan Review Project

Master plans in respect of all infrastructure related activities are being reviewed and are in the process of being updated where required. Funding to review these plans will be required and an implementation plan for updated master plans will be compiled during the 2019/20 financial year.

## Maintenance Plan Project

Assistance, either in the form of a specialist or funding, is required to review existing maintenance and replacement practices aimed at reducing unit costs and to ensure longer term returns on existing infrastructure. The over reliance on grant funding will be addressed as part of the implementation of the Financial Recovery Plan.

### 4.3.3 KEY PERFORMANCE AREA 3: SAFE COMMUNITIES

Objective 3.1: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks.

## KFA 10 TRAFFIC SERVICES PROJECT

The function of traffic service is critical to ensure overall law enforcement and road safety within the Kannaland municipal area. The function is also critical for revenue enhancement of the municipality given the various income streams it secures. The following key functions are being managed by the traffic section:

- motor vehicle registration services;
- learners licensing;
- renewals of drivers' licences;
- vehicle testing services;
- issuing of traffic fines;
- traffic law enforcement
- Road markings/sings
- Managing E-natis system

In 2019/20 the following functions have been added to the traffic services function:

- Fire and disaster management
- Security and

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- Law enforcement (by-laws).

The Traffic Section is manned by permanent traffic enforcement officers who also provide motor vehicle registration services, learners licencing, renewals of drivers licence and vehicle testing services. The officials are based in Ladismith. One of the permanent staff provides a learner licencing and drivers licence renewal function once weekly in Calitzdorp.

The Municipality has prioritized and requires funding in the amount of R3.5m for the building of a K53 centre in Ladismith.

Internal funding as well business plans for securing the projects below will be submitted to Provincial sector departments in the 2019/20 financial year for the projects that have not been funded as yet.

- Procurement of extra cameras;
- Speed hump for identified areas throughout Kannaland
- Traffic / Road signs
- Speeding Strips and
- K53 centre

#### **KFA 11 DISASTER MANAGEMENT STRATEGY/ PLAN**

The Kannaland Disaster Management Plan has been developed and approved in terms of the Disaster Management Act (Act 7 of 2002) that requires Local Authorities (B Municipalities) to develop and maintain a Disaster Management Plan for their area of control/jurisdiction.

The Department of Local Government, in partnership with municipalities, annually reviews disaster management plans of municipalities. Public participation workshops have been held to gain input from relevant stakeholders and hazard experts.

The primary goal is to ensure risk reduction, by having planned development linked with risk reduction initiatives and risk information, i.e. considering the prevailing risks (risk assessment) for sustainable development (resilient municipal assets and communities).

Project plans and contingency plans for identified risks are contained in the Disaster Management Plan.+

#### **OBJECTIVE 3.2 – SUSTAINABILITY OF THE ENVIRONMENT**

#### **KFA 12 ALIEN INVASIVE CONTROL MANAGEMENT PLAN PROJECT**

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Alien invasive species remain a challenge in terms of the Swartberg River. The Department of Environmental Affairs and the Municipality will identify possible programs and projects to eradicate those challenges. SALGA will be assisting the Municipality to develop an Alien Invasive Control Management Plan during the 2019/20 financial year in order to comply with the provisions of NEMA.

#### **OBJECTIVE 4.1.C.2 - AIR QUALITY MANAGEMENT PROJECT:**

In terms of the National Environmental Management: Air Quality Act (NEMA: AQA), measures in respect of dust, noise and offensive odour is a Local Government responsibility. The 2013 Air Quality Management Plan is in the process of being reviewed with the assistance of Garden Route District Municipality. The Municipality will identify the cost of securing a service provider during 2019/20 to develop the Air Quality Management Plan. Funds need to cover air quality monitoring (passive or continuous monitoring of air pollutants), staff training and implementing air quality intervention strategies. A by-law will be developed for approval by Council by June 2020 to ensure compliance with the air quality management plan. Monitoring of ambient air quality and point, non-point and mobile source emissions will enable the municipalities to report on its compliance with ambient air quality standards.

The increase in human activity and growth of towns lead to an increase in the risk to the ambient air quality. The increasing air pollution negatively affects the health of the community. The Ambient Air Quality must be monitored in the Kannaland Municipality to track longer term changes in air quality and monitor short term effects caused by fires, illegal burning of waste, etcetera.

As per Section 14(3) of the NEMA: AQA, the municipality has a designated air quality officer to coordinate matters pertaining to air quality management and ensure adequate budget is secured for implementation and monitoring of the Air Quality Management Plan to ensure that air quality monitoring (passive or continuous monitoring of air pollutants), staff training and implementing air quality intervention strategies are done. Awareness raising promotes community well-being and empowerment, and emphasises the adverse impacts of air pollution, climate change and ozone layer protection, human health and the environment; and the benefits of clean air.

A budget allocation for Air Quality Management needs to be secured. Budget should ideally cover the air quality monitoring (passive or continuous monitoring of air pollutants), staff training and implementing air quality intervention strategies. Due to financial constraints Kannaland Municipality is in the process of entering into a shared services agreement with Garden Route District Municipality for the rendering of air quality management services.

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#### 4.3.4 **KEY PERFORMANCE AREA 4: SOCIO-ECONOMIC DEVELOPMENT (National KPA -2 Economic Development)**

**Objective 4.1: To facilitate economic growth and social and community development**

##### **KFA 12 TOURISM PROGRAMME**

##### **Tourism Development Strategy Project:**

Kannaland's local economy is built on the opportunities created by tourists visiting the area. It is essential that the tourism industry be further developed and investment into this industry be promoted to ensure continuous growth. The Municipality is making allocations for tourism development, Art and Culture promotion and SMME development within the restrictions of the budget. A Local Economic Development Strategy has been developed in the 2018/19 financial year and will be submitted to Council at the end of August 2019 for implementation in the 2019/20 financial year.

##### **SDF Review Project:**

The Municipality is in the process to review the SDF with the assistance of the Provincial Department of Local Government as a core component of the 2020/21 IDP review.

The SDF will be reviewed and its implementation plan will be aligned with the SPLUMA 2013 principles. The SDF will be aligned with the IDP as a core component of the IDP. The IDP Review will include references to and link the IDP and SDF national and provincial sector plans, strategies and investments to enable integrated service delivery and spatial alignment through the use of the IDP as principal strategy.

#### 4.3.5 **Key Performance Area 5: Effective and Efficient Governance**

(National KPA 3 Institutional Development and Municipal Transformation)

(National KPA 5 Good Governance and community participation)

**Objective 5.1:** To promote efficient and effective governance with high levels of stakeholder participation

##### **Objective - 5.1.A.1 Policy Review Project:**

The Municipality is in process of updating all municipal policies, strategies and operational plans over the next three years. This will be done to ensure that municipal activities, rules and procedures are consistent with all relevant policies, legislations and by-laws.

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## Objective 5.2 Transparency and Participation

### 5.2. A - Participation Programme

#### 5.2. A.1 Communication Project:

Improve communication of the vision, strategy and plans both internally and externally, to keep staff informed, capacitated and to manage the expectations of the community.

#### 5.2. A.1 Community participation

In the Agricultural sector, improved processes will be introduced to support inclusive participation in agricultural value-chains and fostering an environment conducive to local and regional private sector investment. Community participation in the structures of local government will be strengthened in all the areas in the Municipality. Kannaland Municipality will work towards ward committees that are better resourced, more powerful and taken seriously. The Municipality will actively promote the participation of the community in the operations of the municipality.

### 4.3.6 Key Performance Area 6: Efficient Workforce

**Objective 6.1: To provide an efficient workforce by aligning our institutional arrangements to our overall strategy**

#### Human Resources

The staff component is the biggest single budget item and hence the development, motivation and utilization of staff are a high priority.


### Objective 6.1. A - Institutional Transformation Programme

The key deliverable of this programme is to bring stability in the council administration, to fill critical vacancies, conduct organizational redesign and to compile job descriptions and job evaluations for all posts.

#### Objective - 6.1.A.1 Organisational Structure Project

The organisational structure has been reviewed and approved by Council on 12 March 2019 to ensure that the organogram is aligned to the Integrated Development Plan (IDP) and the Service Delivery and Budget Implementation Plan (SDBIP) to ensure efficient, affordable and sustainable service delivery.

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The Restructuring Implementation Plan has been approved by the Municipal Manager and placements are currently being done.

#### **Objective - 6.1. A.2 Staffing Project**

The staffing of the structure will be done in order to ensure that suitably qualified and experienced staff will be appointed. This is to ensure that the right person with the right skills is placed in the right position. Priority will be given to filling of critical positions.

#### **Objective - 6.1. A.3 Policies and Procedures Project**

It is paramount that all organizational policies, processes and procedures are reviewed in order to ensure that it is valid, relevant, legally compliant and viable. The Municipality is in the process to deliver on the deliverables of this project.

#### **Objective 6.2 - To enable education and skills development to equip people with economic skills**

##### **6.2. A - Employee Improvement Programme:**

As part of the Financial Recovery Plan, a HR specialist has been appointed by the Provincial Department of Local Government to affect the turn-around of the HR section. This will include the development of an Human Resource Strategy, policies, strategies, procedures and programmes.

##### **Objective 6.2.A.1 Staff Development Project**

The following interventions have been identified to maximize employee development:

- Create development opportunities for the municipality's employees and maximizing existing developmental opportunities;
- Implementation of the Individual Performance Management programme for all managers/supervisors up to the third level of reporting;
- Implementation of the employment equity plan;
- Maximising the SAMRAS leave module, in particular employee self-service that related to leave entitlements and leave requests;
- Development of supervisors to improve the skills needed to supervise and lead employees.
- Critical areas identified by management which need to be addressed to ensure optimal service delivery and these areas must be strongly attended to in future:

- Low staff morale;
- Inadequate skills levels;
- Insufficient qualifications;
- Lack of clarity regarding roles and responsibilities (middle management and supervisors); and
- Lack of discipline.

#### **Objective 6.2.A.2 Workplace Skills Development Project (WSP)**

The municipality has developed and submitted a Work Place Skills Plan (WSP) of which the main objective is staff development through training interventions for all levels of staff. The municipality is committed to ensure that all staff is skilled and trained in their respective fields, even though there are financial constraints. The municipality will continue to source funding and form cooperative partnerships where the opportunity presents itself to ensure a well-qualified workforce. As part of the workplace skills development project, the skills requirements of staff will be identified, personal development plans developed and training programmes developed in order to ensure that staff is appropriately skilled and equipped to conduct their duties with excellence.

#### **4.3.7 Key Performance Area 7: Financial Sustainability**

##### **(National KPA 4 Financial viability and management)**

#### **Objective 7.1: To strive towards a financially sustainable municipality**

##### **Objective 7.1.A - Financial Recovery Programme**

The Council of Kannaland Municipality has approved a financial recovery plan during the 2017/18 financial year, which entails the review of the current budgeting strategies and processes as well as revenue and expenditure systems to ensure effective and efficient service delivery in line with priorities identified.

##### **Objective 7.1.A.1 Budgeting and Expenditure Management Project**

The Municipality is in the process to review the budget and expenditure management systems to ensure efficient and effective service delivery in line with municipal priorities. This will require the development of a Long-Term Financial Plan (10 - 15 years) split into three phases being 1 – 5 years, 6 – 10 years and 11 – 15 years. The plan will include the following:

- Predicting future municipal revenue;

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- Estimating future operational expenditure;
- Determining future capital demand:
- Asset replacement expenditure;
- New capital investment;
- Determining a funding model for future capital investment;
- Perform financial modelling inclusive of:
- Liquidity and ratio management;
- Recommendations to attain financial results.

Funding is urgently required for a Supplementary Valuation and a General Valuation projects. The Minister of LG has already granted extension regarding the existing valuation roll and a general valuation must be commenced with at the latest, in January 2020.

The municipality will implement the creditors' payment policy and perform creditor classification and institutionalize pre-determined creditors payment dates and implement expenditure and creditors management.

#### ***Objective 7.1.A.1 Revenue Management Project***

The revenue management systems is in the process to be reviewed in order to maximise revenue generation possibilities and improve revenue performance. The Municipality is in the process to source funding for the appointment of a service provider/s to draft a revenue enhancement strategy and plan to improve the revenue value chain by:

- Performing a complete meter audit of metered services;
- Performing a physical verification of all services and service connection points;
- Performing debtor data analysis and cleansing;
- Performing a complete indigent verification process;
- Conducting on-site water demand management and loss control;
- Analysing electricity losses and draft a loss control program;
- Engage in a meter replacement program;
- Apply cost-reflective tariff modelling; and
- Reviewing, analysing and performing benchmarking of user tariffs to the industry norm.

#### ***Objective 7.1. A.3 Customer Care Project:***

The Municipality has implemented the Ignite Complaints system to enhance levels of customer care, increase responsiveness to consumer billing and other queries and to ensure that feedback is given to

customers. Over the next three financial years the Municipality will improve community access points, source funding to conduct a customer satisfaction survey, implement a customer service call centre, set benchmarks for activities relating to complaints and set service level standards for customer responses.

#### ***Objective 7.1.A.4 Cash and Liability Management Project***

The Municipality is in the process to review cash and debt management strategies and practices. All liabilities (current and non-current) will be reviewed and a strategy will be developed to meet obligations in a timely manner in accordance with legislative requirements. In order to achieve the deliverables of this project, the Chief Financial Officer will implement cash flow monitoring, design and implement an effective grant management and monitoring system to ensure that conditional grants are only used for their intended purposes and introduce the daily management of cash-flow with weekly reporting. Monthly bank reconciliations will be performed and long-term debt reviewed and restructured where economic benefits can be attained.

Cash flow targets will be set as part of the MTREF and short-term liabilities reviewed and calculated. Long term liabilities will be reviewed and calculated and all contingent liabilities disclosed. Creditors will be engaged to discuss/agree repayment plans/arrangements for liabilities in order to enter into arrangements with creditors and to monitor that the payments are made according to the agreed repayment plans.


Stricter measures have been implemented to prevent any expenditure not budgeted for and not funded.

#### ***Objective 7.1.A.5 Financial Controls Project***

The Municipality will review internal controls and delegations regarding financial management. Some of the initiatives that will be conducted include the following:

- Draft an audit action plan to address audit findings;
- Correct prior year errors and compile audit evidence files;
- Review monthly progress on corrected errors;
- Implement safeguards to mitigate errors going forward;
- Perform risk analysis of the municipality and implement a risk management system;
- Revise and implement internal systems of control to mitigate financial risks identified;

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- Review all policies, budget and non-budget related, and amend where necessary;
- Workshop all policies with relevant staff;
- Review and amend all job descriptions;
- Review archiving and record keeping;
- Address staffing of the Budget and Treasury Office (organogram and suitably qualified and experienced staff);
- Capacitating and skills development of finance department staff; and
- Implement internal controls to mitigate financial risks.

***Objective 7.1. A.6 Asset Management Project:***

The Municipality will source funding during the 2019/20 financial year in order to develop and integrated infrastructure and asset management plan. This will entail the review and updating of the Asset Register. This plan should include the assessment of the useful lives of all infrastructure assets by performing a conditional assessment and ensuring that a GIS reference exists for all infrastructure assets.

An Asset Procedure Manual will be drafted and asset maintenance plans will be included for all major asset categories. The Municipality will perform a municipal strategic asset assessment and master plans review for all infrastructure assets will be updated. Funds need to be sourced to perform a land audit to identify all municipal assets and to determine a performance assessment of all municipal properties.

***Objective 7.1.A.7 Supply Chain Management Project***

The Municipality will review governance practices in the Supply Chain Management practices and implement proper controls and risk management practices. In this process SCM Delegations will be reviewed and electronic Contract Management system implemented. The Supply Chain Management Policy and Supply Chain Management Structure will be reviewed and work-shopped with all staff. The Municipality will develop and centralise an online Procurement and Record Management System with a document checklist for each bid and will organise training for all Bid Committees.

***O - 7.1. A.8 Capital Budget Implementation Project:***

The Municipality needs to be pro-active with regards to planning and implementation of the capital budget. Potential risks need to be addressed as soon as they are identified. This will require the improvement of planning processes in order to institute the monitoring of action plans to ensure that capital budget is implemented effectively to avoid under spending as experienced in the previous years

and the current financial year. Attention will be given to projects business plans, risk identification and turnaround times on supply chain management processes to ensure the full implementation of the capital budget for a financial year.

***O - 7.1.A.9 ICT Project:***


The Municipality will initiate a process towards the review of IT infrastructure and implement accounting in order to ensure that financial systems are in line with the Municipal Budget and Reporting Reforms (mSCOA etc.).

***Objective 7.1.A.10 Liability Management Project***

All liabilities current and non-current will be reviewed and a strategy developed to meet obligations in a timely manner in accordance with legislative requirements.

- Review and calculate short term liabilities
- Review and calculate long term liabilities
- Review and disclose all contingent liabilities
- Engage with creditors to discuss/agree repayment plans/arrangements
- Draft repayment plans for liabilities and enter into arrangements with creditors

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## CHAPTER 5 ORGANISATIONAL PERFORMANCE

### 5.1 Proposed Organisational Performance Year Performance Scorecard

Page to be inserted after approval by Executive Mayor.

TABLE 23: PERFORMANCE SCORECARD

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## CHAPTER 6: FINANCIAL PLAN

Section 26 of chapter 5 of the Local Government Municipal Systems Act, No 32 of 2000 prescribes the core components of the Integrated Development Plan (IDP). Section 26(h) requires the inclusion of a financial plan, which should include a budget projection for at least the next three years. This financial plan aims to determine the financial affordability and sustainability levels of the Municipality over the medium term.

A Municipality's financial plan integrates the financial relationships of various revenue and expenditure streams to give effect to the IDP. It provides guidance for the development of current budgets and assesses financial impacts on outer years' budgets by incorporating capital expenditure outcomes, operating expenditure trends, optimal asset management plans and the consequential impact on rates, tariffs and other service charges.

The Municipality has to do long term financial planning in order to determine the appropriate mix of financial parameters and assumptions within which the Municipality should operate to facilitate budgets that are affordable and sustainable at least ten years into the future. This helps to identify the consequential financial impact of planned capital projects on the Municipality's operating budget.

The planning is reviewed annually to determine the most affordable level at which the Municipality can operate optimally, considering the fiscal overview, economic climate, national and provincial influences, IDP and other legislative imperatives, internal governance and community consultation.

### 6.1 Financial strategy

This section provides an overview of the Kannaland Municipality's current MTREF. It includes an assessment of how the budget links with the national and provincial government contexts along with a review of the fiscal position of the municipality.

The municipality's budget must be seen within the context of the policies and financial priorities of national, provincial and local governments. In essence, the spheres of government are partners in meeting the service delivery challenges faced in Kannaland. Kannaland alone cannot meet these challenges. It requires support from the other spheres of government through the direct allocation of resources, as well as the achievement of their own policies.

The process encompasses the following:

- Framework for and strategic direction of the budget;

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- Forecast taking above direction into account;
- Departmental budget presentations to execute the Municipality's strategies, business improvement measures and implementation readiness of capital programmes;
- Utility Services presentations on their proposed budgets and tariff increases; and
- Key Financial Drivers;

ensuring congruence between the Municipality's strategy and budget including alignment with the:

- IDP;
- Development Strategies;
- Core economic, financial and technical data obtained at local and national level; and

### **Financial Recover Plan: Background**

Kannaland Municipality is facing significant fiscal, governance and service delivery-related challenges, which undermine the effective and efficient performance of its mandate. These challenges are increasingly having an adverse effect on the capacity of the municipality to manage its own affairs, perform its functions and exercise its powers and, unless focussed action is undertaken to address the underlying causes of such challenges, the municipality will increasingly become incapable of discharging its mandate.

On 7 December 2016, the provincial executive decided to take steps to intervene in Kannaland Municipality in terms of section 139(5) (a) of the Constitution of the Republic of South Africa, 1996 ("the Constitution"), read with sections 1390) and 141 to 142 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) ("the MFMA"). These steps included, amongst other things:

- requesting the Provincial Treasury to prepare and finalise a financial recovery plan for the Municipality in accordance with the requirements set out in the MFMA
- requesting the Department of Local Government and Provincial Treasury, with due regard to the governance, operational and technical concerns raised in respect of the municipality, to develop and implement, with support from all relevant national and provincial government departments and subject to available resources, a targeted support package aimed at addressing the immediate governance, operational and technical concerns identified and any related concerns of a governance, operational and/or technical nature that are identified in giving effect to the targeted support package. This targeted support package must be aimed at supporting and strengthening the capacity of the Municipality to manage its own affairs, to exercise its powers and to perform its functions.

The decision of the provincial executive to intervene in the municipality has the support of the municipal council and the National Department of Cooperative Governance and Traditional Affairs.

The Provincial Treasury subsequently prepared and finalised a financial recovery plan for the municipality after following the consultation and public participation processes, and after meeting the criteria, prescribed in the MFMA. On 8 March 2017, the provincial executive resolved to impose the financial recovery plan on the Municipality, subject to the approval of the provincial minister: finance, in accordance with the requirements of section 139 (5) of the Constitution, read with the relevant provisions of the MFMA. The said plan was approved by the provincial minister: finance in terms of section 143(2) (a) of the MFMA and became effective on 17 March 2017.

In accordance with the decision of the provincial executive to intervene in the municipality, development of the targeted support package referred to above was undertaken by the Department of Local Government and Provincial Treasury in December 2016, subject to available resources and with support from relevant provincial and national stakeholders. This package is being implemented, reviewed and updated on an ongoing basis in line with the changing needs of the municipality.

Following and pursuant to the decision of the provincial executive to intervene in the municipality, the Department of Local Government appointed an implementation manager to provide support to the municipality with regard to the implementation of the approved financial recovery plan and the targeted support plan. Furthermore, the Department of Local Government and Provincial Treasury, together with other national, provincial and local sector departments and stakeholders, have provided support to the municipality to assist with implementation of the approved financial recovery plan and the targeted support plan, subject to available resources.

While some progress has been made with the implementation of the financial recovery plan, the municipality is behind schedule in giving effect to critical aspects of the said plan and in some respects has not given effect to certain parts of this plan. The municipality was no longer in a position to take executive measures necessary to give effect to such plan due unavailability of all the required resources and governance and administrative challenges and requested the provincial executive to take certain actions to ensure the proper implementation of the said plan.

At a special council meeting held on 30 November 2018, the executive mayor recommended to the municipal council that a request be made to the provincial executive for the municipality to be "placed under full administration in terms of section 139 of the Constitution" on the basis that, amongst other things, efforts to implement the approved financial recovery plan have not yielded the desired results; the municipality is unable to address the crisis in its financial affairs; and the municipality is

experiencing governance and administrative issues that adversely impact on service delivery. On 30 November 2018, the municipal council approved the recommendation of the executive mayor that the municipality be "placed under full administration in terms of section 139 of the Constitution". It must be noted that the term "full administration" is not defined in section 139 of the Constitution and must, therefore, be interpreted and understood with reference to the specific facts concerning the municipality and in the context of the applicable provisions of section 139 of the Constitution.

Further to the above, the national minister and national deputy minister of cooperative governance and traditional affairs have been consulted on the matter and have expressed their support for a further intervention in the municipality and have indicated that the national government would continue to provide support to the municipality where necessary and appropriate.

On 5 December 2018, the provincial executive resolved to assume responsibility, in terms of section of the Constitution, for the implementation, in its entirety, of the approved financial recovery plan, given that the municipality cannot take executive measures necessary to ensure the proper implementation of the said plan. Pursuant to this resolution, the provincial executive resolved that an administrator (financial recovery) be appointed to take any and all steps necessary to ensure the proper implementation of the approved financial recovery plan on behalf of the provincial executive. The estimated cost to fully implement the financial recovery plan approved by the provincial executive following its decision of 5 December is estimate at over R100 million for the 2019/20 MTREF period.

The administrator (financial recovery) is accountable to the provincial executive as represented by the provincial minister: finance and the provincial minister: local government. Subject to the relevant terms and conditions contained in the terms of reference for the appointment of the administrator (financial recovery), the administrator (financial recovery) is vested with all powers and functions reasonably necessary to ensure the proper implementation of the approved financial recovery plan for the municipality, including but not limited to the executive powers and functions of the municipal council, but excluding all legislative powers of the municipal council. In practice, this means that:

- The municipal manager and all senior managers accountable to the municipal manager maintain their fiduciary and general financial management responsibilities, as contemplated in the Municipal Management Finance Management Act, 2003 and related legislation.
- The municipal council maintain its powers and functions, as set out the Municipal Structures Act, 1998 and related legislation.
- The administrator (financial recovery) must ensure that the municipal manager and all senior managers accountable to the municipal manager are enabled to take all and any decisions as may be necessary for the proper implementation of the approved financial recovery plan.

- In the event of a refusal or failure by the municipal manager and/or any senior manager accountable to the municipal manager to take any decision necessary for the proper implementation of the approved financial recovery plan, then the administrator (financial recovery) shall be entitled to take such decision, after consultation with the municipal manager and, if applicable, the relevant senior manager accountable to the municipal manager.

The objective of the financial recovery plan is to place Kannaland Municipality on a sustainable footing, by establishing an effective and efficient organisation that is financially stable and provide services to the community on a sustainable basis. The key components identified as priority in the financial recovery plan are:

- Review the current budgeting strategy and process as well as expenditure and management systems to ensure efficient and effective service delivery in line with Kannaland Municipality priorities.
- Review revenue management systems to maximise revenue generation possibilities and improve revenue performance.
- Review expenditure management to reduce unnecessary expenditure.
- Review cash and debt management strategies and practices, including liability management
- Review internal controls and delegations regarding financial management.
- Implementing asset management through an integrated infrastructure and asset management plan.
- Review governance practices in the Supply Chain Management practices and implement proper controls and risk management practices.
- Conduct organisational redesign, compile all job descriptions and have job evaluations done and appropriate capacitation of the budget and treasury office with skilled personnel.
- Review IT infrastructure and implement accounting, budget and reporting reforms, including the Municipal Standard Chart of Accounts.

The financial recovery plan cannot be implemented in isolation of the other strategic areas namely, strategic leadership, institutional stabilisation and transformation, financial management and focused sustainable service delivery.

### **Strategic leadership, institutional stabilisation and transformation**

The political and administrative leadership of Kannaland Municipality need to be positioned to manage competing demands for limited resources in a fair equitable and efficient manner.

Key components of this strategic area must be to:

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- maintain high standards of integrity, improving staff morale and enhancing community perception of the Municipality through more rapid decision-making
- improve communication in Kannaland Municipality of the vision, strategy and programmes both internally and externally, to improve staff morale and manage expectations of the community
- draft and update all municipal policies, strategies and operational plans
- ensure that municipal activities, rules and procedures are consistent with relevant policies, legislations and by-laws.
- conduct organisational review in order to ensure that the organogram is aligned to the integrated development plan and the service delivery and budget implementation plan, which is efficient, affordable and sustainable.

### **Focused and sustainable service delivery**

The delivery of municipal services in electricity, water, sanitation, refuse, roads and storm water is a key function of the Kannaland Municipality. The municipality faces significant service delivery challenges, including the roll out of services to rural areas and under serviced households, ensuring adequate maintenance of assets occur, controlling the rising unit costs of service delivery, addressing future bulk supply shortages and ensuring adequate investment in economic infrastructure. These challenges are made more difficult by high expectations from communities, decaying infrastructure, limited organisational capacity and resources.

- Other issues, policies and strategies stemming deemed important in this regard.

## **6.2 Management and governance frameworks**

The outcome of the modelling incorporated the above as well as the assumptions outlined below. The principles applied to the MTREF in determining and maintaining an affordability envelope included:

- higher-than-inflation repairs and maintenance provision to ensure and enhance the preservation of municipal infrastructure;
- higher increases to selected cost elements subjected to higher-than-average inflationary pressure, such as staff costs;
- the assumption of a 100% capital expenditure implementation rate;

- credible collection rates based on collection achievements to date, and also incorporating anticipated improvements in selected revenue items; and
- national and provincial allocations as per the Division of Revenue Act (DORA)

### 6.3 Revenue Framework

According to MFMA Circular No. 91, the following headline inflation forecasts underpin the 2019/20 national budget:

Fiscal year	2017/18	2018/19	2019/20	2020/21
	Estimate		Forecast	
Headline CPI inflation	5.3	5.3	5.4	5.66

The growth parameters apply to tariff increases for property rates, user and other charges raised by municipalities and municipal entities, to ensure that all spheres of government support the national macroeconomic policies, unless it can be shown that external factors impact otherwise

The increase in revenue is mainly due to an increase in tariffs that have been in line and capped by the headline (CPI) inflation forecast. It should be noted that even though Kannaland Municipality had tariff increases that exceeded inflation the progress made to achieving a self-sustainable municipality has been offset by the increased inability to collect revenue. The cost of compliance, low productivity, the high cost of rural procurement and the inability to attract scarce skills at an affordable cost all contribute to an expense account that cannot be funded by our current revenue base and strategies need to be developed to expand the current revenue base with considering the limited water storage capacity at the same time. The drought is having an adverse effect on not only the ability to collect revenue, as a result of the downturn in the economy, but also on the selling of economic services (water and electricity) that are the main contributors to the profit margin of the municipality.

The increase in revenue is mainly due to:

- an increase in tariffs
- an increase in grant funding
- an increase in equitable share allocation
- the prevention of water losses due to by-passed and faulty water meters

### 6.4 Rates charges, tariffs and timing of revenue collections:

The Budget Committee made use of tariff modelling to calculate realistic tariff increases. Although the budget committee endeavoured to contain the increase within the 6% upper boundary of the

South African Reserve Bank's inflation target, the model indicated that this was not possible. In order to have a funded budget the following tariff increases are recommended for the 2019/2020 financial year:

- Electricity: average of 13% (municipality will apply to NERSA for higher increase up to 16%)
- Water: 15%
- Rates: 13 – 15%
- Refuse: 15%
- Sewerage: 15%
- Other: 15%

Supplementary and General Valuations must urgently be carried out. Extension on the current Valuation Roll has already been granted by the Minister of LG and funding must be obtained to carry out a General Valuation. The General Valuation must commence in January 2020.

## 6.5 Grants and Subsidies

### Operating expenditure framework

The following table is a summary of the 2019/20 MTREF (classified by main expenditure types):

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Grant	Gazette	Dept	Original Budget		
			19-20	20-21	21-22
Equitable Share	DORA	National	28,147,000.00	29,854,000.00	31,721,000.00
FMG	DORA	National	2,215,000.00	2,647,000.00	2,911,000.00
MIG - PMU	DORA	National	513,550.00	529,450.00	552,350.00
EPWP	DORA	National	1,184,000.00	-	-
WC - Fin Management Support	8058	Provincial	330,000.00	-	-
Human Settlement	8058	Provincial	380,000.00	-	-
WC: Transport Infrastructure	8058	Provincial	50,000.00	57,000.00	57,000.00
WC Fin Mngmt Capacity Building	8058	Provincial	380,000.00	-	-
Library (Replacement)	8058	Provincial	2,826,000.00	2,302,000.00	2,429,000.00
Library (Replacement)	8058	Provincial	50,000.00	-	-
Community Serv Library Grant	8058	Provincial	650,000.00	750,000.00	800,000.00
Thusong Centre	8058	Provincial	-	100,000.00	-
Fire Services Capacity Building	8058	Provincial	252,000.00	-	-
Fire Services Capacity Building	8058	Provincial	578,000.00	-	-
Drought Relief	8058	Provincial	3,300,000.00	-	-
Regional Bulk Infrastructure	DORA	National	10,000,000.00	19,000,000.00	20,000,000.00
Regional Bulk Infrastructure	DORA	National	15,000,000.00	30,000,000.00	30,000,000.00
Water Serv Infrastructure Grant	DORA	National	10,000,000.00	20,000,000.00	20,000,000.00
INEG	DORA	National	2,901,000.00	3,000,000.00	2,000,000.00
MIG - Capital	DORA	National	9,757,450.00	10,059,550.00	10,494,650.00
<b>Total MIG ( including PMU)</b>			<b>10,271,000.00</b>	<b>10,589,000.00</b>	<b>11,047,000.00</b>

## Reasons for significant cost variances:

- Debt impairment – The calculation is based on payment ratios and also the current economic climate in Kannaland and the implementation of GRAP 1 *Presentation of Financial Statements*.
- Bulk purchases – The increase is based on the tariff for bulk purchases as set out by NERSA and the SALGA negotiated wage increase.

In expenditure debt impairment will be the offset of revenue to ensure that that there are only budgeted for realistically realisable revenue.

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The following table is a summary of the 2019/20 MTREF (classified by main expenditure types):

WC041 Kannaland - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description		Ref	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			
R thousand		1	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Expenditure By Type										
Employee related costs		2	(35 221)	55 215	48 503	48 503	36 477	59 406	61 463	63 962
Remuneration of councillors			2 924	3 053	3 186	3 186	40	3 277	3 408	3 544
Debt impairment		3	20 194	16 018	16 612	16 612	284	14 077	14 780	15 520
Depreciation & asset impairment		2	703	10 661	652	652	–	11 192	11 749	12 335
Finance charges			3 499	422	692	692	479	722	751	781
Bulk purchases		2	40 877	32 259	35 832	35 832	19 494	40 200	41 808	43 480
Other materials		8	1 241	3 054	4 719	4 719	1 169	4 082	4 254	4 427
Contracted services			16 576	8 710	4 018	4 018	2 517	15 531	13 059	13 747
Transfers and subsidies			304	2 766	2 944	2 944	178	558	439	457
Other expenditure		4, 5	9 641	11 491	8 161	8 161	11 322	13 911	14 483	14 997
Loss on disposal of PPE			2 642	–	–	–	–	–	–	–
Total Expenditure			63 379	143 647	125 317	125 317	71 961	162 954	166 195	173 249

The operating expenditure has increased from R125 317 489 in 2018/19 to R162 954 198 in 2019/20 and R166 195 034 in 2020/21. The increase can be attributed to increases and decreases on several expenditure components.

Employee related costs increased from R48 503 060 (35% of operating expenditure) to R59 406 166.

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## 6.6 Financial schedules

## 6.6.1 Financial Performance

WC041 Kannaland - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description		Ref	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			
R thousand		1	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>Revenue By Source</b>										
Property rates	2		17 244	20 113	(765)	(765)	10 811	17 117	18 049	19 031
Service charges - electricity revenue	2		44 658	46 578	51 457	51 457	39 699	59 573	62 790	52 573
Service charges - water revenue	2		13 077	13 824	18 912	18 912	11 106	16 920	17 835	18 799
Service charges - sanitation revenue	2		6 607	8 401	15 093	15 093	5 259	6 271	6 610	6 967
Service charges - refuse revenue	2		4 385	6 190	14 530	14 530	4 884	6 193	6 528	6 880
Service charges - other			–	–	–	–	–	–	–	–
Rental of facilities and equipment			542	909	544	544	411	956	1 008	1 062
Interest earned - external investments			508	500	636	636	588	526	554	584
Interest earned - outstanding debtors			3 383	5 327	3 997	3 997	42	5 622	5 925	6 245
Dividends received			–	3	3	3	–	–	–	–
Fines, penalties and forfeits			6 664	8 486	11 046	11 046	4 643	8 928	9 410	9 918
Licences and permits			139	152	173	173	156	160	169	178
Agency services			–	960	–	–	735	1 010	1 064	1 122
Transfers and subsidies			47 132	33 611	26 506	26 506	23 739	37 147	15 174	16 404
Other revenue	2		1 350	1 411	1 293	1 293	471	1 660	496	523
Gains on disposal of PPE			–	–	–	–	–	–	–	–
<b>Total Revenue (excluding capital transfers and contributions)</b>			<b>145 689</b>	<b>146 466</b>	<b>143 423</b>	<b>143 423</b>	<b>102 544</b>	<b>162 083</b>	<b>145 612</b>	<b>140 286</b>
<b>Expenditure By Type</b>										
Employee related costs	2		(35 221)	55 215	48 503	48 503	36 477	59 406	61 463	63 962
Remuneration of councillors			2 924	3 053	3 186	3 186	40	3 277	3 408	3 544
Debt impairment	3		20 194	16 018	16 612	16 612	284	14 077	14 780	15 520
Depreciation & asset impairment	2		703	10 661	652	652	–	11 192	11 749	12 335
Finance charges			3 499	422	692	692	479	722	751	781
Bulk purchases	2		40 877	32 259	35 832	35 832	19 494	40 200	41 808	43 480
Other materials	8		1 241	3 054	4 719	4 719	1 169	4 082	4 254	4 427
Contracted services			16 576	8 710	4 018	4 018	2 517	15 531	13 059	13 747
Transfers and subsidies			304	2 766	2 944	2 944	178	558	439	457
Other expenditure	4, 5		9 641	11 491	8 161	8 161	11 322	13 911	14 483	14 997
Loss on disposal of PPE			2 642	–	–	–	–	–	–	–
<b>Total Expenditure</b>			<b>63 379</b>	<b>143 647</b>	<b>125 317</b>	<b>125 317</b>	<b>71 961</b>	<b>162 954</b>	<b>166 195</b>	<b>173 249</b>
<b>Surplus/(Deficit)</b>			<b>82 311</b>	<b>2 819</b>	<b>18 106</b>	<b>18 106</b>	<b>30 583</b>	<b>(871)</b>	<b>(20 583)</b>	<b>(32 963)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			11 675	44 648	1 000	1 000	6 957	52 238	82 810	83 295
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher)	6		–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)			–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>			<b>93 986</b>	<b>47 467</b>	<b>19 106</b>	<b>19 106</b>	<b>37 540</b>	<b>51 366</b>	<b>62 227</b>	<b>50 331</b>
Taxation			–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after taxation</b>			<b>93 986</b>	<b>47 467</b>	<b>19 106</b>	<b>19 106</b>	<b>37 540</b>	<b>51 366</b>	<b>62 227</b>	<b>50 331</b>
Attributable to minorities			–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) attributable to municipality</b>			<b>93 986</b>	<b>47 467</b>	<b>19 106</b>	<b>19 106</b>	<b>37 540</b>	<b>51 366</b>	<b>62 227</b>	<b>50 331</b>
Share of surplus/ (deficit) of associate	7		–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) for the year</b>			<b>93 986</b>	<b>47 467</b>	<b>19 106</b>	<b>19 106</b>	<b>37 540</b>	<b>51 366</b>	<b>62 227</b>	<b>50 331</b>

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## 6.6.2 REVENUE

WC041 Kannaland - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>Revenue - Functional</b>								
<i>Governance and administration</i>		49 747	54 747	31 323	31 323	34 370	35 069	37 492
Executive and council		24 101	26 422	11 785	11 785	8 740	9 539	10 454
Finance and administration		25 646	28 325	19 538	19 538	25 630	25 530	27 037
Internal audit		-	-	-	-	-	-	-
<i>Community and public safety</i>		15 348	20 757	9 467	9 467	17 122	13 481	14 007
Community and social services		3 415	13 125	1 579	1 579	14 723	13 481	14 007
Sport and recreation		-	20	586	586	-	-	-
Public safety		5 761	7 232	6 809	6 809	2 019	-	-
Housing		6 173	380	493	493	380	-	-
Health		-	-	-	-	-	-	-
<i>Economic and environmental services</i>		9 239	1 629	646	646	9 182	9 670	10 183
Planning and development		-	111	111	111	-	-	-
Road transport		9 239	1 518	535	535	9 182	9 670	10 183
Environmental protection		-	-	-	-	-	-	-
<i>Trading services</i>		83 030	113 982	102 624	102 624	153 646	170 202	161 898
Energy sources		52 988	48 778	53 248	53 248	64 873	66 030	54 826
Water management		16 759	38 584	19 221	19 221	46 059	58 786	60 855
Waste water management		7 332	19 414	15 401	15 401	28 768	37 732	38 150
Waste management		5 951	7 205	14 754	14 754	13 946	7 653	8 066
<i>Other</i>	4	-	-	364	364	-	-	-
<b>Total Revenue - Functional</b>	2	157 364	191 114	144 423	144 423	214 320	228 422	223 580

WC041 Kannaland - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)								
Functional Classification Description	Ref	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1							
Expenditure - Functional								
Governance and administration		3 258	53 217	41 625	41 625	58 160	57 315	59 801
Executive and council		(2 735)	14 073	12 209	12 209	15 081	15 021	15 615
Finance and administration		5 993	39 144	29 416	29 416	43 079	42 294	44 186
Internal audit		-	-	-	-	-	-	-
Community and public safety		8 503	17 505	11 969	11 969	9 694	9 738	10 097
Community and social services		(4 070)	7 377	4 130	4 130	7 670	8 025	8 314
Sport and recreation		170	267	411	411	325	341	356
Public safety		6 511	7 541	6 934	6 934	59	61	64
Housing		5 891	2 320	493	493	1 640	1 311	1 363
Health		-	-	-	-	-	-	-
Economic and environmental services		1 377	6 795	3 262	3 262	18 573	19 355	20 164
Planning and development		14	111	-	-	-	-	-
Road transport		1 364	6 684	3 262	3 262	18 573	19 355	20 164
Environmental protection		-	-	-	-	-	-	-
Trading services		50 098	66 129	68 098	68 098	76 527	79 787	83 187
Energy sources		40 188	40 698	42 748	42 748	50 932	53 033	55 221
Water management		4 543	12 335	11 441	11 441	12 196	12 757	13 346
Waste water management		852	7 732	6 990	6 990	6 607	6 915	7 237
Waste management		4 515	5 364	6 920	6 920	6 792	7 082	7 384
Other	4	143	-	364	364	-	-	-
Total Expenditure - Functional	3	63 379	143 647	125 317	125 317	162 954	166 195	173 249
Surplus/(Deficit) for the year		93 986	47 467	19 106	19 106	51 366	62 227	50 331

TABLE 24: LONG TERM FINANCIAL PLAN ~ REVENUE

Municipality Kannaland Munisipaliteit

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### 6.6.3 Capital Budget

The Capital budget is funded wholly from external grant funding and is aligned with Key Performance Area 1 – Reliable infrastructure.

WC041 Kannaland - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>R thousand</b>	<b>1</b>								
<b>Capital expenditure - Vote</b>									
<b>Multi-year expenditure to be appropriated</b>									
Vote 1 - MUNICIPAL MANAGER	2	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		-	-	-	-	-	650	750	800
Vote 3 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-
Vote 5 - CALITZDORP SPA		-	-	-	-	-	-	-	-
Vote 6 - CORPORATE SERVICES (Continued)		-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>650</b>	<b>750</b>	<b>800</b>
<b>Single-year expenditure to be appropriated</b>									
Vote 1 - MUNICIPAL MANAGER	2	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		-	330	-	-	-	628	-	-
Vote 3 - FINANCIAL SERVICES		-	-	-	-	-	360	-	-
Vote 4 - TECHNICAL SERVICES		-	8 000	-	-	-	16 487	20 000	20 000
Vote 5 - CALITZDORP SPA		-	-	-	-	-	-	-	-
Vote 6 - CORPORATE SERVICES (Continued)		-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		<b>-</b>	<b>8 330</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17 475</b>	<b>20 000</b>	<b>20 000</b>
<b>Total Capital Expenditure - Vote</b>		<b>-</b>	<b>8 330</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18 125</b>	<b>20 750</b>	<b>20 800</b>

WC041 Kannaland - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>R thousand</b>	<b>1</b>								
<b>Capital Expenditure - Functional</b>									
<b>Governance and administration</b>		39 371	-	-	-	-	360	-	-
Executive and council		(35 384)	-	-	-	-	-	-	-
Finance and administration		74 755	-	-	-	-	360	-	-
Internal audit		-	-	-	-	-	-	-	-
<b>Community and public safety</b>		(12 575)	3 176	2 200	2 200	-	4 383	10 810	11 295
Community and social services		(10 000)	-	1 000	1 000	-	700	700	000
Sport and recreation		4 502	3 176	1 200	1 200	-	3 105	10 060	10 495
Public safety		(5 532)	-	-	-	-	578	-	-
Housing		(854)	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		(3 212)	330	-	-	-	-	-	-
Planning and development		14	-	-	-	-	-	-	-
Road transport		(3 225)	330	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-
<b>Trading services</b>		(25 173)	41 472	67 169	67 169	(124)	47 883	72 000	72 000
Energy sources		(9 056)	2 303	-	-	-	3 345	3 000	2 000
Water management		(8 154)	29 189	7 169	7 169	(124)	26 538	38 000	40 000
Waste water management		(5 947)	10 000	60 000	60 000	-	18 000	30 000	30 000
Waste management		(2 016)	-	-	-	-	-	-	-
Other		143	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	<b>3</b>	<b>(1 445)</b>	<b>44 978</b>	<b>69 369</b>	<b>69 369</b>	<b>(124)</b>	<b>52 626</b>	<b>82 810</b>	<b>83 295</b>
<b>Funded by:</b>									
National Government		4 876	44 648	69 369	69 369	(124)	47 658	82 060	82 495
Provincial Government		5 652	-	-	-	-	4 578	750	800
District Municipality		-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-
Transfers recognised - capital	4	10 528	44 648	69 369	69 369	(124)	52 236	82 810	83 295
Public contributions & donations	5	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-
Internally generated funds		-	330	-	-	-	390	-	-
<b>Total Capital Funding</b>	<b>7</b>	<b>10 528</b>	<b>44 978</b>	<b>69 369</b>	<b>69 369</b>	<b>(124)</b>	<b>52 626</b>	<b>82 810</b>	<b>83 295</b>

TABLE 25: BUDGETED CAPITAL EXPENDITURE BY VOTE, FUNCTIONAL CLASSIFICATION AND FUNDING

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## 6.6.4 Reconciliation of the strategic objectives and budget – Revenue – SA 4

WC041 Kannaland - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective R thousand	Goal	Goal Code	Ref	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
				Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
KPA 1: To Provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens	KPA 1: To Provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens		KPA 1	191,114	198,266	198,266	127,137,210.00	160,837,400.00	165,665,310.00
KPA 2: To Provide adequate Services and improve our Public relations	KPA 2: To Provide adequate Services and improve our Public relations		KPA 2						
KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks	KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks		KPA 3				10,636,660.00	9,083,460.00	9,573,960.00
KPA 4: To Facilitate Economic Growth and Social and Community development	KPA 4: To Facilitate Economic Growth and Social and Community development		KPA 4				3,781,480.00	3,421,260.00	3,512,780.00

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WC041 Kannaland - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			
				Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	
R thousand										
KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation		KPA 5				28,147,000.00	29,854,000.00	31,721,000.00	
KPA 6: To Provide an efficient workforce by aligning our institutional arrangements to our overall strategy	KPA 6: To Provide an efficient workforce by aligning our institutional arrangements to our overall strategy		KPA 6				719,770.00	547,400.00	576,500.00	
KPA 7: To Strive towards a financially sustainable municipality	KPA 7: To Strive towards a financially sustainable municipality		KPA 7				21,496,520.00	22,239,410.00	23,580,350.00	
Allocations to other priorities				2						
Total Revenue (excluding capital transfers and contributions)				1	191,114	198,266	198,266	191,918,640.00	225,982,930.00	234,629,900.00

TABLE 26: SA 4

  
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## 6.6.5 Reconciliation of the strategic objectives and budget – Operating expenditure – SA 5

WC041 Kannaland - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
				Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>R thousand</b>									
KPA 1: To Provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens	KPA 1: To Provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens		KPA 1	143,206	172,322	172,322	74,491,017.00	77,231,720.00	80,475,898.00
KPA 2: To Provide adequate Services and improve our Public relations	KPA 2: To Provide adequate Services and improve our Public relations		KPA 2				6,354,510.00	6,453,830.00	6,713,170.00
KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks	KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks		KPA 3				8,764,560.00	9,117,700.00	9,485,100.00
KPA 4: To Facilitate Economic Growth and Social and Community development	KPA 4: To Facilitate Economic Growth and Social and Community development		KPA 4				5,817,620.00	6,086,400.00	6,367,790.00
KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation		KPA 5				8,750,870.00	9,092,380.00	9,447,590.00

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WC041 Kannaland - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective R thousand	Goal	Goal Code	Ref	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			
				Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	
KPA 6: To Provide an efficient workforce by aligning our institutional arrangements to our overall strategy	KPA 6: To Provide an efficient workforce by aligning our institutional arrangements to our overall strategy		KPA 6				13,024,040.00	13,339,920.00	13,876,590.00	
KPA 7: To Strive towards a financially sustainable municipality	KPA 7: To Strive towards a financially sustainable municipality		KPA 7				27,327,316.00	28,473,904.00	29,827,132.00	
<b>Allocations to other priorities</b>										
<b>0</b>			<b>1</b>	<b>143,206</b>	<b>172,322</b>	<b>172,321,906.00</b>	<b>144,529,933.00</b>	<b>149,795,854.00</b>	<b>156,193,270.00</b>	

TABLE 27: SA 5

## 6.6.6 Transfer and grant receipts (SA18)

WC041 Kannaland - Supporting Table SA18 Transfers and grant receipts

R thousand	Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework						
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22				
RECEIPTS:		1, 2													
Operating Transfers and Grants															
National Government:															
	Operational Revenue: Equitable Share		-	-	36 407	29 735	26 295	26 295	32 729	12 715	13 918				
	Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		-	-	24 023	25 957	23 360	23 360	28 816	9 539	10 454				
	Local Government Financial Management Grant [Schedule 5B]		-	-	1 000	1 055	-	-	1 184	-	-				
	Municipal Infrastructure Grant [Schedule 5B]		-	-	2 145	2 215	2 400	2 400	2 215	2 647	2 911				
Provincial Government:															
	Capacity Building		-	-	10 618	3 411	211	211	4 268	2 459	2 486				
	Capacity Building and Other		-	-	-	360	-	-	-	-	-				
	Housing		-	-	6 173	380	-	-	4 218	2 402	2 429				
	Infrastructure		-	-	-	-	-	-	-	-	-				
	Libraries, Archives and Museums		-	-	2 057	2 070	-	-	-	-	-				
	Other		-	-	2 389	551	211	211	-	-	-				
	Road Infrastructure - Maintenance		-	-	-	50	-	-	-	-	-				
District Municipality:															
	All Grants		-	-	-	-	-	-	-	-	-				
Other Grant Providers:															
			-	-	29	465	-	-	-	-	-				
Departmental Agencies and Accounts															
			-	-	29	465	-	-	-	-	-				
Total Operating Transfers and Grants		5	-	-	47 054	33 611	26 506	26 506	36 997	15 174	16 404				

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WC041 Kannaland - Supporting Table SA18 Transfers and grant receipts

R thousand	Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework					
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22			
<b>Capital Transfers and Grants</b>														
<b>National Government:</b>														
	Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		-	-	8 162	44 648	1 000	1 000	47 658	82 060	82 495			
	Municipal Infrastructure Grant [Schedule 5B]		-	-	8 090	2 000	-	-	2 901	3 000	2 000			
	Regional Bulk Infrastructure Grant (Schedule 5B)		-	-	72	9 648	1 000	1 000	9 757	10 060	10 495			
	Water Services Infrastructure Grant [Schedule 5B]		-	-	-	25 000	-	-	25 000	49 000	50 000			
			-	-	-	8 000	-	-	10 000	20 000	20 000			
	<b>Provincial Government:</b>		-	-	3 513	-	-	-	4 528	750	800			
	Capacity Building		-	-	-	-	-	-	-	-	-			
	Capacity Building and Other Infrastructure		-	-	-	-	-	-	1 228	750	800			
	Water Supply Infrastructure		-	-	-	-	-	-	3 300	-	-			
	<b>District Municipality:</b>		-	-	3 513	-	-	-	-	-	-			
	<b>All Grants</b>		-	-	-	-	-	-	-	-	-			
	<b>Other Grant Providers:</b>		-	-	-	-	-	-	-	-	-			
	<i>Departmental Agencies and Accounts</i>		-	-	-	-	-	-	-	-	-			
	<b>Total Capital Transfers and Grants</b>	5	-	-	11 675	44 648	1 000	1 000	52 186	82 810	83 295			
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>														
			-	-	58 729	78 259	27 506	27 506	89 183	97 984	99 698			

TABLE 28: TRANSFER AND GRANT RECEIPTS (SA18)

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## WC041 Kannaland - Supporting Table SA19 Expenditure on transfers and grant programme

R thousand	Description	Ref	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>EXPENDITURE:</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>										
	Operational Revenue: General Revenue: Equitable Share		(47 265)	21 546	42 161	42 161	25 442	26 315	27 455	
	Operational Revenue: General Revenue: Fuel Levy		(47 383)	18 276	39 761	39 761	21 611	21 970	22 761	
	Operational Revenue: General Revenue: Fuel Levy		-	-	-	-	-	-	-	
	Energy Efficiency and Demand-side [Schedule 5B]		-	-	-	-	-	-	-	
	Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		120	1 055	-	-	1 184	1 243	1 305	
	HIV and Aids		-	-	-	-	-	-	-	
	Housing Accreditation		-	-	-	-	-	-	-	
	Housing Top structure		-	-	-	-	-	-	-	
	Infrastructure Skills Development Grant [Schedule 5B]		-	-	-	-	-	-	-	
	Integrated City Development Grant		-	-	-	-	-	-	-	
	Khayelitsha Urban Renewal		-	-	-	-	-	-	-	
	Local Government Financial Management Grant [Schedule 5B]		(1)	2 215	2 400	2 400	2 215	2 647	2 911	
	Municipal Infrastructure Grant [Schedule 5B]		-	-	-	-	433	455	477	
	<b>Provincial Government:</b>		<b>6 453</b>	<b>3 251</b>	<b>-</b>	<b>-</b>	<b>3 985</b>	<b>3 443</b>	<b>3 612</b>	
	Capacity Building		-	360	-	-	-	-	-	
	Capacity Building and Other		-	-	-	-	3 935	3 386	3 555	
	Disaster and Emergency Services		-	-	-	-	-	-	-	
	Health		-	-	-	-	-	-	-	
	Housing		-	380	-	-	-	-	-	
	Infrastructure		-	-	-	-	50	57	57	
	Libraries, Archives and Museums		989	2 070	-	-	-	-	-	
	Other		5 464	441	-	-	-	-	-	
	<b>District Municipality:</b>		-	-	-	-	-	-	-	
	<b>All Grants</b>		-	-	-	-	-	-	-	
	<b>Other Grant Providers:</b>		-	-	-	-	-	-	-	
	<b>Departmental Agencies and Accounts</b>		-	-	-	-	-	-	-	
<b>Total operating expenditure of Transfers and Grants:</b>			<b>(40 812)</b>	<b>24 797</b>	<b>42 161</b>	<b>42 161</b>	<b>29 428</b>	<b>29 758</b>	<b>31 067</b>	

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WC041 Kannaland - Supporting Table SA19 Expenditure on transfers and grant programme


R thousand	Description	Ref	2017/18		Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework			
			Audited Outcome	Origin: l Budget:	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22	
	<b>Capital expenditure of Transfers and Grants</b>		12 067	44 348	69 369	69 369	47 658	82 060	82 495	
	<b>National Government:</b>		4 786	2 300	-	-	2 901	3 000	2 000	
	Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		7 280	9 348	9 369	9 369	9 757	10 060	10 495	
	Municipal Infrastructure Grant [Schedule 5B]		-	25 300	60 000	60 000	25 000	49 000	50 000	
	Regional Bulk Infrastructure Grant (Schedule 5B)		-	8 300	-	-	10 000	20 000	20 000	
	Water Services Infrastructure Grant [Schedule 5B]		3 268	-	-	-	4 578	750	800	
	<b>Provincial Government:</b>		-	-	-	-	-	-	-	
	Capacity Building		-	-	-	-	1 278	750	800	
	Capacity Building and Other		-	-	-	-	-	-	-	
	Disaster and Emergency Services		-	-	-	-	-	-	-	
	Health		-	-	-	-	-	-	-	
	Housing		-	-	-	-	-	-	-	
	Infrastructure		-	-	-	-	3 300	-	-	
	Libraries, Archives and Museums		-	-	-	-	-	-	-	
	Other		-	-	-	-	-	-	-	
	Public Transport		-	-	-	-	-	-	-	
	Road Infrastructure		-	-	-	-	-	-	-	
	Sports and Recreation		-	-	-	-	-	-	-	
	Waste Water Infrastructure		-	-	-	-	-	-	-	
	Water Supply Infrastructure		3 268	-	-	-	-	-	-	
	<b>District Municipality:</b>		-	-	-	-	-	-	-	
	<b>All Grants</b>		-	-	-	-	-	-	-	
	<b>Other Grant Providers:</b>		-	-	-	-	-	-	-	
	Departmental Agencies and Accounts		-	-	-	-	-	-	-	
	Foreign Government and International Organisations		-	-	-	-	-	-	-	
	Households		-	-	-	-	-	-	-	
	Non-Profit Institutions		-	-	-	-	-	-	-	
	Private Enterprises		-	-	-	-	-	-	-	
	Public Corporations		-	-	-	-	-	-	-	
	Higher Educational Institutions		-	-	-	-	-	-	-	
	Parent Municipality / Entity		-	-	-	-	-	-	-	
	Transfer from Operational Revenue		-	-	-	-	-	-	-	
	<b>Total capital expenditure of Transfers and Grants</b>		15 335	44 348	69 369	69 369	52 236	82 810	83 295	
	<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		(25 477)	69 145	111 530	111 530	81 664	112 568	114 361	

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## Chapter 7: Sector Planning

The below table indicates a list of critical Master, Operations and Maintenance plans that urgently need to be developed or reviewed. The management has highlighted the need for these critical plans at various IGR forums such as LGMTEC, MGRO and "Back to Basics" meetings. A formal request has been directed to the department of COGTA in specific Municipal Infrastructure Support Agency (MISA). MISA has agreed to assist the municipality with a revenue enhancement strategy and road and storm water master plan. In the absence of these plans, Council and management will be unable to do credible infrastructure planning and maintenance. The over reliance on grants for maintenance and replacement of assets will be addressed through the implementation of the Financial Recovery Plan.

  
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## 7.1 Status Quo of Master Plans, Operational, Maintenance and other plans

Plan	Status	Adopted by Council	KPA Alignment
Water Master Plan	Complete – to be reviewed	February 2012.	KPA 1
Sewage Master Plan	Complete – to be reviewed	October 2009.	KPA 1
Roads and Storm water Management Plan	Incomplete	Completed 2017	KPA 1
Spatial Development Framework	In process to be reviewed	November 2013.	KPA 1,2,3,4,7
Integrated Transport Plan	Complete	May 2014	KPA 3
Disaster Management Plan	Complete	The Disaster Management Plan was approved in 2019.	KPA 3
Waste Minimisation Strategy	In process but not finalised as yet	Completed in Dec 2019	KPA 1 and 3
Human Settlement Plan	Complete	2019	KPA 1 and 4
Bulk Infrastructure Master Plan Sanitation	Complete to be reviewed	February 2012	KPA 1
Local Economic Development Strategy	Complete	May 2019	KPA 4
Air quality management Plan	Complete – to be reviewed in 2019/20	May 2014	KPA 3
Integrated Water Management Strategy for Ladismith (Storage, boreholes, water rights, runoff)	In process - to be completed in the 2019/20 financial year.		KPA 1
Integrated Municipal Infrastructure Plan	Not developed as yet – plan to commence with the process in 2016/17	Not developed as yet – plan to commence with the process in 2018/19	KPA 1
Electricity Master Plan	Completed	January 2017	KPA 1 and 2
Water Services Development Plan	Completed		KPA 1 and 2
Water Revenue Management	Plan needs to be developed	This will form part of the revenue enhancement plan	KPA 7
Water Safety Plan	Plan needs to be developed	This will form part of the revenue enhancement plan	KPA 1,2,3
Alien invasive Management Plan	Plan is in process to be developed with the assistance of SALGA.		KPA 1,2,3

Table 29: Status Quo Master Plans, Operational, Maintenance and other plans

## 7.2 Relationship between sectoral plans:

	Spatial Development Framework (KPA 1,2,3,4 and 5)	Zoning Scheme (KPA 4)	Housing Plan (KPA 4)	Integrated Transport Plan (KPA 3)	Infrastructure Master Plans (KPA 1)
<b>Spatial Development Framework (KPA 1,2,3,4 and 5)</b>			Identifies municipal growth direction Identifies areas to be protected (e.g. agriculture and nature) Identifies areas for economic development Identifies housing priority areas	Identifies municipal growth direction Identifies areas to be protected (e.g. agriculture and nature) Identifies areas for economic development Identifies housing priority areas	Identifies municipal growth direction Identifies areas to be protected (e.g. agriculture and nature) Identifies housing priority areas Identifies areas for economic development Identifies Infrastructure priority areas
<b>Zoning Scheme (KPA 4)</b>	Translates nature and form of urban development needed into supportive regulations		Provides for overlay zones meeting the specific requirements of different human settlements	Provides for land use regulations that supports public transport Indicates extent of land use right requiring services	Provides for land use regulations that supports efficient infrastructure provision Indicates extent of land use right requiring services
<b>Housing Plan (KPA 4)</b>	Identifies current settlements and interventions which should be accommodated in future planning	Identifies nature and form of human settlement development which is affordable		Identifies current settlements and interventions which should be accommodated in future planning	Identifies current settlements and interventions which should be accommodated in future planning
<b>Integrated Transport Plan (KPA3)</b>	Identifies transport and roads priority areas	Identifies ideal route classification	Identifies transport and roads priority areas		Identifies transport and roads priority areas
<b>Infrastructure Master Plan (KPA 1)</b>	Identifies existing infrastructure capacity/constraints Identifies interventions required to support growth/infill	Identifies existing infrastructure capacity/constraints	Identifies existing infrastructure capacity/constraints Identifies interventions required to support growth/infill	Identifies existing infrastructure capacity/constraints Identifies interventions required to support growth/infill	

**TABLE 30: RELATIONSHIP BETWEEN SECTOR PLANS**

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### 7.3 List of Statutory, Strategic and Operational Plans

#### STATUTORY PLANS

- ✓ IDP and Process Plan (Budget Time Schedule of Events for the Approval of the Budget and IDP)
- ✓ Spatial Development Framework
- ✓ Municipal Disaster Management Plan
- ✓ Integrated Human Settlements Plan

#### STRATEGIC AND OPERATIONAL PLANS (can be obtained on request)

- ✓ Economic Development Strategy
- ✓ Water Services Departmental Sector Plan
- ✓ 2017/18 Annual Report and oversight report
- ✓ Air Quality Management Plan (AQMP)
- ✓ Comprehensive Integrated Transport Plan
- ✓ Disaster Management Plan